

# ADOPTED 2026-27 BUDGET



# 2025 Board of Directors

Board Chair - *Sid Roberts*

Board Vice Chair - *Christine Frizzell*

Board Secretary - *Kim Daughtry*

## Board Members

Board Member - *Dani Julien*

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## Board Alternates

Board Alternate - *Heather Fulcher*

Board Alternate - *Jared Mead*

Board Alternate - *Kyoko Matsumoto Wright*

Board Alternate - *Mike Gallagher*

Board Alternate - *Susan Paine*

# 2025 Executive Leadership Team

Chief Executive Officer - *Ric Ilgenfritz*

Chief of Staff and Public Affairs Officer - *Deb Osborne*

Chief Information Officer - *Chas Stearns*

Chief People and Financial Officer - *Eunjoo Greenhouse*

Chief Communications Officer - *Geoff Patrick*

Chief Planning and Development Officer - *Melissa Cauley*

Chief Innovation and Customer Experience Officer - *Molly Marsicek*

Chief Operating Officer - *Roland Behee*

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# 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 to that part of the document.

	Section	Description
Intro	CEO Message	An introduction to the budget from Chief Executive Officer (CEO) Ric Ilgenfritz.
Budget Summary	Executive Summary	A high-level overview of the budget. Contains short explanations of information discussed in more detail in other parts of the document.
	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.



	Section	Description
Agency Overview	Agency Overview	An overview of the agency's history and communities included in public transportation benefit area (PTBA). Includes discussion of the region and economy, a map of the agency service area, and an overview of the governing body.
	Department Overview	Shows the agency's structure, and the operating budget by department. Includes an organizational chart.
Department Overview	Department Budget Sections	Describes the purpose, structure, budget, staffing plan, and priorities for each department.
	Statistical and Supplemental Data	Contains information about Community Transit and the agency's performance over time.
Supplemental Data and Reference	Planning Cycle and 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 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.
	Vision, Mission, Core Values	These define the agency's purpose, direction, and culture.

# CEO Budget Message

## Proposed 2026-2027 Budget

### Introduction

With great enthusiasm for the future, I am proud to present Community Transit's first-ever biennial budget, proposing projects, services, and the resources to deliver them for 2026 and 2027.

2026 will be an especially exciting year for Community Transit, as we will celebrate our 50<sup>th</sup> anniversary of service to Snohomish County residents. For 50 years, Community Transit has grown and thrived along with Snohomish County, providing the connective tissue that knits our communities together, navigating challenges in partnership, and always seeking opportunities to innovate with an unshakeable commitment to helping people by providing safe, clean, reliable mobility services.

In 2025, Community Transit continued to improve our local transit network following the arrival of Link light rail in 2024. We have increased our number of customers and boardings across all modes and continued to improve our physical infrastructure while navigating uncertainties around economic conditions and key funding partnerships. Over the next two years, Community Transit will continue improving and expanding our fixed-route bus and Zip Shuttle services as well as enhancing safety and security measures for customers and employees.

### 2025 accomplishments

In 2025, we have:

- Continued implementing service changes outlined in the board-approved 2024 and Beyond plan.
- Strengthened our commitment to sustainable long-range planning by implementing strategic plans for sustainability, safety, and security.
- Upgraded our older Swift bus rapid transit (BRT) stations; introduced onboard signage and driver barrier doors on Swift buses; initiated preliminary engineering for extension of the Swift Green Line and its southern terminal facility; and selected the alignment, station locations, and lane options for the future Swift Gold Line.
- Monitored and made adjustments to the innovative Zip Shuttle pilots in Arlington, Darrington, and Lake Stevens, which launched in late 2024.
- Positioned our bus and Zip Shuttle service as the preferred way to access regional light rail following the Link expansion into Snohomish County and the start of the Washington State

Department of Transportation (WSDOT) Revive I-5 construction project.

- Successfully implemented multiple planned and unplanned Community Transit bus bridges in support of Link light rail ridership, establishing thousands of connections when the light rail line was disrupted.
- Continued work to advance our zero emissions goals with the ongoing “side-by-side” test of a battery electric bus (BEB) and hydrogen fuel cell electric bus (FCEB); prepared to expand the BEB fleet with a new bus order coming in 2026; and advanced facility design for electric bus charging stations.
- Expanded the Vanpool program to meet growing demand while launching a customer pilot integrating five electric vehicles into the Vanpool fleet.
- Created a comprehensive bus stop improvement plan that establishes a schedule for replacing stops that are past their useful life and targets accessibility improvements like sidewalks, curb cuts, and lighting.
- Expanded popular how-to-ride events for seniors and youth, partnering with the YMCA, Sno-Isle Libraries, schools, and other community-based organizations.
- Completed the launch of new Lost-&Found software that has streamlined the reporting and reuniting of lost items with their owners.
- Designed and constructed comfort stations for drivers at three locations.
- Developed and implemented a comprehensive plan to transition our contracted bus services at the Kasch Park Operating Base to a directly operated model, including moving all Community Transit fleet and express routes to direct operation.
- Completed the annual financial statement and National Transit Database (NTD) report audits with no findings for the 30th consecutive year.
- Successfully completed the Federal Transit Administration’s (FTA) triennial audit with no findings.
- Carried forward work from past years to expand our customer research program, which fields regular surveys on important service issues like safety, schedules, and customer service, giving us more insight than ever on how we are meeting customer needs and where we should focus resources to improve satisfaction.

## Strategic Priorities

Community Transit’s 2026 and 2027 activities will continue to be guided by two overarching themes — delivering excellent service and building the future. Within this framework, the agency has three strategic priorities that guide our work:

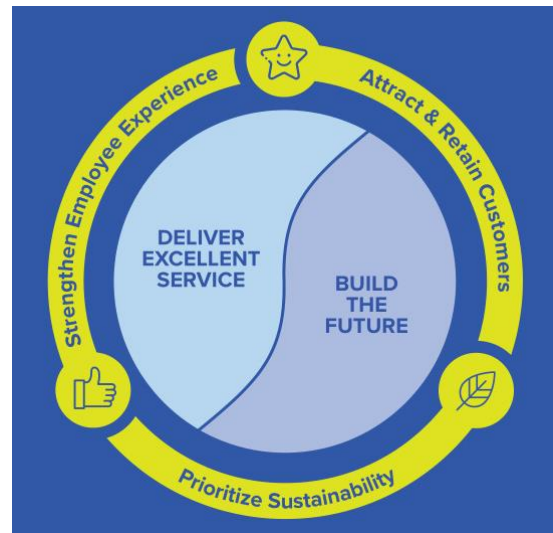
- Attract & Retain Customers
- Strengthen the Employee Experience
- Prioritize Sustainability

Each department creates strategic plans for the biennium, and individual employee performance goals align our work across the agency. This approach supports our work to measure, evaluate and report organizational performance, leveraging our efforts to support agency success.

## 2026-27 highlights

Under the proposed 2026 and 2027 budgets, Community Transit's work includes, but is not limited to:

- Adding more than 130,000 service hours across all service modes (not including Sound Transit Express Bus service) to refine and improve our bus network as the Link light rail 2 Line connects Lynnwood to East King County.
- Expanding the Innovative Services program, including continuation of Zip Alderwood Shuttle service in Lynnwood; continued operation of current Zip Shuttle pilots in Arlington, Darrington, and Lake Stevens, if directed by the board; adding two new Zip pilot areas (locations TBD); and funding for an on-demand DART paratransit pilot (location TBD).
- Continuing our expansion of the Swift BRT network, with focus on the Swift Green Line extension to serve UW Bothell, the Swift Gold Line environmental and design phases, and expansion of the Everett Station Swift Blue and Gold line terminal.
- Continuing to work with transportation partners on project planning and construction such as Sound Transit's Stride BRT base in Bothell and the Everett Link Extension.
- Implementing further safety improvements for our customers and employees by adding 14 new Transit Security Officers that will allow for 24/7 staffing of the Security Operations Center, as well as making improvements to our safety management systems.
- Providing safety improvements for employees through the installation of driver barrier doors on all our coaches, and investments in expanded employee fall protection for buildings and maintenance bays.
- Continuing incremental progress toward our zero emission fleet goals with continuation of the side-by-side bus pilot, placing an order for 10 40-foot BEB buses, and building the ZE Operational Technology System and charging infrastructure to support the buses.
- Advancing Facilities Master Plan projects, including Phase 3B to improve the Hardeson Campus Vehicle Maintenance Offices and Parts Department, and Phase 4 to improve the Kasch Park Campus.



- Completing our contracted bus service transition to in-house operation, which includes an addition of 138 FTEs to direct operations, including drivers, mechanics, vehicle service attendants, and parts and support staff.
- Continuing communications, marketing, and customer engagement for major projects, including new service proposals, Swift and Zip expansions, and regional projects like ORCA technology improvements, Link 2 Line extension, 2026 FIFA World Cup, and two more years of Revive I-5 construction.

## Turning 50

Throughout 2026, the agency will partner with jurisdictions and our community to celebrate five decades of expanding public transportation in our county. Some of those activities are reflected in this budget. We look forward to engaging the Community Transit board in the celebrations as we reflect on the journey of the last half century and lay the groundwork for a bright future.

## Sustainable Financial Planning

As mentioned earlier, we are in a time of economic uncertainty at the local, national, and global levels. Our experiences through the Great Recession and COVID-19 pandemic have taught us to carefully consider the future impact of all financial decisions, including service and staffing levels. 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.

The agency has developed forecasting and planning tools to assess long-term financial sustainability and inform resource allocation risks, choices and decisions. We use 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 that are focused on the short-term and on maintaining sustainable cost growth while keeping within the bounds of forecasted mid-term and long-term resources. In the same way, developing two annual budgets at one time allows the agency to align short-term, mid-term, and long-term plans.

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

Sincerely,

Ric Ilgenfritz



# Budget Summary

## Executive Summary

Community Transit has developed its first biennial budget for fiscal years 2026 and 2027. Both years of the biennium are balanced budgets, which the agency defines as a budget where operating revenues exceed operating expenditures, all reserves are fully funded, and capital expenditure sustainably meet the plan defined in the six-year Transit Development Plan. Total 2026 and 2027 budgeted operating revenues equal \$282.1 and \$290.3 million, respectively. Total 2026 budgeted operating expenditures equal \$277.2 million. Total 2027 budgeted operating expenditures equal \$282.9 million. Interfund transfers of \$76.8 and \$45.4 million from the general fund in 2026 and 2027, respectively, provide funding for capital projects, reserves, workers' compensation, and debt service.

The 2026 capital budget totals \$167.5 million and the 2027 capital budget totals \$110.9 million. Community Transit Service will increase by 8% in 2026 and 3% in 2027. For detailed information on revenues, expenses, the capital plan, and 2026-27 service, please read the sections that follow the Executive Summary.

The 2026-27 budget carries out the first two years of Community Transit's Transit Development Plan. If the Transit Development Plan is the roadmap, then the budget is the trip itinerary for the upcoming biennium. This budget allocates and assigns the resources that will bring to life the vision put forth in Journey 2050 and the 2025-2030 Transit Development Plan. In building the upcoming biennial budget, the focus has been on support work and the design of infrastructure that will carry the agency to the next level, with future new service, technology, and innovations.

A major element of the 2026-27 budget is a focus on shifting to the delivery of bus services by in-house staff, ending the agency's use of a contractor for some Community Transit and Sound Transit routes. Much of Community Transit's directly operated service growth in both years relates to this transition. Other parts of the budget, including the capital plan, support this shift to an in-house model with necessary updates. Vanpool services have resumed growth as many employees now work in a hybrid or on-location arrangement, rather than remotely. There is currently a waiting list for new vanpools, which Community Transit addresses in the 2026-27 budget. This budget also anticipates both the continued piloting and expansion of innovative services such as microtransit in several locations in Snohomish County.

Customer and employee safety remain strong features in the 2026-27 budget. Community Transit will continue to expand its transit security staffing significantly and make a number of bus and system enhancements to make operations safer. One such project is the installation of driver barrier doors in Community Transit coaches, which is an ongoing effort that began in 2025. Other safety projects include an upgraded CAD-RMS system for dispatching security personnel, replacement of lifts and equipment for the maintenance shop, and scaffolding and fall protection systems. This budget also funds amenities for coach operators at park and rides and addresses customer needs for improved bus stops.

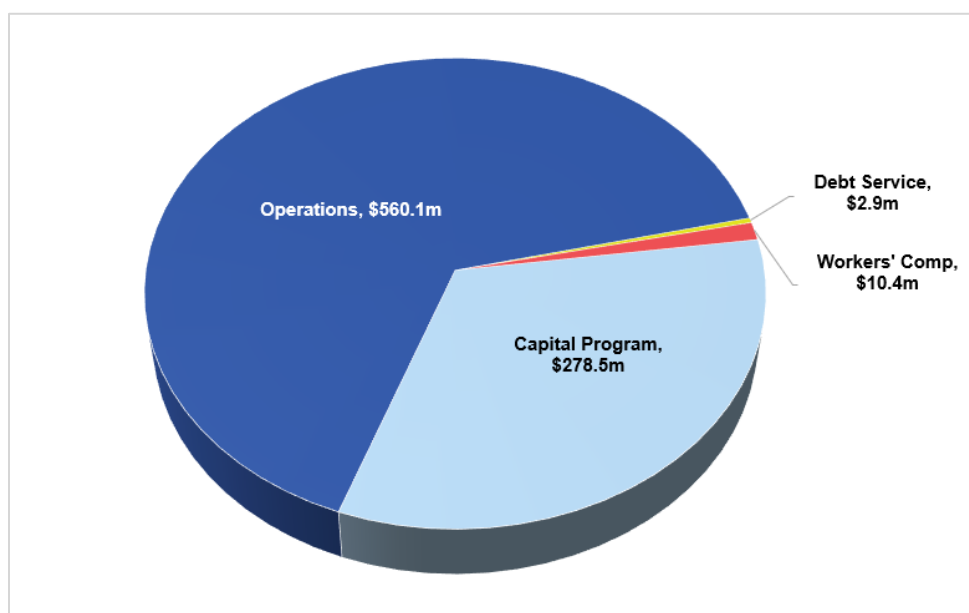
Community Transit strives to make investments to deliver excellent service and build the agency's future. In 2026-27, continued work expands the Green Line into the City of Bothell, and design work continues for the Swift Gold Line. The budget also includes funding for the acquisition of ten battery electric buses and associated charging infrastructure at the Kasch Park operating base, and IT infrastructure to support a zero emissions fleet.

As the agency grows and evolves, staff continue to implement and replace technology systems 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 begin the feasibility and selection process for a new computer-aided dispatch system to support modern operations. The budget also provides for updates to various office systems, including safety management, route performance, vanpool management, and enterprise resource planning. This budget continues support for community outreach and research and continues to seek understanding of customer needs. There is continued funding for data enhancements, marketing, and increased awareness for Community Transit's services.

Looking ahead to the 2026-27 biennium, Community Transit will have unique opportunities to connect with its partner agencies. These include Sound Transit for its ST2 and ST3 projects, UW Bothell, King County Metro, the City of Bothell for the Green Line extension, and various other collaborations like the ORCA Regional Fare Collection System. The services added—new BRT lines, new fixed routes, new and innovative modes of service—will support Snohomish County travelers' current and future needs to travel from one point to another. Community Transit is developing a service portfolio that reflects evolving demographics and transportation needs in the county. Through the budget, the agency has assigned resources and developed a blueprint to move forward with new services, new facilities, and light rail connections.

## 2026-2027 Budget Summary and Highlights

2026-2027 Budget by Category — Dollars in Millions



## 2026-2027 Budget Summary and Highlights

	2023 Actual	2024 Actual	2025 Amended Budget	2026 Proposed Budget	% Change	2027 Proposed Budget	% Change
<b>General Fund (40)</b>							
Fund 40 Operating Revenue	\$ 300,388,740	\$ 258,635,172	\$ 278,088,966	\$ 282,141,945	1.5%	\$ 290,311,562	2.9%
Fund 40 Operating Expense	\$ 171,749,141	\$ 196,326,137	\$ 252,976,175	\$ 277,177,585	9.6%	\$ 282,949,462	2.1%
<b>Operating Margin<sup>1</sup></b>	<b>\$ 128,639,599</b>	<b>\$ 62,309,035</b>	<b>\$ 25,112,791</b>	<b>\$ 4,964,360</b>	<b>-80.2%</b>	<b>\$ 7,362,100</b>	<b>48.3%</b>
<b>Other Funds</b>							
Workers' Compensation	\$ 2,829,404	\$ 2,731,814	\$ 4,404,834	\$ 5,111,350	16.0%	\$ 5,294,914	13.8%
Debt Service	\$ 1,429,250	\$ 1,428,250	\$ 1,429,850	\$ 1,428,150	-0.1%	\$ 1,428,400	-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>	\$ 88,347,641	\$ 62,998,127	\$ 202,324,917	\$ 167,517,800	17.1%	\$ 110,933,298	20.7%
<b>Statistics</b>							
Actual / Planned Service Hours <sup>3</sup>	490,272	596,826	785,142	847,115	7.9%	870,166	2.7%
Full-Time Equivalent Employees - Operating Fund <sup>4</sup>	864.7	934.1	1,095.5	1,268.0	15.7%	1,289.3	1.7%
Full-Time Equivalent Employees - Capital Funds <sup>4</sup>	41.9	48.4	50.0	55.5	11.0%	54.3	-2.3%

<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. The capital program includes personnel costs for staff working on the capital program.

<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.

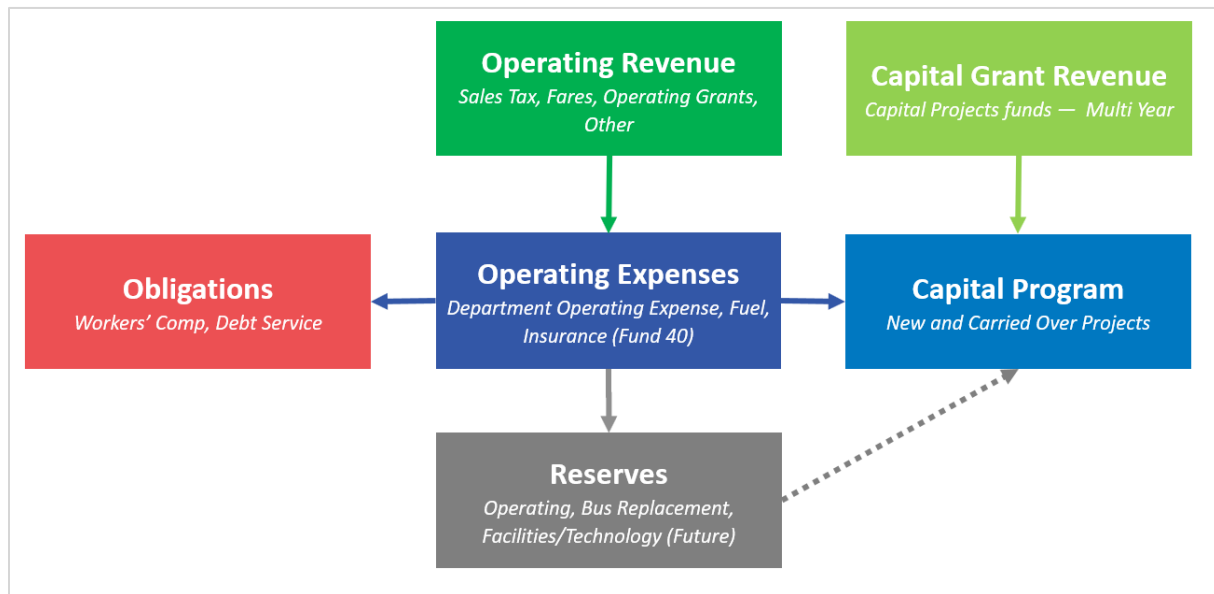
## Agencywide Revenues and Expenses: Budget and Actuals 5-year Summary (All Funds)

	2023 Actuals	2024 Actuals	2025 Amended Budget	2026 Proposed Budget	% Change	2027 Proposed Budget	% Change
<b>Revenues:</b>							
Sales Tax Revenue	200,281,643	199,860,277	207,290,000	203,857,000	-1.7%	214,050,000	5.0%
Fare Revenues	9,549,782	10,126,230	10,970,075	12,236,450	11.5%	13,401,826	9.5%
Sound Transit Commuter Service	20,957,108	23,599,448	23,738,400	25,880,377	9.0%	28,053,681	8.4%
Federal Grants (FTA)	57,386,989	34,948,624	62,687,653	21,885,130	-65.1%	42,282,323	93.2%
State Grants and Contributions	37,856,482	7,061,658	8,020,478	20,824,217	159.6%	18,824,972	-9.6%
Local Contributions	2,428,829	2,409,082	2,420,000	2,408,822	-0.5%	2,431,773	1.0%
Investment Income	14,818,253	17,133,804	22,005,000	15,505,000	-29.5%	14,105,000	-9.0%
Miscellaneous Revenue	1,278,682	1,212,362	911,500	1,095,000	20.1%	1,026,000	-6.3%
<b>Total Revenues</b>	<b>\$ 344,557,767</b>	<b>\$ 296,351,485</b>	<b>\$ 338,043,106</b>	<b>\$ 303,691,996</b>	<b>-10.2%</b>	<b>\$ 334,175,575</b>	<b>10.0%</b>
<b>Expenses:</b>							
Personnel	109,284,834	126,231,456	158,138,431	182,217,034	15.2%	191,280,733	5.0%
Services	24,271,135	22,332,773	53,916,768	70,037,328	29.9%	35,942,086	-48.7%
Intergovernmental Services	4,364,425	4,741,557	10,068,410	10,389,961	3.2%	6,193,944	-40.4%
Purchased Transportation	30,061,640	36,965,109	42,493,732	29,459,426	-30.7%	23,345,949	-20.8%
Supplies	19,403,459	19,096,011	29,870,456	32,374,633	8.4%	32,520,207	0.4%
Capital Expenditures	73,041,405	49,986,970	154,836,297	106,394,600	-31.3%	90,766,507	-14.7%
Insurance Expenditures	2,499,289	2,702,202	3,842,215	4,821,632	25.5%	5,255,578	9.0%
Cost Pools			6,539,967	14,112,521	115.8%	13,873,070	-1.7%
Debt Service	1,429,250	1,428,250	1,429,500	1,427,750	-0.1%	1,428,000	0.0%
<b>Total Expenses</b>	<b>\$ 264,355,436</b>	<b>\$ 263,484,328</b>	<b>\$ 461,135,776</b>	<b>\$ 451,234,885</b>	<b>-2.1%</b>	<b>\$ 400,606,074</b>	<b>-11.2%</b>

Purchased Transportation expense increased beginning in 2024 due to the inclusion of Innovative Services such as Zip Microtransit and related service pilots. In 2026, costs in this category begin to decrease as some previously contracted routes move to directly operated service. Please see the Service Plan section for more detail.

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 and will vary from year to year.

## Sources and Uses of Funds



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

## 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: [communitytransit.org/transit-development-plan](https://communitytransit.org/transit-development-plan).





Each year's 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. The following table contains a summary of the six-year financial plan for the general fund.

#### General Fund – 6-year Forecast

	2025 Forecast <sup>1</sup>	2026 Budget	2027 Budget	2028 Transit Development Plan - Financial Plan	2029	2030
Sales Tax	\$ 199,860,274	\$ 203,857,000	\$ 214,050,000	\$ 224,797,545	\$ 233,789,447	\$ 243,141,025
Fares	11,111,695	12,236,450	13,401,826	11,471,170	11,643,238	11,817,886
Other Revenues	62,536,223	66,048,495	62,859,736	75,295,959	79,068,523	52,045,386
<b>Total Revenues</b>	<b>273,508,192</b>	<b>282,141,945</b>	<b>290,311,562</b>	<b>311,564,674</b>	<b>324,501,208</b>	<b>307,004,297</b>
Department Operating Exp <sup>2</sup>	231,793,468	263,494,706	269,495,058	261,389,481	273,132,950	265,295,897
Other Operating	4,459,850	4,927,750	6,328,000	5,026,532	5,227,594	5,436,697
Cost Pools/Contingency	-	13,682,879	13,454,404	-	-	-
<b>Total Expenses</b>	<b>236,253,318</b>	<b>282,105,335</b>	<b>289,277,462</b>	<b>266,416,013</b>	<b>278,360,543</b>	<b>270,732,595</b>
<b>Surplus</b>	<b>\$ 37,254,874</b>	<b>\$ 36,610</b>	<b>\$ 1,034,100</b>	<b>\$ 45,148,661</b>	<b>\$ 46,140,664</b>	<b>\$ 36,271,703</b>
Interfund Transfers, Net <sup>3</sup>	25,204,394	68,470,414	26,133,195	34,405,502	48,350,886	45,713,356
<b>Net Change to Cash Balance</b>	<b>12,050,480</b>	<b>(68,433,804)</b>	<b>(25,099,095)</b>	<b>10,743,159</b>	<b>(2,210,222)</b>	<b>(9,441,653)</b>
<b>Projected Ending Cash Balance</b>	<b>\$ 144,739,346</b>	<b>\$ 76,305,542</b>	<b>\$ 51,206,448</b>	<b>\$ 61,949,607</b>	<b>\$ 59,739,385</b>	<b>\$ 50,297,732</b>

The table above summarizes the six-year general fund financial plan.

<sup>1</sup> The 2025 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. Budgeted interfund transfers include funds for capital projects and related staff costs, less returned funds for completed projects.

#### Other Assumptions:

Sales Tax holds steady in 2025 from 2024 actuals; increases by 2% in 2026, increases 5% 2027 and 2028; grows 4% annually thereafter.

Fare Revenues increase based on annualized actuals through second quarter 2025 and reflect modest ridership growth 2026-2030.

Expenses grow 2.8%-2.9% in 2026 and 2027 for inflation plus adjustments for service expansion. Inflation is estimated at 2.5% annually after 2028.

# Service Plan

Each year, Community Transit updates the six-year Transit Development Plan.

The 2025-2030 Transit Development Plan is focused on delivering excellent service and building the future with expanded transit options. Over the next six years, you'll have access to more reliable service, better connections, and new, flexible ways to get around your community. Here's what we're planning:

- **Better customer experience** by developing a safer, more accessible transit system. This includes improved bus stops, digital signs on buses and at stops, enhanced security programs, and updated online tools.
- **Growing service** by building Swift Gold Line, extending Swift Green Line, expanding Zip Shuttle service, and increasing frequency on some existing routes.
- **Financial sustainability** by growing responsibly, maintaining financial stability, and staying prepared for changing economic conditions.

## 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) provides frequent bus service on routes serving high-density corridors with robust, all-day demand for travel. The current Swift network consists of three lines: Swift Blue, Swift Green, and Swift Orange. Swift Blue Line operates in the Highway 99 corridor and connects Everett Station at the north end with Sound Transit's Shoreline North/185th Station in King County. Swift Green Line connects the Boeing/Paine Field Manufacturing and Industrial Center with the Canyon Park Regional Growth Center in Bothell. Swift Orange Line runs along the 196th Street and 164th Street corridors with terminals located adjacent to Edmonds College in Lynnwood, and McCollum Park near Mill Creek, with a connection to Sound Transit's Lynnwood City Center Station.

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. Regular bus service plays a vital role in both providing direct connections throughout the county and feeding into the regional light rail and BRT networks.

Express service generally provides peak-period, peak-direction service (i.e., "rush hour" service) with fewer scheduled stops for trips to and from major activity centers. This service is comprised of in-county commuter routes serving Boeing in southwest Everett, Lynnwood City Center and Mountlake Terrace Link light rail stations, and an inter-county commuter route to downtown Seattle. The Express service category replaced CT's Commuter service category with the introduction of Link light rail into Snohomish County and the associated launch of the Transit Changes in 2024 and Beyond network restructure in fall 2024.

Microtransit (Zip Shuttle) 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. The service is currently available seven days a week from 5 a.m. to 10 p.m., varying by service zone, with wait times averaging 15-20 minutes and fares matching Community Transit's local bus fare. Zip Shuttle is currently operated through a contract with a transportation provider that provides the drivers, vehicles, app technology, and call center for customers to book their rides.

Zip Shuttle Alderwood is the first microtransit zone opened by Community Transit. It started as a pilot service in 2022 and in October 2023, Community Transit's Board of Directors approved the transition of Zip Shuttle Alderwood from pilot to regular service. The Zip Shuttle Alderwood service area includes Lynnwood City Center Station, Alderwood Mall, many large multifamily housing complexes, and both Swift Blue and Swift Orange lines. We project opening two more pilot zones in 2026, along with the established Alderwood zone and the current pilot zones in Arlington, Darrington, and Lake Stevens.

Paratransit service, for customers who cannot use our bus services due to a disability, is a comparable origin-to-destination service within three quarters of a mile of most routes during the same hours of bus service operation. Community Transit provides DART paratransit service to approximately 5,500 registered customers with disabilities. Paratransit service requirements are directly tied to the local bus service network. As local bus service expands or contracts in geographic coverage and operating hours, DART operations are adjusted accordingly.

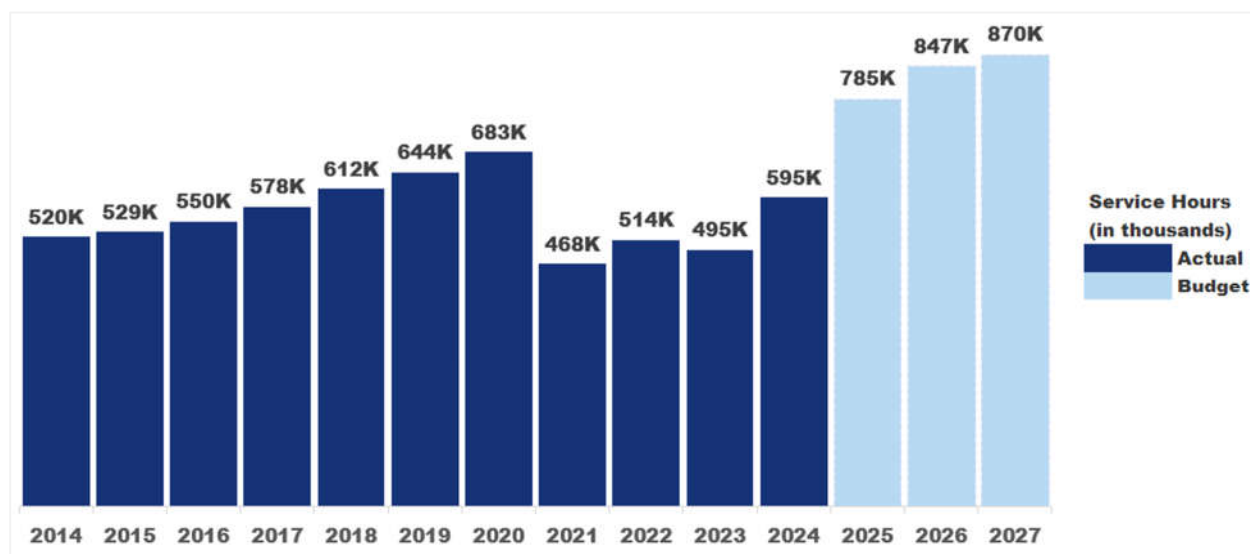
Community Transit's Vanpool service provides a shared commute option for customer groups that start or end their travel in Snohomish County. Vanpool is a great option for customers who have similar work or college schedules and are traveling to the same destination. Community Transit staff helps Vanpool groups with monthly bookkeeping, maintenance, emergencies, and any other Vanpool program issues. The Vanpool fleet includes hybrid electric vehicles, and a battery-electric vehicle pilot program that began in 2025. Community Transit also offers ride matching services throughout the region to those interested in carpooling and vanpooling. Customers are matched by where they live, their destination, and their work schedule. If there is not an existing Vanpool to join, customers can register at [RideshareOnline.com](https://rideshareonline.com) and be matched with more than 25,000 commuters who want to share the ride within the Puget Sound region.

## Service Budget and Hours

The next two years of the service planning horizon will focus on continued implementation of the Transit Changes in 2024 and Beyond plan. This includes enhancements to frequency and span across the week, as well as on weekends for some routes.

Between 2026 and 2027, Community Transit service will increase overall by 8% in 2026 over 2025 service levels, and 3% over 2026 levels in 2027. This reflects the implementation of Transit Changes in 2024 and Beyond and the launch of Swift Orange Line, Swift Green and Swift Blue line extensions. Zip Microtransit hours, which include hours delivered in the pilot zones, are expected to grow by 17% in 2026 comparing to 2025 service level.

## Community Transit Service: 11-year History and 3-year Projection (Excludes Sound Transit Service)



Community Transit will transition its contracted bus services, currently managed by Transdev at the Kasch Park Operating Base, to direct operations by late 2026. This transition is a key component of delivering excellent service in a more integrated local transit network that provides more frequent and accessible service within Snohomish County. Direct control of all bus service and both operating bases will also enable greater operational agility, facilitating dynamic management of fleet as the agency advances our zero-emission fleet transition and ongoing Facility Master Plan improvements.

### Summary of 2026 - 2027 Service Hours by Service Mode

Service Mode	2024 Actual	2025 Projected	2026 Budget	2027 Budget	Change 2026 vs 2025	Change 2027 vs 2026
Directly Operated	371,530	453,455	502,665	514,916	11%	2%
Contracted Commuter	27,903	15,262	-	-	-100%	0%
Paratransit	86,150	81,000	81,000	81,000	0%	0%
Zip Microtransit	26,963	135,525	158,150	158,150	17%	0%
Vanpool	84,280	99,900	105,300	116,100	5%	10%
<b>CT Operated Subtotal</b>	<b>596,826</b>	<b>785,142</b>	<b>847,115</b>	<b>870,166</b>	<b>8%</b>	<b>3%</b>
Sound Transit	66,120	69,405	69,470	68,582	0%	-1%
<b>Total</b>	<b>662,946</b>	<b>854,547</b>	<b>916,585</b>	<b>938,748</b>	<b>7%</b>	<b>2%</b>

For more information about Community Transit's service plan, please review the 2025 - 2030 Transit Development Plan.<sup>1</sup> The statistical section of this report contains additional detailed operating information about service miles and fares.

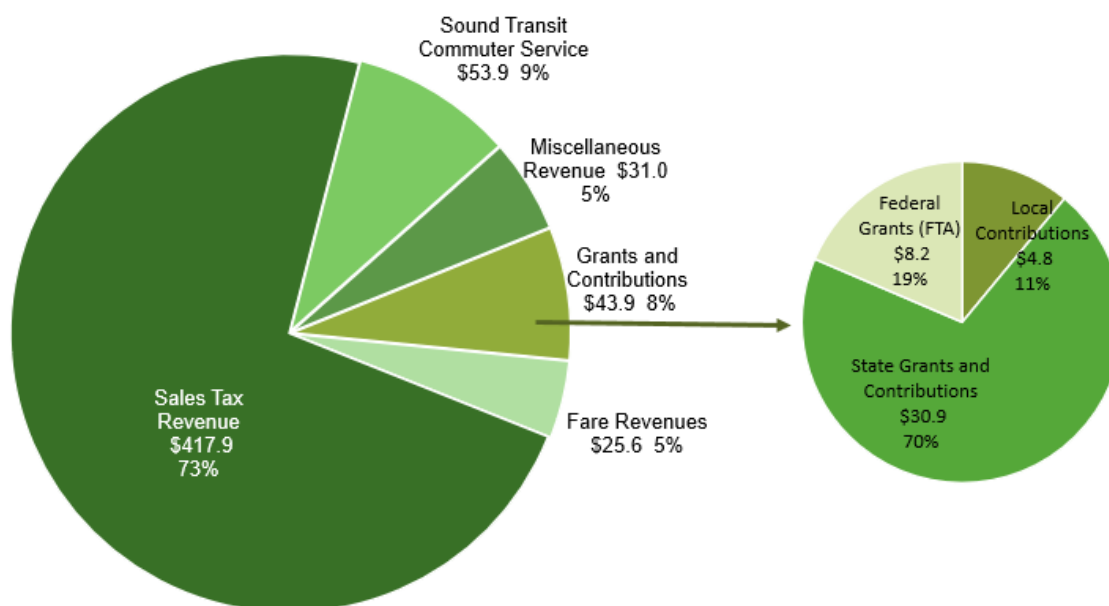
<sup>1</sup> The transit development plan is available online at [communitytransit.org/transit-development-plan](https://communitytransit.org/transit-development-plan).

# 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 in the Biennium — \$572.4

(Dollars in millions)



## Revenue Type by Category

Revenue Type	2023 Actuals	2024 Actuals	2025 Forecast	2026 Budget	% Change Over/Under 2025 Forecast	2027 Budget	% Change Over/Under 2026 Forecast
Sales Tax Revenue	200,281,643	199,860,277	199,860,274	203,857,000	2.0%	214,050,000	5.0%
Fare Revenues	9,549,782	10,126,230	11,111,695	12,236,450	10.1%	13,401,826	9.5%
Sound Transit Commuter Service	20,957,108	23,599,448	23,738,400	25,880,377	9.0%	28,053,681	8.4%
Federal Grants (FTA)	18,613,575	4,282,196	4,124,047	5,103,675	23.8%	3,056,447	-40.1%
State Grants and Contributions	33,320,743	603,667	14,670,835	16,444,621	12.1%	14,496,835	-11.8%
Local Contributions	2,428,829	2,409,082	1,771,941	2,408,822	35.9%	2,431,773	1.0%
Miscellaneous Revenue	15,237,060	17,754,273	18,231,000	16,211,000	-11.1%	14,821,000	-8.6%
<b>Revenues</b>	<b>300,388,740</b>	<b>258,635,172</b>	<b>273,508,192</b>	<b>282,141,945</b>	<b>3.2%</b>	<b>290,311,562</b>	<b>2.9%</b>
<b>Transfers from other Funds</b>							
Interfund Revenues	19,224,046	5,488,855	1,142,158	3,353,891	193.6%	12,925,888	285.4%
<b>Total Revenue</b>	<b>319,612,786</b>	<b>264,124,027</b>	<b>274,650,350</b>	<b>285,495,836</b>	<b>3.9%</b>	<b>303,237,450</b>	<b>6.2%</b>



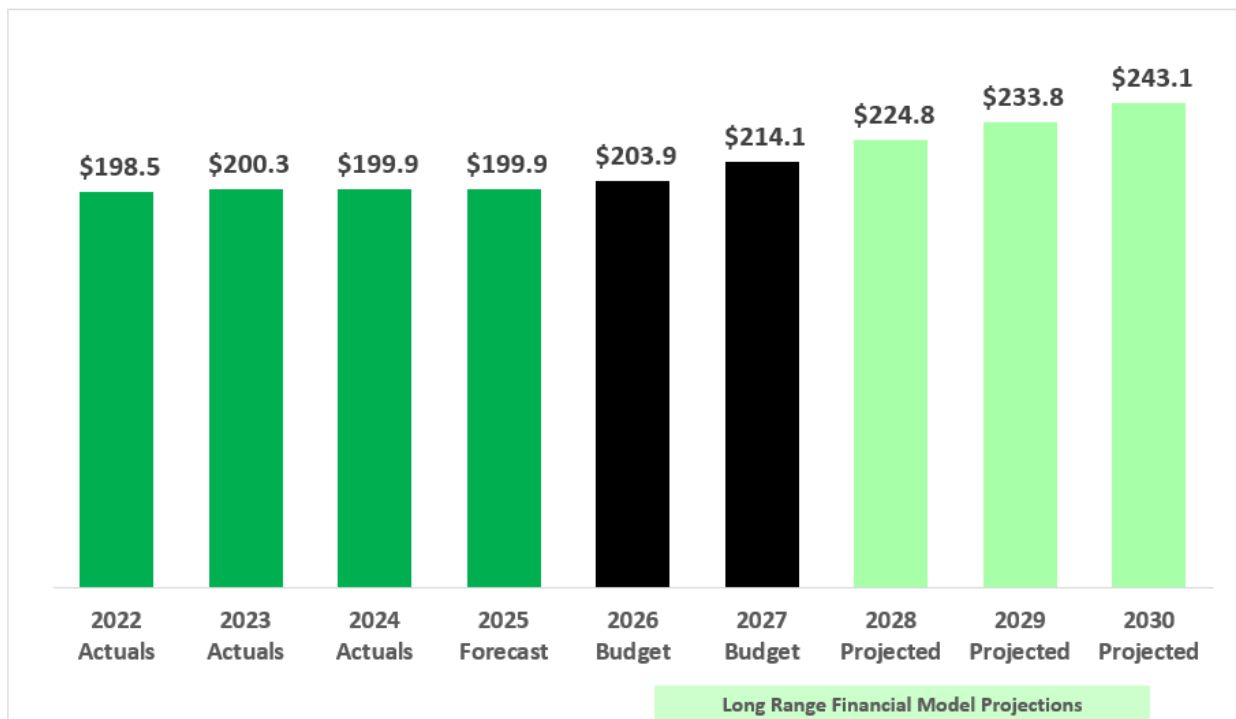
## Sales Tax

Community Transit receives the largest portion of its funding from local retail sales tax—about 73% of its total operating revenues in 2025.

