

**Date:** May 28, 2025

**To:** Board of Directors

**From:** Sam Desue, Jr. 

**Subject:** **RESOLUTION NO. 25-05-24 OF THE TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON (TRIMET) ADOPTING THE FISCAL YEAR 2026 ANNUAL BUDGET AND APPROPRIATING FUNDS**

**1. Purpose of Item**

This Resolution requests that the TriMet Board of Directors (Board) adopt the Fiscal Year 2026 (FY2026) budget and appropriate funds.

**2. Type of Agenda Item**

- Initial Contract
- Contract Modification
- Other -- Adopt the FY2026 Annual Budget and Appropriate Funds

**3. Reason for Board Action**

Pursuant to Oregon Local Budget Law, Board action is required to adopt the FY2026 Budget and appropriate funds.

**4. Type of Action**

- Resolution
- Ordinance 1<sup>st</sup> Reading
- Ordinance 2<sup>nd</sup> Reading
- Other \_\_\_\_\_

**5. Background**

Oregon Local Budget Law (ORS 294.305 to 294.565) requires the Board to adopt a balanced budget before the start of TriMet’s new fiscal year on July 1, 2025.

At its March 26, 2025 meeting, the Board approved the FY2026 Budget for submission to the Multnomah County Tax Supervising & Conservation Commission (TSCC). On April 23, 2025, the TSCC conducted a public hearing on the TriMet budget to confirm compliance with applicable laws and determine the adequacy of budget estimates. Questions pertaining to TriMet’s FY2026 budget concerning federal funding, capital utilization, fiscal health and ridership patterns were addressed during the public hearing.

Following the public hearing, the TSCC found TriMet’s Fiscal Year 2026 estimates to be reasonable and determined the Board’s Approved FY2026 Budget to be in compliance with Oregon Local Budget Law.

This Resolution presents a revised Approved FY2026 Budget for the Board’s consideration and adoption. The Approved FY2026 Budget is a balanced budget and will become effective July 1, 2025.

**Budget Assumptions**

In the FY2026 Budget, key revenue and expenditure assumptions include:

- Utilization of Statewide Transportation Improvement Fund (STIF), primarily on service.
- Utilization of Federal Formula funding on preventive maintenance.
- Day-to-day operating increases for continued transportation and maintenance of essential services.
- Continued investments in safety and security for riders and employees.
- A Capital Improvement Program that prioritizes state-of-good-repair projects, light-rail vehicle replacement, track and signal upgrades, fare system modernization, targeted maintenance-facility improvements, and continues design work for projects in the 82nd Avenue and TV Highway transit corridors.

**Budget Summary**

The FY2026 Budget includes the cost of operating and maintaining the existing transit system, costs of operating fixed-route bus and rail service to maintain headways and capacity, costs of LIFT paratransit mobility services, capital and operating project expenditures from the Capital Improvement Program, debt service expense, and continued commitment to maintain pension reserves and build other post-employment benefit reserves.

A general summary by key budget area follows:

General & Administrative:	\$236,557,891
Operations:	552,516,167
Capital & Operating Projects:	165,329,498
Other Post-Employment Benefits:	54,462,800
Other Non-Operating Requirements:	24,312,800
Debt Service:	74,520,877
Contingency:	77,541,732
Fund Balance (restricted and unrestricted):	<u>771,380,547</u>
<b>Total</b>	<b>\$1,956,622,312</b>

**Key Investments:**

*Reorganizations and Structural Changes:* The Inclusion, Diversity, Equity, and Accessibility Division has been reorganized as the Public Access & Innovation Division, reflecting its expanded scope in workforce development and increasing public access to transit. Additionally, the Chief Operating Office Division has been consolidated into the Transportation Division.

*Service Enhancements:* The FY2026 Budget reinforces TriMet’s commitment to safe, reliable, and accessible transit through targeted service improvements and customer-focused investments. Guided by Forward Together and community engagement, TriMet will implement service updates that improve access to economic opportunity. Major capital investments continue along key corridors, including 82nd Avenue (TriMet’s next Frequent Express line), TV Highway, and Better Bus projects that enhance transit access and utilize traffic signal priority.

Transit system access remains a top priority, with planning for more accessible stops and stations, upgrades to digital tools like [trimet.org](https://trimet.org), and expansion of on-demand services for seniors and riders with disabilities. Enhancements to the LIFT program will improve scheduling, real-time updates, and ADA-compliant features onboard.

To improve fare access and reliability, the agency will replace aging bus fareboxes and finish replacing ticket vending machines across the transit system. TriMet will also continue to expand STIF-funded reduced fare programs, providing transit services to low-income riders.

*Safety & Security:* TriMet continues to strengthen its comprehensive approach to safety. In FY2026, the agency will advance nine targeted projects focused on improving conditions for riders and operators through enhancements to lighting, sightlines, and infrastructure design through Crime Prevention through Environmental Design (CPTED) principles. Upgrades to closed-circuit television (CCTV) systems and monitoring technologies will further support real-time response and data-driven decision making.

TriMet also is expanding its Safety and Security team with the addition of a Director of Emergency Management and two new security dispatchers to improve coordination and support. Today, nearly 500 unarmed safety and security personnel provide presence, assistance, and resources on board our buses and trains and across our transit system.

