

FY2020 & 2021 Budget Assumptions - Changes between Approved and Adopted

The underlying goal of this effort is to preserve jobs and ensure that safety, either in operations or capital projects, is not compromised.

Updates from
4-21-2020 version.

FY2020 Estimated Actuals

Revenue Projections

			\$ Impact
- Decrease	Passenger Fares	Estimated reduction March through June	\$ (20,800,000)
- Decrease	ATP Serv - Contract Rev	LIFT Medicaid Rides - Estimated reductions March through June	\$ (4,454,000)
- Decrease	Tax Revenue	ECONorthwest Forecast Update and unemployment estimates	\$ (30,505,390)
+ Increase	Federal	Eligible CARES Act - estimated cash flowed on anticipation of receipts	\$ 20,216,766
- Decrease	Miscellaneous Revenues	Estimated miscellaneous revenue reductions (Lease revenue, prescription drug credit, fare enforcement fines, Other)	\$ (7,197,677)
Subtotal Revenue			\$ (42,740,301)

Expenditure Projections

- Increase	OPEB	Estimated expenditure projections	\$ 300,825
- Increase	Debt Service	Estimated expenditure projections	\$ 159,134
+ Decrease	Hiring Freeze	March through June, non-union & union. GM approval required to hire	\$ (2,700,000)
+ Decrease	Diesel Fuel	Estimated fuel savings from both reduction in service and fuel pricing	\$ (3,114,570)
+ Decrease	Propulsion	Estimated savings from reduced service	\$ (269,234)
+ Decrease	OTO	Estimated savings/deferrals of OTO Bud-5s	\$ (233,000)
+ Decrease	Bus Service	Reduced service of 19.5% effective April 5, 2020	\$ (2,105,818)
+ Decrease	Light Rail Service	Reduced service of 7.8% effective April 5, 2020	\$ (921,133)
+ Decrease	LIFT Contracted Services	Estimated reduced LIFT contracted services based on demand.	\$ (163,325)
+ Decrease	CIP General Fund	Projects identified for savings or utilizing bond proceeds	\$ (3,488,988)
Subtotal Expenditure			\$ (12,536,109)
Net Impact FY2020			\$ (30,204,192)

FY2021 Adopted Budget

Revenue Projections

- Decrease	Passenger Fares	Estimated fare loss projected through December then picks up gradually	\$ (61,104,523)
- Decrease	Transit Advertising	Current contract expires 9/30/2020. Assume 15% reduction in next contract	\$ (579,800)
- Decrease	ATP Serv - Contract Rev	Based on LIFT Medicaid Rides - 65% gradually improving to 30% loss of revenues	\$ (4,365,100)
- Decrease	Tax Revenue	ECONorthwest Forecast Update and unemployment estimates	\$ (67,732,800)
- Decrease	Miscellaneous Revenues	Estimated miscellaneous revenue reductions (Lease revenue, prescription drug credit, fare enforcement fines, Other)	\$ (1,621,600)
+ Increase	Federal	Remaining CARES Act funding	\$ 166,284,150
Subtotal Revenue			\$ 30,880,327

Expenditure Projections

- Increase	Additional Expenses	Changes from approved to adopted inclusive	\$ 1,358,302
- Increase	OPEB	Updated expenditure projections	\$ 201,930
+ Decrease	Diesel Fuel	Postponement of R-99 diesel fuel conversion	\$ (2,430,900)
+ Decrease	Diesel Fuel	Reduced fuel prices	\$ (3,875,000)
+ Decrease	M&S	Removal of 1% M&S Increases	\$ (467,700)
+ Decrease	Out of Town Travel	All out of town travel removed or reduced by 90%	\$ (386,500)
+ Decrease	Hiring Freeze	Hiring Freeze Through September 2020	\$ (2,300,000)
+ Decrease	OTO	Savings/deferrals of OTO Bud-5s	\$ (4,671,510)
+ Decrease	Bus Service	Service savings through the Summer.	\$ (875,000)
+ Decrease	Light Rail Service	Service savings through the Summer.	\$ (500,000)
- Decrease	LIFT Contracted Services	Contracts are serviced based, expected to build back demand through Fiscal Year	\$ (2,927,808)
+ Decrease	CIP - General Fund Service	Increased GF requirement on capital program No expanded service through FY2021	\$ 17,550,321
Subtotal Expenditure			\$ 676,135
Net Impact FY2021			\$ 30,204,192

Forecasted fund balance going into FY2022 \$ (0)