Following several years of strong growth in sales tax collections, Community Transit has experienced flat sales tax collections in 2025. After several years of unexpectedly strong consumer and business spending in Snohomish County, we have seen a slowdown in sales tax collections during the current year. The expectation is that this revenue source will remain flat through 2025, with very moderate growth anticipated in 2026 and 2027. The 2025 budget reflects a return to modest growth in sales tax collections.

The adopted TDP similarly assumes slower growth into 2026, with a 2% increase in sales collections based on the 2025 forecasted amount. Community Transit's future sales tax growth is anticipated to rebound to an average of 5% annually in 2027 and 2028, before leveling off to a historic average growth rate of 4% in 2029 and beyond.

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



## Fares

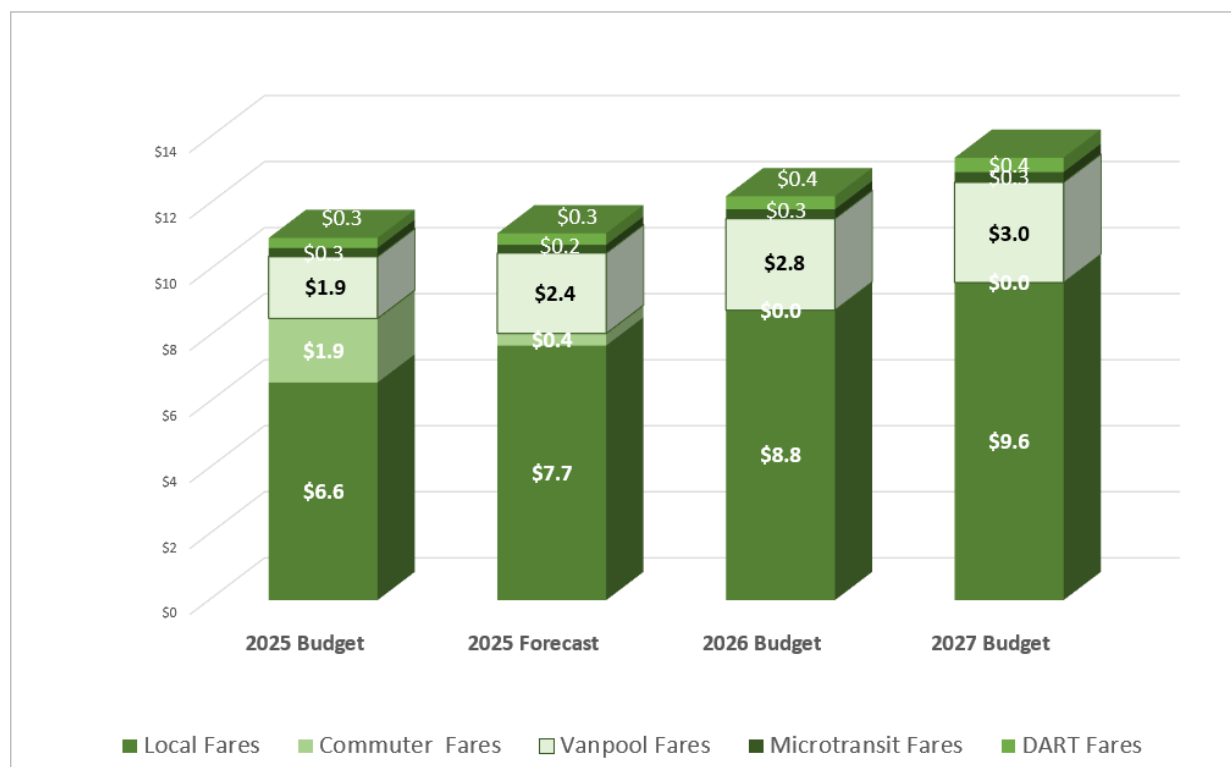
Community Transit estimates that fare revenue will total \$12.2 million in 2026 and \$13.4 million in 2027. This reflects a 12% increase in 2026 compared to the 2025 forecast, and a 10% increase in 2027 compared to 2026.

Recent fare structure changes, including the elimination of the commuter fare and adoption of free youth fares for riders 18 and under, have slowed fare revenue growth relative to ridership. These changes —tied to the Move Ahead Washington package—qualified Community Transit for Transit Support Grant funding, more than offsetting revenue losses.

Ridership from all modes is forecasted to grow by about 5% in 2026 and another 8% in 2027. This does not precisely correlate with fare growth, however, because some of the ridership growth is from reduced-fare 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 on 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 72% of the 2026 and 2027 totals, 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 14% above the 2025 forecast levels in 2026 and 10% in 2027, at a higher rate than the overall passenger fare revenue growth.

## 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 by 14% in 2026 compared to the 2025 forecast, and by 10% in 2027 compared to the 2026 budget.

## Vanpool Fares

Vanpool service provides a shared commute option for customers who start or end their travel in Snohomish County. Vanpool fares make up 23% of passenger fares. In 2024, Community Transit saw a rebound in Vanpool ridership, and is anticipating continued growth, and therefore a modest increase in Vanpool fare revenues is expected.

## Microtransit Fares

Microtransit fare revenue was first recorded as a new fare category in Community Transit's 2023 financials. Zip Shuttle is an on-demand rideshare service. Microtransit Zip services operate in four locations: regular service in Alderwood, and pilot



services in Lake Stevens, Arlington, and Darrington. Although these fares currently represent a small portion of total fare revenue, at about 2%, and are expected to grow as more Microtransit zones are added to Community Transit's portfolio of services.

## Sound Transit

Sound Transit contracts with Community Transit to provide commuter bus services in Snohomish County, covering the associated operating costs. In 2025, Community Transit expects revenue from these contracted services to increase by \$2.1 million in 2026 and 2027, approximately 9% above 2025 forecast levels in 2026, and about 8% above the 2026 projection in 2027, reaching a total of \$25.8 million in 2026 and \$28.0 million in 2027. This increase is driven in part by revised contract rates, as well as anticipated additional revenue from billing Sound Transit for transit integration efforts.



## Operating Grants and Contributions

Community Transit receives federal, state, and local operating grants and contributions. Federal grants and state grants and contributions amount to \$21.5 million in 2026 and \$17.6 million in 2027 and contribute 7.6% and 6.0% to operating revenues.

### 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. FTA grant rules allow grantees to use formula grant funds only from the Marysville urbanized area for public transit service, vehicle maintenance and some paratransit service. CMAQ regionally competitive grants can also be used for specific

fixed-route or TDM operations on an award basis. During the 2008 recession, Community Transit shifted formula federal grant funds into operations for use in maintenance and fixed route service within the Marysville urbanized area to avoid further service cuts and because additional bus purchases were not necessary when service was not increasing. Community Transit continues to utilize most Marysville urbanized area funding for operations and maintenance.

Federal operating grant revenues for 2026 and 2027 include \$5 million and \$3 million in FTA grants. This amount includes \$300,000 in Congestion Mitigation and Air Quality (CMAQ) grants in 2026 and \$7.8 million in federal formula funds in the combined biennium.

## State Grants and Contributions

State operating contributions are projected to total approximately \$31 million over the biennium, accounting for about 5.4% of total operating revenues. These contributions are supported by several key funding sources. The Transit Support Grant (TSG) provides the largest share, contributing \$11.6 million annually. The Special Needs Operating fund adds another \$2.15 million each year. Additional funding includes the CTR/TDM Grant, which allocates \$420,000 in 2026 and \$36,000 in 2027. Support for the Swift Orange Line is estimated at \$1.34 million in 2026 and \$670,625 in 2027. Grant funding in the amount of \$893,160 has been included in the 2026 budget to support World Cup activities.

## 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 2026 and 2027 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, about \$100,000 annually.

## 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 2025, the average balance in the LGIP's portfolio<sup>1</sup> is estimated to be \$25.9 billion, maintained by over 500 county, city, education, and

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



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. Between late 2022 and late 2024, the LGIP yield rose to levels not seen in over a decade. The Federal Reserve is no longer raising rates as it had done in the past two years, to counteract inflation trends. The LGIP currently projects a 4.4% estimated rate of return for fiscal year 2025, reflecting some decline in short-term borrowing rates. The 2026 and 2027 budget projects interest income of about \$15.2 million and \$13.8 million.

## Advertising

Community Transit expects to receive about \$565,000 per year in advertising revenues for the biennium, which is slightly higher than the revenue budgeted for 2025. This source of revenue is derived from bus-based advertising.

## Miscellaneous

The biennium budget for other miscellaneous revenues totals \$451,000 per year 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 2025 and anticipates more conservative warranty repair reimbursements and insurance recoveries.

## Interfund Transfers

The 2026 budget includes interfund transfer revenues from the Replacement Reserve, the Infrastructure Preservation fund, and the Local Capital Projects fund totaling \$3.4 million. The 2026 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.

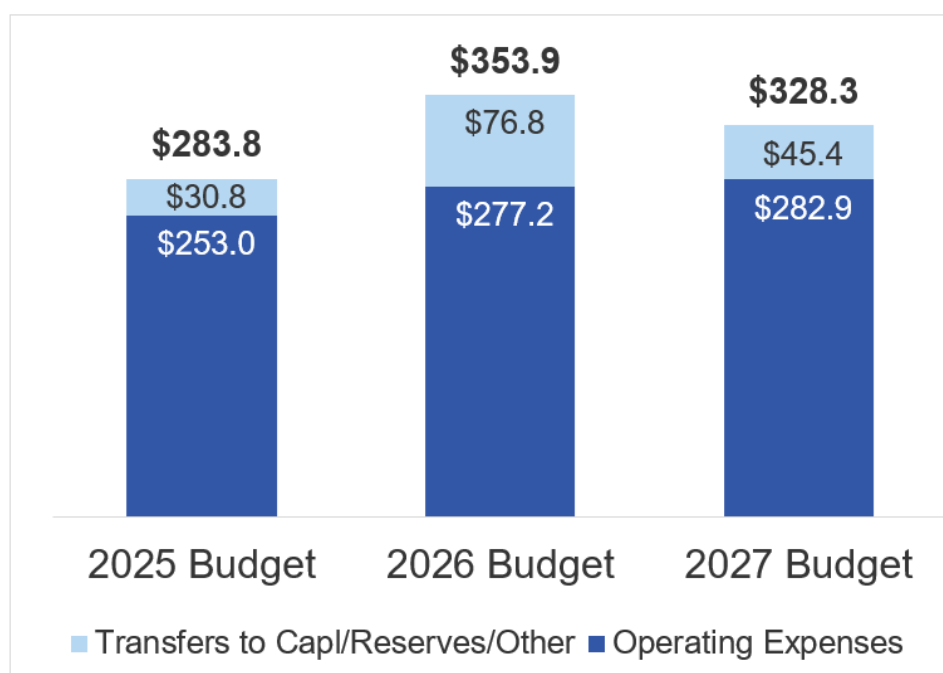
The 2027 budget includes a transfer from FTA Capital funds totaling \$12.9 million, moving funds back into fund 40 for hybrid bus purchases.

# General Fund Expenses

The 2026 general fund budget includes operating expenses of \$277.2 million and transfers to other funds totaling \$76.8 million. The 2027 general fund budget includes operating expenses of \$282.9 million and transfers to other funds totaling \$45.4 million. Operating expenses consist of costs incurred by Community Transit departments, including fuel, insurance, cost pools, 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 2025, 2026, and 2027 budgeted 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.

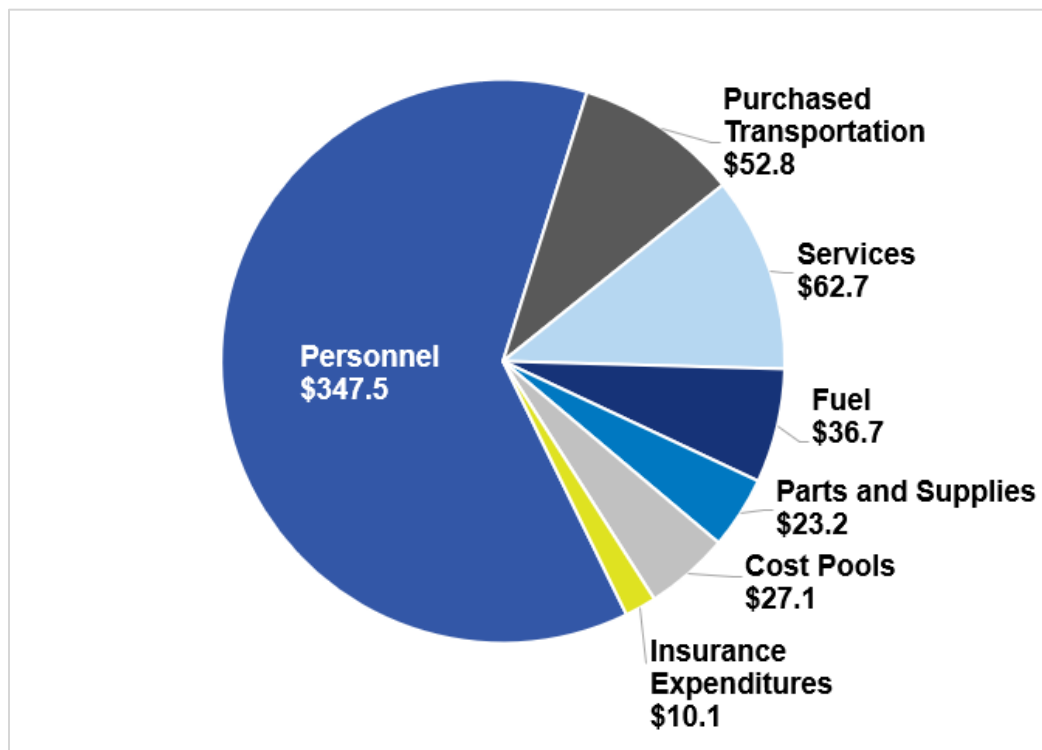
General Fund Expense by Category – Dollars in Millions



# Operating Expenses

The 2026-2027 operating budget totals \$560.1 million for the biennium. The total 2026 operating budget proposal of \$277.2 shows an increase of \$24.2 million, or 9.6%, as compared to operating expenses in the 2025 amended budget. The total 2027 proposal of \$282.9 shows an increase of \$5.7 million, or 2.1% as compared to operating expenses in the 2026 proposed 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 2,080 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.

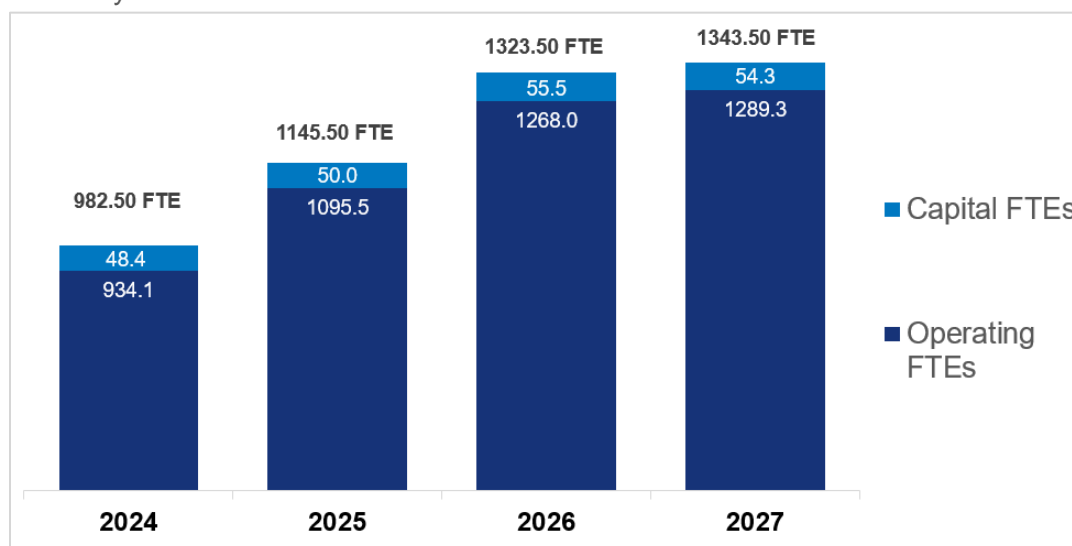
Although this section focuses on general fund expenses, information on employee expense and FTE counts in all funds is provided for clarity.

#### Personnel Expense by Fund

Funds	2024 Actuals	2025 Amended Budget	2026 Proposed Budget	2026 % Change over/under 2025	2027 Proposed Budget	2027 % Change over/under 2026
General Fund	\$ 118,006,587	\$ 146,243,223	\$ 169,229,400	16%	\$ 178,284,758	5%
Capital Funds	\$ 6,406,066	\$ 8,865,208	\$ 9,422,634	6%	\$ 9,285,976	-1%
<b>Total Employee Expense</b>	<b>\$ 124,412,653</b>	<b>\$ 155,108,431</b>	<b>\$ 178,652,034</b>	<b>15%</b>	<b>\$ 187,570,733</b>	<b>5%</b>

The table above shows total agency personnel expense, with capital-related expenses and general fund expenses listed separately. Most employee expense, 94.9% or \$347.5 million for the biennium, 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 increases and growth in the capital program. Capital projects 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.

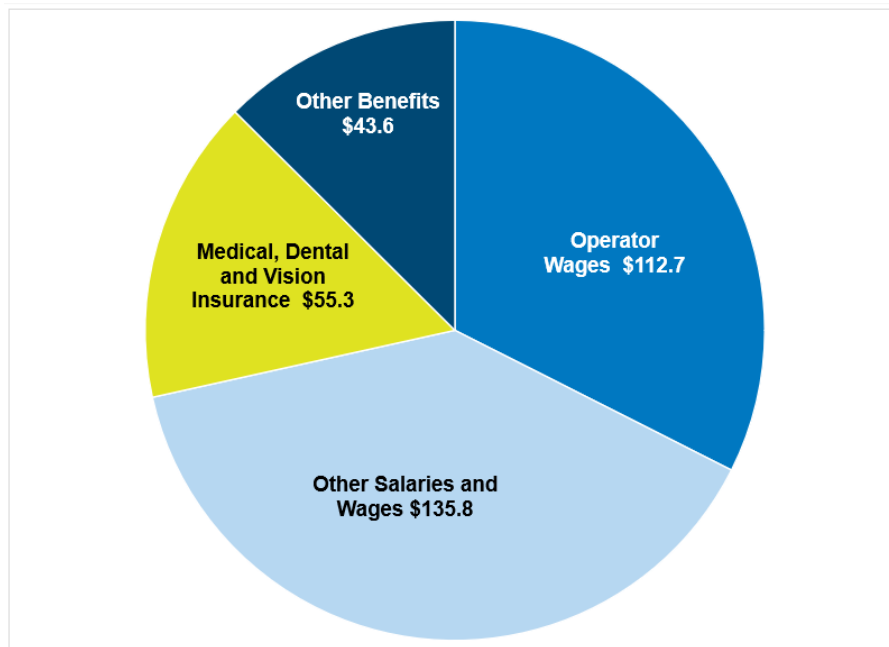
## General Fund Staffing and Expense

### Salaries, Wages, and Benefits

In the general fund, costs for salaries, wages, and benefits have increased by \$22.9 million, or 15.7%, for 2026 compared with 2025 amended budget and by \$9 million, or 5.4% for 2027 comparing with 2026 proposed budget. There are two main drivers for the cost increases: One is the staffing increase resulting from service growth. The second is the Kasch Park Contracted Services transition, where bus service that was formerly delivered by a contractor will now be delivered by in-house staff. More discussion on the Kasch Park Contracted Services transition will occur subsequently in the Purchase Transportation section.

The employment cost index for salaries and wages in the Seattle Metro area has increased by 4.6% annually as of June 2025.

2026-27 Employee Expense<sup>1</sup> by Category – General Fund (Dollars in Millions)



Agencywide costs for medical, and vision insurance are budgeted to increase by \$3.8 million, or 18.9% from 2025 to 2026 and by \$2.4 million, or 9.9% from 2026 to 2027.

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

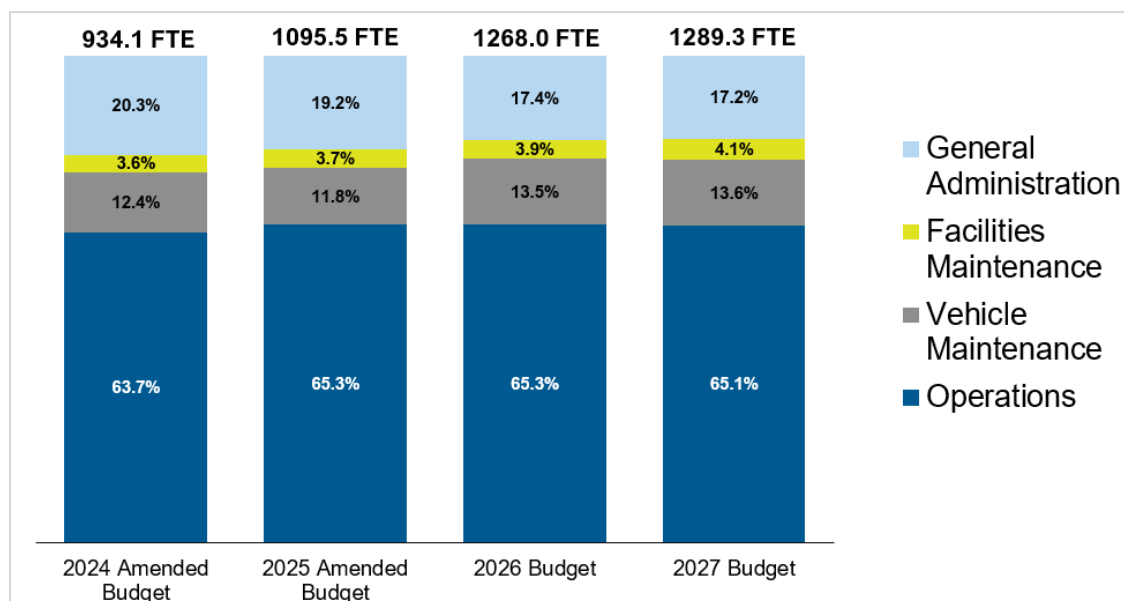
Community Transit participates in the Public Employees' Retirement System (PERS), managed by the Washington State Department of Retirement Systems (DRS). Employer contribution rates for PERS plans are often published after Community Transit has completed its annual budget process. For budgeting purposes, 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. As of July 1, 2025, the PERS 2 and 3 employer contribution decreased from 9.1% to 5.6%, a nearly 40% drop in the contribution rate. This change, described as ESSB 5357, was approved by the House and Senate in April of 2025. The decrease is the result of changes in investment and inflation assumptions, as well as the State Actuary's estimate that unfunded pension liabilities will be funded in the near term. Until a new rate is published, Community Transit plans for the 2025-26 rate to continue into the 2027 fiscal year.

That said, the budget for PERS expense will decrease by 10.8% in 2026, which is a function of an increased employee count and a rate decrease. The 2027 PERS expense increases with the increased employee count.

## 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 is included in the agency's annual NTD report.

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



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



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.

## Services

Expenses in the services category include intergovernmental services, utilities, advertising, legal services, professional and temporary services, leases and rentals, travel and 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 15.0% (\$4.1 million) in 2026 as compared to the 2025 amended budget and will increase by 0.6% (\$0.2 million) in 2027 compared with 2026 proposed budget. The largest contributors to the change are discussed below.

Intergovernmental services will increase by 2.4%, or 0.1 million in 2026 comparing with 2025 amended budget and, by 4.2%, or 0.2 million in 2027 comparing with 2026 proposed budget. This is primarily due to increasing labor costs associated with the Snohomish County Sheriff's contract.



Budgets for various categories of services will increase in total by 4.0 million, or 18.3% in 2026 compared with 2025 amended budget and will not increase in 2027 from the 2026 proposed budget. This category includes advertising, contract maintenance services, research, auditing, legal services, utilities, travel, software services, and services. Categories with the largest increases in 2026 include professional services, software leases, contract maintenance, training, and ridership promotions. In 2027, most services costs are not increasing, except for contract maintenance and software leases. Professional services and research services decrease from 2026 to 2027 as one-time projects are completed.

## 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 both 2026 and 2027 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 2026 is \$17.3 million, an increase of \$1.4 million, or 8.7% compared with 2025 amended budget and \$19.2 million, and increase of \$1.9 million, or 11.0% on 2027 comparing with 2026 proposed budget.

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

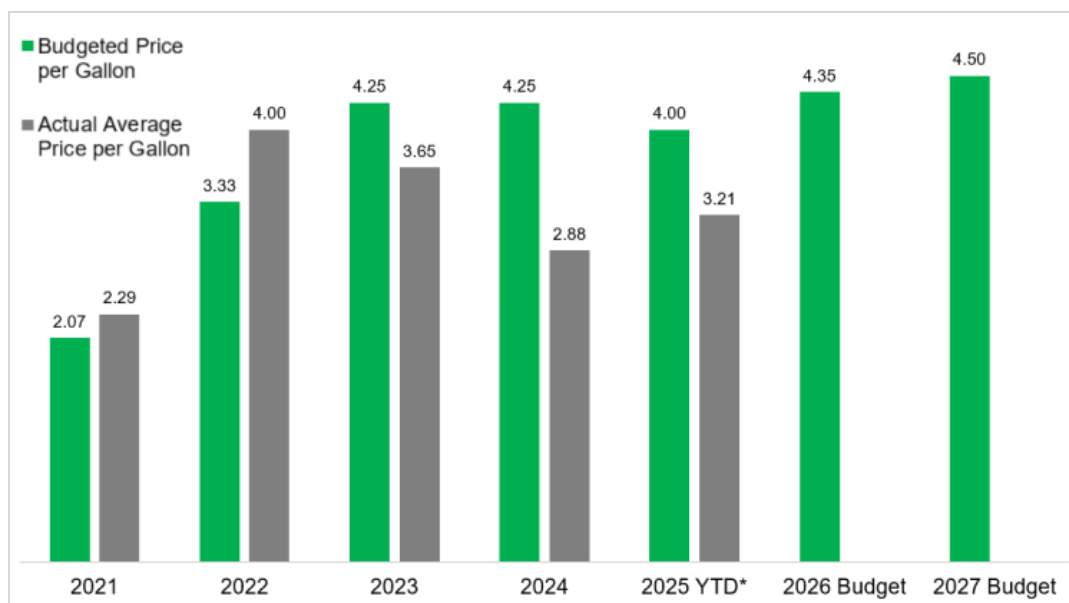
## Diesel, DART, and Other Fuel - Fuel Itemizations

The budget projects gasoline to average \$4.40 per gallon in 2026 and \$4.50 per gallon in 2027 for DART. The budget projects the fuel to average \$4.50 per gallon in 2026 and \$4.60 per gallon in 2027 for 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 \$210,000, or 25% over the 2025 budget and, with \$150,000, or 14.3% over the 2026 budget in 2027. The increases are for expansion of this program.

## Diesel Fuel

The diesel rates are anticipated at \$4.35 per gallon for 2026 and \$4.50 for 2027. Community Transit purchases renewable diesel (R99) fuel from a Community Transit awarded contract with the ability to purchase diesel via a State of Washington contract should supply be interrupted.

### Diesel Fuel Budget vs. Actuals

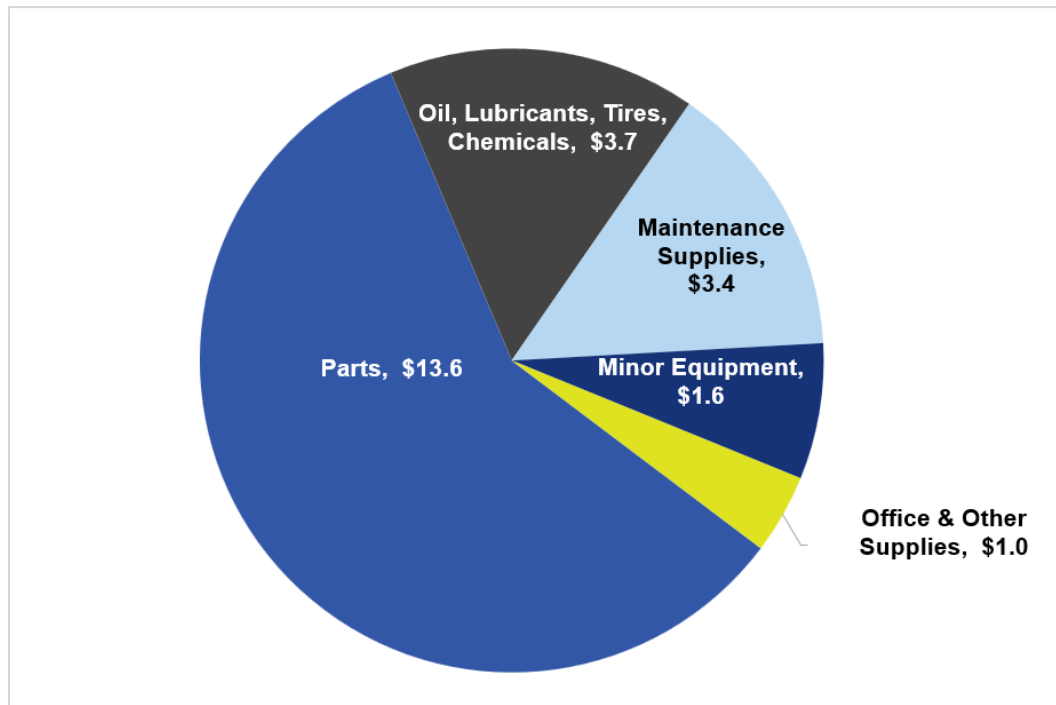


\*Amended Budget and YTD actuals through August 2025

## Parts and Supplies

In the general fund, parts and supplies, excluding diesel fuel and gasoline, are funded at \$11.4 million in 2026 and 11.9 million in 2027. This represents an increase of just under \$0.4 million (4.0%) over the 2025 amended budget and \$0.5 million (4.5%) over 2026 proposed budget. Most of the increase is for maintenance-oriented supplies such as parts, tires, oil, and small tools. The graph represents both years, 2026 and 2027.

## Parts and Supplies by Category – Dollars in Millions



## Purchased Transportation

Community Transit is transitioning its contracted bus services, currently managed by Transdev at the Kasch Park Operating Base, to direct operations by December 2026. This transition is a key component of delivering excellent service in a more integrated local transit network that provides more frequent and accessible service within Snohomish County. Direct control of all fixed-route bus service and both operating bases will also enable greater operational agility, facilitating dynamic management of fleet as the agency advances our zero emissions fleet transition and ongoing Facility Master Plan improvements.

The transition started in March 2025 by moving several contracted routes into directly operated service; the service is operated from our Hardeson operating base. During 2025, the Board of Directors approved resolution 06-25 that provided additional budget authority in the amount of \$4.4 million to allow Community Transit to staff its operations for this transition. We expect the full cost of delivering the transitioned service, including incremental administrative costs and one-time equipment purchases, to be somewhat more than the budget request. See the table below for the full cost estimate.

All contracted routes will be transferred to directly operated service by September 2026. The service will be operated from the newly created Kasch Park operating base. Setting up the new base will result in about \$1.4 million in one-time costs and \$21.7 million in operating costs in 2026, \$3.8 million cost differential estimated for directly operating the transitioned service. Some of the major one-time costs are costs for retrofitting the Kasch Park buildings, tools, supplies, software, and utilities. A major part of the operating costs includes costs with the new personnel necessary to operating the added routes.

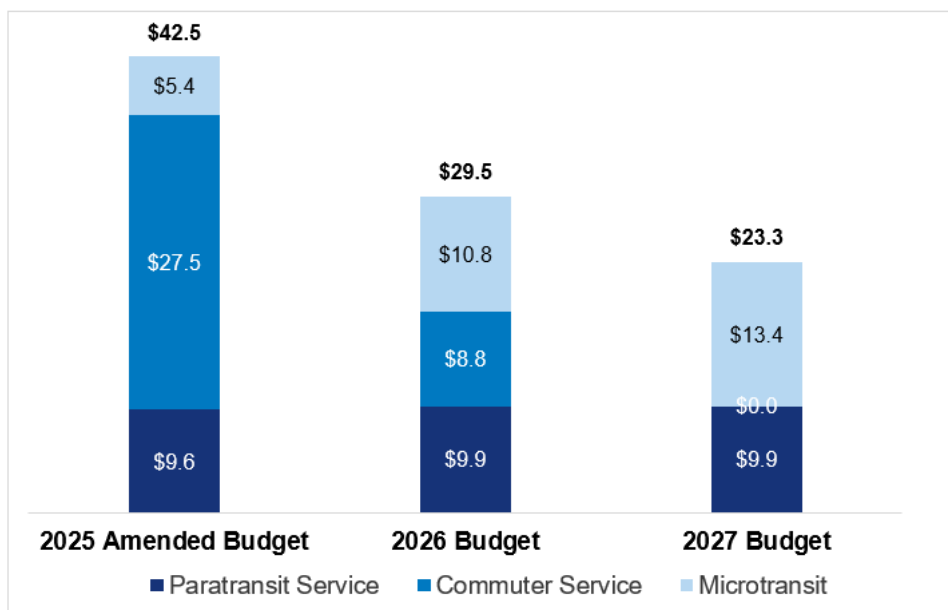
In 2027 the one-time costs are just under \$0.4 million and account for more equipment and new one-time maintenance supplies like forklifts and work benches, to complete the new base setup. The annual operating costs are estimated at \$29.9 million, \$5.3 million cost differential estimated for directly operating the transitioned service. The estimates are based on the full cost to deliver directly operated bus service from the agency's national transit database report and expected inflation.

Estimated KPOB Commuter Service Transition Cost\* – Dollars in Millions

Year	One time Costs	Operating Costs Differential	Total Operating Costs
2025	0.04	0.9	4.9
2026	1.4	3.8	21.7
2027	0.4	5.3	29.9
<b>Total</b>	<b>1.8</b>	<b>10.0</b>	<b>56.5</b>

Community Transit contracts with other service providers for paratransit services and microtransit services.

Purchased Transportation by Category – Dollars in Millions



As the Kasch Park contracted services transition occurs, purchased transportation aggregate costs will change by 30.7% (\$13.0 million) in 2026 as compared to the 2025 amended budget and by \$20.8% (\$6.1 million) in 2027 as compared with 2026 proposed budget.

The budget for paratransit service will increase by 3.6% in 2026. There is no increase for 2027 comparing with 2026 proposed budget; The 2026 increase is related to an anticipated rate

increase. At the time this budget document was prepared, negotiations were underway for a renewal of the paratransit service contract. Any material cost increases approved as a result of this negotiation will be reflected in a subsequent budget amendment.

The commuter service budget will decrease by 68.0% (\$18.7 million) for 2026 as compared to 2025 amended budget and will be no commuter service for the year 2027, a decrease of \$8.8 million comparing with 2026 projected budget. As stated above, all purchased bus service, both directly operated, and service contracted to Community Transit by Sound Transit, is projected to be transitioned to directly operated service by September 2026.

Microtransit service is budgeted to increase by 99.3% (\$5.3 million) for 2026 and 20.0% (\$2.7 million) for 2027. We project piloting two more zones in 2026, along with the established Lynnwood Alderwood zone and current pilot zones in Arlington, Darrington and Lake Stevens.

## 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 2026 insurance budget of \$4.8 million represents a 25.5% increase from the 2025 budget, and in 2027 insurance is budgeted at \$5.3 million, a 9.0% increase from the 2026 proposed 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 2026-2027, there are two cost pools: The Professional Services Cost Pool and the Salary Pool. Overall, the 2026 cost pools will increase in the general fund and will remain relatively constant in 2027.

#### 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 2026 salary pool is budgeted at a little under \$13.2 million and, at \$12.9 million for 2027. Several bargaining units remain unsettled in the current year and thus the 2026 and 2027 budgets may need to accommodate cumulative pay increase and retroactive pay for affected employees.

## Professional Services Cost Pool

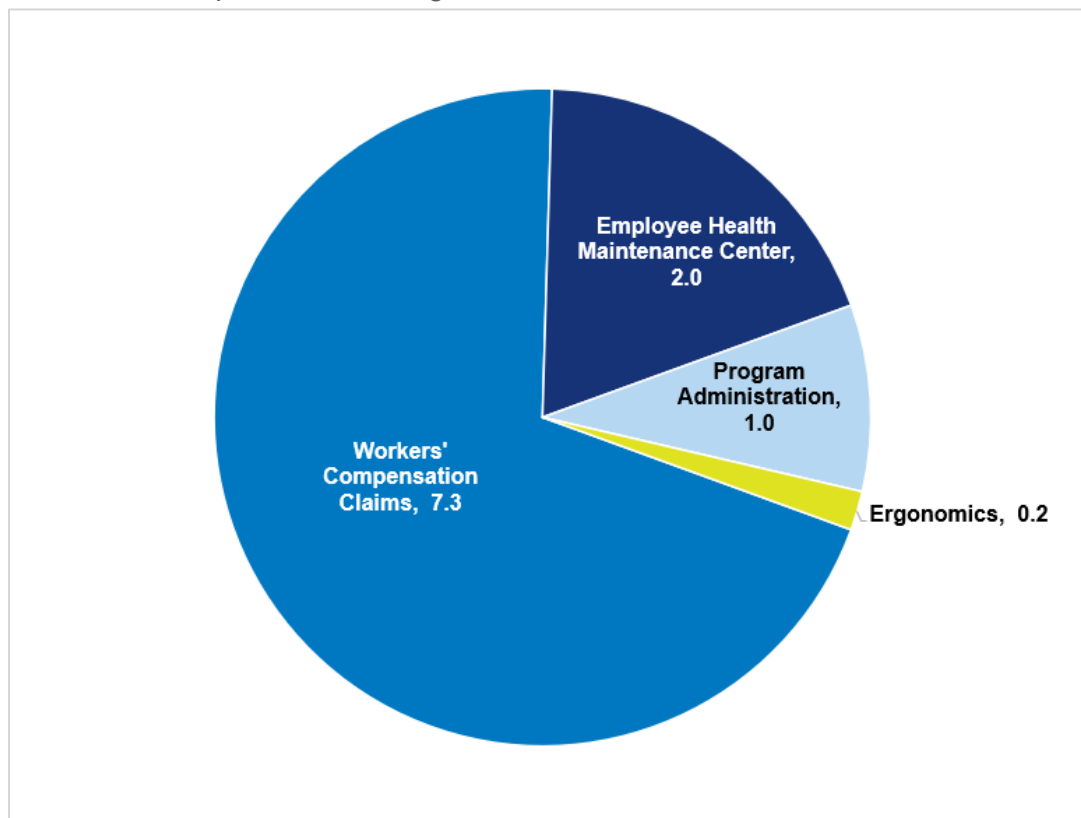
Community Transit maintains a professional services cost pool as a contingency for unanticipated professional and other services needed during the year that could not be identified at the time the budget was prepared.

