Financial Outlook
FY2021 and Beyond
Presented by Finance
Payroll Taxes

As of October 31st: up approximately 5% compared to budget but down 5% compared to the prior year.

<table>
<thead>
<tr>
<th>Payroll Taxes - Employer, Self-Employment, State-in-Lieu</th>
<th>(in millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Current Year</td>
</tr>
<tr>
<td>Budget</td>
<td>$ 115.9</td>
</tr>
<tr>
<td>Actual</td>
<td>$ 122.2</td>
</tr>
<tr>
<td>Difference</td>
<td>$ 6.2</td>
</tr>
<tr>
<td></td>
<td>5.4%</td>
</tr>
</tbody>
</table>
Passenger Revenue

As of October 31st: down approximately 31% compared to budget and 61% compared to the prior year.

<table>
<thead>
<tr>
<th>Passenger Revenue (in millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
<tr>
<td>Budget</td>
</tr>
<tr>
<td>Actual</td>
</tr>
<tr>
<td>Difference</td>
</tr>
<tr>
<td></td>
</tr>
</tbody>
</table>
Federal Formula Funding

TriMet will not be penalized due to ridership reductions or increased operating costs in FY2022 and FY2023

- Formula based on FY2019, FY2020 or FY2021, whichever is higher

For calculations purposes, future year growth is forecast to be flat in FY2022 but growing 2% or $1.3M and thereafter

Total annual amount of this revenue source has been $63 Million

No Change
CARES ACT & STIF Funding

CARES Act Funding

- Total of just under $185 M has been fully drawn down
- $1.9 M earmarked for City of Portland - Streetcar

STIF Funding

- Service preservation
- Over $95.8 M received
- Over $63.1 M not yet spent
- $13.0 M to be received in FY2021
- $64.7 M dedicated to capital projects (buses, TC expansion, ETC, Bus stops, ADA improvements, digital displays, lighting)
Service

- 43% of total bus service reductions have been added back –
  - 9,418 weekly vehicle hours or 18.3% were cut on April 5th, 2020 [Bus, MAX, WES]
  - 4,023 weekly vehicle hours or 43% have been added back [Bus only]

- MAX & WES service has remained unchanged, operating at 8% and 34% cuts, respectively.

- LIFT continues as a demand service, however, current fiscal year has operated at 62% below the previous year

No Change
Ridership

Down significantly and relatively flat. November was down 61% compared to the previous year.
Operating Expenses

Down approximately 18% compared to budget and 11% compared to the prior year. Service reductions, hiring freeze and fuel costs are the largest contributions to the savings thus far.

<table>
<thead>
<tr>
<th>Operating Expenses</th>
<th>(in Millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Current Year</td>
</tr>
<tr>
<td>Budget</td>
<td>$ 205.8</td>
</tr>
<tr>
<td>Actual</td>
<td>$ 169.0</td>
</tr>
<tr>
<td>Difference</td>
<td>$ (36.8)</td>
</tr>
</tbody>
</table>

- $ (36.8) - 17.9%  
- $ (10.0) - 5.0%  
- $ (19.7) - 10.5%

TRIOMET
Financial Modeling Assumptions

Ridership is anticipated to slowly return until reaching pre-COVID levels by mid-FY2027

All financial modeling anticipates that fare increases will resume with a fare increase of $0.10 starting in FY2023 and every other year thereafter

- Service
  - DTP starting in FY2023
  - Red Line starting in FY2024
  - Bus & MAX service restoration gradually continues over next few years.
Financial Modeling Assumptions - Continued

- No additional external funding assumed
- Debt ceiling remains at 7.5% of continuing revenues
- Months operating reserves remain at 2.25 months
- Materials & Services held constant with FY2021 levels
- GF capital investments at $18.5 M in FY2022 & $10 M annually thereafter
- Personnel Services maintained at FY2021 levels in FY2022, increasing thereafter
- Continued pension contributions of $5.5 M and $25 M

No Change
Cost Cutting Efforts Since Pandemic Began

• Reduced Service
  • Bus
  • MAX
  • WES
  • LIFT
  • Portland Streetcar

• Pause on Service Expansion
• Maintaining Reliability and Adjusting for Capacity
• Hiring Freeze
• Limited new positions

• Evaluation of vacant positions
• Wage Freeze
• Limited Travel
  • Online training when available
• Overall operating expense reduction
  • All Divisions are making an effort to watch expenses.
• Deferred or de-scoped capital projects where possible
### Financial Outlook: FY2022 – FY2027

As of August the 5-year shortfall was $133M:

<table>
<thead>
<tr>
<th>Shortfalls projected</th>
<th>FY2022</th>
<th>FY2023</th>
<th>FY2024</th>
<th>FY2025</th>
<th>FY2026</th>
<th>FY2027</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$0.00</td>
<td>($96.0M)</td>
<td>($32.5M)</td>
<td>($3.0M)</td>
<td>($1.5)</td>
<td>$1M</td>
</tr>
</tbody>
</table>

As of October the 5-year shortfall is $106M:

<table>
<thead>
<tr>
<th>Shortfalls projected</th>
<th>FY2022</th>
<th>FY2023</th>
<th>FY2024</th>
<th>FY2025</th>
<th>FY2026</th>
<th>FY2027</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$0.00</td>
<td>($35.5M)</td>
<td>($62.5M)</td>
<td>($2.0M)</td>
<td>($5.5)</td>
<td>($0.5M)</td>
</tr>
</tbody>
</table>
Questions