FY2020 Estimated Actuals

	Estimated FY2020 Actual	Estimated Reductions	Estimated Gains	Revised FY2020 Actuals
Restricted - Debt Service	45,426,652			45,426,652
Unrestricted Fund Balance	205,468,279			205,468,279
Total Beginning Fund Bal-Operating	250,894,931	-	-	250,894,931
Operating Revenues				
Passenger Fares	102,500,000	(20,800,000)		81,700,000
Transit Advertising	3,752,500			3,752,500
ATP Serv - Contract Rev	8,954,000	(4,454,000)		4,500,000
Service Contracts	8,574,000			8,574,000
Total Operating Revenues	123,780,500	(25,254,000)	-	98,526,500
Tax Revenue				
Payroll Tax Rev - Employer	378,808,384	(28,123,384)		350,685,000
Payroll Tax Rev - Self Empl	16,378,458	(2,731,958)		13,646,500
Payroll Tax Rev - State in Lieu	2,230,108		349,952	2,580,060
Total Tax Revenue	397,416,950	(30,855,342)	349,952	366,911,560
Other Revenue				
Federal Operating Grants	91,401,639		20,216,766	111,618,405
State STIF - Discretionary	-			-
State STIF - Formula	12,453,510			12,453,510
State Operating Grants	850,297			850,297
Local Operating Grants	19,145			19,145
Local Operating Revenue	1,424,000			1,424,000
Interest	2,600,000			2,600,000
Miscellaneous	12,185,300		(7,197,677)	4,987,623
Total Other Revenue	120,933,891	-	13,019,089	133,952,980
Total Operating Resources	893,026,272	(56,109,342)	13,369,041	850,285,971
Operating Expenses				
All Divisions Total	511,986,939		(9,507,080)	502,479,859
OPEB	50,711,719	300,825		51,012,544
Debt Service	81,429,706	159,134		81,588,840
Total Operating Expenses	644,128,364	459,959	(9,507,080)	635,081,243
CIP General Fund	32,589,064		(3,488,988)	29,100,076
Ending fund balance - 2.5 months	216,308,844			186,104,652

Forecasted fund balance going into FY2021 \$ (30,204,192)

FY2021 Approved Budget	Approved Budget as of March 25, 2020	Estimated Reductions	Estimated Gains	Revised Budget
Restricted -Bond Proceeds	311,888,895			
Restricted - Debt Service	45,500,000			45,500,000
Unrestricted Fund Balance	158,428,682		(30,204,192)	128,224,490
Total Beginning Fund Bal-Operating	203,928,682	-	(30,204,192)	173,724,490
Operating Revenues				
Passenger Fares	109,500,000	(61,104,523)		48,395,477
Transit Advertising	3,865,100	(579,800)		3,285,300
ATP Serv - Contract Rev	8,954,000	(4,365,100)		4,588,900
Service Contracts	8,574,000			8,574,000
Total Operating Revenues	130,893,100	(66,049,423)	-	64,843,677
Tax Revenue				
Payroll Tax Rev - Employer	410,187,000	(66,858,100)		343,328,900
Payroll Tax Rev - Self Empl	17,144,000	(1,115,400)		16,028,600
Payroll Tax Rev - State in Lieu	2,352,000		240,700	2,592,700
Total Tax Revenue	429,683,000	(67,973,500)	240,700	361,950,200
Other Revenue				
Federal Operating Grants	103,509,803		166,284,150	269,793,953
State STIF - Discretionary	350,000			350,000
State STIF - Formula	20,194,315			20,194,315
State Operating Grants	1,527,953			1,527,953
Local Operating Grants	19,700			19,700
Local Operating Revenue	1,339,200			1,339,200
Interest	2,613,000			2,613,000
Miscellaneous	6,486,400	(1,621,600)		4,864,800
Total Other Revenue	136,040,371	(1,621,600)	166,284,150	300,702,921
Total Operating Resources	900,545,153	(135,644,523)	136,320,658	901,221,288
Operating Expenses				
All Divisions Total	554,345,261	1,358,302	(18,434,418)	537,269,145
OPEB	52,943,200	201,930		53,145,130
Debt Service	123,096,606			123,096,606
Total Operating Expenses	730,385,067	1,560,232	(18,434,418)	713,510,881
CIP General Fund	27,730,052		17,550,321	45,280,373
Ending fund balance - 2.5 months	142,430,034			142,430,034
Forecasted fund balance going into FY2022				\$ (0)