The 2026 professional services cost pool is funded in the amount of \$0.5 million, and the same for 2027. 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.

## 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.

## Interfund Transfers – 4-year Summary

	2024 Actual	2025 Amended Budget	2026 Proposed Budget	2027 Proposed Budget
<b>Transfers from Fund 40: General Fund</b>				
Fund 41: Replacement Reserve Fund	\$ 1,975,000	\$ 3,036,000	\$ -	6,000,000
Fund 42: Infrastructure Preservation	4,300,000	2,700,000	9,000,000	4,000,000
Fund 43: Workers' Compensation Fund	2,500,000	3,030,000	3,500,000	4,900,000
Fund 44: State Capital Projects Fund	3,061,000	409,994	1,828,206	1,515,280
Fund 45: FTA Capital Projects Fund	5,256,619	5,086,448	22,282,337	-
Fund 46: Local Capital Projects Fund	5,657,883	10,577,706	9,144,739	3,056,816
Fund 48: Facilities and Technology Fund	72,612,244	4,536,404	29,569,023	24,486,987
Fund 50: Bond Debt Service Fund	1,428,250	1,429,850	1,427,750	1,428,000
<b>Total provided by Fund 40: General Fund</b>	<b>\$ 96,790,996</b>	<b>\$ 30,806,402</b>	<b>\$ 76,752,055</b>	<b>\$ 45,387,083</b>
<b>Transfers back to Fund 40: General Fund</b>				
Fund 41: Replacement Reserve Fund	148,386	198,523	-	-
Fund 42: Infrastructure Preservation	4,157,912	805,635	859,845	-
Fund 44: State Capital Projects Fund	-	-	1,832,076	-
Fund 45: FTA Capital Projects Fund	-	-	-	12,925,888
Fund 46: Local Capital Projects Fund	1,182,557	138,000	661,970	-
<b>Total returned to Fund 40: General Fund</b>	<b>\$ 5,488,855</b>	<b>\$ 1,142,158</b>	<b>\$ 3,353,891</b>	<b>\$ 12,925,888</b>
<b>Transfers between capital funds</b>				
From Fund 41 to Fund 45	-	-	-	6,519,277
From Fund 45 to Fund 48	-	-	41,628,661	-
From Fund 46 to Fund 42	-	-	68,853	-
From Fund 46 to Fund 45	-	500,000	-	-
From Fund 48 to Fund 45	45,597,808	5,257,905	13,465,040	49,854,575
<b>Total transfers between capital funds</b>	<b>\$ 45,597,808</b>	<b>\$ 5,757,905</b>	<b>\$ 55,162,554</b>	<b>\$ 56,373,852</b>
<b>Total Interfund Transfers</b>	<b>\$ 147,877,659</b>	<b>\$ 37,706,465</b>	<b>\$ 135,268,500</b>	<b>\$ 114,686,823</b>

Interfund revenues balance interfund expenses. Since interfund transfers depend on specific situations and balance adjustments, the amounts per year may vary greatly.

Interfund transfers to the Replacement Reserve, Infrastructure Preservation Reserve, and Facilities and Technology Expansion Fund in the 2026 and 2027 budgets follow the plan for reserve balances as outlined in the 2025-2030 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.

## Interfund Transfers to and from the General Fund

In 2026, local match for grant-funded projects comprises the transfers from the general fund to the State Capital Projects and FTA Capital Projects funds totaling \$1.8 million and \$22.3 million, respectively. A transfer of \$9.1 million budgeted to the Local Capital Projects fund covers new 2026 projects. In 2027, the amount transferred to the State Capital Projects fund is budgeted at \$1.5 million, there is no scheduled transfer to the FTA Capital Projects fund, and the Local Capital Project fund transfer is budgeted at \$3.1 million. There are no projects or transfers planned for Bond Capital Projects in the biennium.

Transfers to the Facilities and Technology Fund are planned in the amount of \$29.6 million for 2026, and \$24.5 million for 2027. Facilities Master Plan projects and personnel costs are included in these amounts. Also included are contributions to the Facilities Master Plan Reserve in the amounts of \$25 million and \$20 million, for 2026 and 2027, respectively. These were planned in the 2025-'30 TDP.

Contributions to the Workers' Compensation fund cover usual, ongoing costs including workers' compensation claims and injury-prevention efforts; these costs increase with the agency's workforce. Transfers are budgeted at \$3.5 million for 2026 and \$4.9 million for 2027.

Community Transit's most recent limited sales tax general obligation bond issue occurred in June 2017. Transfers of \$1.4 million to the Bond Debt Service fund cover the principal and interest payments due each year for that bond issue.

Capital projects that have been deferred or closed out and had excess budget are returning \$3.4 million to the General Fund in the 2026 budget, and \$12.9 million in the 2027 budget.

## Transfers Between Other Funds

Transfers between other funds move budget to and from reserves when projects have closed with excess budget remaining or may occur when project plans or funding sources are updated. Interfund transfers between capital funds total \$55.2 million in 2026, and \$56.3 million in 2027. Most movement planned in the biennium is between the FTA Capital Projects and the Facilities and Technology Fund. These transfers represent refinements and investments in the Facilities Master Plan and sustainability projects. Please see the Capital Program section for more information about projects planned for the biennium.

## Fund Structure

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

### Summary of Funds

Fund Number and 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	Operating	Workers' 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	Capital	Bond Projects
48	Facilities and Technology	Capital	Expansion Infrastructure
50	Bond Debt Service	Debt Service	Bond Payments

# Cash and Reserves

Community Transit defines fund balance as modified working capital, which is 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<sup>st</sup> for each Budget Year  
(Dollars in Millions)

	<b>2026</b>		<b>2027</b>	
<b>Beginning Cash</b>	<b>\$</b>	<b>144.7</b>	<b>\$</b>	<b>76.3</b>
Total General Fund Revenue	\$	282.1	\$	290.3
Total Current Expenses and Obligations		(277.2)		(282.9)
<b>Operating Margin</b>		<b>5.0</b>		<b>7.4</b>
Transfer to Capital/Reserves/Other Funds		(76.8)		(45.4)
Transfer from Capital/Reserves/Other Funds		3.4		12.9
<b>Ending Cash</b>	<b>\$</b>	<b>76.3</b>	<b>\$</b>	<b>51.2</b>
Operating and Fuel Reserves		(48.2)		(48.9)
<b>Capacity for Sustainability and Expansion</b>	<b>\$</b>	<b>28.1</b>	<b>\$</b>	<b>2.3</b>

The 2026 budget includes operating and non-operating revenues of \$282.1 million. This funds operating expenses of \$277.2 million for 916,585 hours of service.

The 2027 budget includes operating and non-operating revenues of \$290.3 million. This funds operating expenses of \$282.9 million for 938,748 hours of service.

Revenues in both years contribute to the capital program, and service hours shown include hours contracted with Sound Transit.

In addition, the budget for each year fully funds the workers' compensation program at a level that meets or exceeds actuarial recommendations for claims coverage, funds the debt service requirement, and maintains all reserve balances at levels required by the board-adopted Transit Development Plan, internal policy, and other statutory or contractual requirements.

## Summary of Cash Reserve Balances (All Funds)

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.

Funds not shown have no ending cash balance budgeted for 2026 or 2027.

Budgeted Cash Reserve Balances as of December 31<sup>st</sup> for each Budget Year  
(Dollars in Millions)

Fund	In Millions	2026 Cash Balance	2027 Cash Balance
Operating Fund	• Designated: Operating and Fuel Reserves <sup>1</sup>	\$ 48.2	\$ 48.9
	• Capacity for Sustainability/Expansion	28.1	2.3
	<b>Operating Fund Total</b>	<b>76.3</b>	<b>51.2</b>
Replacement Reserve	• Revenue Vehicle Replacement	46.5	39.3
Infrastructure Preservation Reserve	• Facilities Infrastructure	17.5	17.1
	• Information Technology Infrastructure	10.0	10.0
	<b>Infrastructure Preservation Reserve Total</b>	<b>27.5</b>	<b>27.1</b>
Facilities and Technology Fund	• Zero Emissions Reserve	127.4	127.4
	• Service Quality, Innovation & Sustainability Reserve	77.0	27.1
	• Reserved for FMP and Other Projects	42.3	58.5
	<b>Facilities and Technology Fund Total</b>	<b>246.6</b>	<b>213.0</b>
Workers' Compensation	• Includes statutorily restricted 4.4m per year	4.9	4.8
Bond Fund (Designated)		0.7	0.7
<b>Total End of Year</b>		<b>\$ 402.6</b>	<b>\$ 336.1</b>

<sup>1</sup> Includes two months of 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	2026 Budget	2027 Budget	Discussion
<b>40 - General Fund</b>			
Beginning Cash Balance	\$ 144.7	\$ 76.3	
Revenues	282.1	290.3	
Interfund Transfers In	3.4	12.9	Return of unspent project funds
Expenditures	(277.2)	(282.9)	
Interfund Transfer Out	(76.8)	(45.4)	Transfers to fund capital projects, workers' compensation, and additions to capital reserves
Ending Cash Balance	\$ 76.3	\$ 51.2	
<b>41 - Replacement Reserve Fund</b>			
Beginning Cash Balance	\$ 49.1	\$ 46.5	
Revenues	0.1	-	
Interfund Transfers In	-	6.0	For capital projects and reserves
Expenditures	(2.7)	(6.7)	Scheduled replacement of DART paratransit and vanpool vehicles
Interfund Transfer Out	-	(6.5)	Closed project funds returning to the General fund
Ending Cash Balance	\$ 46.5	\$ 39.3	
<b>42 - Infrastructure Preservation</b>			
Beginning Cash Balance	\$ 31.7	\$ 27.5	
Revenues	-	-	
Interfund Transfers In	9.1	4.0	For capital projects and reserves
Expenditures	(12.5)	(4.3)	State of good repair and infrastructure preservation projects
Interfund Transfer Out	(0.9)	-	Closed project funds returning to the General fund
Ending Cash Balance	\$ 27.5	\$ 27.1	



Budgeted Activity and Cash Balance by Fund - Funds 43, 44, 45  
(Dollars in Millions)

Fund	2026 Budget	2027 Budget	Discussion
<b>43 - Workers' Compensation Fund</b>			
Beginning Cash Balance	\$ 6.3	\$ 4.9	
Revenues	0.3	0.3	Investment income
Interfund Transfers In	3.5	4.9	For recommended workers' compensation reserve
Expenditures	(5.1)	(5.3)	Claims and administrative costs
Interfund Transfer Out	-	-	
Ending Cash Balance	\$ 4.9	\$ 4.8	
<b>44 - State Capital Projects Fund</b>			
Beginning Cash Balance	\$ 3.8	\$ 0.0	
Revenues	0.5	1.9	
Interfund Transfers In	1.8	1.5	Local match for state grants
Expenditures	(4.2)	(3.4)	Grant-supported projects including Swift Blue Line expansion, DART paratransit and vanpool vehicles
Interfund Transfer Out	(1.8)	-	
Ending Cash Balance	\$ -	\$ -	
<b>45 - FTA Capital Projects Fund</b>			
Beginning Cash Balance	\$ 58.8	\$ 0.0	
Revenues	20.7	41.7	FTA Grant Revenues
Interfund Transfers In	33.3	52.2	Local match for federal grants
Expenditures	(71.1)	(80.9)	Grant-supported projects including Swift Line, facilities, and zero-emission projects
Interfund Transfer Out	(41.6)	(12.9)	
Ending Cash Balance	\$ -	\$ -	

Budgeted Activity and Cash Balance by Fund - Funds 46, 48, 50  
(Dollars in Millions)

Fund	2026 Budget	2027 Budget	Discussion
<b>46 - Local Capital Projects Fund</b>			
Beginning Cash Balance	\$ 12.8	\$ 0.0	
Revenues	0.0	-	
Interfund Transfers In	11.6	7.2	Funds capital projects
Expenditures	(23.7)	7.2	Locally-funded capital projects, including minor capital
Interfund Transfer Out	(0.7)	-	Closed project funds returning to the General fund
Ending Cash Balance	\$ -	\$ 14.4	
<b>48 - Facilities and Technology Fund</b>			
Beginning Cash Balance	\$ 242.2	\$ 246.6	
Revenues	-	-	Washington State bus & bus facilities grant
Interfund Transfers In	71.2	24.5	Funds capital projects and reserves
Expenditures	(53.3)	(8.3)	Includes Facilities Master Plan and Zero Emissions projects
Interfund Transfer Out	(13.5)	(49.9)	To cover local match for vehicle maintenance facility project transferred to Fund 45
Ending Cash Balance	\$ 246.6	\$ 213.0	
<b>50 - Bond Debt Service Fund</b>			
Beginning Cash Balance	\$ 0.7	\$ 0.7	
Revenues	-	-	
Interfund Transfers In	1.4	1.4	Funds required annual debt service
Expenditures	(1.4)	(1.4)	Principal and interest on 2017 bond issue
Interfund Transfer Out	-	-	
Ending Cash Balance	\$ 0.7	\$ 0.7	

Fund 47 has no budget for 2026 or 2027 and is not shown.

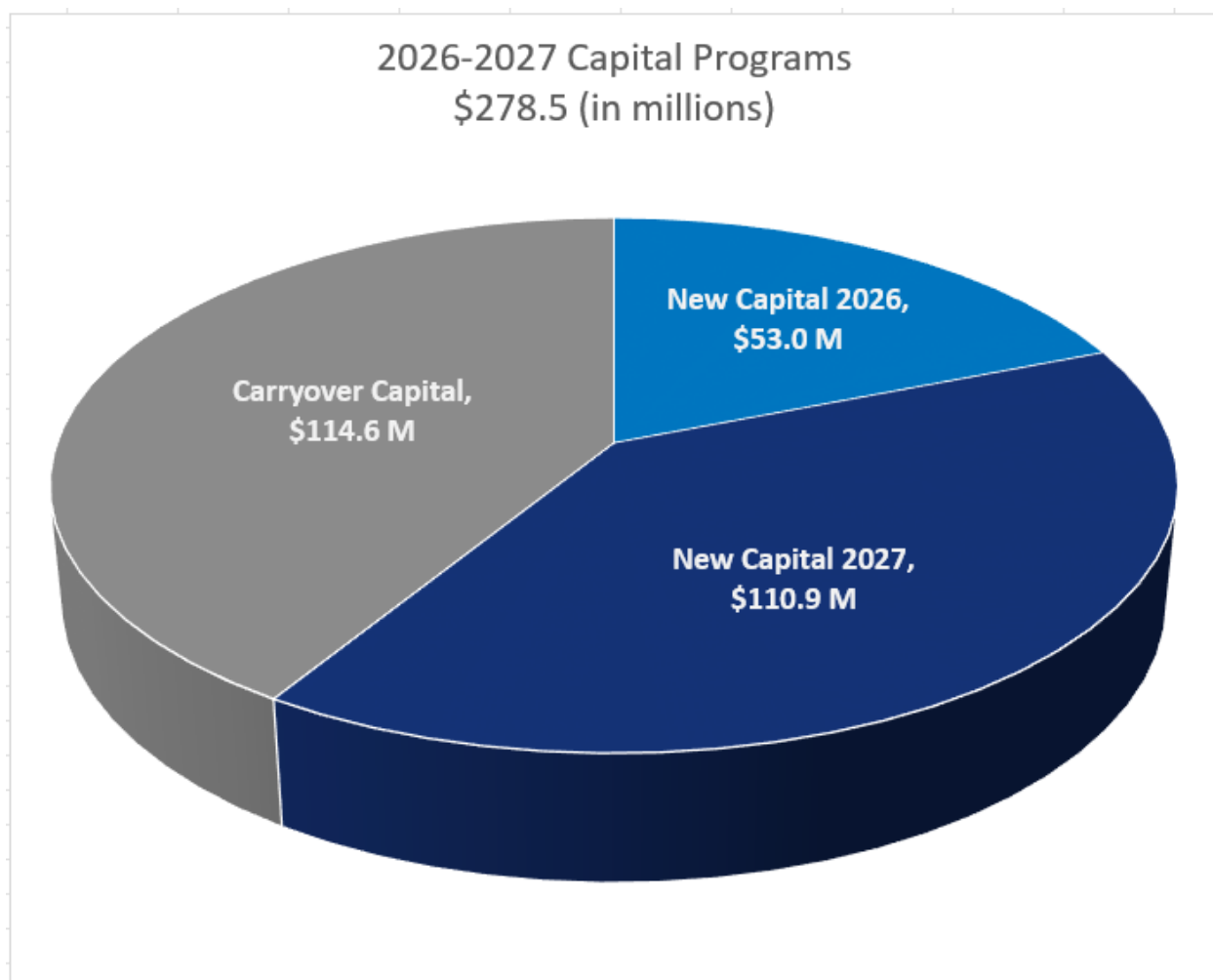
# Capital Program

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 \$10,000 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 multiyear 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 2026 and 2027 capital programs encompass investments totaling \$53 million and \$110.9 million, respectively. These initiatives include new projects, ongoing multiyear projects initiated in previous years, as well as personnel expenses.



## New and Existing Initiatives

The 2026-2027 budget includes funding for new and ongoing initiatives that support Community Transit's effort to roll out new service. 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 biennium capital budget are described in the following discussion.

### Swift Network Buildout

The Swift BRT network remains central to Community Transit's service expansion plans. In the 2026–2027 biennium, the agency will continue building out its Swift bus rapid transit (BRT) network through major capital projects that improve speed, access, and connectivity. 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 in 2024.



Continued progress has been made to expand rider access to Sound Transit's Link light rail, offering a faster and more efficient way to travel south to Seattle and throughout King County. Over the next six years, Community Transit is advancing two major expansion projects for its Swift BRT network, the Swift Gold Line and the Swift Green Line extension. These projects will enhance connectivity, extend service into growing population centers, and improve transit access in both Snohomish and King counties.

The Swift Gold Line will be the fourth line in Community Transit's BRT system. It is planned to operate between Smokey Point Transit Center and Everett Station connecting the cities of Arlington, Marysville, and Everett, and expanding the Swift network into northern Snohomish County. The project is starting the preliminary design phase, which will help inform stakeholders



on the benefits and costs of various aspects of the project to assist with decision-making on the project's route alignment, station locations, and corridor design. The 2026–2027 budget allocates \$11.2 million for this phase.



In tandem with the Swift Gold Line project, Community Transit will be renovating and expanding the existing termini at Smokey Point Transit Center and at the Everett Station – Swift Terminal to support increased bus operations at each facility as well as to support opportunity charging at these facilities for battery electric buses in the future. Both facilities are anticipated to support approximately double the existing capacity. The 2026-2027 budget allocates \$31.2 million for design and construction of the two facility renovations and expansions.

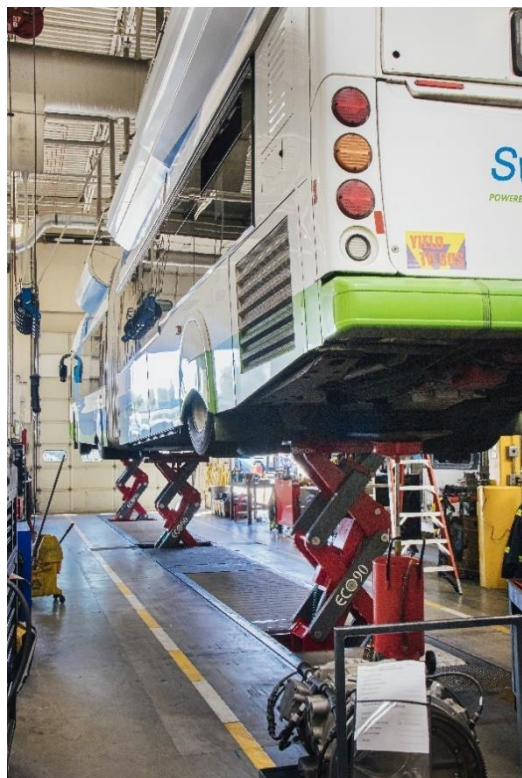
The Swift Green Line will be extended south to connect the Boeing/Paine Field Manufacturing and Industrial Center and the Canyon Park Regional Growth Center with downtown Bothell, the University of Washington–Bothell, and Cascadia College campuses, to a new to be determined site of a new southern terminal facility. These efforts, to extend the line, build new stations along the extension, and construct a new terminal facility are being developed as separate projects. The Swift Green Line extension is being developed in close coordination with the City of Bothell and Sound Transit aligning with the timing for Bothell's plans to widen Bothell Way. The 2026-2027 budget allocates \$11.4 million for design towards these two projects.





## Facilities Master Plan

A continuing priority for Community Transit is modernizing and expanding its base facilities to ensure the agency is prepared to meet future service demands and operate with maximum efficiency. Ongoing service and fleet expansion, coupled with the transition to zero emissions vehicles, necessitates the expansion of maintenance bays, bus parking, and operational support facilities. Expanding and modernizing these facilities is essential to meet future capacity needs and to provide employees with a work environment that supports operational excellence and enables them to perform at their best. The Facilities Master Plan (FMP), a multi-year, multi-phased capital program launched in 2020, continues to serve as the blueprint for addressing these needs.



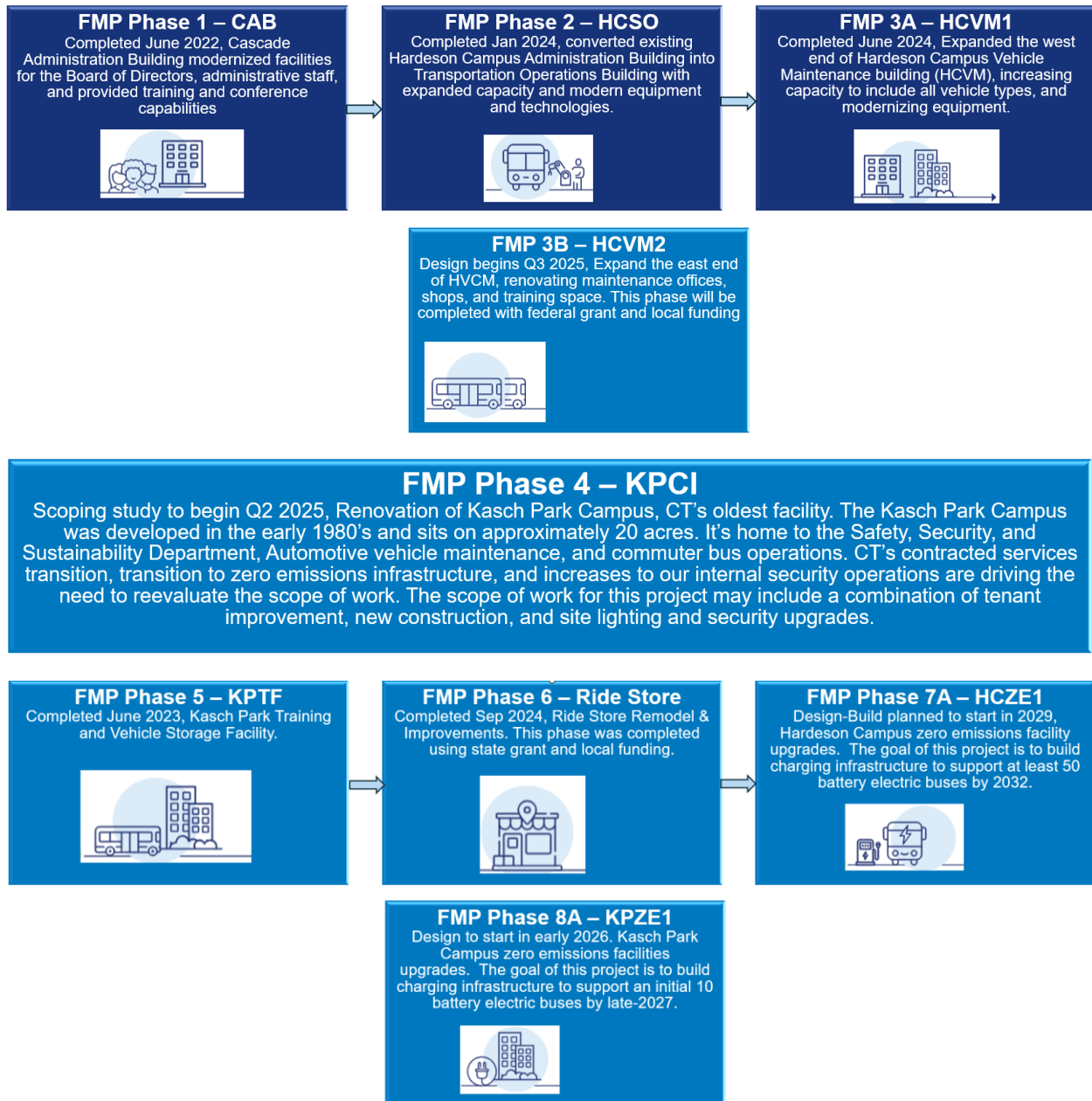
HCVM - FMP 3 focuses on comprehensive upgrades to the Hardeson Campus Vehicle Maintenance (HCVM) facility. HCVM1 - FMP 3A was completed in mid-2024 and expanded the west end of HCVM, allowing maintenance of all vehicle types and modernizing equipment and processes. HCVM2 - FMP 3B will renovate the facility's maintenance offices, shops, and training areas. Design is scheduled to begin in late 2025 with a \$21.3 million budget for this biennium and total capital grant funding for the biennium and subsequent years is estimated at 14.2 million.

Planning has started for KPCI - FMP 4, this project will address the aging Kasch Park Campus, which is Community Transit's oldest facility and was developed in the early 1980s. A scoping study is underway and will inform the design of this effort to be completed in 2026-2027. The site, which currently houses Safety, Security and Sustainability, commuter bus operations, and automotive maintenance, and will begin housing

additional in-house bus operations beginning in mid-2026 requires significant updates to support future operational needs, including a transition to zero emissions. The scope may include a mix of renovations, new construction, and security enhancements. KPCI1 - FMP 4A has a budget of \$5.14 million in the budget biennium to support design of the first sub-phase.

Future projects that will support the transition to a zero emissions fleet are HCZE1 - FMP 7A and KPZE1 - FMP 8A. KPZE1 - FMP 8A, scheduled to begin design in early 2026, will add the first charging infrastructure not associated to a pilot effort and will support at least 10 battery electric buses by late-2027 and is funded at \$5.0 million. HCZE1 - FMP 7A, scheduled to begin design in 2029, will add charging infrastructure to the Hardeson Campus to support at least 50 battery electric buses by 2032.

## Facilities Maintenance Plan



## 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 biennium budget contains \$6.1 million for the replacement of DART paratransit vehicles: 15 carried over from an order in 2025, and 13 to be ordered in

2027. Between vanpool replacement and expansion vehicles, 182 vehicles will also be purchased in the biennium budgeted at \$10.6 million. 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 to evaluate the transition to a zero emissions (ZE) fleet. This work laid the foundation for the agency's long-term planning and was followed in 2023 by a pilot program with a leased battery electric bus and a utility system impact study to gather operational data and inform decisions related to propulsion mix and infrastructure investments. 2024 saw the launch of the agency's Side-by-Side pilot, deploying one battery electric bus and one fuel cell electric bus to learn about operations with both technologies and confirm findings of the feasibility study. To date, over 19,000 miles of testing has been completed with deep learnings for operators, maintenance staff, and program stakeholders.

In the 2026–2027 biennium, Community Transit continues to build on the previous ZE work done with continued investment in a diversified zero emissions and low-emissions propulsion mix that includes 40-foot battery electric buses (BEBs), 40-foot hybrid coaches, and BRT buses. The biennium budget includes \$16 million to support the purchase of ten 40-foot BEBs, anticipated for delivery in late 2027. The agency has also budgeted \$14.5 million to purchase twelve 40-foot hybrid coaches.

Project funding totaling \$6.5 million supports the continued development of the zero emission fleet pilot project. An additional 5.6million is included to support zero emission operational technology needs, and \$1.4 million is dedicated to ZE utility infrastructure upgrades required to

enable bus charging and future fleet expansion.

The Facilities Master Plan (FMP) budget also includes Design \$5 million for KPZE1 - FMP 8A Design and Construction. Funding supports design and construction work for facility upgrades needed to support charging infrastructure for battery electric buses.

The 2026 budget also includes the continuation of a reserve of \$127.3 million in the Facilities and Technology Fund, followed by \$110.4 million in 2027, to support future development and implementation of a zero emissions fleet.

## Innovation Projects

Community Transit remains committed to supporting new projects that drive innovation and ongoing improvements, ensuring that our services remain modern, efficient, and responsive to community needs. Among these initiatives is the Speed and Reliability Program. As additional Swift BRT lines are introduced or expanded and as local bus service is restructured, enhancing speed and reliability becomes increasingly vital to system performance. Recognizing that travel time competitiveness with cars is critical to attracting more riders, Community Transit established the Speed and Reliability Program. This ongoing project will identify the primary sources of system delay and propose key recommendations to address them. With the ongoing Swift expansion, a major focus will be the establishment of a Transit Signal Priority (TSP) program. Speed and Reliability Program directly targets this need by increasing the consistency and predictability of transit service, which ensures buses arrive on schedule and travel times remain stable day to day. The Speed and Reliability Project is funded at \$3.6 million for the current biennium.

Other innovative projects include the Transit Coach Driver Doors project and the Mobile Fall Protection System. The Transit Coach Driver Doors project is another innovative project with a focus on safety. This project will enhance operator safety by providing purpose-built coach driver doors made of durable metal and automotive glass. These doors are widely adopted in the transit industry and align with regional and national trends to strengthen frontline staff security. This project has a budget of \$2.8 million. The Mobile Fall Protection system is a project that will provide Facilities and Vehicle Maintenance staff with adequate fall protection, particularly at Swift BRT stations or on vehicle rooftops. The goal is to ensure safety without compromising efficiency in the field. This feasibility study is funded at \$60k for the biennium.

## Information Technology Projects

Community Transit continues to dedicate resources toward updating many of its technology systems and infrastructure. Such upgrades include transit technology systems, safety and security and back-office and administrative systems that support critical business functions.

The biennial budget continues to support significant systems enhancements and replacements, many of which are ongoing and multi-year initiatives. These include such systems as replacement of digital signage at Ash Way Park & Ride and Lynnwood City Center Station, the Security Services CAD-RMS replacement which will enhance response times, improve data accuracy and support more effective deployment and staffing decisions, New Transportation Devices to enable coach operator access to the mobile Safety Information Management



System. The CAD/AVL system replacement is a critical technology project, with an initial \$2 million in funding to support its first phase. Community Transit's current system is aging, difficult to maintain and no longer meets operational needs. This project will implement a modern, integrated solution to enhance real-time transit management, improve service delivery, and align with the agency's long-term strategic goals. The upgrade is essential for supporting growth, adaptability, and sustainability.

On the administrative side, the agency will continue phased implementation of Microsoft 365, along with development of an employee communication platform to strengthen internal engagement and information sharing.

## 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-ride lots, and more than 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.



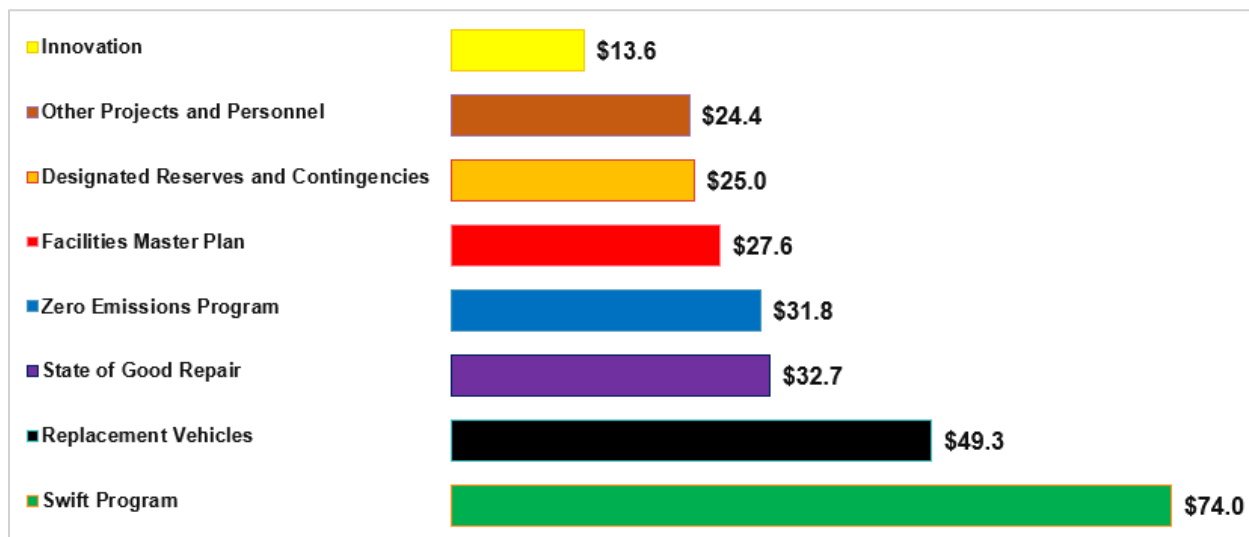
The Bus Stop Program is one of Community Transit's state of good repair continuous projects that is dedicated to upgrading bus stop infrastructure to enhance the overall customer experience, especially for transit-dependent populations. By investing in amenities like shelters, seating, lighting, and accessibility features such as sidewalks and curb ramps, the program aims to make bus travel safer, more comfortable and more reliable. These improvements also help reduce unanticipated wait times and improve speed and reliability through projects like

transit signal priority and stop optimization. With many existing stops lacking basic amenities or falling short of ADA standards, this program addresses a critical backlog of need. Ultimately, the Bus Stop Program supports greater transit equity by creating a more accessible and appealing alternative to car travel and improving conditions for all riders.

The biennial budget includes new project funding for the redesign of comfort stations located at Park & Ride facilities, and improvements at Mariner Park & Ride to repair and restore surface conditions. Additional state of good repair projects includes the Kasch Park Fuel Island Upgrade, the removal and replacement of underground storage tanks to ensure regulatory compliance and environmental safety and pavement resurfacing at Marysville II Park & Ride, located at 116<sup>th</sup> St NE and I-5, to extend asset life and improve usability.

