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
**Budget Highlights**

**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