

Proposed 2023 Budget and Property Tax Levy

Public Hearing

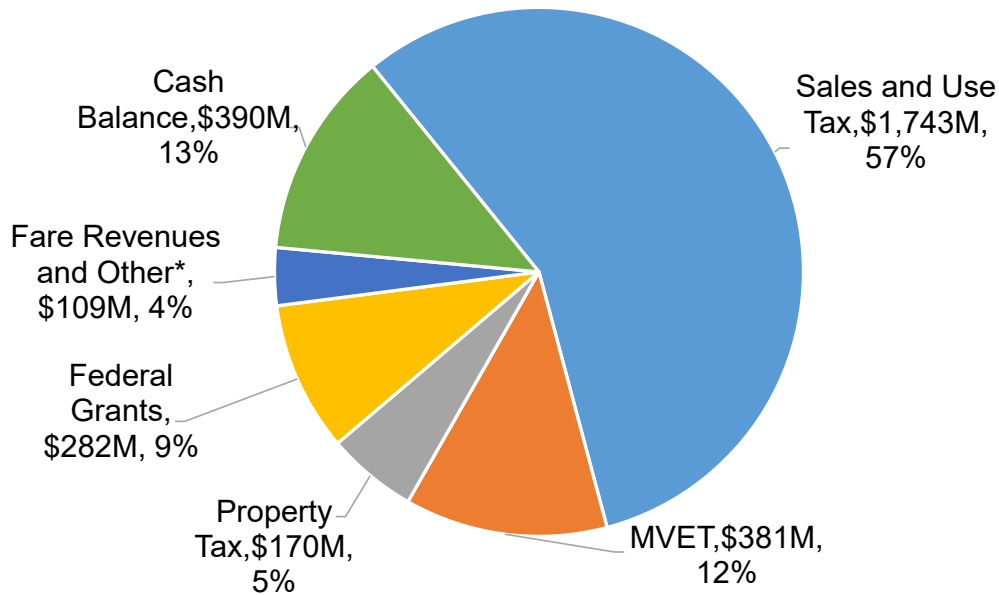
11/03/2022



Proposed 2023 Budget

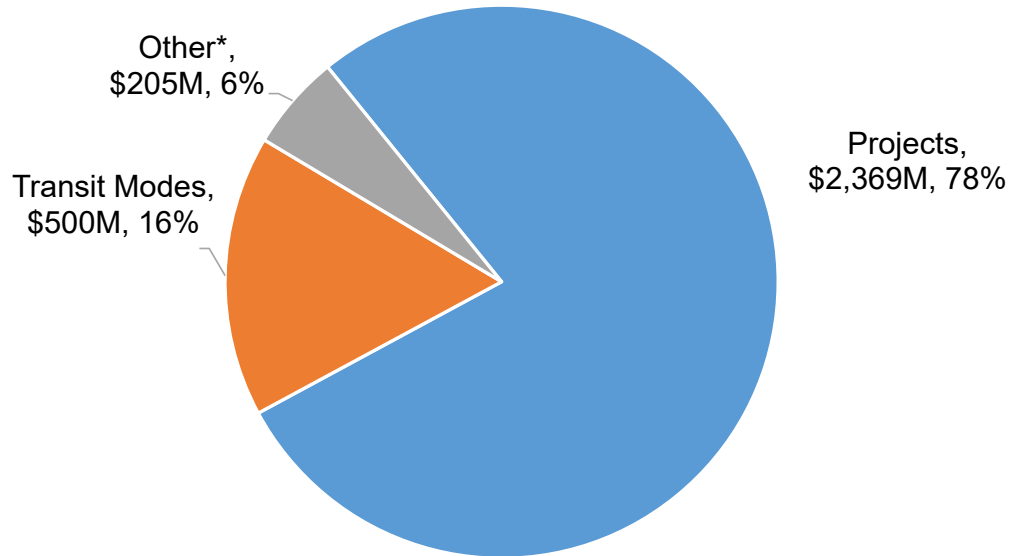
Revenues lower than expenditures, shortfall will be covered by existing cash balance.

Revenues and Grants: \$3.1B



*Other includes investment income, local & state contributions, rental car tax, and miscellaneous revenues.

Expenditures: \$3.1B



*Other includes contributions to partner agencies, tax collection fees, leases and operating contingency.

2023 Proposed Sources: \$3.1 Billion

<i>In \$million</i>	<i>2022 Forecast</i>	<i>2022 Budget</i>	<i>2023 Proposed</i>	<i>Budget % Change</i>
Tax Revenues	2,238	2,256	2,298	2%
Passenger Revenues	41	36	52	44%
Federal Grants	612	498	282	-43%
Investment/Misc.	4	31	52	67%
Bond & TIFIA Loan Proceeds	615	615	0	-100%
Cash Balance	0	0	390	N/A
Total	3,510	3,437	3,075	-11%

- Sales and use tax is 65% of all 2023 total revenue and financing sources
- Federal grants lower in 2023 due to ARP funding in 2022
- Fare revenues increase with increased ridership
- No TIFIA draws in 2023
- No TIFIA draws for 2023

2023 Proposed Uses: \$3.1 Billion

<i>In \$million</i>	<i>2022 Forecast</i>	<i>2022 Budget*</i>	<i>2023 Proposed</i>	<i>Budget % Change</i>
PROJECTS				
System Expansion	1,950	2,154	2,099	-3%
Non System Expansion	184	205	270	32%
<i>Enhancement</i>	31	44	62	41%
<i>State of Good Repair</i>	32	46	77	68%
<i>Administrative</i>	132	133	159	19%
<i>Less Charges to Transit Modes</i>	(12)	(18)	(27)	52%
TRANSIT OPERATING & OTHER				
Transit Operating	384	433	500	15%
Other**	198	230	205	-11%
Total	2,717	3,022	3,075	2%

*2022 budget includes budget adjustments via Board actions and R2020-24 Budget Policy Section 3.4.2.

**Other includes debt service, tax collection & fees, contributions to partner agencies, operating leases, non-operating expenses, and operating contingency.

Note: Numbers may not add correctly due to rounding.

Proposed 2023 Property Tax Levy: \$170M

Includes 1.0% statutory increase plus revenue from new construction, improvements to property and utility value.

2023 Property Tax Levy*		(in thousands)
2022 Property Tax Levy	\$	162.8
Estimated Statutory 1% Levy Increase**	\$ 1.6	
Estimated levy from new construction, improvements etc	<u>\$ 5.6</u>	
Total Change from 2022	\$	7.2
2023 Property Tax Levy	\$	170.0

* Based on preliminary 2022 assessed value data from King County Department of Assessments.

**Levy increase over the 2022 actual levy (inclusive of refunds) is estimates to be \$1.3M.

Levy Rate Reduced to \$0.16 per \$1,000 AV

- *Levy rate limit: \$0.25 per \$1000 of assessed value (AV)*
- *Estimated 2023 levy rate: \$0.16 per \$1000 AV*