## 2026-2027 Capital Program by Type

2026-2027 Capital Program by Type — \$278.5 (in millions)





## 2026-2027 Capital Program, Including Carryover Projects

2026-2027 Capital program, Including Carryover Projects (continues on next pages)

Project Information		Fund	Funding Source		2026 Budget	2027 Budget
			Grants	CT Local		
<b>Zero Emissions Program</b>						
2318	Zero Emissions Fleet Pilot Project	48		1,935,925	1,935,925	
2409	40' Coaches – Battery Electric (10)	45	12,051,362	3,969,147	16,020,509	
2414	2024 ZE Program Development	48		1,184,670	1,184,670	
2415	ZE Utility Infrastructure	48		1,350,000	1,350,000	
2419	FMP 7 – ZE Improvements Hardeson Campus	45		700,000	700,000	
2623	Zero Emissions Operational Technology Product Suite	48		5,565,000	5,565,000	
2650	KPZE1 - FMP8A	48		5,000,000	5,000,000	
<b>Zero Emissions Program Subtotal</b>			<b>\$ 12,051,362</b>	<b>\$ 19,704,742</b>	<b>\$ 31,756,104</b>	<b>\$ -</b>
<b>Swift Program</b>						
1850	Swift Orange Line	45		58,754	58,754	
2109	Swift Blue Line Expansion Design & Engineering	46		296,183	296,183	
2250	Swift Orange Line Corridor & Terminals	45		877,076	877,076	
2252	Swift Orange Line OFI	45		401,656	401,656	
2254	Swift Orange Line Incidentals	46		298,984	298,984	
2261	Swift Blue Line Construction	44		723,468	723,468	
2262	Swift Blue Line Program	44		108,249	108,249	
2263	Swift Gold Line Scoping	46		15,932	15,932	
2303	Swift Onboard Signage	46		558,905	558,905	
2314	Swift Gold Line	45	11,000,720	183,175	11,097,228	86,667
2315	Swift Green Extension	46		4,323,300	4,323,300	
2316	Swift Program Projects	46		3,001,868	3,001,868	
2421	Swift GNX Southern Terminal Facility	45	2,586,240	4,406,426	6,906,000	86,666
2608	Everett Station Expansion	45		8,640,000	1,440,000	7,200,000
2611	Smokey Point Transit Center	45		22,560,000	4,080,000	18,480,000
2704	Swift Green Line Extension - Vehicles	45	11,129,280	2,782,320		13,911,600
<b>Swift Program Subtotal</b>			<b>\$ 24,716,240</b>	<b>\$ 49,236,298</b>	<b>\$ 34,187,605</b>	<b>\$ 39,764,933</b>
<b>Facilities Master Plan</b>						
2002	FMP 2 – HCSO Renovation	48		505,072	505,072	
2011	FMP 3A – HCVM Maintenance Shop Renovation and Expansion	48		97,588	97,588	
2015	FMP 6 – Ride Store Renovation	48		384,237	384,237	
2017	FMP 5 – Vehicle Storage and Training Facility	48		68,593	68,593	
2224	Audio/Visual Needs FMP Projects	48		242,157	242,157	
2422	FMP 4 – Kasch Park Campus Improvements	48		5,056,800	1,264,200	3,792,600
2525	FMP 3B – HCVM Office and Parts Dept Renovation	45	8,425,234	12,854,518	21,193,085	86,667
<b>Facilities Master Plan Subtotal</b>			<b>\$ 8,425,234</b>	<b>\$ 19,208,965</b>	<b>\$ 23,754,932</b>	<b>\$ 3,879,267</b>

2026-2027 Capital program, Including Carryover Projects (continued)

Project Information		Fund	Funding Source		2026 Budget	2027 Budget
			Grants	CT Local		
<b>Replacement Vehicles</b>						
2408	40' Coaches – Hybrid (12)	45		14,507,789		14,507,789
2418	2025 DART Vehicles	41		2,687,785	2,687,785	
2620	Vanpool Vehicle Replacement 2026	44	460,800	2,839,200	3,300,000	
2701	2027 Replacement - 30' Buses -13 Vehicles	45	14,947,828	3,736,958		18,684,786
2702	2027 Replacement DART Buses 13 Vehicles	44	1,913,600	1,515,280		3,428,880
2703	Vanpool Vehicle Replacement 2027	41		6,720,000		6,720,000
<b>Replacement Vehicles Subtotal</b>			<b>\$ 17,322,228</b>	<b>\$ 32,007,012</b>	<b>\$ 5,987,785</b>	<b>\$ 43,341,455</b>
<b>Expansion Vehicles</b>						
2708	Vanpool Vehicle Expansion 2027	46		600,000		600,000
<b>Expansion Vehicles Subtotal</b>			<b>\$ -</b>	<b>\$ 600,000</b>	<b>\$ -</b>	<b>\$ 600,000</b>
<b>Innovation</b>						
1921	Digital Strategy	46		183,581	183,581	
1923	Base Map Implementation	46		43,791	43,791	
2214	Electronic Timesheet System Implementation	46		41,924	41,924	
2225	Audio Visual Needs – Feasibility Studies	48		118,046	118,046	
2302	Transit Info Program Research	46		315,000	315,000	
2317	Speed and Reliability	46		3,644,843	918,057	2,726,786
2423	Passenger Information Control System (PICS) Enhancement	46		98,000	98,000	
2503	Transit Coach Driver Doors	46		2,830,000	2,830,000	
2506	Mobile Fall Protection System Evaluation and Purchase	46		60,000	60,000	
2511	Safety Management Information System	46		20,000	20,000	
2516	MS 365 Phased Implementation	46		643,915	643,915	
2520	Route Performance Software	46		414,050	414,050	
2526	Employee Communication Platform	42		19,165	19,165	
2527	Next Generation ORCA Phase 2	48		3,901,521	3,901,521	
2601	Vanpool Customer Management Tool	46		300,000	300,000	
2631	Kasch Park Contracted Services Transition to Direct Operation - IT Cos	48		734,400	734,400	
2647	Transportation Devices to Support SMIS	46		118,692	118,692	
2709	Website Content Management System Replacement	42		149,975		149,975
<b>Innovation Subtotal</b>			<b>\$ -</b>	<b>\$ 13,636,902</b>	<b>\$ 10,760,141</b>	<b>\$ 2,876,761</b>

2026-2027 Capital program, Including Carryover Projects (continued)

Project Information		Fund	Funding Source		2026 Budget	2027 Budget
			Grants	CT Local		
<b>State of Good Repair</b>						
1502	IT Corporate Security Upgrade	46		34,378	34,378	
1904	IT Service Management System	46		40,115	40,115	
2101	Disaster Recovery As A Service	46		256,025	256,025	
2202	Lake Stevens TC Refresh	42		9,524	9,524	
2203	JPA Upgrade	48		190,000	190,000	
2204	Farebox Replacement at KPOB	46		63,000	63,000	
2208	Bus Stop Program	48		2,816,084	2,816,084	
2223	Performance Mgmt System Replacement	42		6,061	6,061	
2228	Telephone System Replacement Feasibility	46		107,256	107,256	
2312	PeopleSoft HCM/Payroll Upgrade	42		104,000	104,000	
2321	End User Hardware (2023-24)	42		115,310	115,310	
2405	Telephone System Replacement	42		42,513	42,513	
2406	IVR System Lifecycle Replacement	42		429,000	429,000	
2412	PeopleSoft Financials Upgrade	42		85,000	85,000	
2417	CAD Central Sys/Dispatch Software/Hardware Replacement	42		280,000	280,000	
2424	PeopleSoft HCM Process Improvement and System Overhaul	46		190,435	190,435	
2501	ERP and HCM System Replacement	42		968,853	968,853	
2507	Hardeson Campus & Kasch Park Unleaded Pumps and Diesel Transfe	42		105,000	105,000	
2512	Hardeson Campus Bus Wash & Drying Feasibility	46		13,500	13,500	
2514	Digital Sign Replacement Lynnwood & Ash Way Park	42		834,000	834,000	
2522	Park & Ride / Comfort Station Feasibility	46		95,040	95,040	
2603	Leave Management Project (PeopleSoft Enhancements)	46		290,400	290,400	
2609	Comfort Station Proposal 2026-2027	46		2,520,000	1,680,000	840,000
2610	Underground Storage Tank Removal-Replacement	42		4,290,000	4,290,000	
2614	VoIP Portables End-of-Life Replacement	42		115,041	115,041	
2615	CAD Replacement Project	42		2,000,000	1,000,000	1,000,000
2616	Firewall Replacement	42		283,980	283,980	
2617	MAR Replacement	42		1,140,000	570,000	570,000
2618	Stand Alone VoIP	42		1,200,000		1,200,000
2621	VDI Host Replacement	42		323,203	323,203	
2622	VMC Host Replacement	42		160,368	160,368	
2624	Kasch Park Fuel Island Upgrade	42		278,568	278,568	
2626	Adjustable Scaffold Systems for Bus Roof Access	46		479,304	479,304	
2627	Rigid Rail Fall Protection for Kasch Park Building C	46		210,000	210,000	
2633	Steambay Lift Replacement-HCVM	42		390,000	390,000	
2634	Cascade Building - Concrete Sidewalk Replacement	42		480,000	240,000	240,000
2639	Security Services CAD-RMS Replacement	42		108,000	108,000	
2640	Marysville II Park & Ride Pavement Resurfacing	42		270,000	270,000	
2651	Bus Stop Program	45	2,200,000	8,800,000	5,500,000	5,500,000
2705	Mariner Park & Ride Improvements	42		420,000		420,000
<b>State of Good Repair Subtotal</b>			<b>\$ 2,200,000</b>	<b>\$ 30,543,959</b>	<b>\$ 22,973,959</b>	<b>\$ 9,770,000</b>

2026-2027 Capital program, Including Carryover Projects (continued)

Project Information		Fund	Funding Source		2026 Budget	2027 Budget
			Grants	CT Local		
<b>Other Minor Projects</b>						
2517	Trapeze Coach Operator Scheduling & Payroll Licenses	46		9,238	9,238	
2629	Mobile Maintenance Service Truck Expansion	46		480,000	480,000	
FURNCAF	Minor Furniture	46		620,000	310,000	310,000
MINCAP	Minor Capital	46		3,177,948	2,491,707	686,241
<b>Other Minor Projects Subtotal</b>			\$ -	\$ 4,287,186	\$ 3,290,945	\$ 996,241
<b>Personnel and Other Costs Allocated to Capital</b>			-	19,556,918	9,852,276	9,704,642
<b>Capital Program Total</b>			\$ 64,715,064	\$ 188,781,980	\$ 142,563,746	\$ 110,933,298
<b>Designated Reserves and Contingencies</b>						
9990	Infrastructure Preservation Contingency	42		200,000	200,000	
9991	IT Infrastructure Contingency	42		321,740	321,740	
9992	Facilities & Technology Contingency	48		200,000	200,000	
9993	Facilities Master Plan Contingency Reserve	48		4,247,314	4,247,314	
9994	Zero Emissions Projects Contingency	48		18,935,000	18,935,000	
9996	Local Projects Contingency	46		450,000	450,000	
9997	State Capital Projects Contingency	44		100,000	100,000	
9998	FTA Capital Projects Contingency	45		500,000	500,000	
<b>Designated Reserves and Contingencies Subtotal</b>			\$ -	\$ 24,954,054	\$ 24,954,054	\$ -
<b>Capital Program and Reserve Total</b>			\$ 64,715,064	\$ 213,736,034	\$ 167,517,800	\$ 110,933,298

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

The following chart shows the estimated impact of major new initiatives on Community Transit's operating budget.

Estimated Operating Budget Impact of Major New Initiatives

<i><b>Project / Initiative</b></i>		<i><b>2026</b></i>	<i><b>2027</b></i>	<i><b>2028</b></i>	<i><b>2029</b></i>	<i><b>2030</b></i>
Estimated Incremental Cost: Transition of Community Transit and Sound Transit Contracted Bus Service to In-House (ST contract ends after 2029)	Cost & Hours for Routes 901, 903, 904, 905, 510, 512, 513, 515, 532, and 535	3,832,837	\$ 5,279,554	\$ 5,411,543	\$ 5,546,832	\$ 1,556,630
<b>New</b> Zip Zones (Lake Stevens, Arlington, Darrington -- 2026, two new zones -- 2028)	Estimated Ongoing Cost when Zip Pilots become full-fledged service: 2026 -- 60,000	4,508,616	4,639,366	8,718,142	8,936,095	9,159,498
	<b>Estimated Cumulative Cost of All New Services Added</b>	<b>\$ 7,037,000</b>	<b>\$ 6,479,554</b>	<b>\$ 6,611,543</b>	<b>\$ 6,746,832</b>	<b>\$ 3,802,835</b>



# 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 the 2026/2027 biennium, the agency had two outstanding limited sales tax general obligation bonds with a total debt service payment of \$2.9 million. There is no future debt service. The following table presents the annual debt service amounts for principal and interest and debt coverage calculation for the years 2026 and 2027. 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.

### 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>\$ 2,655,000</b>	<b>\$ 200,750</b>	<b>\$ 2,855,750</b>

Debt Service Coverage	2026 Budget	2027 Budget
Operating Revenue	\$ 282,141,945	\$ 290,311,562
Operating Expense	(277,177,585)	(282,949,462)
Net Available for Debt Service	4,964,360	7,362,100
Required Debt Service Payments	1,427,750	1,428,000
<b>Debt Service Coverage</b>	<b><u>3.5 times</u></b>	<b><u>5.2 times</u></b>

Community Transit's net revenues after operating expenses cover the annual bond principal and interest payments due in 2026 more than 3.5 times and in 2027 more than 5.2 times.



## Debt Capacity

Community Transit's debt is subject to a legal debt limit. This limit is calculated at 0.375 percent 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

### Debt Capacity

Legal Debt Margin Information for the most recent valuation year (2024)		(\$ in Millions)
Assessed valuation in 2024 for collection of taxes in 2025	\$	166,239.7
Nonvoted debt limit 0.375 percent of valuation		623.4
Less outstanding bond issues - net		(4.1)
<b>Nonvoted Debt Capacity Remaining</b>	<b>\$</b>	<b><u>619.3</u></b>

Outstanding bonds are shown as of December 31, 2024, 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, 2024<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 Total: nine voting and one nonvoting
Type of Tax Support	Local sales tax: 1.2 percent
County in Which PTBA Operates	Snohomish County
Population - County	867,101
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 [communitytransit.org/about](https://communitytransit.org/about) for more information about our history.

<sup>1</sup> The year ending December 31, 2024, was the last complete year of actual service and fiscal results at the time this budget document was drafted. Table data sources: Community Transit's 2024 Annual Comprehensive Financial Report and Washington State Office of Financial Management (OFM) [ofm.wa.gov](https://ofm.wa.gov) (county population only)

# Region and Economy

Community Transit operates in Snohomish County. Snohomish County is 13<sup>th</sup> in total land area, and 3<sup>rd</sup> by population in Washington state. The two most populous counties, King County and Pierce County, lie just to the south. The northern border is shared with Skagit County. 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: [communitytransit.org/transit-development-plan](https://communitytransit.org/transit-development-plan).

## 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

Washington State Economic Indicators	2024	2025	2026	2027	2028	2029
Unemployment	4.5%	4.6%	5.0%	5.0%	4.8%	4.5%
Percent Change in Real Per Capita Income	2.8%	1.3%	2.0%	3.3%	3.3%	2.7%
Percent Change in Personal Income	6.6%	5.3%	5.0%	5.6%	5.5%	5.1%

The Washington State Economic and Revenue Forecast Council<sup>2</sup> measures and forecasts change in the state's economy. The table above contains statistics from the June 2025 forecast.

## Snohomish County Demographics and Economy<sup>3</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>4</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>
2021	837,800	613,289	24.9%	60.3%	14.9%
2022	847,300	621,930	24.9%	59.7%	14.9%
2023	859,800	663,281	24.9%	59.4%	15.8%
2024	867,101	663,281	24.8%	58.9%	16.3%

Snohomish County's population grew by about 8.2% between 2021 and 2024. The county has a diversity index score of 66.2, meaning that in a random sample of any two people in the county, there is a 66.2% chance that the individuals would identify with different racial or ethnic backgrounds. The population has a median age of 39 years and includes a workforce of around 400,000 people. Over 23,000 businesses call Snohomish County home, ranging from small family farms to large, well-known employers including Boeing and Philips.

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 416,760 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>5</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>2</sup> Table data from [erfc.wa.gov/forecasts/economic-forecast](https://erfc.wa.gov/forecasts/economic-forecast), September 2023 Forecast, Table A1.3.

<sup>3</sup> Section data from Economic Alliance Snohomish County ([economicalliancesc.org](https://economicalliancesc.org)).

<sup>4</sup> Table data sources: Washington State Office of Financial Management (OFM) [ofm.wa.gov](https://ofm.wa.gov) and Community Transit's 2024 Annual Comprehensive Financial Report (PTBA population only)

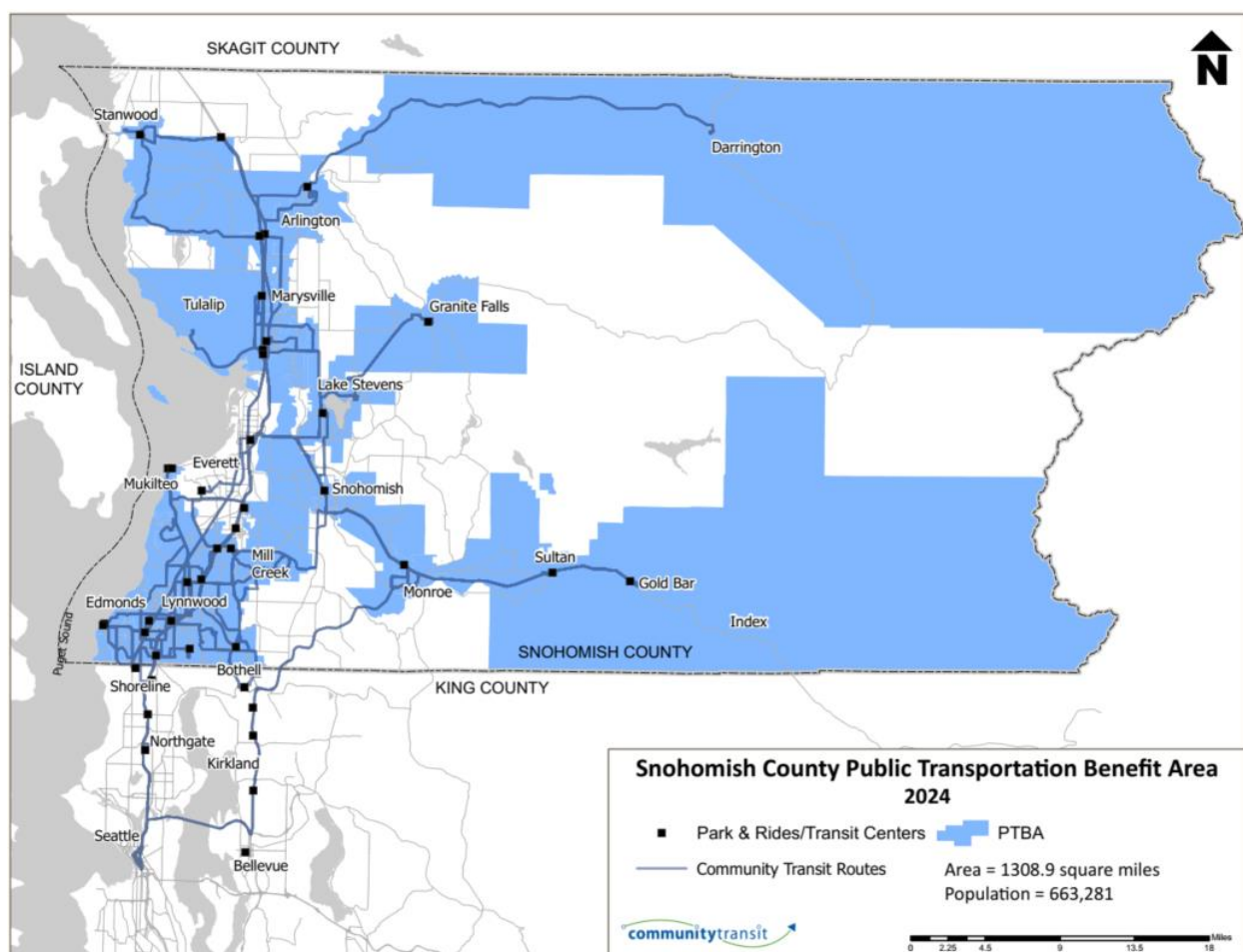
<sup>5</sup> Paine Field data comes from the Paine Field website: [paineairport.com/27/About-Our-Airport](https://paineairport.com/27/About-Our-Airport).

# Service Area

As of September 2024, Community Transit's service area had more than 663,000 residents, or more than 76% 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 2024



# 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 75% of Community Transit's workforce.

The Chair, Vice-Chair, and Secretary are elected from among the voting Board members. During 2025, the Board members in these positions were:

Board Chair – Mayor Sid Roberts from the City of Stanwood.

Board Vice Chair – Mayor Christine Frizzell from the City of Lynnwood.

Board Secretary – Council Member Kim Daughtry from the City of Lake Stevens.

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 [communitytransit.org/board-of-directors](https://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 2025 were:

- Chief of Staff and Public Affairs Officer – Deb Osborne
- Chief Communications Officer – Geoff Patrick
- Chief Information Officer – Chas Stearns
- Chief Innovation and Customer Experience Officer – Molly Marsicek
- 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 [communitytransit.org/ceo](https://communitytransit.org/ceo).



# Strategic Goals and Priorities

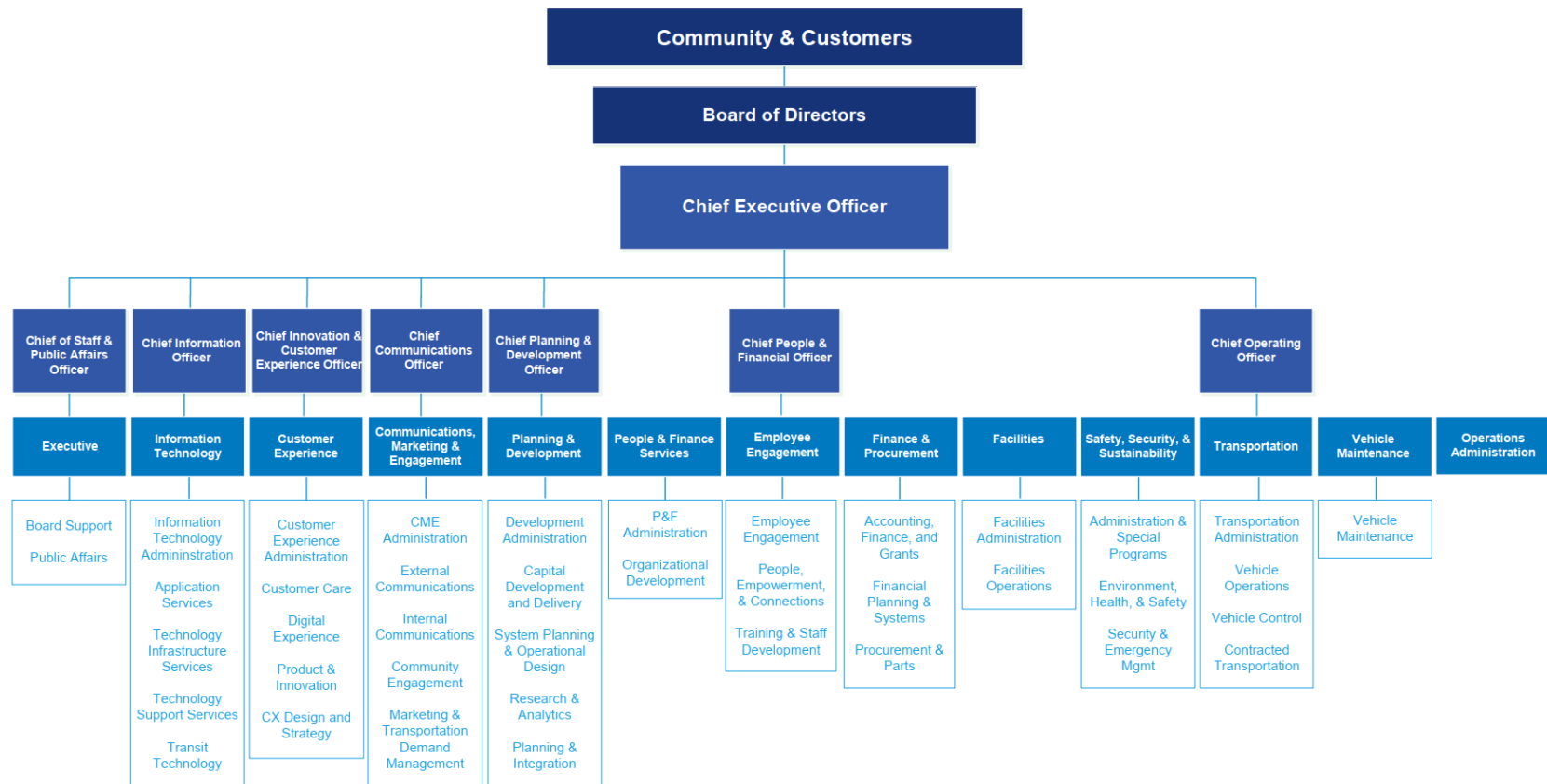
Community Transit Strategy 2026-2030

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	 <b>Attract &amp; retain customers</b> <i>We will listen to customers so they will see their needs reflected in our products and services.</i>	 <b>Strengthen employee experience</b> <i>Employees are engaged and feel heard, seen, safe, and valued.</i>	 <b>Prioritize Sustainability</b> <i>Sustainability measures will provide long-term protection for our people, planet, and prosperity.</i>
GOALS	<ul style="list-style-type: none"> <li>• Increase customers and ridership</li> <li>• Improve customer satisfaction score</li> </ul>	<ul style="list-style-type: none"> <li>• Lead the industry and region in employee satisfaction and engagement</li> <li>• Ensure our workforce, and especially people leaders reflect the diversity of our community.</li> </ul>	<ul style="list-style-type: none"> <li>• Ensure safety &amp; security of our customers and employees</li> <li>• Deliver an adaptable balance of fleets, facilities, and mobility services for our customers</li> </ul>
INITIATIVES	<ul style="list-style-type: none"> <li>• Integrate, calibrate, and optimize the service portfolio including exploring and implementing new services</li> <li>• Design next generation Swift BRT</li> <li>• Embed customer voice in all decisions</li> </ul>	<ul style="list-style-type: none"> <li>• Seek out and respond to employee feedback continuously in everything we do</li> <li>• Foster a continuous improvement and learning culture</li> <li>• Implement the agency's People, Empowerment &amp; Connections (PEC) strategy</li> </ul>	<ul style="list-style-type: none"> <li>• Invest in customer and employee safety &amp; security</li> <li>• Implement the Sustainability Action Plan</li> <li>• Implement the Zero Emissions initial deployments positioning the agency to meet the 2044 goal</li> </ul>
CORE VALUES	Accountability   Initiative   Mutual Respect   Diversity, Equity & Inclusion   Integrity   Service-Focused   Teamwork		

In 2025, agency leadership refined the goals and initiatives to guide the agency's work over the next five years. Strategic priorities remain unchanged from 2025. Much of 2024 and 2025's work revolved around network restructures driven by Sound Transit's light rail project in Lynnwood, updating long term plans, and exploring possibilities in innovative transit services and zero emissions technology. The updated goals and initiatives build on these efforts, with a focus on seeking opportunities for impactful change and furthering sustainability goals. Additional information about the agency's plans for 2026 and 2027 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 Department Budgets

Department budgets are discussed in more detail in the sections that follow. Below are summaries for each budget year.

### 2026 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	\$ 331,268									\$ 331,268
Executive Department	2,129,904									\$ 2,129,904
Communications, Marketing, and Engagement	8,865,526					286,451	70,910			\$ 9,222,887
Customer Experience	7,881,914				3,300,000		539,139			\$ 11,721,053
Information Technology	14,508,134		6,151,853				5,090,804	17,113,942		\$ 42,864,733
Planning and Development	6,880,428		4,569,524		831,717	52,927,375	10,791,565	12,195,975		\$ 88,196,583
<b>People and Finance Services</b>										
People and Finance Services	2,494,175									\$ 2,494,175
Employee Engagement	17,193,481			976,400			140,464	177,124		\$ 18,487,469
Finance and Procurement	8,685,423		673,884	358,000	100,000	1,710,513	450,000	23,617,226		\$ 35,595,046
Insurance	4,821,632									\$ 4,821,632
Debt Service									1,428,150	\$ 1,428,150
Cost Pools	13,682,879		38,607			101,037	85,434	204,564		\$ 14,112,521
<b>Operations</b>										
Operations Administration	524,622									\$ 524,622
Facilities	10,716,596		744,150				490,000			\$ 11,950,746
Safety, Security, and Sustainability	12,864,310		-	3,776,950			168,500			\$ 16,809,760
Transportation	116,262,205									\$ 116,262,205
Vehicle Maintenance	33,508,449	2,687,785	278,568			16,122,385	5,858,304			\$ 58,455,491
Motorbus and DART Fuel	15,826,641									\$ 15,826,641
Interfund Transfers	76,752,055		859,845		1,832,076	41,628,661	730,823	13,465,040		\$ 135,268,500
<b>Totals by Fund</b>	<b>\$ 353,929,640</b>	<b>\$ 2,687,785</b>	<b>\$ 13,316,431</b>	<b>\$ 5,111,350</b>	<b>\$ 6,063,793</b>	<b>\$ 112,776,423</b>	<b>\$ 24,415,943</b>	<b>\$ 66,773,870</b>	<b>\$ 1,428,150</b>	<b>\$ 586,503,385</b>

<sup>1</sup> Fund 47 has no 2026 budget and is not shown.

## 2027 Department Budgets by Fund<sup>2</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	\$ 341,392									\$ 341,392
Executive Department	2,195,850									\$ 2,195,850
Communications, Marketing, and Engagement	8,707,461					288,295				\$ 8,995,756
Customer Experience	8,229,517	6,720,000					957,665			\$ 15,907,182
Information Technology	15,452,666		3,467,268				1,605,169	1,801,320		\$ 22,326,423
Planning and Development	6,399,985		420,000			46,028,864	3,711,748	5,865,447		\$ 62,426,043
<b>People and Finance Services</b>										
People and Finance Services	2,529,991									\$ 2,529,991
Employee Engagement	15,197,173			1,000,800			141,254	178,368		\$ 16,517,595
Finance and Procurement	8,984,372		153,198	369,000		1,218,417	40,404	236,492		\$ 11,001,883
Insurance	5,255,578									\$ 5,255,578
Debt Service									1,428,400	\$ 1,428,400
Cost Pools	13,454,404		32,307			101,037	87,362	197,960		\$ 13,873,070
<b>Operations</b>										
Operations Administration	521,729									\$ 521,729
Facilities	11,844,589		276,865				340,000			\$ 12,461,454
Safety, Security, and Sustainability	13,951,261			3,925,114			125,000			\$ 18,001,375
Transportation	115,835,322									\$ 115,835,322
Vehicle Maintenance	36,527,621				3,428,880	33,294,978	215,000			\$ 73,466,479
Motorbus and DART Fuel	17,520,552									\$ 17,520,552
Interfund Transfers	45,387,083	6,519,277				12,925,888		49,854,575		\$ 114,686,823
<b>Totals by Fund</b>	<b>\$ 328,336,545</b>	<b>\$ 13,239,277</b>	<b>\$ 4,349,638</b>	<b>\$ 5,294,914</b>	<b>\$ 3,428,880</b>	<b>\$ 93,857,479</b>	<b>\$ 7,223,602</b>	<b>\$ 58,134,162</b>	<b>\$ 1,428,400</b>	<b>\$ 515,292,897</b>

Motorbus and DART fuel are displayed under Vehicle Maintenance. Finance and Procurement shares budgeting responsibility.

<sup>2</sup> Fund 47 has no 2027 budget and is not shown.

# Department Operating Budgets

The general fund (Fund 40) contains operating expenses.

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

Department	2024 Actuals	2025 Amended Budget	2026 Budget	% 2026 Budget Over/Under 2025 Budget	2027 Budget	% 2027 Budget Over/Under 2026 Budget
Board of Directors	\$ 175,945	\$ 308,266	\$ 331,268	7%	\$ 341,392	3%
Executive Department	1,755,535	1,965,055	2,129,904	8%	2,195,850	3%
Communications, Marketing, and Engagement	7,741,106	8,427,681	8,865,526	5%	8,707,461	-2%
Customer Experience	5,152,614	7,219,081	7,881,914	9%	8,229,517	4%
Information Technology	9,935,668	12,412,927	14,508,134	17%	15,452,666	7%
Planning and Development	4,092,405	5,904,532	6,880,428	17%	6,399,985	-7%
People and Finance Services						
People and Finance Services	1,155,711	2,304,416	2,494,175	8%	2,529,991	1%
Employee Engagement	14,408,942	17,273,221	17,193,481	0%	15,197,173	-12%
Finance and Procurement	6,765,775	7,752,293	8,685,423	12%	8,984,372	3%
Insurance	2,702,202	3,842,215	4,821,632	25%	5,255,578	9%
Cost Pools		6,330,148	13,682,879	116%	13,454,404	-2%
Operations						
Operations Administration		456,518	524,622	15%	521,729	-1%
Facilities	7,100,696	9,900,699	10,716,596	8%	11,844,589	11%
Safety, Security, and Sustainability	7,252,915	10,660,495	12,864,310	21%	13,951,261	8%
Transportation	96,452,771	115,149,607	116,262,205	1%	115,835,322	0%
Vehicle Maintenance	21,925,080	28,195,790	33,508,449	19%	36,527,621	9%
Motorbus and DART Fuel	9,708,773	14,873,231	15,826,641	6%	17,520,552	11%
<b>Total Operating Expense - Fund 40</b>	<b>\$ 196,326,137</b>	<b>\$ 252,976,175</b>	<b>\$ 277,177,585</b>	<b>10%</b>	<b>\$ 282,949,462</b>	<b>2%</b>

The department sections that follow contain discussions of cost increases and decreases in this fund, as well as information about how each group's budget, work plans, goals, and accomplishments tie to Community Transit's strategic priorities.

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

## Department Reorganizations

A reorganization occurs when an entire workgroup or responsibility for a function is moved from one department to another. Where possible, historical statistics and expenses for reorganized are shown under the new department in the charts, tables, and graphs in this document. This helps facilitate year-over-year comparisons.

### 2025 Department Reorganizations

- Maintenance separates into Vehicle Maintenance and Facilities.
- Operations Administration forms to provide leadership to the Operations group. Staff are transferred from Transportation.
- People and Finance Services Department forms to provide leadership for Employee Engagement, and Finance and Procurement. Staff are transferred from both departments.

### 2026 Department Reorganizations

- Microtransit budget authority moves from Customer Experience to Transportation.

In addition to the changes noted above, several departments have restructured their divisions and budget centers for managerial purposes. In most cases, historical data for these changes were not reallocated. Restructures with budget impact are noted in the department sections that follow.

## Staffing by Department

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

### Personnel Expense

The department sections that follow contain discussions of personnel expense. 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.

Agency level personnel expense, including benefits expense, is discussed in the General Fund Expense section.

### FTE Approval Process

The Board of Directors approves new FTE with the budget (original or amended). During the budget development process, department managers submit requests for new FTEs to support their work plans. Requests are reviewed by the Executive Leadership Team and CEO before moving forward for Board approval.

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



## Staffing by Department – 4-year Summary

Department	2024 Amended Budget	2025 Original Budget	2025 Amended Budget	Proposed Budget	
				2026 FTEs	2027 FTEs
Board of Directors	1.5	1.5	1.5	1.5	1.5
Executive	6	6	6	7	7
Communications, Marketing, and Engagement	29	31	31	32	32
Customer Experience	45	48	49	54	54
Planning and Development	42	42	42	43	44
Information Technology	45	49	49	53	53
People and Finance Services	120	131	134	141	138
People and Finance Services			12	12	12
Employee Engagement	58	67	64	64	61
Finance and Procurement	62	64	58	65	65
Operations	694	785	833	992	1,014
Operations Administration		2	2	2	2
Facilities Maintenance	33	40	40	49	53
Safety, Security, and Sustainability	38	51	52	66	66
Transportation	511	567	614	708	722
Vehicle Maintenance	112	125	125	167	171
<b>Total Agency FTE</b>	<b>982.5</b>	<b>1,093.5</b>	<b>1,145.5</b>	<b>1,323.5</b>	<b>1,343.5</b>
<b>Change in FTE</b>	<b>3</b>	<b>111</b>	<b>52</b>	<b>178</b>	<b>20</b>

After the 2025 budget was complete, the CEO gave approval to hire three positions planned for 2025 in late 2024. These were: a Sales and Distribution Specialist in Customer Experience, a Support Specialist for Benefits and Leave Administration in Employee Engagement, and a Journey Parts Person in Finance and Procurement.

The Board approved an amendment to the 2025 budget in May 2025. This amendment added a total of 50 FTE. The CEO later approved two additional positions for 2025 during the 2026-2027 budget process. Positions added during the 2025 amendment and the 2026-2027 budget process are shown in the table that follows, along with positions with terms that are scheduled to end.

### Kasch Park Contracted Services Transition

Community Transit is transitioning its contracted bus services, currently managed by Transdev at the Kasch Park Operating Base, to direct operations by December 2026. Please see the General Fund Expense section for more information about this transition and associated budget adjustments.

In total, nearly 80% of the positions added in the 2025 midyear amendment and 2026 budget

support this transition. These positions are noted with a checkmark in the table of new positions that follows.

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

#### New FTE by Department and Position

Department	Contracted Services Transition	Job Title	2025 Mid Year Amendment	2025	2026	2027
Communications, Marketing, and Engagement		Community Engagement and Outreach Specialist			1	
Customer Experience		Sales and Distribution Lead		1		
		Service Ambassador			4	
		Vanpool Specialist			1	
Employee Engagement		Administrator Benefits and Leave	1			
	✓	Coach Operator Instructor - Term Limited	2			-2
		Program Manager Employee Compensation		1		
		Technical Writer - Term Limited				-1
Executive		Executive Board Administrator			1	
Facilities		Facilities Maint Lead			1	
		Facilities Maint Tech I			6	
		Facilities Maint Tech II			1	4
		Facilities Project Manager			1	
Finance and Procurement	✓	Administrative Assistant Parts			1	
	✓	Apprentice Parts Person			1	
	✓	Journey Parts Person			4	
	✓	Lead Journey Parts Person			1	
		Accountant Payroll			1	
		Accountant Payroll - Term limited			-1	
Information Technology		Engineer IT			1	
		Manager IT			1	
		Project Manager III IT			1	
		Records Analyst RIM			1	
Planning and Development		Analyst I				1
		Analyst II Spatial Analytics			1	
Safety, Security, and Sustainability		Analyst II Environmental	1			
		Lead Transit Security Officer			2	
		Transit Security Officer			12	
Transportation	✓	Assistant Manager Transportation Ops			1	1
	✓	Coach Operator Full Time	42		87	12
	✓	Coordinator Transportation			1	
	✓	Dispatcher	1		4	1
		Dispatcher - Term Limited			-3	
	✓	Transportation Supervisor	3		4	
Vehicle Maintenance	✓	Journey Body Person			1	
	✓	Journey Mechanic			24	3
	✓	Assistant Manager Vehicle Maintenance			1	
	✓	Vehicle Service Attendant			7	
	✓	Vehicle Service Worker			9	1
<b>Total New FTE</b>			<b>50</b>	<b>2</b>	<b>178</b>	<b>20</b>

Positions with a check mark support the contracted services transition (applies to 2025 and 2026 positions only).

# 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 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 are voting members and one is a non-voting labor representative. The 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 non-voting labor representative is selected by the agency's labor unions. See the Agency Overview, Governing Body section for more information.

For current board members, board alternates, and board meeting information, visit [communitytransit.org/board-of-directors](https://communitytransit.org/board-of-directors).

## Department Operating Budget (Fund 40)

The Board of Directors' budget is managed by staff in the Executive Department.

## Budget by Category

Expense Type	2024 Actuals	2025 Amended Budget	2026 Budget	2026 % Change Over/Under 2025	2027 Budget	2027 % Change Over/Under 2026
Salaries and Wages	\$ 147,149	\$ 252,879	\$ 274,413	9%	\$ 282,972	3%
Benefits	11,556	19,587	20,005	2%	20,220	1%
Personnel	158,705	272,466	294,418	8%	303,192	3%
Services	17,240	35,800	36,850	3%	38,200	4%
Operating Expenditures	\$ 175,945	\$ 308,266	\$ 331,268	7%	\$ 341,392	3%

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.

All personnel expenses are in the General Fund. This budget varies from year to year based on anticipated hours for legal staff and Board members.

## Staffing in FTE

Division	Budget Center	2025 FTEs	2026 FTEs	2027 FTEs
Board of Directors	Board of Directors	1.5	1.5	1.5
Department FTE Total		1.5	1.5	1.5

## 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 and select regional forums.
- Develop and maintain relationships at the national, state, regional, and local levels, and support Community Transit staff and attendance at agency events.
- Abide by the performance standards as outlined in Community Transit's Board Bylaws.

## 2025 Accomplishments

Approved agency strategic plans and programs, including the following.

- Continued implementation of the 2024 & Beyond Bus network restructure and added service hours.
- Enhanced Safety and Security initiatives, including operations of the Security Operations Center, revision of the Rules of Conduct, and implementation of the coach operator barrier door project.
- Continued expansion of the Swift network with the Swift Green Line expansion preliminary design and engagement with the community and jurisdictional partners for both the Green Line expansion and the Swift Gold Line.
- Approved the 2025-2030 Transit Development Plan.
- Operated and learned from the Innovative Services program pilots in Arlington, Darrington, and Lake Stevens.
- Increased investments in the security program by approving the first Transit Security Officer labor contract and growing the Transit Security Officer team to 34 budgeted full-time officers. As of early October 2025, 30 of those positions were filled.
- Adopted the option for an agency biennial budget process.
- Continued progress on the Zero Emissions program including operations and learnings from the bus side-by-side pilot, and facility upgrades to support the program and incorporate electric bus charging stations.

- Supported sustainability by reviewing the Agency Sustainability Plan and adopting the agency's sustainability policy statement.
- Represented the agency and Snohomish County riders on the Transportation Policy Board of the Puget Sound Regional Council.
- Participated in regional forums, such as the Regional Fare Forum, and partnerships to support multi-agency alignment.
- Developed and maintained relationships with the community and employees.
- Abided by the agency bylaws.

## 2026-2027 Goals

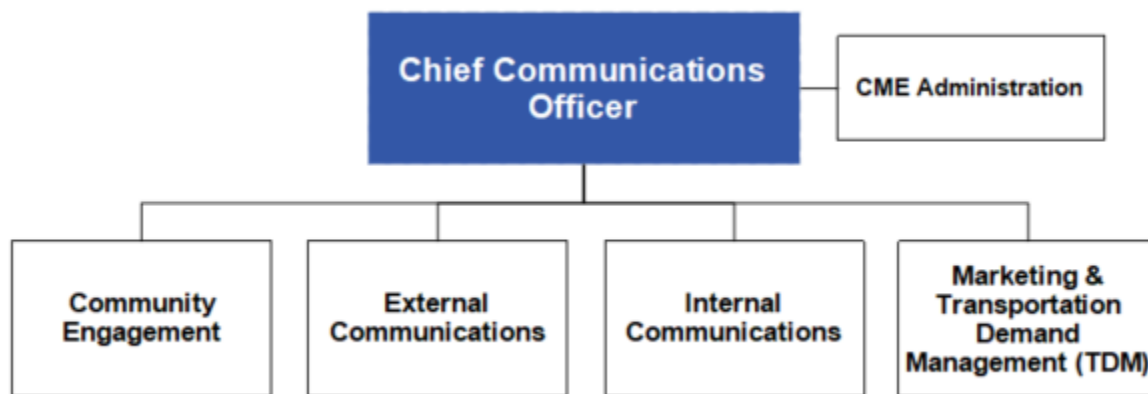
Support and approve agency plans and programs, including but not limited to the following:

- Adopt the 2026-2031 Transit Development Plan (TDP) in 2026 and the 2027-2032 TDP in 2027.
- Continue implementation of the 2024 & Beyond plan with customer- and performance-driven refinements.
- Advance the Swift Program with the Swift Gold Line Project environmental and design phases and Swift Green Line Extension final design.
- Complete the transition of Contracted Commuter Services to Directly Operated Service.
- Continue to implement the Security Enhancement Strategic Plan.
- Expand Security Operations Center (SOC) to 24/7 and add Transit Security Officer (TSO) positions to increase safety of employees and riders. Complete installation of coach operator barrier doors on all coaches.
- Evaluate Zip Shuttle pilots for potential regular service and expand Zip Shuttle service to 2 new zones.
- Launch a pilot service to test same-day, on-demand bookings for a group of eligible paratransit customers
- Lead, develop, and implement zero emissions strategies and initiatives.

