

### Metro EFC Budget Assessment Results Over Time

The EFC Budget Assessment responds to the Board's direction to utilize Metro's EFC Map to prioritize budget expenditures. To develop the EFC Budget Assessment Baseline, staff assigned an EFC Impact Category to every cost center and project of the FY23 Adopted Budget. Table 1 includes the categories and examples of their use.

*Table 1. EFC Budget Assessment Categories, Definitions, and Examples*

EFC Impact Category	Definition	Example
1. Targeted Benefits to EFCs	Demonstrate positive impacts from Metro's projects, programs, policies, and services that are <u>intentionally focused</u> on EFCs	<ul style="list-style-type: none"> <li>New or updated station improvements located in or adjacent to EFCs</li> <li>Services or programs that demonstrate prioritization for EFCs</li> </ul>
2. Indirect Benefits to EFCs	Projects, programs, or services that <u>disproportionately serve but are not targeted</u> to groups comprising the EFC criteria: low-income, people of color, no car.	<ul style="list-style-type: none"> <li>Expenses that fund service to the general public or ridership without intentional inclusion for people living and working in EFCs</li> </ul>
3. No EFC Benefits or Service	No demonstrated benefit or service to EFCs	<ul style="list-style-type: none"> <li>Projects not located within EFCs or within a service area of EFCs</li> <li>General/countywide services (not qualified as Indirect Benefits)</li> </ul>
4. Formula-Based	Allocations based on formulas and laws	<ul style="list-style-type: none"> <li>Local Return programs</li> <li>Pass-through funds</li> </ul>
5. Admin. or Technical	Strictly administrative or technical support	<ul style="list-style-type: none"> <li>Treasury activity costs</li> <li>Copy machine repair, payroll systems</li> </ul>

In May 2023, during the adoption of the FY24 Proposed Budget, the Board directed staff to compare the EFC Budget Assessment Baseline with actuals for that fiscal year. Table 2 demonstrates that Metro has maintained or increased Total Benefits to EFCs (Targeted and Indirect categories). The actuals for FY24 were almost two percentage points lower than the proposed budget for that fiscal year. Minor differences between actual and proposed results for every fiscal year are expected, as Metro does not spend its entire budget and the total dollar amount (denominator) may differ when calculating percentages.

*Table 2. EFC Budget Assessment Results FY23-FY25*

	FY23 Adopted (Baseline)	FY23 Actuals	FY24 Actuals	FY25 Actuals
Targeted Benefits	26.10%	29.49%	29.73%	
Indirect Benefits	41.20%	42.21%	43.29%	
<b>Total Benefits</b>	<b>67.30%</b>	<b>71.70%</b>	<b>73.03%</b>	<i>Coming Fall 2025</i>