*Capital Investments:* The FY2026 Budget maintains TriMet's commitment to investing in infrastructure that supports safe, reliable, and efficient transit service. As agency assets continue to mature, the budget reflects a greater emphasis on maintaining a state of good repair. Major projects underway include the replacement of TriMet's oldest light rail vehicles, improvements to rail crossings, updates to real-time arrival information equipment, and ongoing upgrades to maintenance equipment and facilities. Additional investments include replacement of fare machines and bus fareboxes, technology improvements and system wide enhancements to support the long-term health and performance of the transit network.

### **Fiscal Stability & Sustainability**

The budget maintains three key principles of the Board Strategic Financial Plan:

- Senior Lien Debt Service is no more than 7.5% of ongoing revenue.
- One-time-only revenues are applied to one-time-only expenditures.
- Commitment to funding pension plans and Other Post Employment Benefit (OPEB) Plan.

Actuarial valuations for the pension plans and OPEB plans are posted to: [Transparency and Accountability \(trimet.org\)](https://trimet.org). The FY2026 Adopted Budget is consistent with the pension policies adopted by the Board.

## **6. Financial/Budget Impact**

Changes to the FY2026 Approved Budget, which the TSCC certified, reflect more recent financial performance and internal reviews that identified desirable changes or necessary updates. The net cumulative effect of all proposed changes to the FY2026 Approved Budget will result in an increase in expenditures in the amount of \$12,006,937. The proposed changes are within the limit allowed by Local Budget Law (ORS 294.456), and are shown in Exhibit A to this Resolution.

The table below identifies the final organizational unit appropriations for FY2026.

Office of the General Manager Division	\$2,278,076
Transportation Division	365,002,350
Maintenance Division	258,368,714
Transit System & Asset Support Division	26,640,644
Finance & Administrative Services Division	45,549,383
Information Technology Division	49,574,661
Labor Relations & Human Resources Division	14,030,468
Legal Services Division	11,699,335
Safety & Security Division	83,691,798
Strategy & Planning Division	6,172,574
Public Affairs Division	19,431,405
Public Access & Innovation Division	4,629,984
Engineering & Construction Division	67,334,164
Other Post-Employment Benefits	54,462,800
Other Non-Operating Requirements	24,312,800
Debt Service	74,520,877
Contingency	77,541,732
<b>Total Appropriation</b>	<b>\$1,185,241,765</b>
<b>Fund Balance</b>	<b>\$771,380,547</b>
<b>All Funds Total</b>	<b>\$1,956,622,312</b>

**7. Impact if Not Approved**

Within the limitations of Oregon Local Budget Law, the Board may choose to make changes to the FY2026 Approved Budget. However, the FY2026 Adopted Budget must be in place by July 1, 2025, before any money may be spent during the coming fiscal year.

**RESOLUTION NO. 25-05-24**

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TRANSPORTATION DISTRICT OF OREGON (TRIMET) ADOPTING THE  
FISCAL YEAR 2026 ANNUAL BUDGET AND APPROPRIATING FUNDS**

**WHEREAS**, at a public meeting on March 26, 2025, the TriMet Board of Directors (Board) approved FY2026 Budget estimates for the period July 1, 2025 through June 30, 2026 for submission to the Multnomah County Tax Supervising and Conservation Commission (TSCC) for its review and recommendations; and

**WHEREAS**, the TSCC held a public hearing on April 23, 2025, to review the TriMet FY2026 Budget with the directors and staff of TriMet, and to provide the public with an opportunity to ask questions and express views concerning the budget estimates; and

**WHEREAS**, the TSCC certified TriMet’s FY2026 Budget with no objections or recommendations; and

**WHEREAS**, as allowed by ORS 294.456, the FY2026 Budget was revised as shown on the attached Exhibit A to increase expenditures by \$12,006,937; and

**WHEREAS**, the aggregate sum of the FY2026 Budget requirements for all funds is \$1,956,622,312;

**NOW, THEREFORE, BE IT RESOLVED:**

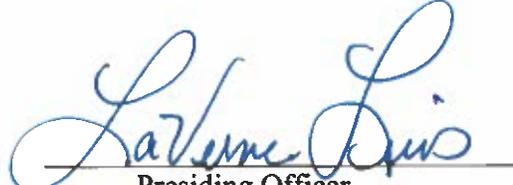
1. That TriMet’s FY2026 Budget, as approved by the Board on March 26, 2025, and certified by the Multnomah County TSCC on April 23, 2025, and as amended herein, is hereby adopted.
2. For the period July 1, 2025 through June 30, 2026, funds are appropriated as follows:

Office of the General Manager Division	\$2,278,076
Transportation Division	365,002,350
Maintenance Division	258,368,714
Transit System & Asset Support Division	26,640,644
Finance & Administrative Services Division	45,549,383
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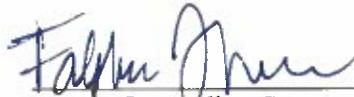
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<b>All Funds Total</b>	<b>\$1,956,622,312</b>

3. That TriMet's Budget Officer is authorized to make adjustments within, but not between, appropriations during the budget period.

Dated: May 28, 2025

  
\_\_\_\_\_  
Presiding Officer

Attest:

  
\_\_\_\_\_  
Recording Secretary

Approved as to Legal Sufficiency:

  
\_\_\_\_\_  
Legal Department