# 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; engaging with the community and 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.
Internal Communications	Develops, manages and executes executive and employee communication strategies that keep employees informed, engaged and aligned with the agency's goals, strategic priorities and values through various channels. Partners with internal business owners to provide strategic communication plans on agencywide initiatives.



Division	Description
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

Divisions and Departments	2024 Actuals	2025 Amended Budget	2026 Budget	2026 % Change Over/Under 2025	2027 Budget	2027 % Change Over/Under 2026
CME Admin	362,062	417,749	410,080	-2%	412,187	1%
External Communications	649,272	660,362	686,796	4%	698,363	2%
Internal Communications	314,557	434,063	448,914	3%	451,022	0%
Community Engagement	412,775	919,778	914,602	-1%	689,890	-25%
Marketing & TDM	6,002,440	5,995,729	6,405,133	7%	6,455,998	1%
<b>Communications, Marketing, and Engagement</b>	<b>\$ 7,741,106</b>	<b>\$ 8,427,681</b>	<b>\$ 8,865,526</b>	<b>5%</b>	<b>\$ 8,707,461</b>	<b>-2%</b>

The 2025 and 2026 budgets included additional funding to support agencywide initiatives. In 2027, the budget will decrease as these efforts wind down. More detail can be found in the budget by category section that follows.

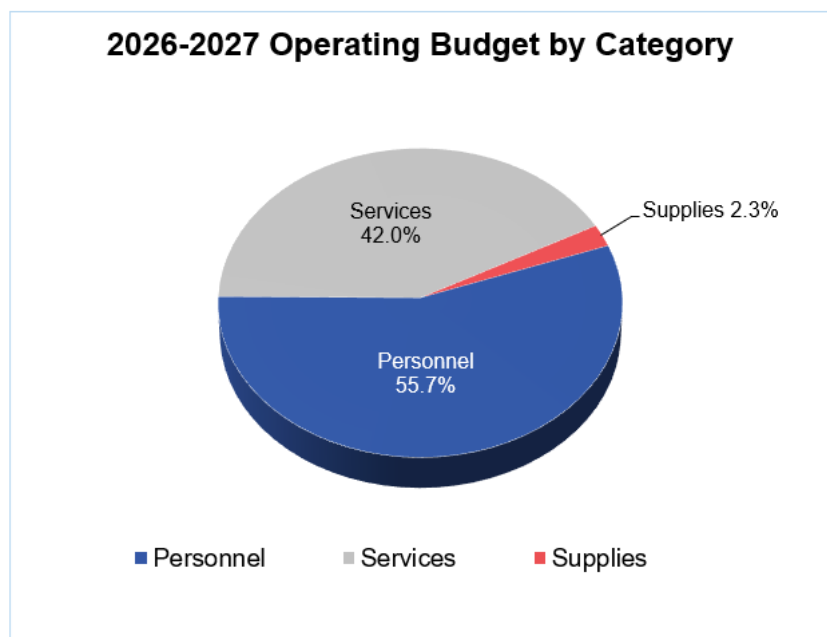
## Budget by Category

Expense Type	2024 Actuals	2025 Amended Budget	2026 Budget	2026 % Change Over/Under 2025	2027 Budget	2027 % Change Over/Under 2026
Salaries and Wages	\$ 3,187,712	\$ 3,547,330	\$ 3,626,684	2%	\$ 3,689,095	2%
Benefits	1,096,472	1,250,699	1,208,260	-3%	1,260,380	4%
<b>Personnel</b>	<b>4,284,183</b>	<b>4,798,029</b>	<b>4,834,944</b>	<b>1%</b>	<b>4,949,476</b>	<b>2%</b>
Services	3,271,288	3,484,652	3,837,382	10%	3,546,985	-8%
Supplies	185,635	145,000	193,200	33%	211,000	9%
<b>Operating Expenditures</b>	<b>\$ 7,741,106</b>	<b>\$ 8,427,681</b>	<b>\$ 8,865,526</b>	<b>5%</b>	<b>\$ 8,707,461</b>	<b>-2%</b>

### 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 2025 supports exceptional changes taking place at the agency, including community engagement on Swift Gold Line and system changes, continued 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 per year, advertising is the largest expense in the services category, accounting for approximately 48.8% of the category's total over the biennium. The advertising budget is decreasing by about 1.6% over the biennium compared to the 2025 budget; this is due to the conclusion or winding down of several campaigns. The remainder of the services budget supports community engagement programs, research, and various other services.



In 2026–2027, advertising and engagement programs will engage riders and community members about upcoming service improvements such as the Swift Gold Line, new Zip Shuttle areas, and connections to Sound Transit's Link 2 Line, while also supporting planning efforts for long-term growth. Additional initiatives will raise awareness of transit options during major regional events such as the FIFA World Cup and Revive I-5 construction. Internal engagement will focus on celebrating Community Transit's 50th anniversary, enhancing employee

communications, and supporting workforce recruitment and retention to meet service goals.

## 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

Staffing in FTE by Budget Center

Division	Budget Center	2025 FTEs	2026 FTEs	2027 FTEs
CME Admin	CME Admin	2.0	2.0	2.0
External Communications	External Communications	5.0	5.0	5.0
Internal Communications	Internal Communications	2.0	2.0	2.0
Community Engagement	Community Engagement	2.0	3.0	3.0
Marketing & TDM	Marketing	20.0	20.0	20.0
<b>Department FTE Total</b>		<b>31.0</b>	<b>32.0</b>	<b>32.0</b>

There is one new FTE budgeted for 2026, in the Community Engagement division: a Communications Engagement & Outreach Specialist to support overall agency and program growth.

Employee Expense by Fund

Funds	2024 Actuals	2025 Amended Budget	2026 Proposed Budget	2026 % Change over/under 2025	2027 Proposed Budget	2027 % Change over/under 2026
General Fund	\$ 4,284,183	\$ 4,798,029	\$ 4,834,944	1%	\$ 4,949,476	2%
Capital Funds	\$ 268,599	\$ 289,220	\$ 357,362	24%	\$ 288,295	-19%
<b>Total Employee Expense</b>	<b>\$ 4,552,782</b>	<b>\$ 5,087,249</b>	<b>\$ 5,192,305</b>	<b>2%</b>	<b>\$ 5,237,771</b>	<b>1%</b>

Approximately 6.2% of employee expense in 2026-2027 biennium 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 2026; 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 2025 accomplishments and 2026-2027 goals are provided below.

### 2025 Accomplishments

- Promoted behind-the-scenes insights into transit operations and how-to-ride destination videos as part of the monthly video series *That Transit Show*.
- Informed and gathered input from the community on proposed station locations and bus lane options for Swift Gold Line through multi-channel communications, marketing, and community engagement efforts.
- Celebrated the launch of three new Zip Shuttle pilot programs in Arlington, Darrington, and Lake Stevens with events to raise awareness.
- Launched new video series that speaks to the history and benefits of public transportation: *The Transit Effect with Ken Jennings*.
- Supported recruitment of coach operators, mechanics, and security personnel through regional advertising campaigns.
- Developed programs and incentives to expand reach to businesses promoting ORCA for Business as a benefit for their employees.
- Completed the first full year of activity for new school/youth program educating young people in middle and high school on how to ride and encouraging use of a Youth ORCA card.
- Expanded popular how-to-ride events for seniors and youth, partnering with community-based organizations.
- Supported current and potential Snohomish County riders through Revive I-5 construction impacts in partnership with Washington State Department of Transportation with information, education, and promotion of transit as a potential alternative to driving alone.
- Procured and implemented a new employee experience platform.
- Supported the launch of the agency's first five-year Sustainability Action Plan.



### 2026-2027 Goals

- Inform, market, and engage the community and riders about system expansion planning and implementation, and other system improvements, including Swift Gold Line, new Zip Shuttle areas, and service changes.

- Generate external awareness, interest, and input on the zero-emissions transition progress.
- Promote new and improving services, connections to light rail, and overall ridership and use of Community Transit services through targeted media stories and advertising campaigns.
- Target key audiences of potential riders through marketing programs, awareness tactics, and advertising campaigns.
- Focused promotions to highlight increasing frequency of service, local services changes, and new regional connections with Link 2 Line.
- Support recruitment of coach operators, mechanics, and security personnel to meet service targets through regional advertising campaigns.
- Support current and potential riders through FIFA World Cup and Revive I-5 construction impacts through multi-channel information, education, and promotion of transit as a potential alternative to driving alone.
- Engage and celebrate with our employees and communities in recognition of our 50th anniversary.
- Leverage the new employee experience platform features to continue to engage, gather feedback, and enhance the employee experience.
- Provide Coach Operators with reliable channels to connect with the information and resources they need to do their work.
- Execute an employee communication plan supporting the People, Empowerment, and Connection Five-Year Plan.

# 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 understanding the needs of the community and responding. Department staff work cross-functionally to create transportation experiences that people want to use and tell their friends and family about.



Division	Description
Customer Care	<p>Provides information and support to our community in person, on the bus, and at the Ride Store. Also provides customer service over different communication channels, such as phone and email. Distributes and shares rider information with our community members. Manages Lost &amp; Found, records, tracks, and responds to customer comments. Provides trip planning services and real-time updates.</p> <p>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>
Customer Experience Administration	Oversees and supports the Customer Experience Department as a whole. Provides guidance and strategy, ensures budgets are met, finds ways to improve the employee experience, and ensures employees within the department have what they need to do their jobs successfully.



Division	Description
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.</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	<p>Defines and executes a digital strategy for the agency, including the company website and digital tools. Combines data analytics with direct customer feedback to inform the design of new features to enhance the digital customer experience. Prioritizes work and partners with other departments to implement new functionality. Maintains a balance between daily updates and long-term enhancements to meet the needs of customers.</p>
Product and Innovation	<p>Collaborates cross-functionally to manage the entire lifecycle of services and products and end-to-end customer experience for Zip (microtransit), DART (paratransit), Vanpool, and Bike Lockers. Leverages customer voice and allies with key stakeholders to help define and prioritize future roadmaps and improvements to meet customer needs.</p>

## Department Operating Budget (Fund 40)

### Budget by Division

Divisions and Departments	2024 Actuals	2025 Amended Budget	2026 Budget	2026 % Change Over/Under 2025	2027 Budget	2027 % Change Over/Under 2026
Customer Experience Admin	368,203	426,156	479,743	13%	472,051	-2%
Product and Innovation	1,626,724	2,460,169	2,824,440	15%	2,996,204	6%
Customer Care	2,825,557	3,482,826	3,852,359	11%	4,030,101	5%
Digital Experience	16,714	523,463	386,058	-26%	389,690	1%
CX Design and Strategy	315,416	326,467	339,314	4%	341,471	1%
<b>Customer Experience</b>	<b>5,152,614</b>	<b>7,219,081</b>	<b>7,881,914</b>	<b>9%</b>	<b>8,229,517</b>	<b>4%</b>

In 2025, this department managed the contract budget for microtransit services. Beginning in 2026, management of this function moves to the Transportation Department. Historical costs for microtransit have been reallocated and are not included in the charts and tables in this section. Please see the Transportation Department or Service Plan sections for information about

microtransit costs.

Growth in this department's budget is discussed in more detail in the budget by category section below.

## Budget by Category

Expense Type	2024 Actuals	2025 Amended Budget	2026 Budget	2026 % Change Over/Under 2025	2027 Budget	2027 % Change Over/Under 2026
Salaries and Wages	\$ 3,293,207	\$ 4,301,632	\$ 4,729,112	10%	\$ 4,836,464	2%
Benefits	1,218,953	1,761,009	1,845,177	5%	1,936,953	5%
<b>Personnel</b>	<b>4,512,160</b>	<b>6,062,641</b>	<b>6,574,289</b>	<b>8%</b>	<b>6,773,417</b>	<b>3%</b>
Services	79,729	294,290	235,775	-20%	233,575	-1%
Supplies	560,725	862,150	1,071,850	24%	1,222,525	14%
<b>Operating Expenditures</b>	<b>\$ 5,152,614</b>	<b>\$ 7,219,081</b>	<b>\$ 7,881,914</b>	<b>9%</b>	<b>\$ 8,229,517</b>	<b>4%</b>

### Services

The services budget for Customer Experience funds driver training and electric vehicle charging for the vanpool program; professional services, and customer-focused support services such as printing for ticket books and Lost & Found tags, translation services, and after-hours answering services.

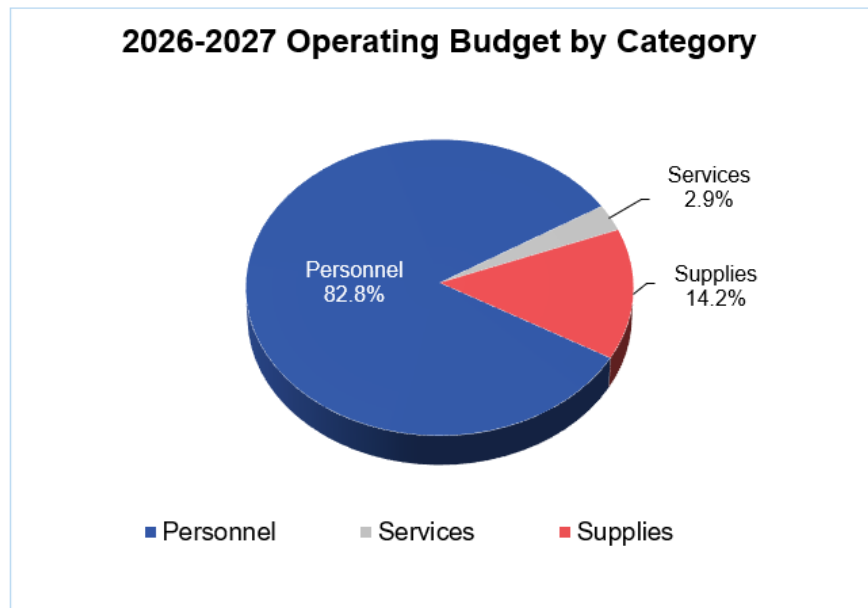
### Supplies

The most significant expense in this category is motor fuel for the agency vanpool program, which is about 98 percent of the total supplies budget for the biennium. The fuel budget increases by about 33 percent over the biennium. The increase is due to anticipated changes in program participation, fleet size, and fuel prices.

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

### Staffing and Personnel Expense

Personnel expense is about 83 percent of the Customer Experience budget, and includes salaries, wages, benefits, and certain uniform and tool expenses for staff in customer-facing



positions. The 2026 budget adds four FTEs, bringing the department total to 54 FTEs. The new positions are Service Ambassadors to assist customers in the field and one Vanpool staff. These positions support service growth.

#### Staffing in FTE by Budget Center

Division	Budget Center	2025 FTEs	2026 FTEs	2027 FTEs
Customer Experience Admin	Customer Experience Admin	2.0	2.0	2.0
Product and Innovation	Vanpool Program	2.0	3.0	3.0
Product and Innovation	Product and Innovation	4.0		
Product and Innovation	Product and Innovation Admin	3.0	7.0	7.0
Customer Care	Sales and Distribution	10.0	10.0	10.0
Customer Care	Service Ambassadors	14.0	18.0	18.0
Customer Care	Customer Care	8.0	8.0	8.0
Digital Experience	Digital Experience	4.0	4.0	4.0
CX Design and Strategy	CX Design and Strategy	2.0	2.0	2.0
<b>Department FTE Total</b>		<b>49.0</b>	<b>54.0</b>	<b>54.0</b>

Note: The Product and Innovation division is moving from three budget centers to two in 2026. There are no net new FTEs in this division.

#### Personnel Expense by Fund

Funds	2024 Actuals	2025 Amended Budget	2026 Proposed Budget	2026 % Change over/under 2025	2027 Proposed Budget	2027 % Change over/under 2026
General Fund	\$ 4,512,160	\$ 6,062,641	\$ 6,574,289	8%	\$ 6,773,417	3%
Capital Funds	\$ 620,273	\$ 363,223	\$ 355,558	-2%	\$ 357,665	1%
<b>Total Employee Expense</b>	<b>\$ 5,132,433</b>	<b>\$ 6,425,864</b>	<b>\$ 6,929,847</b>	<b>8%</b>	<b>\$ 7,131,082</b>	<b>3%</b>

Staff time spent supporting the agency's capital program is budgeted and expensed to capital funds. In Customer Experience, approximately 5% of staff time in the biennium is expensed to capital funds and mainly includes Digital Experience division staff spent developing the agency website and other digital tools.

## 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. Staff may support additional agency capital projects as needed.

### Project

1921 Digital Strategy  
2416 2024 Vanpool Vehicles  
2509 2025 Vanpool Vehicles  
2620 Vanpool Vehicle Replacement 2026  
2703 Vanpool Vehicle Replacement 2027  
2708 Vanpool Vehicle Expansion 2027

## Accomplishments and Goals

Departments develop their workplans in support of agency strategic goals and priorities. A selection of 2025 accomplishments and 2026-2027 goals are provided below.

### 2025 Accomplishments

- Achieved 98% growth in ridership with 45% shared trips in Zip Alderwood Shuttle. Almost 30% of trips connect to the bus or light rail.
- Operated Zip Shuttle service pilots in Arlington, Darrington, and Lake Stevens.
- Successfully launched a customer pilot integrating five electric vehicles into the Vanpool fleet.
- Led a comprehensive customer discovery process to identify new opportunities to enhance the DART paratransit customer experience.
- Completed the launch of new Lost & Found software that has streamlined reporting and the process of reuniting lost items with their owners.
- Revamped the Rider Info section of the website to feature new 'How-to' guides for customers.
- Redesigned the Plan My Trip mobile experience to make trip planning more usable and accessible.
- Improved the rider experience for customers who use digital rider alerts by including information from Sound Transit.
- Redesigned customer satisfaction surveys to allow monitoring and comparing customer feedback on our services.

## 2026-2027 Goals

- Expand Zip Shuttle service to two new pilot zones.
- Launch a pilot service to provide same-day, on-demand bookings for a group of eligible paratransit customers.
- Collect and analyze data from Vanpool electric vehicles to begin to understand what telematics can offer.
- Grow the Vanpool program by 30 new customer groups (based on 40 expansion vehicles).
- Implement accessibility enhancements to meet requirements mandated by the Department of Justice while improving the ability for disabled customers to use the website and digital tools.
- Supplement existing customer service support offerings with online chat.
- Define and execute new features and functionalities based on customer focus group studies and an updated digital strategy.
- Identify requirements to streamline Vanpool billing and fleet management operations; improve efficiency, accuracy, and reporting capabilities.
- Improve product management and data-driven decisions with a new standardized framework and comprehensive reporting dashboards for real-time visibility.
- Publish a set of customer generated satisfaction metrics for all services.
- Improve accessibility by ensuring all public-facing digital content meets or exceeds accessibility standards providing improved self-service to information on our services.
- Continue work to better understand and serve customers with hidden disabilities.



# 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 programs, policies, and procedures to ensure compliance with state and federal laws and regulations.

The Public Affairs budget supports the agency's mission by strengthening partnerships and 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 provides direct support to the Board of Directors, CEO, Executive Leadership Team, and agency staff. 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 and community leaders and elected officials to maintain a positive agency reputation and advance the agency's interests and initiatives.



## Department Operating Budget (Fund 40)

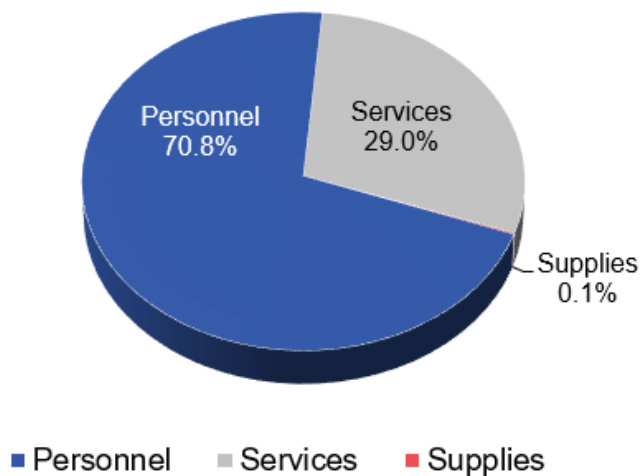
### Budget by Division

Divisions and Departments	2024 Actuals	2025 Amended Budget	2026 Budget	2026 % Change Over/Under 2025	2027 Budget	2027 % Change Over/Under 2026
Executive	1,192,597	1,323,123	1,469,820	11%	1,516,642	3%
Public Affairs	562,939	641,932	660,083	3%	679,208	3%
<b>Executive</b>	<b>\$ 1,755,535</b>	<b>\$ 1,965,055</b>	<b>\$ 2,129,904</b>	<b>8%</b>	<b>\$ 2,195,850</b>	<b>3%</b>

### Budget by Category

Expense Type	2024 Actuals	2025 Amended Budget	2026 Budget	2026 % Change Over/Under 2025	2027 Budget	2027 % Change Over/Under 2026
Salaries and Wages	\$ 1,031,081	\$ 1,065,303	\$ 1,183,608	11%	\$ 1,204,810	2%
Benefits	285,923	315,017	330,954	5%	345,227	4%
<b>Personnel</b>	<b>1,317,004</b>	<b>1,380,320</b>	<b>1,514,563</b>	<b>10%</b>	<b>1,550,037</b>	<b>2%</b>
Services	437,992	581,735	612,341	5%	642,813	5%
Supplies	539	3,000	3,000	0%	3,000	0%
<b>Operating Expenditures</b>	<b>\$ 1,755,535</b>	<b>\$ 1,965,055</b>	<b>\$ 2,129,904</b>	<b>8%</b>	<b>\$ 2,195,850</b>	<b>3%</b>

#### 2026-2027 Operating Budget by Category



#### Services and Supplies

The main cost factors in the services 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); legislative support services; and community sponsorships organized by the Public Affairs and Government Relations team.

The supplies budget includes nonstandard office supplies and minor equipment.

## Staffing and Personnel Expense

The 2026 budget adds one Executive Board Administrator to support volume increases in board, policy and public disclosure functions. All employee expense is budgeted in the general fund.

Staffing in FTE by Budget Center

Division	Budget Center	2025 FTEs	2026 FTEs	2027 FTEs
Executive	Executive	4.0	5.0	5.0
Public Affairs	Public Affairs	2.0	2.0	2.0
Department FTE Total		6.0	7.0	7.0

## Budget Oversight

Staff in this department provide budget oversight for the Board of Directors. No capital projects are budgeted in the Executive Department in 2026 or 2027.

## Accomplishments and Goals

Departments develop their workplans in support of agency strategic goals and priorities. A selection of 2025 accomplishments and 2026-2027 goals are provided below.

### 2025 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.
- Worked collaboratively with the Regional Mobility Partnership—consisting of executive leadership from 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 & Beyond Bus Network implementation.
  - Zero Emissions side-by-side pilot and fleet transition strategy.
  - Expansion of the Swift Network with the Swift Green Line Expansion Design and Swift Gold Line Scoping and public engagement.
  - Implemented the Safety & Security Strategic Plan, including the operations of the Security Operations Center, and began implementation of the coach operator bus door barrier project.

- Supported the Board of Directors in their activities and ensured compliance with all laws and regulations in administering 12 monthly meetings and quarterly workshops.
- Received and responded to approximately 207 public disclosure requests as of 9/15/25.
- Developed the 2025 State Legislative agenda in collaboration with agency staff for use by Board of Directors and CEO to advance agency's interests with the state legislature and Governor's office.
- Collaborated with internal and external partners to maximize funding opportunities. Please see the Revenue section for more information.
- 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.

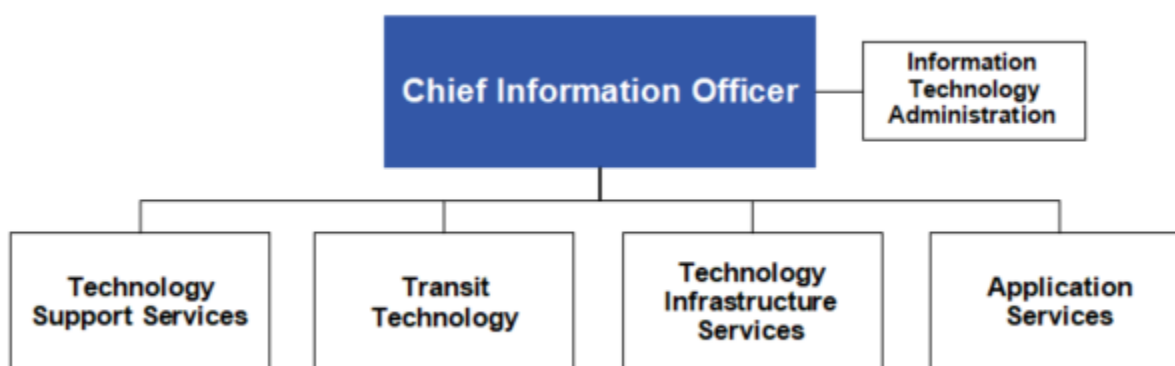
## 2026-2027 Goals

- Lead the development and implementation of the agency's strategy, goals and initiatives and provide guidance that strengthens a safe, efficient workplace and transit system.
- Maximize partnerships, policy, and funding opportunities to advance agency priorities.
- Advance major agency initiatives and programs. Please see the CEO message for more details.
- Continue engagement with PTBA regional jurisdictions and partners on network and infrastructure 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 Act, and assisting with travel and research.
- Administer the Snohomish County PTBA Board of Directors selection meeting in January 2026, and subsequent onboarding activities with new Board members.
- Manage the agency's public disclosure program 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.

# Information Technology

## Department Description

The Information Technology budget supports the agency's vision and mission by providing technology, data, and support to staff in serving our customers, making travel easy for everyone. Innovation, sustainability, and deploying a green fleet are strategic priorities for Community Transit, and the Information Technology Department's 2026-2027 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 enterprise information management tools supporting continuous operational improvement, and important enhancements for administrative, operational, and customer-facing service delivery 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 IT systems and data.
Application Services	Provides operational services and support of the agency's administrative applications and data assets, including vital enterprise and transit-oriented information systems such as parts inventory, vehicle maintenance, dispatch, and scheduling (of routes, crews, and vehicles). Provides technology support for the agency Data Program.
Technology Infrastructure Services	Manages and supports network, server, and storage infrastructure for the agency. Responsible for agencywide digital security, datacenter operations, and incident response. Develops and implements resiliency and disaster recovery strategies as well as standards for technology infrastructure.

Division	Description
Technology Support Services	Manages and operates the agency's network operations center and service desk. Provides technology-related operational solutions and support for Intelligent Transportation Systems facing customers and Community Transit employees.
Transit Technology	Provides strategy, project management, and technology program management to deliver customer and agency-facing solutions. Leads key agency programs including Enterprise Program Office, Intelligence Transit Systems, Records and Information Management, Regional Technology in support of our ORCA partnership, and the Zero Emissions program.

## Department Operating Budget (Fund 40)

### Budget by Division

Divisions and Departments	2024 Actuals	2025 Amended Budget	2026 Budget	2026 % Change Over/Under 2025	2027 Budget	2027 % Change Over/Under 2026
Information Technology Admin	445,446	475,299	461,383	-3%	463,491	0%
Application Services	2,663,670	3,432,311	4,245,389	24%	4,853,860	14%
Technology Infrastructure Svs	1,794,548	2,240,423	2,323,092	4%	2,395,100	3%
Technology Support Services	3,572,049	4,181,551	5,425,415	30%	5,528,561	2%
Transit Technology	1,459,955	2,083,343	2,052,854	-1%	2,211,653	8%
<b>Information Technology</b>	<b>\$ 9,935,668</b>	<b>\$ 12,412,927</b>	<b>\$ 14,508,134</b>	<b>17%</b>	<b>\$ 15,452,666</b>	<b>7%</b>

Changes in the department budget are discussed in the budget by category section that follows.

### Budget by Category

Expense Type	2024 Actuals	2025 Amended Budget	2026 Budget	2026 % Change Over/Under 2025	2027 Budget	2027 % Change Over/Under 2026
Salaries and Wages	\$ 3,165,647	\$ 3,772,989	\$ 4,038,000	7%	\$ 4,173,263	3%
Benefits	1,045,859	1,295,019	1,280,594	-1%	1,352,074	6%
<b>Personnel</b>	<b>4,211,506</b>	<b>5,068,008</b>	<b>5,318,594</b>	<b>5%</b>	<b>5,525,337</b>	<b>4%</b>
Services	4,966,906	6,044,381	8,014,317	33%	8,698,320	9%
Supplies	117,360	378,460	260,346	-31%	224,744	-14%
Intergovernmental Services	639,896	922,078	914,877	-1%	1,004,265	10%
<b>Operating Expenditures</b>	<b>\$ 9,935,668</b>	<b>\$ 12,412,927</b>	<b>\$ 14,508,134</b>	<b>17%</b>	<b>\$ 15,452,666</b>	<b>7%</b>

## Intergovernmental Services

About 97% 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. Learn more about ORCA online at: [info.myorca.com/](http://info.myorca.com/).

## Services

Software leases are the largest expense in this category, at about 53.5% 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 2026-2027 to support licenses for new FTEs and new software needs.

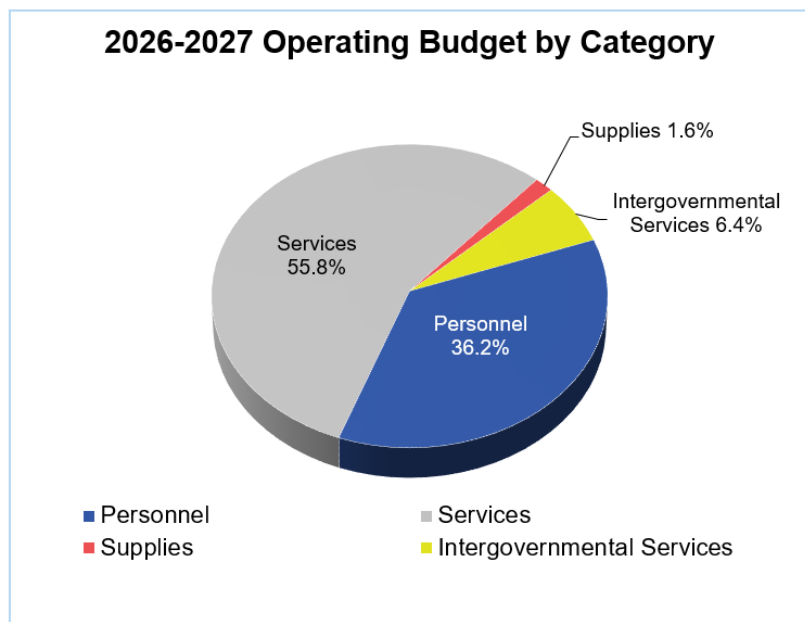
Contract maintenance services comprise about 24.9% of the services budget. This includes maintenance and support for critical systems such as server hardware, the agency storage area network (SAN), and dispatch and operational software used to manage and coordinate service.

Telephone and data services for the agency are the last large services expense at 9.2% 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

### Staffing in FTE by Budget Center

Division	Budget Center	2025 FTEs	2026 FTEs	2027 FTEs
Information Technology Admin	Information Technology Admin	2.0	2.0	2.0
Application Services	Application Services	9.0	9.0	9.0
Technology Infrastructure Svs	Technology Infrastructure Svs	6.0	7.0	7.0
Technology Support Services	Technology Support Services	16.0	17.0	17.0
Transit Technology	Records Management Program		3.0	3.0
Transit Technology	Zero Emissions	4.0	4.0	4.0
Transit Technology	Regional Technology Program	2.0	2.0	2.0
Transit Technology	ITS Program	2.0	3.0	3.0
Transit Technology	Enterprise Program Office	8.0	6.0	6.0
<b>Department FTE Total</b>		<b>49.0</b>	<b>53.0</b>	<b>53.0</b>

The 2026 budget includes four new FTEs to support agency growth:

- Records Analyst RIM (Term Limited)
- Manager IT
- Project Manager III
- Engineer IT

### Employee Expense by Fund

Funds	2024 Actuals	2025 Amended Budget	2026 Proposed Budget	2026 % Change over/under 2025	2027 Proposed Budget	2027 % Change over/under 2026
General Fund	\$ 4,211,506	\$ 5,068,008	\$ 5,318,594	5%	\$ 5,525,337	4%
Capital Funds	\$ 2,396,866	\$ 3,323,839	\$ 3,787,556	14%	\$ 3,677,945	-3%
<b>Total Employee Expense</b>	<b>\$ 6,608,372</b>	<b>\$ 8,391,847</b>	<b>\$ 9,106,150</b>	<b>9%</b>	<b>\$ 9,203,282</b>	<b>1%</b>

Approximately 41% of employee expense in the biennium 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.

### Project

- 1502 IT Corporate Security Upgrade
- 1904 IT Service Management System
- 1923 Base Map Implementation
- 2101 Disaster Recovery as a Service
- 2203 JPA Upgrade
- 2214 Electronic Timesheet System Implementation
- 2223 Performance Mgmt System Replacement
- 2224 Audio/Visual Needs FMP Projects
- 2225 Audio/Visual Needs – Feasibility Studies
- 2228 Telephone System Replacement Feasibility
- 2302 Transit Info Program Research
- 2303 Swift Onboard Signage
- 2311 HASTUS Upgrade
- 2312 PeopleSoft HCM/Payroll Upgrade
- 2313 Swift TVM Replacements
- 2318 Zero Emissions Fleet Pilot Project
- 2321 End User Hardware (2023-24)
- 2401 Coach Turn-By-Turn
- 2405 Telephone System Replacement
- 2406 IVR System Lifecycle Replacement
- 2407 Corporate Website Continuous Delivery (2024)
- 2412 PeopleSoft Financials Upgrade
- 2414 2024 ZE Program Development
- 2415 ZE Utility Infrastructure

2417 CAD Central Sys/Dispatch Software/Hardware Replacement

2423 Passenger Information Control System (PICS) Enhancement

2424 PeopleSoft HCM Process Improvement and System Overhaul

2425 Video Management Security Software

2501 ERP and HCM System Replacement

2511 Safety Management Information System

2514 Digital Sign Replacement Lynnwood & Ash Way Park

2516 MS 365 Phased Implementation

2517 Trapeze Coach Operator Scheduling & Payroll Licenses

2520 Route Performance Software

2526 Employee Communication Platform

2527 Next Generation ORCA Phase 2

2601 Vanpool Customer Management Tool

2603 Leave Management Project (PeopleSoft Enhancements)

2614 VoIP Portables End-of-Life Replacement

2615 CAD Replacement Project

2616 Firewall Replacement

2617 MAR Replacement

2618 Stand Alone VoIP

2621 VDI Host Replacement

2622 VMC Host Replacement

2623 Zero Emissions Operational Technology Product Suite

2631 Kasch Park Contracted Services Transition to Direct Operation - IT Costs

2639 Security Services CAD-RMS Replacement

2647 Transportation Devices to Support SMIS

2709 Website Content Management System Replacement

## Accomplishments and Goals

Departments develop their workplans in support of agency strategic goals and priorities. A selection of 2025 accomplishments and 2026-2027 goals are provided below.

### 2025 Accomplishments

- Modernized technology solutions to provide an enhanced, more resilient, and safer customer experience including extending the ORCA fare collection system to DART, implementing open payment (use of credit cards in lieu of ORCA cards), and deploying next-generation ticket vending machines and digital signage on all Swift lines.
- Provided a set of improved modern productivity tools, resources, and platforms for employees including migrating to a Teams-based telephone system, refreshing over 300 laptops and workstations, implementing employee-facing communication systems in base common areas, and preparing to update the Enterprise Resource Planning system while enhancing existing system tools.
- Created scalable platforms for employees and customers to improve access to resources and information and enhance collaboration including developing a modern information management architecture, migrating the agency to SharePoint/OneDrive, implementing a Security Management Information System, and refreshing an employee facing interactive communications platform.
- Created resilient solutions to support business continuity of operations, including establishing collaboration sites and data replication into cloud infrastructure for disaster recovery.
- Improved agency security posture through implementation of best practices and tools for infrastructure, management, and user behaviors.
- Delivered on Zero Emissions roadmap milestones including the Information Technology/Operational Technology product roadmap, initiating infrastructure projects for the first tranche of Battery Electric Buses, and harvesting learnings from the Side-by-Side Pilot.
- Worked to continuously improve the department's ability to visualize, prioritize, resource, and deliver technology initiatives including working with business units on their prioritized strategic and tactical technology needs, conducting numerous feasibility studies to guide technology investments, and supporting 2026-2030 strategy work with agency leaders.
- Sustained and improved Information Technology operations by implementing best practices and strategies for IT service management, Business Relationship Management, Records and Information Management, and governance.

### 2026-2027 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 strategies to support agency goals and initiatives.
- Improve the department's ability to visualize, prioritize, resource, and deliver technology initiatives.
- Sustain and improve Information Technology operations.
- Support business strategy and organizational development with Information Technology business relationship management and consulting services.
- Partner with the business to deliver enhancements to infrastructure, facilities, and operations.
- Lead, develop, and implement Zero Emissions strategies and initiatives.

# 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
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 and forecasts service performance and operator and vehicle needs, 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

Divisions and Departments	2024 Actuals	2025 Amended Budget	2026 Budget	2026 % Change Over/Under 2025	2027 Budget	2027 % Change Over/Under 2026
Development Administration	254,654	410,738	405,232	-1%	407,340	1%
Capital Development and Delivery	19,513	158,150	453,200	187%	133,200	-71%
System and Operational Design	1,110,770	1,644,319	1,807,728	10%	1,917,101	6%
Research and Analytics	1,842,567	2,453,120	2,785,634	14%	2,513,280	-10%
Planning and Integration	864,901	1,238,205	1,428,634	15%	1,429,063	0%
<b>Planning and Development</b>	<b>\$ 4,092,405</b>	<b>\$ 5,904,532</b>	<b>\$ 6,880,428</b>	<b>17%</b>	<b>\$ 6,399,985</b>	<b>-7%</b>

## Budget by Category

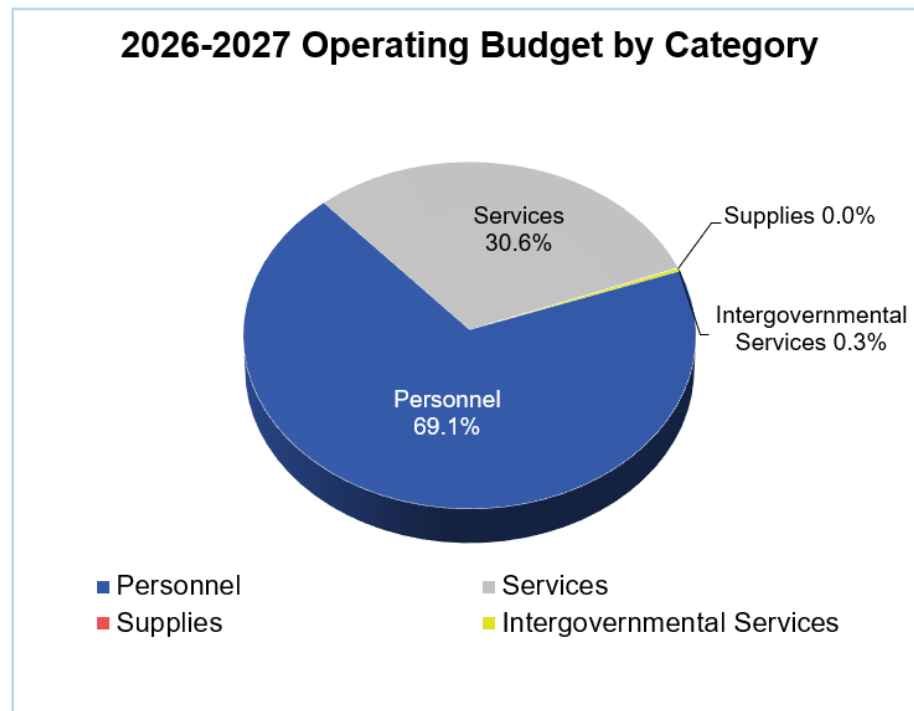
Expense Type	2024 Actuals	2025 Amended Budget	2026 Budget	2026 % Change Over/Under 2025	2027 Budget	2027 % Change Over/Under 2026
Salaries and Wages	\$ 2,823,010	\$ 3,309,439	\$ 3,388,780	2%	\$ 3,509,276	4%
Benefits	862,519	1,135,893	1,103,089	-3%	1,172,629	6%
<b>Personnel</b>	<b>3,685,529</b>	<b>4,445,332</b>	<b>4,491,868</b>	<b>1%</b>	<b>4,681,905</b>	<b>4%</b>
Services	395,163	1,445,850	2,365,810	64%	1,695,330	-28%
Supplies	713	2,350	2,750	17%	2,750	0%
Intergovernmental Services	11,000	11,000	20,000	82%	20,000	0%
<b>Operating Expenditures</b>	<b>\$ 4,092,405</b>	<b>\$ 5,904,532</b>	<b>\$ 6,880,428</b>	<b>17%</b>	<b>\$ 6,399,985</b>	<b>-7%</b>

### Services, Supplies, and Intergovernmental Services

The two largest expenses in the services category are professional services and research. The budget in both categories is increasing temporarily in 2026 to support studies and surveys that will inform Community Transit's short- and long-range plans. Professional services accounts for over \$1.4 million in the 2026 budget and \$1.0 million in the 2027 budget. Research is budgeted just under \$845k in 2026, and \$560k in 2027.

