



Fiscal Year 2016 Budget: *Approval for TSCC*

Expanding Service & Investing in our System

March 25, 2015

Our Vision:

To do our part in making our community the best place to live in the country.

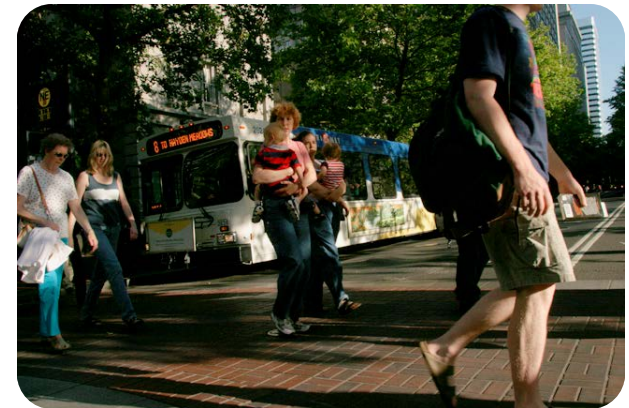
FY2016 Budget Proposal

Priorities

- Open MAX Orange Line safely and successfully
- Expand service & improve system reliability
- Advance a culture of safety
- Demonstrate Good Financial Stewardship

Overview

- \$505M Operating Budget
- \$122M Capital Budget
- \$229M Light Rail Programs



MAX Orange Line

- \$8.5M in service investment
- 7.3 miles of service; 10 new stations
- Service: every 15 minutes, 10 minutes in the rush
- Serves: PSU, inner Southeast Portland, Milwaukie & Oak Grove
- *Connecting bus to Orange Line*
 - More neighborhood service in Milwaukie and Oregon City
 - Better frequency = less waiting and better connections
 - Strengthening the network connections
- Project is on time and on budget
- Preparing for Sept. 12 opening & operation



Service Investments

- \$1.1M Rail Frequent Service Restoration
- \$2.5M Bus Peak Capacity, Frequent Service Restoration & Service Enhancements
- Additional \$730K in bus schedule reliability

Improving Our Performance

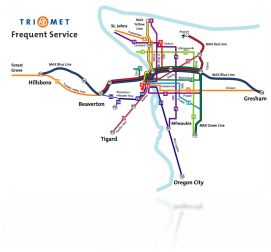
- Renewing our bus fleet – 77 new buses in 2016
- LIFT vehicle replacement
- Operating facility improvements

Customer Improvements

- MAX System investments – track improvements and platform finishes at Hollywood & Washington Park
- Fare system replacement in 2017
- Customer facility improvements – elevators, overhead signs and customer information

Safety & Security

- Operator recertification
- Eastside crossing improvements at Division, Main, Roberts and Hood
- Continued CCTV replacements



Key Financial Considerations

Fares

- No base fare increase proposed
- 2 ½ hour transfer
- Honored Citizen fare increase
- Fare Mitigation Program maintained
- PPS Pass Partnership share maintained

Pension funding

- Paying toward long-term funding goals

Wages

- Union Employees: 3% wage increase per new contract
- Non-Union: Up to 3% merit increase based on performance & total compensation package

Debt Service – New Issue \$80M+

Diesel fuel – budgeted at \$2.75/gal

- Prices have been in flux



Key Budget Dates Ahead

- ✓ Mar 11 – GM presents FY2016 Budget to Board & public
- ✓ Mar 11 – Public outreach begins
- Mar 25 – Board Approval to send to TSCC
- April 22 – TSCC Hearing
- May 27 – Budget Adopted
- July 1 – FY2016 Budget Begins