The remainder of the services budget covers park-and-ride lease agreements and various 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

### Staffing in FTE by Budget Center

Division	Budget Center	2025 FTEs	2026 FTEs	2027 FTEs
Development Administration	Development Administration	3.0	3.0	3.0
Capital Development and Delivery	Bus Rapid Transit Program	6.0	6.0	6.0
Capital Development and Delivery	Capital Development and Construction Management	7.0	7.0	7.0
System and Operational Design	Speed and Reliability Program	2.0	2.0	2.0
System and Operational Design	System and Operational Design	8.0	8.0	9.0
Research and Analytics	Research and Analytics	11.0	12.0	12.0
Planning and Integration	Planning and Integration	5.0	5.0	5.0
<b>Department FTE Total</b>		<b>42.0</b>	<b>43.0</b>	<b>44.0</b>

There are two additional FTEs budgeted for this department, a Spatial Analyst in 2026 and a System and Operational Design Analyst in 2027.

### Employee Expense by Fund

Funds	2024 Actuals	2025 Amended Budget	2026 Proposed Budget	2026 % Change over/under 2025	2027 Proposed Budget	2027 % Change over/under 2026
General Fund	\$ 3,685,529	\$ 4,445,332	\$ 4,491,868	1%	\$ 4,681,905	4%
Capital Funds	\$ 1,910,435	\$ 2,926,904	\$ 2,895,976	-1%	\$ 2,895,073	0%
<b>Total Employee Expense</b>	<b>\$ 5,595,964</b>	<b>\$ 7,372,236</b>	<b>\$ 7,387,844</b>	<b>0%</b>	<b>\$ 7,576,977</b>	<b>3%</b>

Approximately 40% of employee expenses in the biennium are 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.

### Project

1850 Swift Orange Line

2002 FMP 2 – HCSO Renovation

2011 FMP 3A – HCVM Maintenance Shop Renovation and Expansion

2015 FMP 6 – Ride Store Renovation

2017 FMP 5 – Vehicle Storage and Training Facility

2109 Swift Blue Line Expansion Design & Engineering

2202 Lake Stevens TC Refresh

2208 Bus Stop Program

2250 Swift Orange Line Corridor & Terminals

2252 Swift Orange Line OFI

2254 Swift Orange Line Incidentals

2261 Swift Blue Line Construction

2262 Swift Blue Line Program

2263 Swift Gold Line Scoping

2314 Swift Gold Line

2315 Swift Green Extension

2316 Swift Program Projects

2317 Speed and Reliability

2419 FMP 7 – ZE Improvements Hardeson Campus

2420 FMP 8 – ZE Improvements Kasch Park Campus

2421 Swift GNX Southern Terminal Facility

2422 FMP 4 – Kasch Park Campus Improvements

2522 Park & Ride / Comfort Station Feasibility

2525 FMP 3B – HCVM Office and Parts Dept Renovation

- 2608 Everett Station Expansion
- 2609 Comfort Station Proposal 2026-2027
- 2610 Underground Storage Tank Removal-Replacement
- 2611 Smokey Point Transit Center
- 2640 Marysville II Park & Ride Pavement Resurfacing
- 2650 KPZE1 - FMP8A
- 2651 Bus Stop Program
- 2704 Swift Green Line Extension - Vehicles
- 2705 Mariner Park & Ride Improvements

## Accomplishments and Goals

Departments develop their workplans in support of agency strategic goals and priorities. A selection of 2025 accomplishments and 2026-2027 goals are provided below.

### 2025 Accomplishments

- Continued implementation of the 2024 and Beyond plan with performance-driven refinements.
- Created a service transition plan to bring all Community Transit bus routes under direct operations.
- Launched the inaugural round of Community Transit-led local bus stop improvements.
- Completed Swift station retrofits on Swift Blue and Green Lines Initiated preliminary engineering for the Swift Green Line Extension and its southern terminal facility, the Swift Gold Line, and the expansion of the Everett Station – Swift Terminal and Smokey Point Transit Center.
- Initiated final engineering for Phase 3B of the Facilities Master Plan, Hardeson Campus Vehicle Maintenance Building – East Wing.
- Completed the scoping study for Phase 4 of the Facilities Master Plan, Kasch Park Campus Improvements.
- Received approval for Swift Gold Line to go into project development for the FTA CIG grant program.
- Initiated design of initial battery electric bus infrastructure at Kasch Park.
- Continued the build out of the agency's analytics Infrastructure:
  - Modeled over 500 tables in the agency's data warehouse
  - Tripled the available self-service reports
  - Launched the agency's spatial data library
- Completed the triennial Automatic Passenger Counter (APC) Benchmarking Plan that validates the use of APCs for use in reporting to the Federal Transit Administration.

- Completed development and adoption of the 2025-2030 Transit Development Plan (TDP), including a redesign of the TDP for improved design and readability.
- Developed an updated fleet plan and updated approach to spare ratio calculation.
- Provided Sound Transit with significant design contributions to Everett Link Extension and Stride capital projects.

## 2026-2027 Goals

- Initiate consolidated service change for fixed route and microtransit.
- Complete update to agency Service Standards.
- Complete deployment of the 2024 and Beyond Network.
- Complete sub-area planning for North/East County.
- Begin update to Journey 2050, the agency's long-range plan.
- Continue coordination for bus/rail integration on Sound Transit's Everett Link Extension.
- Refresh strategy for the Spatial Data Program.
- Complete Board adopted Locally Approved Alternative for the Swift Gold Line
- Complete design and engineering for three infrastructure projects, and begin construction on the first two:
  - Facilities Master Plan 3B
  - ZE Kasch Park 10 BEB project
  - Phase 1 of the Kasch Park Campus project





# People and Finance Services

## Department Description

People and Finance Services provides leadership and oversight to two departments: Finance and Procurement and Employee Engagement. In prior years, this function was housed in two separate departments without centralized leadership and oversight.

In addition to the two departments, this office is comprised of the Organizational Development function and general administrative support for the two departments.



Division	Description
Administration	Provides leadership, oversight, and general support to the department such as data entry, document preparation, scheduling, and serves as the point of contact for visitors. Acts as the executive liaison for the Board's Finance, Performance, and Oversight Committee and oversees the agencywide reception, mail, courier, and distribution services.
Organizational Development	Drives agency and department strategy setting, providing guidance toward organizational maturity through outcome alignment, key initiative establishment, performance measures and cross-functional effectiveness. Drives organizational culture change initiatives such as Continuous Improvement, Feedback and Learning Culture, including Employee Engagement Survey action planning and the recognition program. Establishes leadership development program to grow the leadership bench strength over time.

## Operating Budget by Department (Fund 40)

### People and Finance Group: Operating Budget by Department

Departments	2024 Actuals	2025 Amended Budget	2026 Budget	2026 % Change Over/Under 2025	2027 Budget	2027 % Change Over/Under 2026
People and Finance Services	\$ 1,155,711	\$ 2,304,416	\$ 2,494,175	8%	\$ 2,529,991	1%
Finance and Procurement	\$ 6,765,775	\$ 7,752,293	\$ 8,685,423	12%	\$ 8,984,372	3%
Employee Engagement	\$ 14,408,942	\$ 17,273,221	\$ 17,193,481	0%	\$ 15,197,173	-12%
<b>Total</b>	<b>\$ 22,330,428</b>	<b>\$ 27,329,930</b>	<b>\$ 28,373,079</b>	<b>4%</b>	<b>\$ 26,711,535</b>	<b>-6%</b>

### Reorganization Comments

The People and Finance Services Office was formed after the original 2025 budget was approved, by reallocating staff and budget from two existing departments: Finance and Procurement, and Employee Engagement. Due to the timing of the change, some data for 2024 and 2025 remains in the original departments.

Reallocated costs include the following:

- The Organizational Development function moved from Employee Engagement to People and Finance Services in mid-year 2025. Personnel budgets related to this move were adjusted in the 2025 amended budget.
- Functional staff supporting the agency's human resources and learning management software programs were consolidated in Employee Engagement. Staff costs related to this move were adjusted in the 2025 amended budget.
- One leadership position and associated expenses moved from the People and Finance Services Department to Finance and Procurement in mid-year 2025; the 2025 amended budget was not adjusted for this move.
- Funding for professional services for leadership development and agencywide employee recognition and engagement programs will shift from Employee Engagement to People and Finance Services beginning in 2026.

Changes in the individual departments' budgets are discussed in more detail in the department sections that follow.

At a high level, the 2025 amended budget and 2026 budget include increased funding to support the Kasch Park Contracted Services Transition. This primarily consists of additional parts staff and parts expense in Finance and Procurement, and funds in Employee Engagement for staff training and recruitment. Training and recruitment costs are expected to decrease in 2027 as the transition phase comes to an end.

## Operating Budget by Division

### Operating Budget by Division

Divisions and Departments	2024 Actuals	2025 Amended Budget	2026 Budget	2026 % Change Over/Under 2025	2027 Budget	2027 % Change Over/Under 2026
People and Finance Administration	813,375	1,436,181	1,134,453	-21%	1,142,330	1%
Organizational Development	342,337	868,235	1,359,721	57%	1,387,660	2%
<b>People and Finance Services</b>	<b>\$ 1,155,711</b>	<b>\$ 2,304,416</b>	<b>\$ 2,494,175</b>	<b>8%</b>	<b>\$ 2,529,991</b>	<b>1%</b>

The overall increase in this department's budget primarily results from the mid-year 2025 reorganization. There are offsetting reductions in both the Employee Engagement and Finance and Procurement departments' budgets. Please see the reorganization comments above.

## Operating Budget by Category

Expense Type	2024 Actuals	2025 Amended Budget	2026 Budget	2026 % Change Over/Under 2025	2027 Budget	2027 % Change Over/Under 2026
Salaries and Wages	\$ 792,224	\$ 1,637,953	\$ 1,456,150	-11%	\$ 1,456,150	0%
Benefits	232,937	560,313	479,775	-14%	492,421	3%
<b>Personnel</b>	<b>1,025,161</b>	<b>2,198,266</b>	<b>1,935,925</b>	<b>-12%</b>	<b>1,948,571</b>	<b>1%</b>
Services	95,957	38,300	491,700	1184%	514,870	5%
Supplies	34,593	67,850	66,550	-2%	66,550	0%
<b>Operating Expenditures</b>	<b>\$ 1,155,711</b>	<b>\$ 2,304,416</b>	<b>\$ 2,494,175</b>	<b>8%</b>	<b>\$ 2,529,991</b>	<b>1%</b>

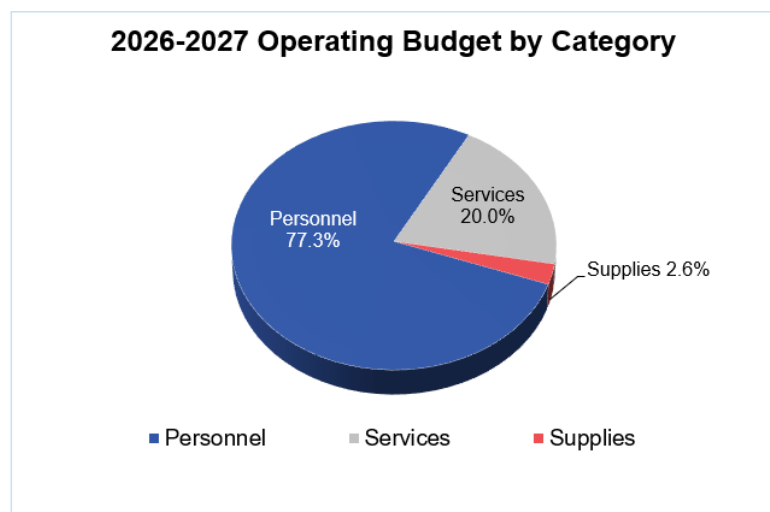
## Services and Supplies

The services and supplies categories of the People and Finance Services budget funds professional services for leadership development, agencywide employee recognition and engagement programs, and agencywide supplies and fees for postage and courier services.

## Staffing and Personnel Expense

Personnel expense is 77.3% of the department's budget in the biennium. All employee expense is funded in the General Fund. There are no additional staff planned for this department in 2026 or 2027.

The decrease in the personnel



budget in this department is due to the mid-year 2025 reorganization.

#### Staffing in FTE by Budget Center

Division	Budget Center	2025 FTEs	2026 FTEs	2027 FTEs
People and Finance Administration	Administration	7.0	7.0	7.0
Organizational Development	Organizational Development	5.0	5.0	5.0
Department FTE Total		12.0	12.0	12.0

One additional position was funded in this department in the original 2025 budget and is not reflected in the table above. That position moved to the Finance and Procurement Department in mid-year 2025 and is reflected in those tables. Budget for this position was not reallocated in the 2025 amended budget.

### Capital Project Budget Oversight

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

## Accomplishments and Goals

Departments develop their workplans in support of agency strategic goals and priorities. A selection of 2025 accomplishments and 2026-2027 goals are provided below.

### 2025 Accomplishments

- Reorganized and brought together the Finance and Procurement and Employee Engagement departments under the unified leadership to improve collaboration and employee experience.
- Refined and solidified Community Transit's 2026–2030 Strategy with feedback and engagement from senior leaders in the agency.
- Established standard templates and tracking mechanism for key initiatives through shared structure and leadership support.
- Developed a cadence of quarterly progress for 2025 agency performance.
- Established a Continuous Improvement and Learning initiative for 2026-2030 agency strategy with a charter and framework through cross-functional team collaboration.
- Implemented a visual monthly training calendar and communication practice to increase awareness of internal learning opportunities.
- Developed a cohesive administrative support structure that improves coverage and encourages shared responsibilities and teamwork.
- Improved and standardized the Board and Board Committee documentation process for better efficiency and version management.
- Launched competency-based learning focused on growing leaders and employees to enhance skills that drive results.

## 2026-2027 Goals

- Embed the strategic business cadence into the annual cycle of work by setting and adjusting multiyear strategy based on feedback; monitor progress against the goals on a regular cadence.
- Implement a five-year Continuous Improvement and Learning Culture initiative by developing leaders and employees to create a culture of improvement in daily work.
- Implement a five-year Employee Feedback initiative by improving structural feedback pathways and creating an environment where feedback is welcomed, encouraged, and safe.
- Launch a formal leadership development program to develop existing and future leaders of the organization through assessment, individual learning, coaching, communities of practice, and a cohort-based leadership academy.
- Upgrade and reimagine the employee recognition program to reflect agency growth and empower employees to do their best work.
- Document and refine standard operating procedures to support consistency in day-to-day operations.
- Reduce paper waste by continuing to digitize paper files.

# 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 People, Empowerment, & Connections 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
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 employee policy enforcement, Drug and Alcohol, and EEO compliance.
People, Empowerment, & Connections	Serves as an internal consultant to ensure we align our policies, practices, and resources so everyone has genuine opportunities to fully participate and thrive.
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 careers through internal training and development offerings.



## Department Operating Budget (Fund 40)

Data for 2024 and 2025 has not been fully adjusted for a reorganization that took effect in late 2024. Please see the People and Finance Services Department section for more information.

### Budget by Division

Divisions and Departments	2024 Actuals	2025 Amended Budget	2026 Budget	2026 % Change Over/Under 2025	2027 Budget	2027 % Change Over/Under 2026
Employee Engagement	5,801,562	6,723,080	6,791,989	1%	6,803,249	0%
People, Empowerment, and Connections	244,252	447,251	374,517	-16%	376,625	1%
Training and Staff Development	8,363,128	10,102,890	10,026,975	-1%	8,017,299	-20%
<b>Employee Engagement</b>	<b>\$ 14,408,942</b>	<b>\$ 17,273,221</b>	<b>\$ 17,193,481</b>	<b>0%</b>	<b>\$ 15,197,173</b>	<b>-12%</b>

The 2025 and 2026 Training and Staff Development budgets include increased funding for staff training, including the coach operator training program, to support the Kasch Park Contracted Services Transition. These costs are not expected to continue in 2027.

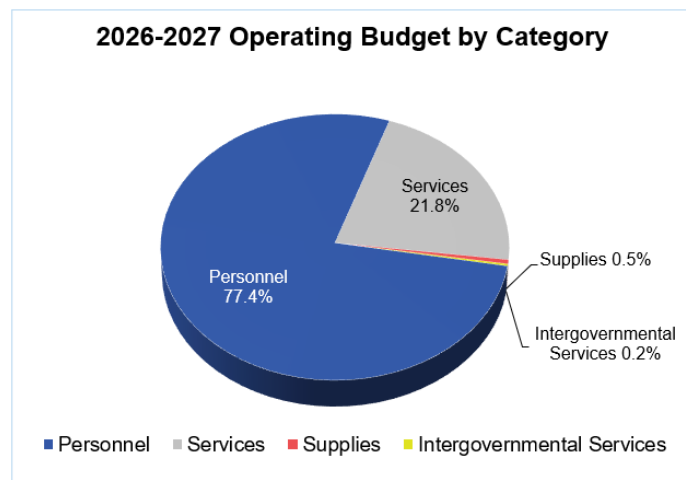
### Budget by Category

Expense Type	2024 Actuals	2025 Amended Budget	2026 Budget	2026 % Change Over/Under 2025	2027 Budget	2027 % Change Over/Under 2026
Salaries and Wages	\$ 8,018,328	\$ 10,004,572	\$ 9,585,257	-4%	\$ 8,247,065	-14%
Benefits	3,422,747	3,607,754	3,919,033	9%	3,333,636	-15%
<b>Personnel</b>	<b>11,441,075</b>	<b>13,612,326</b>	<b>13,504,290</b>	<b>-1%</b>	<b>11,580,702</b>	<b>-14%</b>
Services	2,885,689	3,561,430	3,566,911	0%	3,492,257	-2%
Supplies	26,428	59,465	82,280	38%	84,214	2%
Intergovernmental Services	55,750	40,000	40,000	0%	40,000	0%
<b>Operating Expenditures</b>	<b>\$ 14,408,942</b>	<b>\$ 17,273,221</b>	<b>\$ 17,193,481</b>	<b>0%</b>	<b>\$ 15,197,173</b>	<b>-12%</b>

### Services, Supplies, and Intergovernmental Services

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

Staffing expense represents about 77.4% of the department operating budget in the biennium.

Staffing in FTE by Budget Center

Division	Budget Center	2025 FTEs	2026 FTEs	2027 FTEs
Employee Engagement	Recruitment		5.0	5.0
Employee Engagement	Labor and Employee Relations	1.0	8.0	8.0
Employee Engagement	Benefits and Leaves		5.0	5.0
Employee Engagement	People Operations	29.0	12.0	12.0
People, Empowerment, and Connections	People, Empowerment, and Connections	2.0	2.0	2.0
Training and Staff Development	Coach Operator Instruction	20.0	20.0	18.0
Training and Staff Development	Maintenance and Transportation Instruction	7.0	7.0	7.0
Training and Staff Development	Training Administration	5.0	5.0	4.0
<b>Department FTE Total</b>		<b>64.0</b>	<b>64.0</b>	<b>61.0</b>

Beginning in 2026, the Employee Engagement division is reorganizing into four budget centers. Historical costs and FTE counts are under the People Operations budget center.

Three term-limited positions in the Training and Staff Development division are scheduled to end in 2026. These positions are currently supporting increased training needs in the coach operator instruction program, and an agencywide effort to update standard operating procedures.

Employee Expense by Fund

Funds	2024 Actuals	2025 Amended Budget	2026 Proposed Budget	2026 % Change over/under 2025	2027 Proposed Budget	2027 % Change over/under 2026
General Fund	\$ 11,441,075	\$ 13,612,326	\$ 13,504,290	-1%	\$ 11,580,702	-14%
Capital Funds		\$ 286,028	\$ 317,587	11%	\$ 319,622	1%
<b>Total Employee Expense</b>	<b>\$ 11,441,075</b>	<b>\$ 13,898,354</b>	<b>\$ 13,821,878</b>	<b>-1%</b>	<b>\$ 11,900,324</b>	<b>-14%</b>

Approximately 2.5% of employee expense in the biennium is budgeted to capital funds in support of the agency's capital program. This primarily represents time spent supporting development of the agency's human resources and training software systems, and zero emissions program support from maintenance instruction staff.

## Capital Project Budget Oversight

This department does not have budget authority over any capital projects for 2026 or 2027. Staff support capital projects as needed.

## Accomplishments and Goals

Departments develop their workplans in support of agency strategic goals and priorities. A selection of 2025 accomplishments and 2026-2027 goals are provided below.

### 2025 Accomplishments

- Negotiated and implemented the first-ever collective bargaining agreement with the Amalgamated Transit Union (ATU) for the Transit Security Officers.
- Brought leave of absence management in-house to improve employee experience during challenging life episodes.
- Launched a talent management initiative, introducing a competency model and piloting inclusive hiring practices that reduce bias in the selection process for all candidates.
- Developed and implemented probationary review standard procedures and trained people managers.
- Successfully established a process for hiring employees from Transdev with collaboration with unions to support transition of contracted services to in-house services.
- Developed and implemented job ladders for all departments, defining career paths and growth opportunities for hundreds of Community Transit employees.
- Launched a standard operating procedure library, including training, templates, and staff support for documenting core work processes in an accessible and centralized repository.
- Introduced training series that emphasize belonging, civility, and allyship for all in the workplace and the community we serve.

### 2026-2027 Goals

- Train all hiring managers and interview panelists on evidence-based hiring practices that reduce bias for all candidates and improve hiring outcomes.
- Develop and implement a consistent onboarding practice that supports new hires and hiring managers' success from pre-hire through the first year of employment.
- Replace manual/paper-based processes with ones that streamline work and can be scaled sustainably.
- Launch post-investigation process to discover and address root causes of workplace complaints to increase psychological safety.
- Institute a feedback system for internal customers to ensure needs are met fully and timely.
- Improve access to core services for employees using both electronic tools and in-person support.
- Complete documentation of core processes and standard work.
- Continuously improve processes based on feedback from current and future employees.

# Finance and Procurement

## Department Description

The Finance and Procurement 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
Accounting	Handles financial reporting, payroll, accounts payable and receivable, treasury services, asset management, accounting, investment, and debt services. Prepares quarterly financial reports and two audited reports: the Annual Comprehensive Financial Report, and the Schedule of Expenditures of Federal Awards.
Financial Planning & Systems	Serves as internal financial consultants to the agency. Provides financial analysis, long-range financial planning, and budget management support. Manages the functional side of agency financial systems. Prepares the agency budget, and one audited report: the Federal Transit Administration National Transit Database report.
Grants	Manages the agency's grant portfolio and strategies to secure funding for major projects.

Division	Description
Procurement & Parts	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)

Data for 2024 and 2025 has not been fully adjusted for a midyear 2025 reorganization. Please see the People and Finance Services Department section for more information.

### Budget by Division

Divisions and Departments	2024 Actuals	2025 Amended Budget	2026 Budget	2026 % Change Over/Under 2025	2027 Budget	2027 % Change Over/Under 2026
Accounting, Finance, and Grants	4,331,137	4,728,341	3,930,705	-17%	3,995,318	2%
Procurement and Parts Inventory	2,434,638	3,023,952	3,855,004	27%	4,044,045	5%
Financial Planning & Systems			899,715	n/a	945,009	5%
<b>Finance and Procurement</b>	<b>\$ 6,765,775</b>	<b>\$ 7,752,293</b>	<b>\$ 8,685,423</b>	<b>12%</b>	<b>\$ 8,984,372</b>	<b>3%</b>

Beginning in 2026, the Accounting, Finance, and Grants division is reorganizing. Historical costs for the Financial Planning & Systems division are grouped with Accounting, Finance, and Grants in 2024 and 2025. The overall increase in this department's budget in 2026 is largely due to the Kasch Park Contracted Services Transition. More information is below.

### Budget by Category

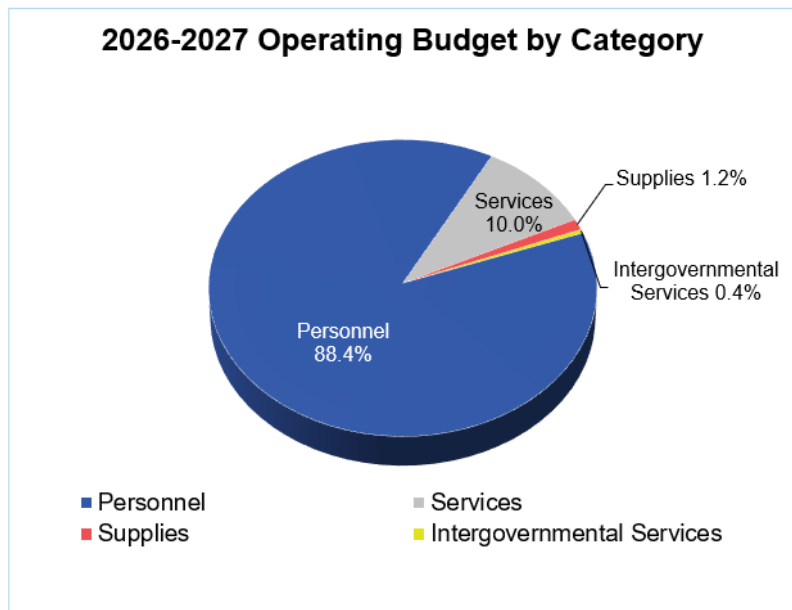
Expense Type	2024 Actuals	2025 Amended Budget	2026 Budget	2026 % Change Over/Under 2025	2027 Budget	2027 % Change Over/Under 2026
Salaries and Wages	\$ 4,323,553	\$ 4,942,314	\$ 5,580,112	13%	\$ 5,710,667	2%
Benefits	1,568,869	1,901,669	2,094,587	10%	2,227,172	6%
<b>Personnel</b>	<b>5,892,422</b>	<b>6,843,983</b>	<b>7,674,699</b>	<b>12%</b>	<b>7,937,839</b>	<b>3%</b>
Services	787,069	807,804	849,431	5%	924,673	9%
Supplies	52,107	66,006	123,793	88%	82,860	-33%
Intergovernmental Services	34,177	34,500	37,500	9%	39,000	4%
<b>Operating Expenditures</b>	<b>\$ 6,765,775</b>	<b>\$ 7,752,293</b>	<b>\$ 8,685,423</b>	<b>12%</b>	<b>\$ 8,984,372</b>	<b>3%</b>

## Services, Supplies, and Intergovernmental Services

The largest expense in the Services category is armored car service for fare collections. Armored car costs are projected to account for approximately 44% of the total Services budget in 2026 and 43% in 2027. 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, postage, and small parts and equipment. The 88% increase in this category for 2026 is for additional parts supplies and equipment to support the Kasch Park Contracted Services Transition. A 33% decrease is projected in 2027 as the transition nears completion.



## Staffing and Personnel Expense

Division	Budget Center	2025 FTEs	2026 FTEs	2027 FTEs
Accounting, Finance, and Grants	Payroll		8.0	8.0
Accounting, Finance, and Grants	Grants Program	5.0	5.0	5.0
Accounting, Finance, and Grants	Accounting Operations	27.0	13.0	13.0
Procurement and Parts Inventory	Procurement	12.0	12.0	12.0
Procurement and Parts Inventory	Parts Inventory	14.0	21.0	21.0
Financial Planning & Systems	Financial Planning, Budget, and Systems		6.0	6.0
<b>Department FTE Total</b>		<b>58.0</b>	<b>65.0</b>	<b>65.0</b>

In 2024 and 2025, FTE counts for both Payroll and Financial Planning and Systems are grouped with Accounting Operations. One leadership position included in the Accounting



Operations group FTE count above was funded in People & Finance Services in 2025.

The 2026 budget adds an additional seven positions. These positions include:

- Payroll Accountant (moving from term limited to permanent)
- Administrative Assistant Parts
- Apprentice Parts Person
- Journey Parts Person Day
- Journey Parts Person Swing
- Lead Journey Parts Person

One of these positions will assist with payroll, while the others will support the Kasch Park Contracted Services Transition.

#### Employee Expense by Fund

Funds	2024 Actuals	2025 Amended Budget	2026 Proposed Budget	2026 % Change over/under 2025	2027 Proposed Budget	2027 % Change over/under 2026
General Fund	\$ 5,892,422	\$ 6,843,983	\$ 7,674,699	12%	\$ 7,937,839	3%
Capital Funds	\$ 1,115,291	\$ 1,576,709	\$ 1,597,569	1%	\$ 1,608,107	1%
<b>Total Employee Expense</b>	<b>\$ 7,007,713</b>	<b>\$ 8,420,692</b>	<b>\$ 9,272,268</b>	<b>10%</b>	<b>\$ 9,545,946</b>	<b>3%</b>

In the biennium, 17% of employee expense budget is allocated to capital funds to support the agency's capital program.

### Budget Oversight

The Finance and Procurement Department provides budget oversight and support for the entire agency and manages the following nondepartmental budget centers:

Budget Center	
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 Infrastructure Preservation Contingency
42	9991 IT Infrastructure Contingency
42	2501 ERP and HCM System Replacement
44	9997 State Capital Projects Contingency
45	9998 FTA Capital Projects Contingency
46	2402 Financial & Human Capital Mgmt Systems Replacement Feasibility
46	9996 Local Projects Contingency
46	2607 Trapeze EAM-PeopleSoft ERP Integrations
46	2214 Electronic Timesheet System Implementation
48	9992 Facilities & Technology Contingency
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 2025 accomplishments and 2026-27 goals are provided below.

### 2025 Accomplishments

- Implemented a biennial budget for 2026- 2027 which supports the agency's strategic priorities.
- Completed the annual financial statement and National Transit Database report audits with no findings for the 30<sup>th</sup> consecutive year.
- Implemented a new travel software system and updated the travel expense policy to improve discipline, efficiencies, and standardize processes.
- Completed a full cycle count of Parts Department inventory.
- Developed core processes and standard work for the ORCA program, transitioning the knowledge base for a complex function from one legacy employee to a cross-trained team.
- Completed several process improvement initiatives in the Department, improving efficiency and accuracy.
- Submitted three applications for competitive funding opportunities through the Federal Transit Administration.
- Completed a comprehensive budget adjustment to support the needs of the contracted services transition to in-house operations.
- Successfully completed the FTA's triennial audit with no findings.

- Received awards for excellence from the Government Finance Officers Association for both the 2024 Annual Comprehensive Financial Report and the 2025 Budget.

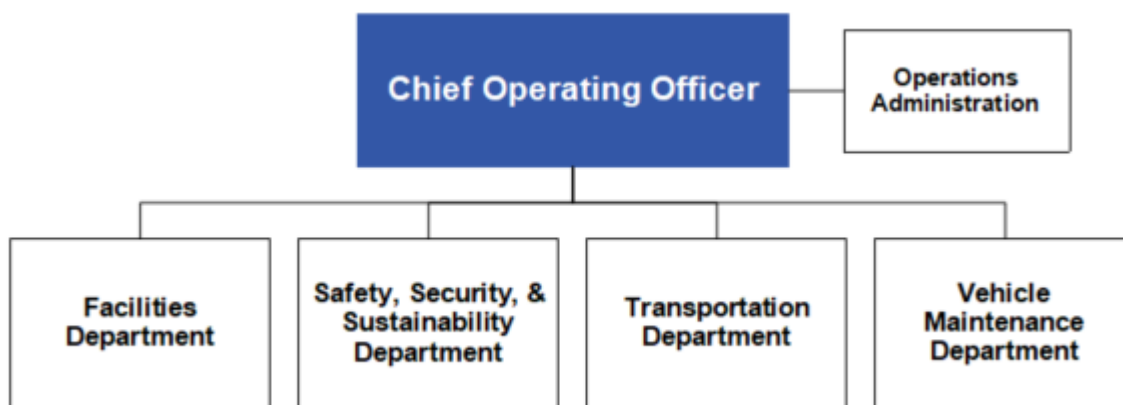
## 2026-2027 Goals

- Update procurement practices to maximize competition and participation among private-sector partners, including increased participation of small and disadvantaged businesses.
- Launch initial implementation plan for a new enterprise financial and human capital management system.
- Develop standard work document for core processes and foundational work to support consistency in day-to-day operations
- Implement employee development plans for department staff to foster engagement and growth opportunities
- Develop grant strategy policy, procedures, and core processes to maximize the pursuit of grant funding opportunities and efficient and effective management of grant funds.
- Embed the long-range financial plan model into decision making processes with clear change control procedures for financial plan assumptions.
- Complete Project Controls policies, procedures, and core processes to standardize project planning, reporting, and delivery across the agency, including change control procedures for major projects.

# Operations Administration

## Department Description

Operations Administration provides leadership and oversight to the Operations group, which consists of four departments: Facilities; Safety, Security and Sustainability; Transportation; and Vehicle Maintenance.



## Operating Budget by Department (Fund 40)

Operations Administration was formed in 2025 by reallocating staff and budget from the Transportation Department. The table below shows all five department budgets together.

Operations Group: Operating Budget by Department

Departments	2024 Actuals	2025 Amended Budget	2026 Budget	2026 % Change Over/Under 2025	2027 Budget	2027 % Change Over/Under 2026
Operations Administration		\$ 456,518	\$ 524,622	15%	\$ 521,729	-1%
Facilities	\$ 7,100,696	\$ 9,900,699	\$ 10,716,596	8%	\$ 11,844,589	11%
Safety, Security, and Sustainability	\$ 7,252,915	\$ 10,660,495	\$ 12,864,310	21%	\$ 13,951,261	8%
Transportation	\$ 96,452,771	\$ 115,149,607	\$ 116,262,205	1%	\$ 115,835,322	0%
Vehicle Maintenance	\$ 21,925,080	\$ 28,195,790	\$ 33,508,449	19%	\$ 36,527,621	9%
<b>Total</b>	<b>\$ 132,731,461</b>	<b>\$ 164,363,109</b>	<b>\$ 173,876,181</b>	<b>6%</b>	<b>\$ 178,680,523</b>	<b>3%</b>

Expenses for the Operations Administration function are shown in Transportation in 2024.

# Operations Administration Department Operating Budget (Fund 40)

## Budget by Category

Expense Type	2024 Actuals	2025 Amended Budget	2026 Budget	2026 % Change Over/Under 2025	2027 Budget	2027 % Change Over/Under 2026
Salaries and Wages		\$ 353,346	\$ 412,047	17%	\$ 412,047	0%
Benefits		99,672	102,075	2%	104,182	2%
<b>Personnel</b>		<b>453,018</b>	<b>514,122</b>	<b>13%</b>	<b>516,229</b>	<b>0%</b>
Services		3,500	9,500	171%	4,500	-53%
Supplies			1,000	na	1,000	0%
<b>Operating Expenditures</b>		<b>\$ 456,518</b>	<b>\$ 524,622</b>	<b>15%</b>	<b>\$ 521,729</b>	<b>-1%</b>

Historical costs 2024 and prior for this division are located under the Transportation Department.

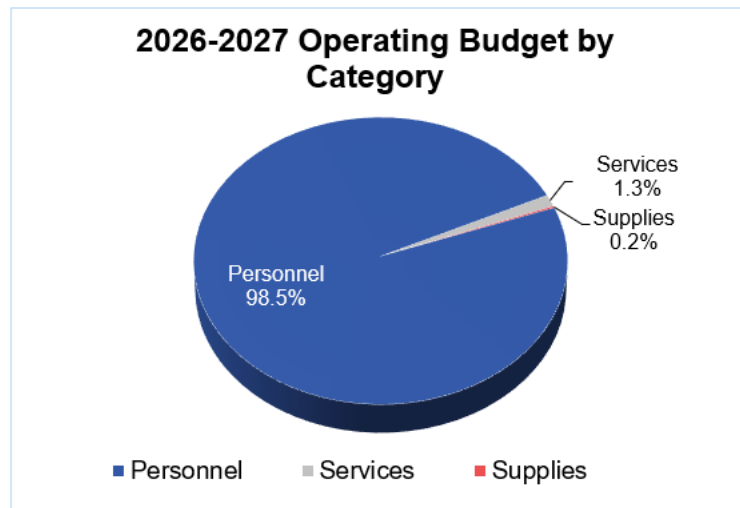
## Budget Discussion

Expenses budgeted in services and supplies include office/meetings supplies, and travel for [Roadeo](#) competitions.

## Staffing and Personnel Expense

Personnel cost is the largest expense in this department, at 98.5%. All employee expense in this biennium is budgeted to the operating budget in the General Fund.

This department includes two FTEs: the Chief Operating Officer and a Manager for the Office of Chief Operating Officer.



## Staffing in FTE by Budget Center

Division	Budget Center	2025 FTEs	2026 FTEs	2027 FTEs
Operations Administration	Operations Administration	2.0	2.0	2.0
<b>Department FTE Total</b>		<b>2.0</b>	<b>2.0</b>	<b>2.0</b>

## Capital Project Budget Oversight

This department does not have budget authority over any capital projects for 2026-2027. 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 2025 accomplishments and 2026 - 2027 goals are provided below.

### 2025 Accomplishments

- Provided direction and oversight to operation of expanded bus operations in the buildout of the 2024 and Beyond Network, including successful operation of Link Shuttle bus bridges in support of Sound Transit.
- Ensured operational performance and quality of contracted DART and Zip mobility services.
- Guided the agency's work to enhance the safety and security of employees and customers through ongoing rollout of the Transit Security Officer program and advancement of the coach operator barrier door project.
- Provided direction to planning and initiation of transition of contracted bus service to in-house operations.
- Provided executive sponsorship for the agency's Zero Emissions Fleet Transition program.
- Sponsored implementation of the agency's Sustainability Action Plan.

### 2026-2027 Goals

- Align operational resources to drive customer acquisition and retention, elevate employee experience, and ensure long-term organizational sustainability.
- Steer the transition from contracted bus service to a two-base in-house operational model, ensuring seamless implementation.
- Oversee the performance and quality of contracted DART and Zip mobility services.
- Sponsor fleet maintenance strategies and the agencywide shift to zero emission vehicles.
- Ensure organizational assets, including facilities, are maintained in a state of good repair through proactive planning and oversight.
- Sponsor enterprise-wide initiatives to strengthen the safety and security of both employees and customers.
- Drive execution of the Sustainability Action Plan, embedding the work into operational decision-making.



# Facilities

## Department Description

The Facilities Department plays a vital role in supporting Community Transit’s mission to “help people get from where they are to where they want to be.” We do this by ensuring that all of Community Transit’s facilities—including administrative and operations buildings, Park & Ride lots, and transit centers—are safe, clean, and well-maintained. Our team is committed to enhancing the experience of every customer who uses our services. From daily upkeep to longer-term planning and development, Facilities staff help create a welcoming and reliable transit environment. Facilities Administration provides leadership, coordination, and strategic direction to ensure our infrastructure supports the agency’s goals and growing community needs, while Facilities Operations manages the day-to-day operation of all buildings, stops, and systems.



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 Operations	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

Facilities department has two divisions, Facilities Administration and Facilities Operations. In this document, historical costs for the full department are shown in the Facilities Operations division.

Divisions and Departments	2024 Actuals	2025 Amended Budget	2026 Budget	2026 % Change Over/Under 2025	2027 Budget	2027 % Change Over/Under 2026
Facilities Administration		837,767	884,642	6%	889,912	1%
Facilities Operations	7,100,696	9,062,932	9,831,954	8%	10,954,677	11%
<b>Facilities</b>	<b>\$ 7,100,696</b>	<b>\$ 9,900,699</b>	<b>\$ 10,716,596</b>	<b>8%</b>	<b>\$ 11,844,589</b>	<b>11%</b>

### Budget by Category

Expense Type	2024 Actuals	2025 Amended Budget	2026 Budget	2026 % Change Over/Under 2025	2027 Budget	2027 % Change Over/Under 2026
Salaries and Wages	\$ 2,567,472	\$ 3,449,151	\$ 3,946,989	14%	\$ 4,529,445	15%
Benefits	1,055,844	1,486,048	1,613,808	9%	1,896,045	17%
<b>Personnel</b>	<b>3,623,316</b>	<b>4,935,199</b>	<b>5,560,797</b>	<b>13%</b>	<b>6,425,490</b>	<b>16%</b>
Services	2,961,627	4,209,500	4,188,799	0%	4,357,099	4%
Supplies	470,597	683,500	901,000	32%	989,000	10%
Intergovernmental Services	45,156	72,500	66,000	-9%	73,000	11%
<b>Operating Expenditures</b>	<b>\$ 7,100,696</b>	<b>\$ 9,900,699</b>	<b>\$ 10,716,596</b>	<b>8%</b>	<b>\$ 11,844,589</b>	<b>11%</b>

## Services

Contract maintenance services of about \$3 million per year make most 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. The second highest expense is electricity, at about \$600,000 per year for this biennium. The cost of electricity and other utilities expenses are predicted to grow in part from opening a second operating base at Kasch Park; this second base is part of transitioning contracted bus services to directly operated bus services.

## Supplies

Facilities supplies represent 8.4% 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, and building and shelters maintenance supplies.

## Intergovernmental Services

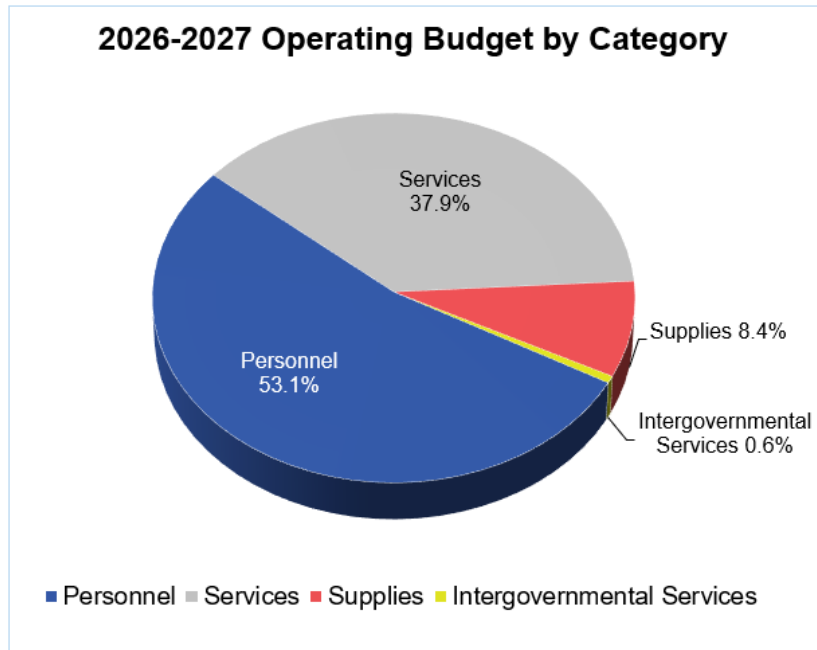
The intergovernmental services budget funds a variety of taxes, fees, dues, and assessments related to Community Transit's owned and leased facilities.

## Staffing and Personnel Expense

Staffing in FTE by Budget Center

Division	Budget Center	2025 FTEs	2026 FTEs	2027 FTEs
Facilities Administration	Facilities Administration	5.0	5.0	5.0
Facilities Operations	Facilities Maintenance	35.0	44.0	48.0
Department FTE Total		40.0	49.0	53.0

The 2026 budget adds nine FTEs: eight Facilities Maintenance Technicians and one Lead Technician for the grave shift, and one Facilities Project Manager.



The 2027 budget adds four additional Facilities Maintenance Technicians.

The added FTEs help manage the work increase and ongoing projects for the department.

#### Employee Expense by Fund

Funds	2024 Actuals	2025 Amended Budget	2026 Proposed Budget	2026 % Change over/under 2025	2027 Proposed Budget	2027 % Change over/under 2026
General Fund	\$ 3,623,316	\$ 4,935,199	\$ 5,560,797	13%	\$ 6,425,490	16%
Capital Funds			\$ 9,150	n/a	\$ 36,865	303%
<b>Total Employee Expense</b>	<b>\$ 3,623,316</b>	<b>\$ 4,935,199</b>	<b>\$ 5,569,948</b>	<b>13%</b>	<b>\$ 6,462,355</b>	<b>16%</b>

Capital expenses for the biennium are at 0.4% of total expenses. Most employee expense in 2026-2027 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.

#### Project

2506 Mobile Fall Protection System Evaluation and Purchase

2507 Hardeson Campus & Kasch Park Unleaded Pumps and Diesel Transfer Pump

2633 Steambay Lift Replacement-HCVM

2634 Cascade Building - Concrete Sidewalk Replacement

## Accomplishments and Goals

Departments develop their workplans in support of agency strategic goals and priorities. A selection of 2025 accomplishments and 2026-2027 goals are provided below.

### 2025 Accomplishments

- Maintained safe, clean, and reliable facilities across agency properties, enhancing customer and staff experience.
- Focused on leadership development; created training development and cross-training opportunities for employees.
- Partnered with Employee Engagement staff to continue building pathways for skilled trades roles.
- Supported Community Transit's Zero Emissions program by supporting infrastructure transitions and facility adaptations, contributing to climate and sustainability objectives
- Implemented best management practices consistent with sustainability industry standards, aligning facility operations with the agency's environmental stewardship goals.
- Supported compliance with the Clean Buildings Act through energy efficiency improvements and strategic facility upgrades, reinforcing regulatory readiness and environmental responsibility.
- Formed a dedicated team for the shelter rehabilitation program and implemented a more robust cleaning schedule, improving facility health and safety for all users.
- Researched and evaluated emerging technologies and tools for Facilities staff, enhancing operational efficiency and innovation capacity in support of continuous improvement priorities.

### 2026 - 2027 Goals

- Provide ongoing support for growth projects within Community Transit's Facilities Master Plan.
- Streamline complex processes for space management within the agency.
- Expand staff and cleaning efforts to improve cleanliness across Swift and local bus stops to provide a safer, more consistent experience for riders.
- Advance internal projects that improve operational efficiency within the Facilities Department, including process improvements, resource optimization, and improved use of advanced technology.
- Complete projects that upgrade the condition and functionality of existing properties and assets to support safe, reliable, and efficient operations.

# 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, Safety Management System, and the Sustainability Action Plan. The Senior Director acts as the Chief Safety Officer per FTA requirements.
Environment, Health & Safety	Oversees agency safety programs, safe driving and vehicle use policies, the Accident Review Committee, Environmental Compliance Accident Prevention Program, 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

Divisions and Departments	2024 Actuals	2025 Amended Budget	2026 Budget	2026 % Change Over/Under 2025	2027 Budget	2027 % Change Over/Under 2026
Admin and Special Programs	346,522	685,979	717,844	5%	714,005	-1%
Environment, Health, & Safety	1,132,717	1,250,836	1,312,817	5%	1,314,229	0%
Security and Emergency Mgmt	5,773,676	8,723,680	10,833,649	24%	11,923,027	10%
<b>Safety, Security, and Sustainability</b>	<b>\$ 7,252,915</b>	<b>\$ 10,660,495</b>	<b>\$ 12,864,310</b>	<b>21%</b>	<b>\$ 13,951,261</b>	<b>8%</b>

### Budget by Category

Expense Type	2024 Actuals	2025 Amended Budget	2026 Budget	2026 % Change Over/Under 2025	2027 Budget	2027 % Change Over/Under 2026
Salaries and Wages	\$ 2,694,817	\$ 4,006,503	\$ 5,551,049	39%	\$ 6,210,258	12%
Benefits	963,903	1,724,095	2,178,817	26%	2,491,248	14%
<b>Personnel</b>	<b>3,658,720</b>	<b>5,730,598</b>	<b>7,729,866</b>	<b>35%</b>	<b>8,701,505</b>	<b>13%</b>
Services	117,405	372,182	310,559	-17%	323,016	4%
Supplies	90,102	169,950	304,005	79%	271,061	-11%
Intergovernmental Services	3,386,687	4,387,765	4,519,879	3%	4,655,679	3%
<b>Operating Expenditures</b>	<b>\$ 7,252,915</b>	<b>\$ 10,660,495</b>	<b>\$ 12,864,310</b>	<b>21%</b>	<b>\$ 13,951,261</b>	<b>8%</b>

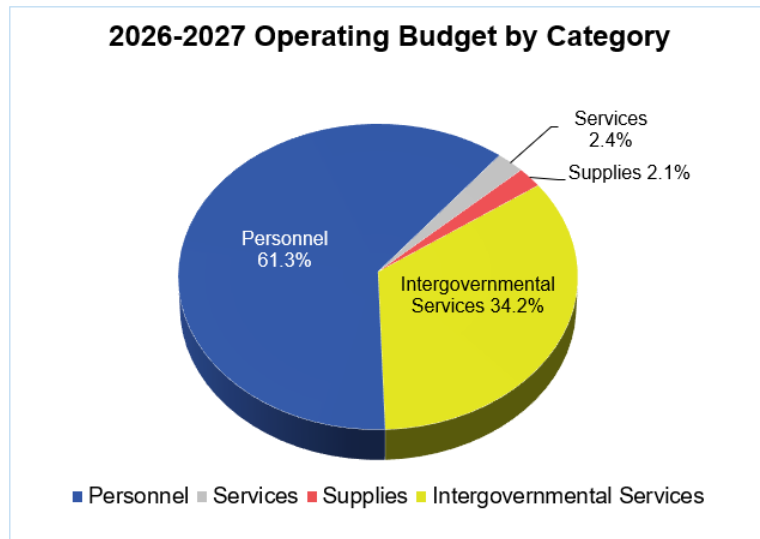
### Services and Supplies

Professional services are the largest expense in the services category, representing about 78% of the biennial budget. Most of the increases are for consulting assistance and new contracts cost increases.

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.

### 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 for over \$4 million each year of the biennial.



As a partner with Snohomish County and the Sheriff's Department, this budget also includes around \$380k annually 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

All staff in this department are budgeted in the General Fund. Staff may support capital projects as needed.

### Staffing in FTE by Budget Center

Division	Budget Center	2025 FTEs	2026 FTEs	2027 FTEs
Admin and Special Programs	Admin and Special Programs	3.0	3.0	3.0
Environment, Health, & Safety	Environment, Health, & Safety	8.0	8.0	8.0
Security and Emergency Mgmt	Security and Emergency Mgmt	41.0	55.0	55.0
<b>Department FTE Total</b>		<b>52.0</b>	<b>66.0</b>	<b>66.0</b>

The 2026 budget adds 14 new positions: 12 Transit Security Officers and two Transit Security Officer Leads to support operations and customers in the field.

## 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.

Project
2510 Kasch Park Roof Fall Protection System
2512 Hardeson Campus Bus Wash & Drying Feasibility
2639 Security Services CAD-RMS Replacement
2647 Transportation Devices to Support SMIS

## Accomplishments and Goals

Departments develop their workplans in support of agency strategic goals and priorities. A selection of 2025 accomplishments and 2026-2027 goals are provided below.

### 2025 Accomplishments

- Adopted the Sustainability Action Plan as an agency.
- Initiated the re-imagined safety committee format.
- Initiated the new Agency Safety Plan format.
- Improved the transit security officer program by re-vamping the recruiting process and enacting a train-the-trainer program.
- Selected a safety management information system.
- Published quarterly Chief Safety Officer reports with divisional metrics.

### 2026-2027 Goals

- Continue to implement the Security Enhancement Strategic Plan.
- Expand Security Operations Center (SOC) to 24/7.
- Further develop a safety hazard mitigation program and safety promotion program.
- Update and socialize the Accident Prevention Program.
- Update the Vehicle Use Policy.
- Continue to expand and support sustainability initiatives to support the Sustainability Action Plan.

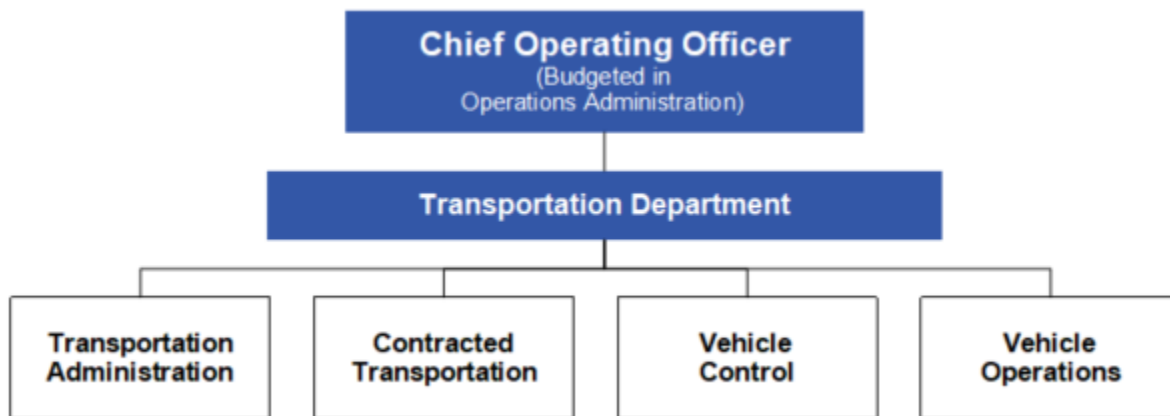


# Transportation

## 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, and 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, and microtransit service operations.



Division	Description
Contracted Transportation	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

Divisions and Departments	2024 Actuals	2025 Amended Budget	2026 Budget	2026 % Change Over/Under 2025	2027 Budget	2027 % Change Over/Under 2026
Transportation Administration	1,427,236	1,456,353	1,399,504	-4%	1,407,989	1%
Transportation Operations	57,553,883	70,621,074	84,907,005	20%	90,581,954	7%
Contracted Transportation	37,471,652	43,072,180	29,955,695	-30%	23,845,380	-20%
<b>Transportation</b>	<b>\$ 96,452,771</b>	<b>\$ 115,149,607</b>	<b>\$ 116,262,205</b>	<b>1%</b>	<b>\$ 115,835,322</b>	<b>0%</b>

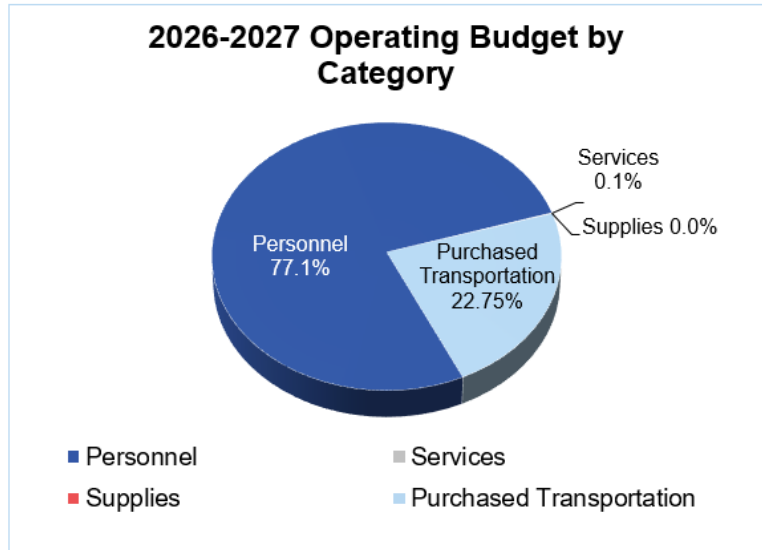
In the 2026-2027 budget, staffing expense increases to support the transition from contracted transportation bus service to directly operated bus service, while the Contracted Transportation budget shows a decline of 30% for 2026 and 20% for 2027. Starting in 2026, the Contracted Transportation budget includes microtransit operations; microtransit was previously funded out of the Customer Experience Department.

### Budget by Category

Expense Type	2024 Actuals	2025 Amended Budget	2026 Budget	2026 % Change Over/Under 2025	2027 Budget	2027 % Change Over/Under 2026
Salaries and Wages	\$ 42,521,032	\$ 51,258,696	\$ 61,827,589	21%	\$ 65,648,472	6%
Benefits	16,848,402	21,241,914	24,848,500	17%	26,715,212	8%
<b>Personnel</b>	<b>59,369,434</b>	<b>72,500,610</b>	<b>86,676,089</b>	<b>20%</b>	<b>92,363,683</b>	<b>7%</b>
Services	96,039	116,765	80,165	-31%	80,165	0%
Supplies	22,189	38,500	46,525	21%	45,525	-2%
Purchased Transportation	36,965,109	42,493,732	29,459,426	-31%	23,345,949	-21%
<b>Operating Expenditures</b>	<b>\$ 96,452,771</b>	<b>\$ 115,149,607</b>	<b>\$ 116,262,205</b>	<b>1%</b>	<b>\$ 115,835,322</b>	<b>0%</b>

## Budget Discussion

After personnel costs, purchased transportation is the largest expense in this department. In 2026, this category includes paratransit, microtransit, and contracted bus services. Community Transit is transitioning its contracted bus services, currently managed by Transdev at the Kasch Park Operating Base, to direct operations by December 2026. The decrease in this category is partially offset by microtransit increases as the agency adds additional pilot areas. Microtransit was funded in the Customer Experience department prior to 2026. Please see the Service Plan section for more information about service plan changes.



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 Roaddeo](#) competitions.

## Staffing and Personnel Expense

Personnel expense in this department includes salaries, wages, benefits, and certain uniform and tool expenses for staff. All employee expense is budgeted to the operating budget in the General Fund.

### Staffing in FTE by Budget Center

Division	Budget Center	2025 FTEs	2026 FTEs	2027 FTEs
Transportation Administration	Transportation Administration	8.0	9.0	9.0
Transportation Operations	Vehicle Control	64.0	70.0	72.0
Transportation Operations	Vehicle Operations	539.0	626.0	638.0
Contracted Transportation	Contract Transportation Admin	3.0	3.0	3.0
Department FTE Total		614.0	708.0	722.0

The 2026 budget adds the following FTEs:

- 87 Coach Operators to help with transition from contracted bus service to directly operated bus service.
- Four Dispatchers



- One Assistant Manager – Transportation Operations
- Four Transportation Supervisors
- One Coordinator – Transportation

The 2027 budget adds the following FTEs:

- One Dispatcher
- Twelve Coach Operators
- One Assistant Manager – Transportation Operations

## Capital Project Budget Oversight

This department does not have budget authority over any capital projects for this biennium. 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 2025 accomplishments and 2026 - 2027 goals are provided below.

### 2025 Accomplishments

- Implemented the March, June, September, and December service changes successfully while maintaining service standards for on-time performance and service completion.
- Supported the operation of Zip Alderwood shuttle service and the new Zip microtransit pilot projects in Lake Stevens, Arlington, and Darrington.
- Improved employee and customer safety in the field through multi-department collaboration, coordinating presence, engagement, and education.
- Implemented the transition of contracted bus services to in-house operations.
- Supported the regular testing of the zero emissions effort and put the battery electric bus and hydrogen fuel cell electric bus into revenue service.
- Studied paratransit customer satisfaction and collaborated with cross-functional teams to improve service delivery. Increased collaboration with paratransit partners at King County Metro and Sound Transit.
- Increased employee engagement activities onsite and in the field.
- Successfully implemented multiple Community Transit bus bridges in support of Link light rail ridership, establishing thousands of connections through our efforts.

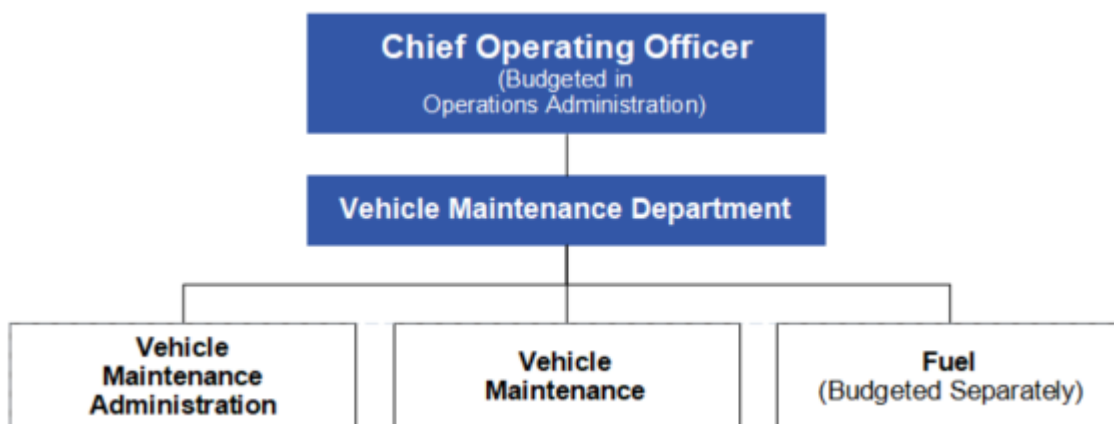
### 2026 - 2027 Goals

- Support the transition of contracted service to directly operated.
- Design, build, operate, and maintain split base operations.
- Promote safe operation of Community Transit services (operation of equipment).
- Collaborate with Safety & Security to promote physical safety of our employees and our customers at every opportunity.
- Implement negotiated ATU and IAM contracts in coordination with Labor Relations.  
Achieve and maintain adequate staffing levels to ensure the successful delivery of service.

# 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 providers.

## Department Operating Budget (Fund 40)

### Budget by Division

Divisions and Departments	2024 Actuals	2025 Amended Budget	2026 Budget	2026 % Change Over/Under 2025	2027 Budget	2027 % Change Over/Under 2026
Vehicle Maintenance Administration	435,170	751,931	727,153	-3%	751,699	3%
Vehicle Maintenance	21,489,909	27,443,859	32,781,296	19%	35,775,922	9%
<b>Vehicle Maintenance</b>	<b>\$ 21,925,080</b>	<b>\$ 28,195,790</b>	<b>\$ 33,508,449</b>	<b>19%</b>	<b>\$ 36,527,621</b>	<b>9%</b>

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

### Budget by Category

Expense Type	2024 Actuals	2025 Amended Budget	2026 Budget	2026 % Change Over/Under 2025	2027 Budget	2027 % Change Over/Under 2026
Salaries and Wages	\$ 10,504,616	\$ 12,375,382	\$ 15,794,118	28%	\$ 17,285,153	9%
Benefits	4,322,755	5,567,045	6,810,819	22%	7,742,222	14%
<b>Personnel</b>	<b>14,827,371</b>	<b>17,942,427</b>	<b>22,604,937</b>	<b>26%</b>	<b>25,027,375</b>	<b>11%</b>
Services	632,123	683,900	1,037,600	52%	1,049,820	1%
Supplies	6,465,585	9,569,463	9,865,912	3%	10,450,426	6%
<b>Operating Expenditures</b>	<b>\$ 21,925,080</b>	<b>\$ 28,195,790</b>	<b>\$ 33,508,449</b>	<b>19%</b>	<b>\$ 36,527,621</b>	<b>9%</b>

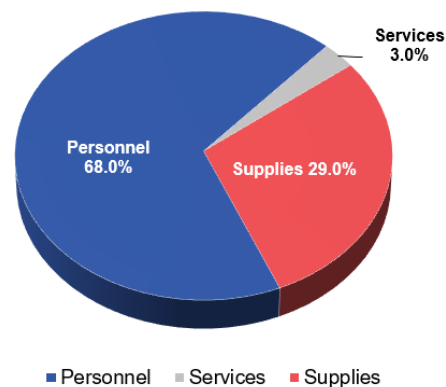
### Services

The services category accounts for just 3% of the 2026-2027 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.

2026-2027 Operating Budget by Category



At over \$6.5 million per year, parts make up most of the 2026-2027 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

Personnel expense is about 68% of the Vehicle Maintenance operating budget for the biennium, and includes salaries, wages, benefits, and certain uniform and tool expenses.

The personnel budget is increasing due to the addition of 46 additional positions to support increased maintenance needs. More information is below.

### Staffing in FTE by Budget Center

Division	Budget Center	2025 FTEs	2026 FTEs	2027 FTEs
Vehicle Maintenance Administration	Vehicle Maintenance Administration	4.0	4.0	4.0
Vehicle Maintenance	General Repair Shop	106.0	145.0	148.0
Vehicle Maintenance	Body Shop	6.0	7.0	7.0
Vehicle Maintenance	Automotive Maintenance	9.0	11.0	12.0
<b>Department FTE Total</b>		<b>125.0</b>	<b>167.0</b>	<b>171.0</b>

The 2026 budget adds 42 FTEs:

- 25 Journey Mechanics
- One Assistant Manager
- Seven Vehicle Service Attendants
- Nine Vehicle Service Workers

These employees will support the transition from contracted services to directly operated bus service at the secondary Kasch Park operating base.

The 2027 budget adds an additional 4 FTEs:

- Three Journey Mechanics
- One Vehicle Service Worker

These employees will support the new projects and volume of work including future developments.

### Employee Expense by Fund

Funds	2024 Actuals	2025 Amended Budget	2026 Proposed Budget	2026 % Change over/under 2025	2027 Proposed Budget	2027 % Change over/under 2026
General Fund	\$ 14,827,371	\$ 17,942,427	\$ 22,604,937	26%	\$ 25,027,375	11%
Capital Funds	\$ 94,603	\$ 99,285	\$ 101,876	3%	\$ 102,403	1%
<b>Total Employee Expense</b>	<b>\$ 14,921,974</b>	<b>\$ 18,041,712</b>	<b>\$ 22,706,813</b>	<b>26%</b>	<b>\$ 25,129,778</b>	<b>11%</b>

Less than 0.4% of employee expense in the biennium 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.

### Diesel Fuel by Mode

Divisions and Departments	2024 Actuals	2025 Amended Budget	2026 Budget	2026 % Change Over/Under 2025	2027 Budget	2027 % Change Over/Under 2026
Directly Operated Fuel	5,911,734	9,782,588	11,637,912	19%	15,963,404	37%
Commuter Purchased Trans Fuel	2,874,873	3,957,524	2,830,458	-28%		-100%
DART Purchased Trans Fuel	922,167	1,133,119	1,358,271	20%	1,557,149	15%
<b>Motorbus and DART Fuel</b>	<b>\$ 9,708,773</b>	<b>\$ 14,873,231</b>	<b>\$ 15,826,641</b>	<b>6%</b>	<b>\$ 17,520,552</b>	<b>11%</b>

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

Project
2204 Farebox Replacement at KPOB
2226 BRT Coach Operator Barriers
2306 60' Swift Coach Replace (15)
2319 2023 DART Vehicles
2408 40' Coaches – Hybrid (12)
2409 40' Coaches – Battery Electric (10)
2418 2025 DART Vehicles
2503 Transit Coach Driver Doors
2624 Kasch Park Fuel Island Upgrade
2626 Adjustable Scaffold Systems for Bus Roof Access
2627 Rigid Rail Fall Protection for Kasch Park Building C
2629 Mobile Maintenance Service Truck Expansion
2701 2027 Replacement - 30' Buses -13 Vehicles
2702 2027 Replacement DART Buses 13 Vehicles

## Accomplishments and Goals

Departments develop their workplans in support of agency strategic goals and priorities. A selection of 2025 accomplishments and 2026-2027 goals are provided below.

### 2025 Accomplishments

- Supported the Agency's Sustainability Action Plan by implementing an electric vehicle charging pilot project for Community Transit employees.
- Continued supporting the Agency's exploration of advanced propulsion systems by maintaining, diagnosing, and repairing the hydrogen fuel cell and battery electric buses.
- Supported the agency Transit Asset Management Plan by purchasing vehicles in accordance with the replacement schedule.
- Analyzed trends and looked for opportunities to refine maintenance practices for a reliable and cost-effective fleet.
- Worked with Employee Engagement and Training to enhance Journey Mechanic recruiting effectiveness.
- Developed a comprehensive project plan for the transition of contracted services at Kasch Park to a directly operated model and began to execute the plan by moving all Community Transit fleet and express routes to direct operation.
- Created a cross-functional group to select a coach operator barrier door vendor and worked with the vendor to finalize design and begin installing on the BRT fleet.
- Completed 20 mid-life engine and transmission overhauls.



### 2026-2027 Goals

- Complete coach operator barrier door installations on all Community Transit coaches.
- Complete the transition of contracted commuter services to directly operated service, including inhabiting and operating from Kasch Park.
- Support Facility Master Plan design work.
- Support the Zero Emissions program to facilitate preparedness for advanced propulsion systems.
- Achieve preventative maintenance targets.
- Purchase, prepare, and maintain fleet per the Transit Asset Management 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 [transit.dot.gov/ntd](https://transit.dot.gov/ntd).

A selection of data is included below, from the year ending December 31, 2024. At the time this document was drafted, that was the last full year of available data.

### Fare Structure

Community Transit completed fare changes in 2024 and early 2025 with the goal of streamlining fare product offerings and improving regional consistency. Title VI analyses were completed on all fare changes, and each were found not to have a disproportionate impact on minority and low-income riders.

#### Current Fare Structure

SERVICE	ADULT	YOUTH	REDUCED FARES
	Age 19 to 64	Age 18 and younger	ORCA Lift, 65+, Disabled and Medicare
<b>Bus</b> Includes local, express, and Swift bus rapid transit buses.	\$2.50 / ride \$90.00 Monthly Pass	FREE	\$1.00 / ride \$36.00 Monthly Pass
<b>DART Paratransit</b> For passengers with disabilities.	\$2.50 / ride \$90.00 Monthly Pass	FREE	\$2.50 / ride \$90.00 Monthly Pass
<b>Zip Shuttle</b> On-demand shared ride service.	\$2.50 / ride \$90.00 Monthly Pass	FREE	\$1.00 / ride \$36.00 Monthly Pass

With the implementation of the Transit Changes in 2024 and Beyond network in September 2024, commuter service into Seattle was replaced with local express bus service within Snohomish County. This restructuring created a need to realign the agency's fare structure around its new network. On September 1, 2024, the Commuter fare category was eliminated, and all fixed route bus service is aligned to the local bus fare.

On March 1, 2025, Community Transit changed its reduced fare rate from \$1.25 to \$1. This aligned CT's reduced fare with that of partner agencies in the region. Adjusting the reduced fare improves the customer experience and helps address barriers to accessing transit service for people with low incomes, seniors, people on Medicare, and people with disabilities.

Also on March 1, 2025, Community Transit began accepting the regional Subsidized Annual Pass program. This program allows residents enrolled in one of six state benefit programs to receive a pass for no cost to travel for free on Community Transit, King County Metro, Everett Transit, Sound Transit, the Seattle Streetcar, the King County Water Taxi, and the Seattle Monorail.

This youth fare policy change was in response to the Move Ahead Washington transportation package that allowed Community Transit eligibility for the Transit Support Grant program, which more than offset any resulting fare revenue decreases.



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

Learn more about current fares and passes at: [communitytransit.org/fares-and-passes](https://communitytransit.org/fares-and-passes).

## Capital Assets – Revenue Vehicles

Active Revenue Vehicles: 5 Year History

<b>Year</b>	<b><i>Motor Bus Directly Operated</i></b>	<b><i>Commuter Bus Directly Operated</i></b>	<b><i>Contract Commuter/ Bus Service</i></b>	<b><i>DART Paratransit</i></b>	<b><i>Vanpool</i></b>	<b><i>Total: Community Transit Service</i></b>
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
2024	247	-	62	57	325	691

Community Transit's inventory of motor buses will increase in the coming years to support the "Transit Changes in 2024 and Beyond" plan. Community Transit is beginning the process towards a low- and no-emission fleet with the new bus purchases.

Microtransit service vehicles belong to the contractor who provides the service.

## Service Data

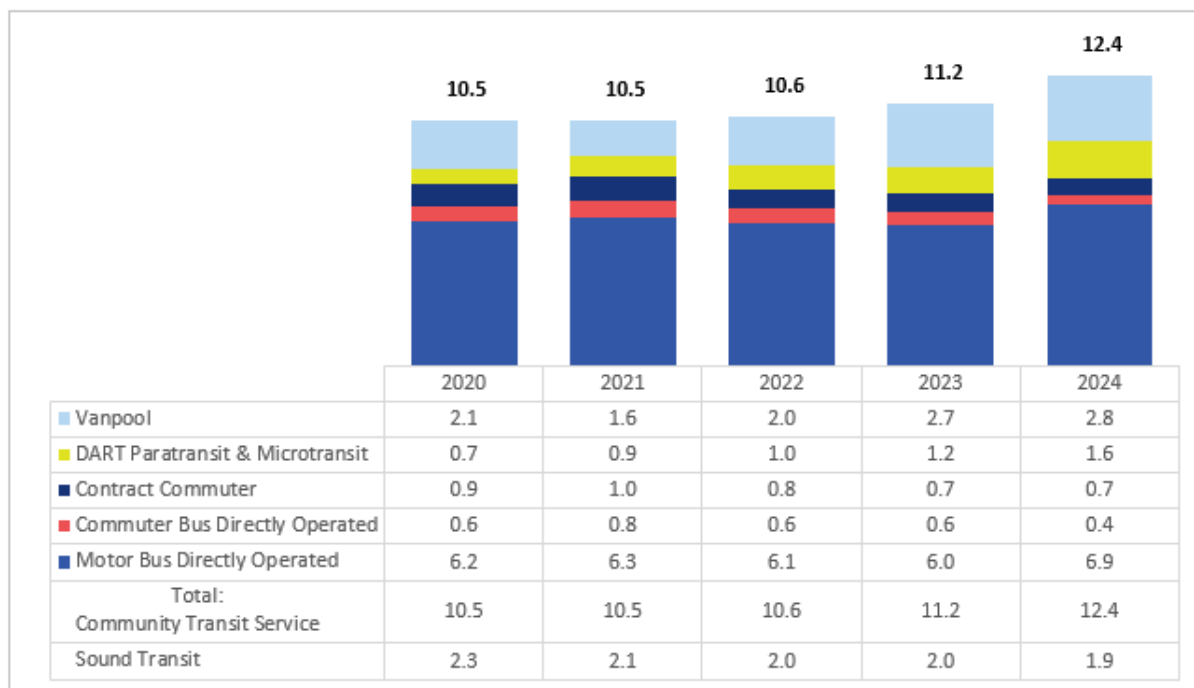
Community Transit ridership continued to grow steadily in 2024, with 8.4M total boardings on bus, DART paratransit, Vanpool, and Zip Shuttle microtransit services, representing an increase of approximately 18% from 2023.

Service Data: 5 Year History

	2020	2021	2022	2023	2024
<b>Motor Bus Directly Operated</b>					
Average Weekly Ridership	85,498	76,928	89,868	108,836	135,383
Passengers per Hour	10.16	9.08	11.23	13.80	14.23
Fare Revenue per Passenger	\$ 0.95	\$ 0.92	\$ 0.95	\$ 0.86	\$ 0.75
Cost per Passenger	\$ 20.00	\$ 19.95	\$ 22.26	\$ 20.53	\$ 19.76
Cost per Mile	\$ 14.32	\$ 12.64	\$ 17.01	\$ 19.28	\$ 20.00
Farebox Return	4.7%	4.6%	4.3%	4.2%	3.8%
<b>Commuter Bus Directly Operated</b>					
Average Weekly Ridership	6,951	4,752	4,975	6,411	4,584
Passengers per Hour	11.88	6.99	9.01	12.71	12.69
Fare Revenue per Passenger	\$ 3.78	\$ 3.37	\$ 3.68	\$ 2.59	\$ 2.59
Cost per Passenger	\$ 33.56	\$ 49.02	\$ 48.19	\$ 34.21	\$ 34.54
Cost per Mile	\$ 19.03	\$ 15.37	\$ 19.39	\$ 19.94	\$ 20.29
Farebox Return	11.3%	6.9%	7.6%	7.6%	7.5%
<b>Contract Commuter / Bus Service</b>					
Average Weekly Ridership	9,587	6,042	8,987	12,352	10,531
Passengers per Hour	13.73	8.73	14.76	20.47	16.18
Fare Revenue per Passenger	\$ 4.12	\$ 4.12	\$ 4.01	\$ 2.76	\$ 2.70
Cost per Passenger	\$ 22.54	\$ 34.83	\$ 23.59	\$ 16.97	\$ 21.89
Cost per Mile	\$ 12.33	\$ 11.41	\$ 13.45	\$ 14.66	\$ 15.82
Farebox Return	18.3%	11.8%	17.0%	16.3%	12.3%
<b>Demand Response (Paratransit &amp; Microtransit)</b>					
Average Weekly Ridership	1,334	1,636	2,014	2,496	4,203
Passengers per Hour	1.91	1.67	1.84	1.80	1.93
Fare Revenue per Passenger	\$ 1.93	\$ 2.63	\$ 2.38	\$ 2.38	\$ 2.41
Cost per Passenger	\$ 143.06	\$ 95.61	\$ 79.96	\$ 69.54	\$ 65.36
Cost per Mile	\$ 14.60	\$ 9.27	\$ 8.15	\$ 7.68	\$ 8.74
Farebox Return	1.4%	2.8%	3.0%	3.4%	3.7%
<b>Vanpool</b>					
Average Weekly Ridership	5,808	4,382	5,408	7,328	7,345
Passengers per Hour	4.65	4.71	4.76	4.95	4.53
Fare Revenue per Passenger	\$ 5.00	\$ 7.83	\$ 5.00	\$ 4.59	\$ 5.63
Cost per Passenger	\$ 11.22	\$ 12.49	\$ 13.49	\$ 13.20	\$ 15.24
Cost per Mile	\$ 1.64	\$ 1.80	\$ 1.90	\$ 1.90	\$ 2.11
Farebox Return	44.6%	62.7%	37.0%	34.7%	36.9%

## 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.

Community Transit began implementing its “Transit Changes in 2024 and Beyond” plan in March 2024. The plan was adopted by the Board of Directors in 2023 and built upon multiple years of feedback gathering from people who live and travel in Snohomish County. The multi-year vision increases span and frequency on local bus service between 2024 and 2026 and includes connections to light rail in Lynnwood, Mountlake Terrace, and Shoreline.

Major elements of the plan were implemented in 2024, including a major restructure to South County service following the completion of the Lynnwood Link Extension.

## Key Performance Indicators

Key performance indicators help evaluate how effectively and efficiently the agency performs over time and they could be grouped in two categories: 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, 2024. The agency closely monitors performance data throughout the year.

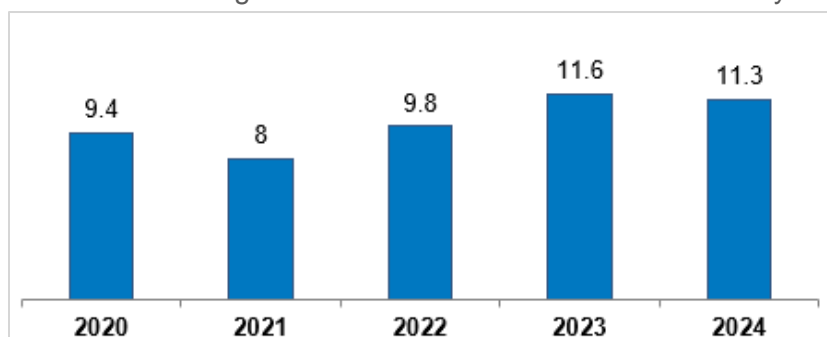
Note: Charts exclude Sound Transit service since Community Transit operates that service on a contract basis.

## Ridership Growth

### 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



The system ridership increased by 17.9% in 2024 and the system revenue hours increased by 20.8%. As a result, the boardings per revenue hour slightly decreased in 2024.

With the implementation of the Transit Changes in 2024 and Beyond network in September 2024, Community Transit offers a different route structure of local and express local bus service and, as with any service changes, the ridership builds in time.

## 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 September 2022, Community Transit instituted a free fare for youth policy, in conjunction with other regional transit agencies.

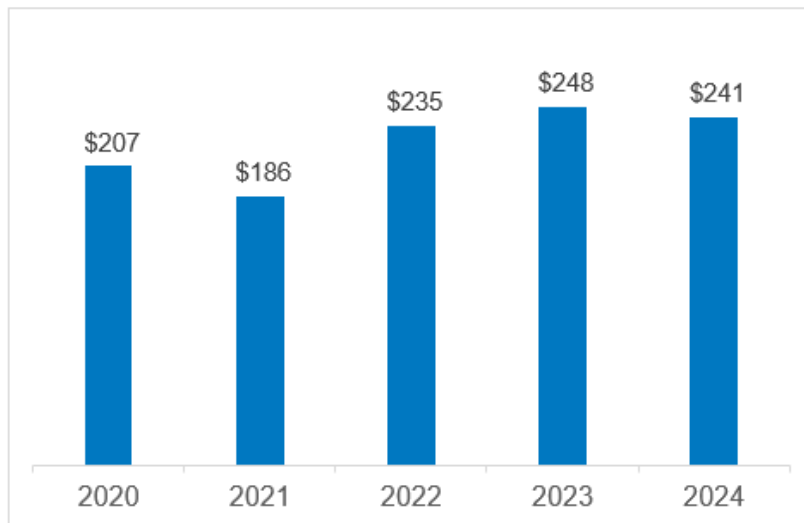
On March 1, 2025, Community Transit changed its reduced fare rates to align its reduced fares with that of partner agencies in the region and, Community Transit began accepting the regional Subsidized Annual Pass program.

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

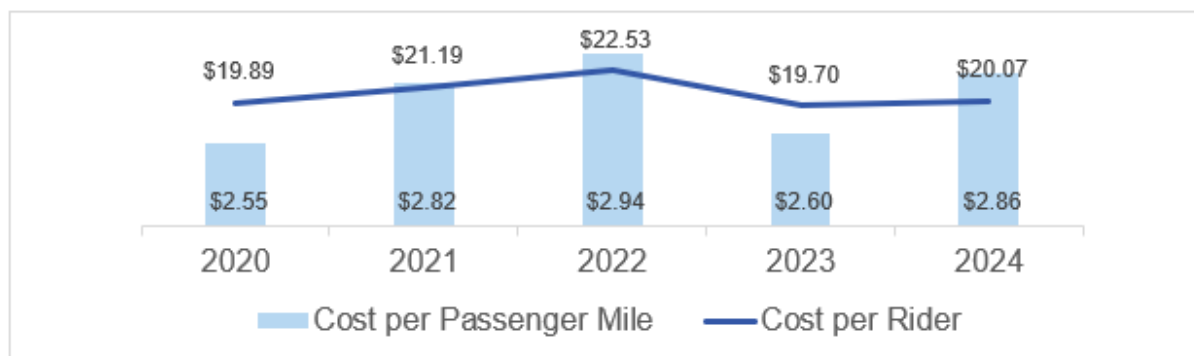


2024 Cost per Revenue Hour decreased slightly. This occurred because 2024 Revenue Hours at a greater pace than operating expenses.

Revenue hours are planned to increase steadily from 2025 through 2030. Please see the 2025-2030 TDP for detailed service projections, available online at [communitytransit.org/transit-development-plan](https://communitytransit.org/transit-development-plan).

### Cost Per Rider and Per Passenger Mile

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



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.



# Reference

## Planning Cycle and Budget Process

Community Transit's fiscal year and budget period is the calendar year – January 1 to December 31. The budget is developed through a collaborative process and is informed by strategic short-, mid-, and long-range plans. Beginning in 2025, the Board approved the option for the agency to develop an annual budget or a biennial budget. In a biennial budget, process staff prepare two separate budgets at once: one for the first fiscal budget year, and one for the second. Operating budgets do not carry forward from one budget year to the next.

## Strategic Planning Process

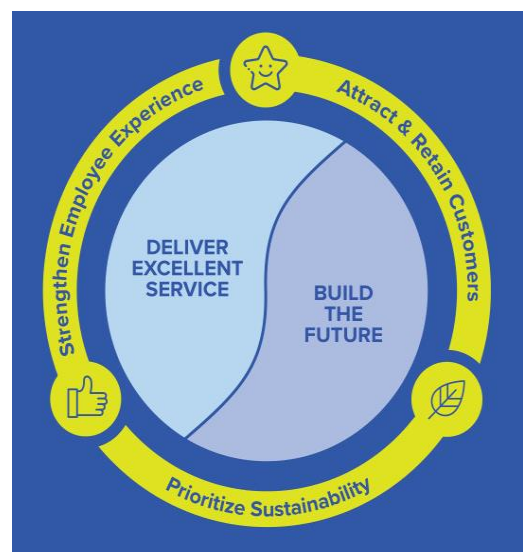
Community Transit leadership seeks to adopt Mission and Vision statements that reflect the region's transportation needs and changing customer expectations. These statements are refreshed as needed by the Executive Leadership Team to stay ahead of new developments and needs of our community and customers.



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.

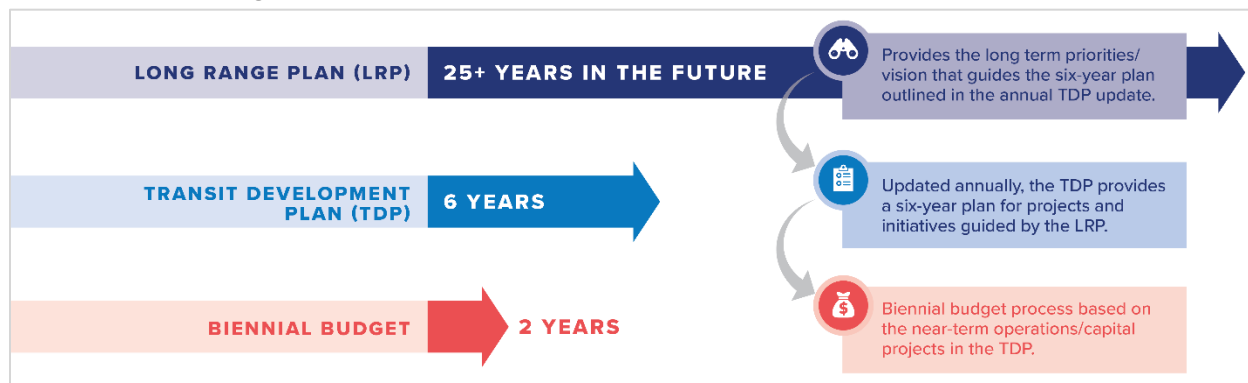
Strategic priorities, goals and initiatives are reviewed annually by leadership and adapted with the agency's strategy map. Community Transit's strategic priorities for 2026 and 2027 remain unchanged from 2025 and are focused on delivering excellent service and continuing to build the future. For more information on the current strategic priorities, please see the CEO message, and the Agency Overview.

Strategic Priorities and Themes



# Community Transit's 25-Year Planning Framework

## 25-Year Planning Framework



## Long Range Plan (LRP)

The Long Range Plan helps define Community Transit's role over 25+ years. The plan is 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 [communitytransit.org/long-range-plan](https://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. 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 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: [communitytransit.org/transit-development-plan](https://communitytransit.org/transit-development-plan).

## Budget Development

Revised Code of Washington (RCW) 36.57.040(1) requires transportation authorities “to prepare, adopt, carry out, and amend a general comprehensive plan for public transportation service.” Community Transit’s Board of Directors adopts its budget in December preceding the start of a new budget period. Board Resolution No. 05-25 specifies the timeline for presentation of the budget to the Board. The resolution allows budgets to be prepared either annually or for a biennium (two years) and continues the long-established requirement that the budget presented be balanced. After review and public comment, the Board of Directors adopts the budget in December of the year during which the most recent adopted budget ends.

The 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. 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 and Budgetary Control

The Board of Directors adopts the budget and any subsequent amendments through the Board resolution process. The Board of Directors then monitors the budget and agency financial activities through review of financial reports including quarterly financial reports, monthly expenditure listings, and the annual comprehensive financial report. In addition, the Board is responsible to authorize all expenditures exceeding \$150,000. The Board Finance, Performance, and Oversight Committee receives a monthly fund status report for review and discussion with staff.

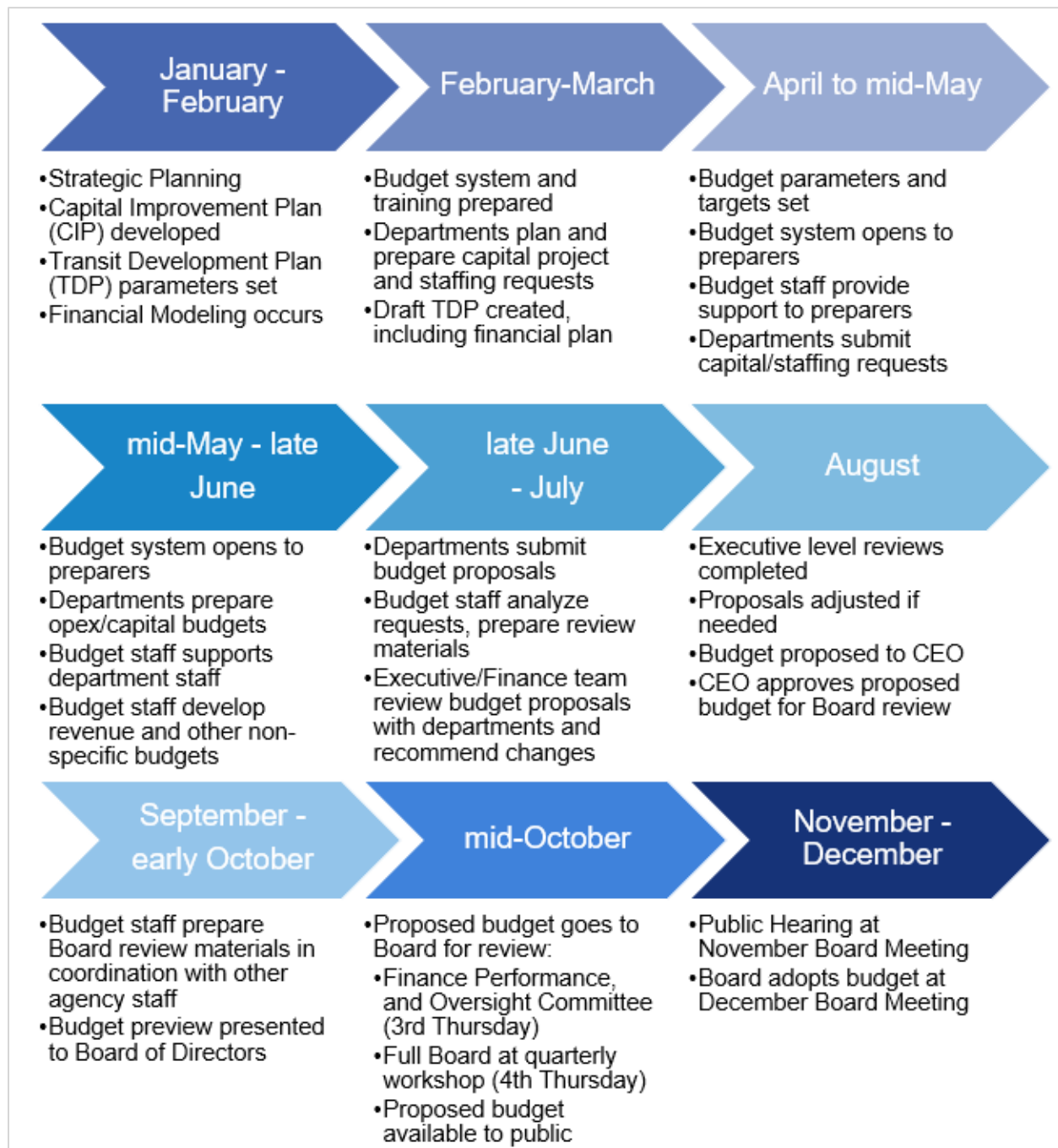
Budgetary control is maintained at varying levels. Operating expenses are monitored by department heads who are assigned responsibility for controlling their budgeted appropriations. Emphasis is placed on the total appropriation for the department, and for the divisions within each department. Budgets are approved at the fund level by the Board of Directors. Additional budget authority requested at the fund level must be authorized by the Board of Directors. The CEO may assign or reallocate budget authority between units of appropriation within each of the agency’s funds.

### Budget Preparation and Initial Review Process

Budget development consists of a multiphase process beginning in the spring and ending in December when the Board of Directors adopts the budget. Dates for the process are similar whether the agency is presenting an annual or biennial budget.

At the start of Community Transit’s budget process, Finance staff create a calendar to outline the upcoming budget cycle and begin compiling data to inform budget targets.

## Budget Calendar



Staff develop the budget based on agencywide strategies, plans, and departmental programs and objectives. 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.

Finance staff estimate budgeted revenues for the upcoming year(s) and prepare budgets for workers' compensation, debt service, insurance, benefits, cost pools, and interfund transfers,

which cover capital projects and nonoperating expenses. Finance staff also works with agency leadership to develop targets for department operating budgets.

Department budget preparation typically begins in mid-May with four or more weeks allocated for completing initial budget proposals. The Budget staff offers direct support to agency budget preparers who may need technical assistance with creating and entering their departmental budgets.

After initial budget preparation, finance staff analyze budget submissions to ensure they are accurate and complete. Finance staff and the 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 Full-Time Equivalent (FTE) staffing requests are assessed as a package, with approval considerations based on agency needs, funding availability, capacity, and adherence to budget targets. Departments with budgets that are not aligned with targets receive additional support and follow-up meetings to help managers meet budget goals.

## CEO and Executive Review

Following department reviews, the executive review team provides preliminary recommendations to the CEO for operating budgets, capital projects, and FTE approvals for the budget year(s). CEO and executive review focus on ensuring that the budget meets strategic priorities, implements the service plan, projects and reserves outlined in the TDP, and adheres to predetermined targets for expenses and cash flows. Multiple rounds of review may be necessary to meet these goals. The CEO approves the proposed budget in mid to late-August for submission to the Board of Directors.

## Board of Directors Review and Approval Process

In September and October, Finance and administrative staff collaborate with staff throughout the agency to prepare reports and presentation materials for the Board of Directors. In October, Community Transit's Chief People and Financial Officer, along with Finance staff, presents an overview of the proposed budget to the Board of Directors. The budget is shared first with members of the Board the Finance, Performance, and Oversight Committee before moving forward 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 Director or the Chief People and Financial Officer, typically by mid-November. Once the Board accepts the preliminary budget, the proposed budget document is published on Community Transit's website for public viewing.

During the November 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 prepare responses the Board members' inquiries, typically prior to the Thanksgiving holiday.

The Board of Directors votes on the budget resolution during the December Board meeting. If the budget cannot be adopted at that meeting, a special meeting must be held before

December 31 to ensure Community Transit has a budget adopted prior to January 1 of the budget year.

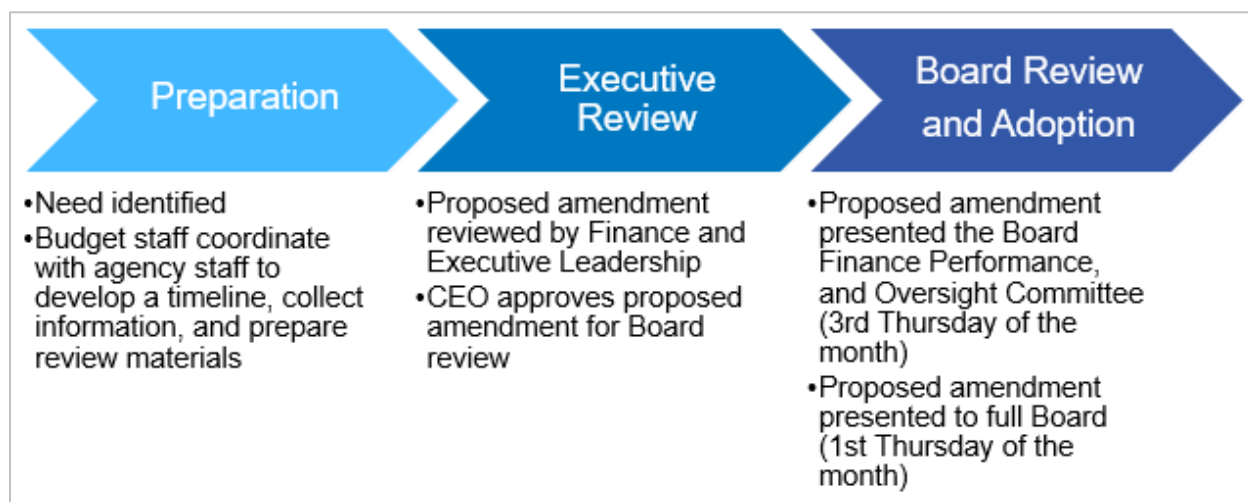
## Budget Publication

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: [communitytransit.org/budget](http://communitytransit.org/budget).

## Budget Amendments

Budget amendments are a tool to ask the Board of Directors to make changes to Community Transit's adopted budget. Amendments are used to adjust the budget for unanticipated external events such as economic changes, or to adapt to changing business needs, such as service plan or capital project updates. Amendments to a fiscal year budget must be approved by December 31<sup>st</sup> of that year.

### Amendment Process



Amendments most often occur at mid-year, either in advance of the budget process or as a mid-year or mid-biennium adjustment. A final year-end amendment may be processed near the close of each fiscal year to account for updates to the revenue budget and/or make necessary adjustments to existing capital project budgets.

Amendments are typically developed over a 3-to-4-month period.

The Budget Director compiles items for budget amendments and prepares a Board resolution and associated attachments. The review process begins with Executive leadership, then moves to the Board of Directors. The Board of Directors approves budget amendments by resolution. The approval process occurs at regular Board of Directors meetings, which are public meetings held on the first Thursday of each month.



# 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	<p>Vehicles</p> <p>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.</p>
42 Infrastructure Preservation and IT Preservation	Capital	<p>Existing Infrastructure and Technology Systems and Equipment</p> <p>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.</p>
43 Workers' Compensation Fund	Operating	<p>Workers' Compensation</p> <p>This fund is used to pay workers' compensation claims. State law requires that all self-insured entities keep a certain minimum in reserve to pay current and future claims.</p>
44 State Capital Projects	Capital	<p>State Grant Funded Projects</p> <p>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.</p>

<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 standalone 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 budget. Based on agency strategy, staff develop departmental goals and objectives, which are used to inform the agency's budget. The executive team makes final decisions regarding the business planning process.

Beginning with the 2026-2027 biennium, Community Transit has the option to follow an annual budget process or a biennial process. In a biennial process, staff prepare two separate budgets, one for the first fiscal budget year, and one for the second. Operating budgets do not carry forward from one budget year to the next.

After review and public comment, the Board of Directors adopts the budget in December of the year proceeding the first year of the biennial budget period.

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. The agency budgets or reserves for approved capital projects, regardless of anticipated expenditure dates. At the beginning of each fiscal year, remaining unexpended project budgets, as well as related grant reimbursements, are 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 budget fully funds each 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 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	Two months' capacity for operating expenses, exclusive of Sound Transit service, and a \$5.5 million fuel reserve to cover unbudgeted increases.
Vehicle Replacement	The vehicle reserve is based on the cost of the next two years of revenue vehicle purchases, net of any anticipated grant funding.
Workers' Compensation	Set at a minimum level to cover estimated future claims at a 90% confidence level, as calculated by Community Transit's actuary. Future years are estimated with an inflation factor.

## 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 \$10,000. 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 \$10,000, 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 U.S. 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.
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.
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.
BEB or BEV	Battery electric bus/vehicle
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.

<b>Term or Acronym</b>	<b>Definition</b>
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.
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.
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.



<b>Term or Acronym</b>	<b>Definition</b>
CPA	Certified Public Accountant.
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.
Debt Service	Payment of principal and interest to Community Transit's bondholders.
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.
Demand Response (DR) Service	A flexible, non-fixed route public transit mode that adapts to user requests for pick-up and drop-off locations and times, typically requiring scheduling via an app or phone call.
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.
FCEB	Fuel Cell Electric Bus. Also, hydrogen electric bus.
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.

<b>Term or Acronym</b>	<b>Definition</b>
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.
FMP	Facilities Master Plan, or a set of building and facility renovation, update and expansion projects intended to update, upgrade, and/or expand the existing facilities to modernize and ensure the adequacy of these facilities for Community Transit's current and future business needs.
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.
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.

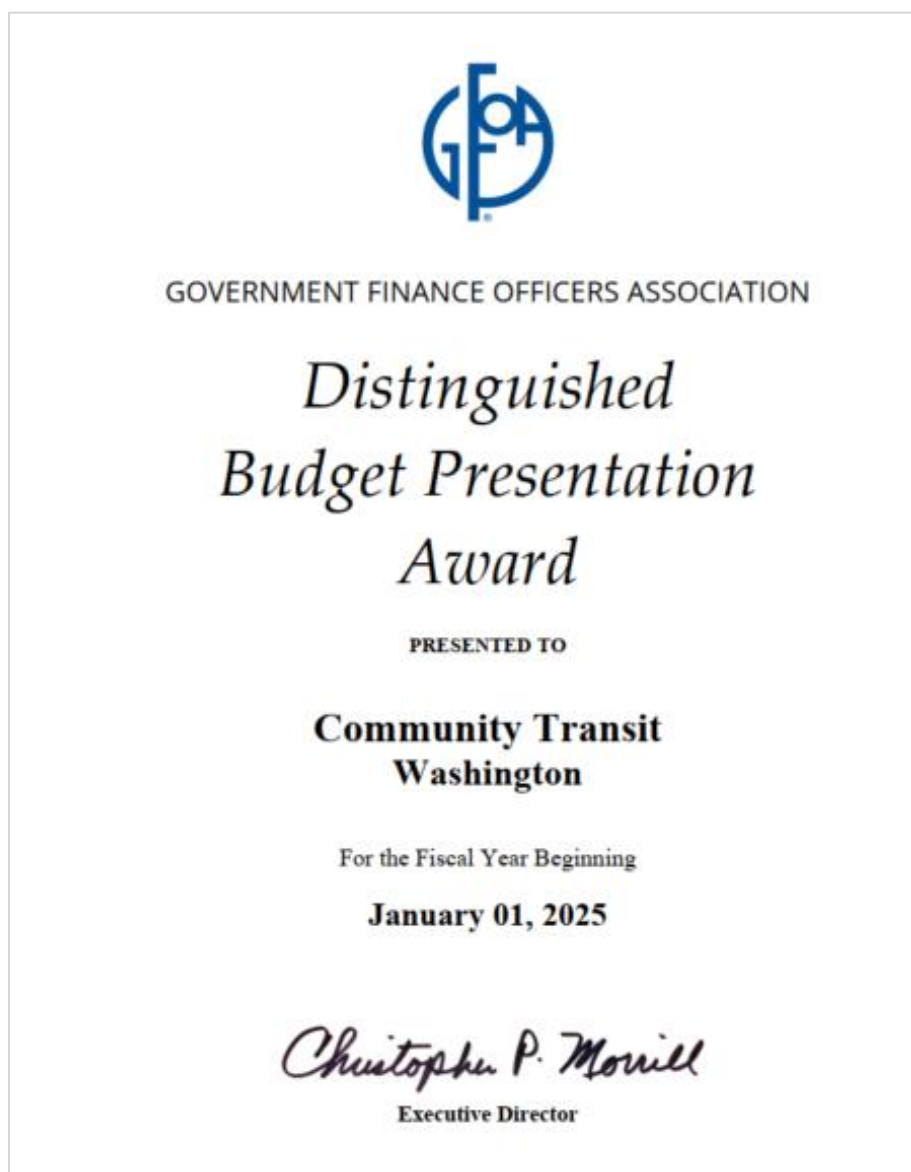
<b>Term or Acronym</b>	<b>Definition</b>
Investment	An asset or item acquired with the goal of generating income or appreciation.
KPI	Key performance indicator—a measure showing progress made in achieving goals indicated in the agency’s strategic plan.
KPOB	Kasch Park Operating Base
LGIP	Local Government 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.
LRP	Long Range Plan. The Long Range Plan, which is 25+ 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, also known as Zip or Zip Shuttle.
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.

Term or Acronym	Definition
ORCA	One Regional Card for All. A smart-card system for public transit in the Puget Sound region of Washington State. <a href="http://info.myorca.com/">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.
Platform Hour	Any hour driven by a revenue vehicle, in service or out of service. Any time traveled by the revenue vehicle from the time it leaves the operating base until the time it returns.
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.
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 for the fixed route service; 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 or breaks.
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.

<b>Term or Acronym</b>	<b>Definition</b>
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	See Transit Development Plan
Transit Development Plan	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.
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 2025.



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.



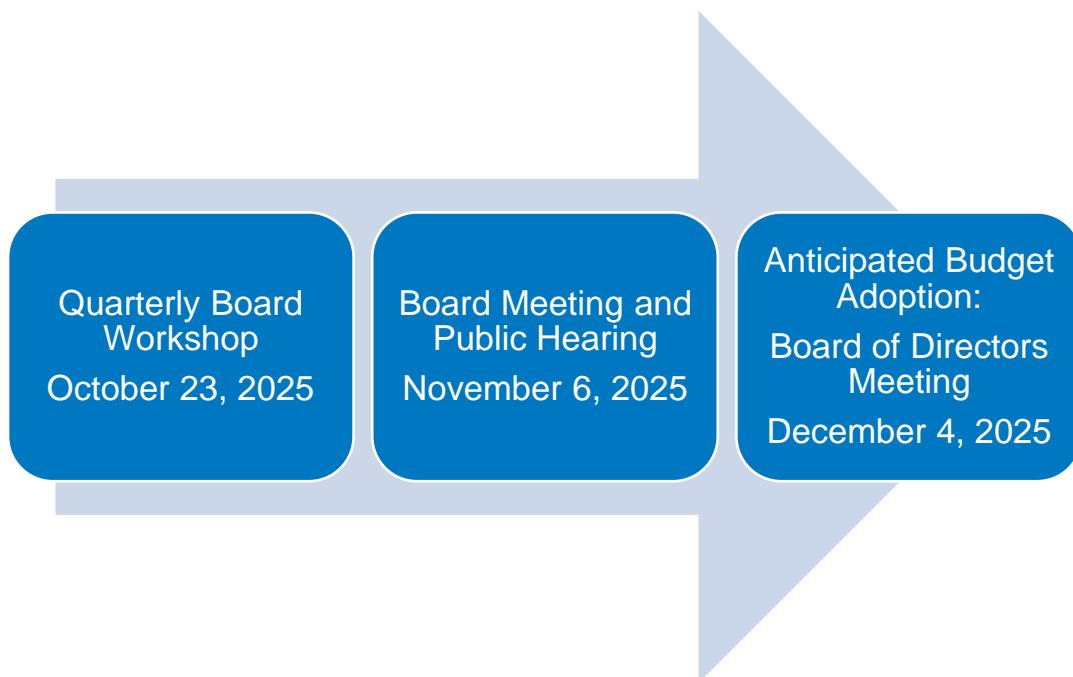
# Board Resolution

## Approving the 2026 - 2027 Budget

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

### Board Meeting Schedule 2026 - 2027 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 [communitytransit.org/how-to-attend-a-meeting](https://communitytransit.org/how-to-attend-a-meeting).



## **RESOLUTION NO. 09-25**

A RESOLUTION of the Board of Directors of the Snohomish County Public Transportation Benefit Area Corporation (SCPTBAC, hereafter referred to as Community Transit) adopting the budget and other budget-related items for the fiscal years 2026 and 2027.

WHEREAS, Resolution No. 05-25 requires the Chief Executive Officer to present a balanced budget for the following two fiscal years (hereafter referred to as the biennium) to the Board of Directors in October in the year when the current adopted budget will end; and

WHEREAS, the Chief Executive Officer and Budget Director presented the proposed 2026-2027 biennial budget to the Board of Directors on October 23, 2025; and

WHEREAS, the Board of Directors of Community Transit met in regular session on Thursday, November 7, 2025, at 3:00 p.m. in a hybrid meeting format via a Zoom online meeting combined with an in-person meeting in the Cascade Conference Center, for the purpose of hearing all matters and all persons in connection with the adoption of the 2026-2027 Community Transit budget; and

WHEREAS, notice of such hearing was published as required by Resolution No. 05-25;

NOW, THEREFORE, BE IT RESOLVED,

1. That the 2026-2027 budget attached hereto and incorporated herein in summary form as Exhibit A, Totals of Estimated Revenues, and Exhibit B, Expenditures for Each Separate Fund, is hereby adopted; and
2. That, except as otherwise provided, approval by the Board of Directors shall be required before funds can be transferred from one fund in Exhibit B to another; and
3. That staff positions shall be approved for hire by Community Transit's Chief Executive Officer or designee, so long as all expenditures associated with all staff positions hired during the year fall within the 2026-27 budget as adopted or amended by the Board of Directors by resolution; and
4. That all salary bands that are in effect on December 31, 2025, for all exempt and nonexempt administrative employees will be increased by 2.0 percent or as otherwise adjusted effective January 1, 2026, as set forth in Exhibit C of this resolution; and
5. That the Transit Security Officer Trainee pay rate, listed as TSO TRN on Exhibit C attached hereto and incorporated herein by this reference, will be equal to the rate specified on Exhibit C, or if an ATU Transit Security Officer bargaining agreement is adopted subsequent to this resolution, the Transit Security Officer Trainee pay rate shall be equal to the Step 1 wage rate of the current ATU Transit Security Officer bargaining agreement; and
6. That unexpended capital project budgets that have been previously approved by the Board of Directors, including all projects budgeted in Replacement Reserve Fund 41, Infrastructure Preservation Fund 42, State Capital Projects Fund 44, FTA Capital Projects Fund 45, Local Capital Projects Fund 46, Bond Capital Projects Fund 47, and Facilities and Technology Fund 48, will be reappropriated as of January 1, 2026, with the budget balances remaining as of December 31, 2026, plus any new amounts included in the adopted 2026-2027 budget unless the project has been completed and no additional funding is required; and

7. That capital project budgets in the FTA Capital Projects Fund 45 will be available for encumbrance for both fiscal years in the biennium as of January 1, 2026.

APPROVED AND PASSED THIS 4<sup>th</sup> day of December 2025.

Sid Roberts

Mayor Sid Roberts, Chair

ATTEST:

APPROVED AS TO FORM

Kim Daughtry

Council Member Kim Daughtry, Secretary

Al Hendricks

Allen J. Hendricks, Attorney

**Resolution No. 09-25 Exhibit A**  
**Community Transit 2026 Budget**  
**Totals of Estimated Revenues**

<b>Fund</b>		<b>Beginning Cash</b>	<b>Revenues</b>	<b>Interfund Transfers</b>	<b>Total</b>
40	General Fund	\$ 144,739,346	\$ 282,141,945	\$ 3,353,891	\$ 430,235,182
41	Replacement Reserve Fund	\$ 49,138,438	\$ 78,000	\$ -	\$ 49,216,438
42	Infrastructure Preservation	\$ 31,709,192	\$ -	\$ 9,068,853	\$ 40,778,045
43	Workers' Compensation Fund	\$ 6,254,998	\$ 300,000	\$ 3,500,000	\$ 10,054,998
44	State Capital Projects Fund	\$ 3,774,787	\$ 460,800	\$ 1,828,206	\$ 6,063,793
45	FTA Capital Projects Fund	\$ 58,763,835	\$ 20,710,251	\$ 33,302,337	\$ 112,776,423
46	Local Capital Projects Fund	\$ 12,825,164	\$ 1,000	\$ 11,589,779	\$ 24,415,943
47	Bond Capital Projects Fund	\$ -	\$ -	\$ -	\$ -
48	Facilities and Technology Fund	\$ 242,213,008	\$ -	\$ 71,197,684	\$ 313,410,692
50	Bond Debt Service Fund	\$ 692,806	\$ -	\$ 1,427,750	\$ 2,120,556
	<b>Total Budget</b>	<b>550,111,574</b>	<b>303,691,996</b>	<b>135,268,500</b>	<b>989,072,070</b>

**Community Transit 2027 Budget**  
**Totals of Estimated Revenues**

<b>Fund</b>		<b>Beginning Cash</b>	<b>Revenues</b>	<b>Interfund Transfers</b>	<b>Total</b>
40	General Fund	\$ 76,305,542	\$ 290,311,562	\$ 12,925,888	\$ 379,542,992
41	Replacement Reserve Fund	\$ 46,528,653	\$ -	\$ 6,000,000	\$ 52,528,653
42	Infrastructure Preservation	\$ 27,461,614	\$ -	\$ 4,000,000	\$ 31,461,614
43	Workers' Compensation Fund	\$ 4,943,648	\$ 300,000	\$ 4,900,000	\$ 10,143,648
44	State Capital Projects Fund	\$ -	\$ 1,913,600	\$ 1,515,280	\$ 3,428,880
45	FTA Capital Projects Fund	\$ -	\$ 41,650,413	\$ 52,207,066	\$ 93,857,479
46	Local Capital Projects Fund	\$ -	\$ -	\$ 7,223,602	\$ 7,223,602
47	Bond Capital Projects Fund	\$ -	\$ -	\$ -	\$ -
48	Facilities and Technology Fund	\$ 246,636,822	\$ -	\$ 24,486,987	\$ 271,123,809
50	Bond Debt Service Fund	\$ 692,406	\$ -	\$ 1,428,000	\$ 2,120,406
	<b>Total Budget</b>	<b>402,568,685</b>	<b>334,175,575</b>	<b>114,686,823</b>	<b>851,431,083</b>

**Resolution No. 09-25 Exhibit B**  
**Community Transit 2026 Budget**  
**Expenditures for Each Fund**

<b>Fund</b>	<b>Fund Description</b>	<b>Expenditures</b>	<b>Interfund Transfers</b>	<b>Ending Cash</b>	<b>Total</b>
40	General Fund	\$ 277,177,585	\$ 76,752,055	\$ 76,305,542	\$ 430,235,182
41	Replacement Reserve Fund	\$ 2,687,785	\$ -	\$ 46,528,653	\$ 49,216,438
42	Infrastructure Preservation	\$ 12,456,586	\$ 859,845	\$ 27,461,614	\$ 40,778,045
43	Workers' Compensation Fund	\$ 5,111,350	\$ -	\$ 4,943,648	\$ 10,054,998
44	State Capital Projects Fund	\$ 4,231,717	\$ 1,832,076	\$ -	\$ 6,063,793
45	FTA Capital Projects Fund	\$ 71,147,762	\$ 41,628,661	\$ -	\$ 112,776,423
46	Local Capital Projects Fund	\$ 23,685,120	\$ 730,823	\$ -	\$ 24,415,943
47	Bond Capital Projects Fund	\$ -	\$ -	\$ -	\$ -
48	Facilities and Technology Fund	\$ 53,308,830	\$ 13,465,040	\$ 246,636,822	\$ 313,410,692
50	Bond Debt Service Fund	\$ 1,428,150	\$ -	\$ 692,406	\$ 2,120,556
	<b>Total Budget</b>	<b>451,234,885</b>	<b>135,268,500</b>	<b>402,568,685</b>	<b>989,072,070</b>

**Community Transit 2027 Budget**  
**Expenditures for Each Fund**

<b>Fund</b>	<b>Fund Description</b>	<b>Expenditures</b>	<b>Interfund Transfers</b>	<b>Ending Cash</b>	<b>Total</b>
40	General Fund	\$ 282,949,462	\$ 45,387,083	\$ 51,206,447	\$ 379,542,992
41	Replacement Reserve Fund	\$ 6,720,000	\$ 6,519,277	\$ 39,289,376	\$ 52,528,653
42	Infrastructure Preservation	\$ 4,349,638	\$ -	\$ 27,111,976	\$ 31,461,614
43	Workers' Compensation Fund	\$ 5,294,914	\$ -	\$ 4,848,734	\$ 10,143,648
44	State Capital Projects Fund	\$ 3,428,880	\$ -	\$ -	\$ 3,428,880
45	FTA Capital Projects Fund	\$ 80,931,591	\$ 12,925,888	\$ -	\$ 93,857,479
46	Local Capital Projects Fund	\$ 7,223,602	\$ -	\$ -	\$ 7,223,602
47	Bond Capital Projects Fund	\$ -	\$ -	\$ -	\$ -
48	Facilities and Technology Fund	\$ 8,279,587	\$ 49,854,575	\$ 212,989,647	\$ 271,123,809
50	Bond Debt Service Fund	\$ 1,428,400	\$ -	\$ 692,006	\$ 2,120,406
	<b>Total Budget</b>	<b>400,606,074</b>	<b>114,686,823</b>	<b>336,138,186</b>	<b>851,431,083</b>

***Exhibit C to Resolution No. 09-25***  
***Effective January 1, 2026***  
***2026 Table of Bands/Ranges***

<b>Band/Grade</b>	<b>Minimum</b>	<b>Midpoint</b>	<b>Maximum</b>
A11	45,802	57,252	68,702
A12	49,158	61,447	73,736
A13	52,511	65,639	78,767
B21	55,877	69,846	83,815
B22	59,232	74,040	88,848
B23	62,586	78,233	93,880
B24/31	66,789	83,486	100,183
B25/32	71,829	89,786	107,743
C40/C41	82,304	102,880	123,456
C42	88,162	110,202	132,242
C43	94,020	117,525	141,030
C44/51	101,355	126,694	152,033
C45/52	110,152	137,690	165,228
D61	117,486	146,858	176,230
D62	123,344	154,180	185,016
D63	129,202	161,502	193,802
D64/71	136,538	170,672	204,806
D65/72	145,331	181,664	217,997
D66/73	153,326	191,658	229,990
E8	185,094	231,367	277,640
E9	199,920	249,900	299,880
COT TRN	32.05		
TSO TRN	33.82		



# 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.