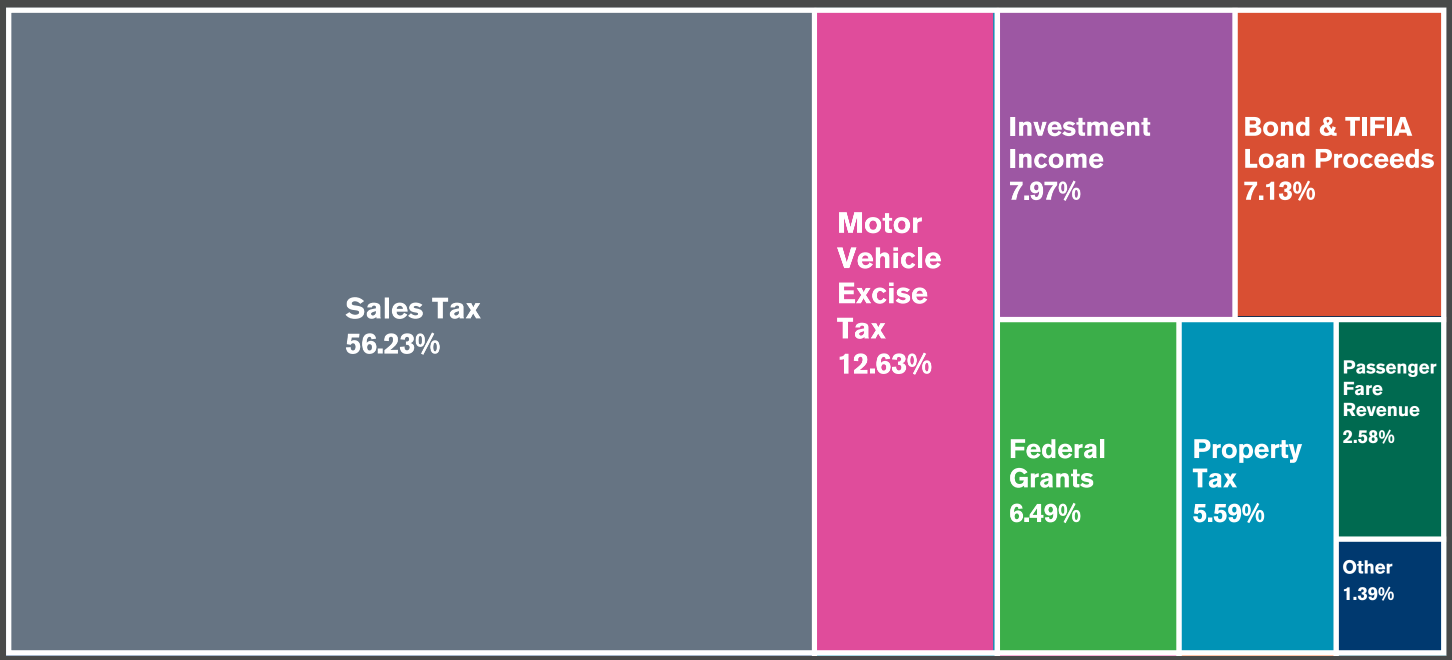
2026 Budget at a glance

Sound Transit's 2026 budget is driven in large part by an overall increase in service hours of 29% over 2025 as a result of system expansion efforts. Stride bus rapid transit continues to represent a majority of construction spending. Additional operating dollars are included to support four-minute headways on the 1 Line, reliability and resiliency work, security, and World Cup service.

Total sources: $3.3 billion

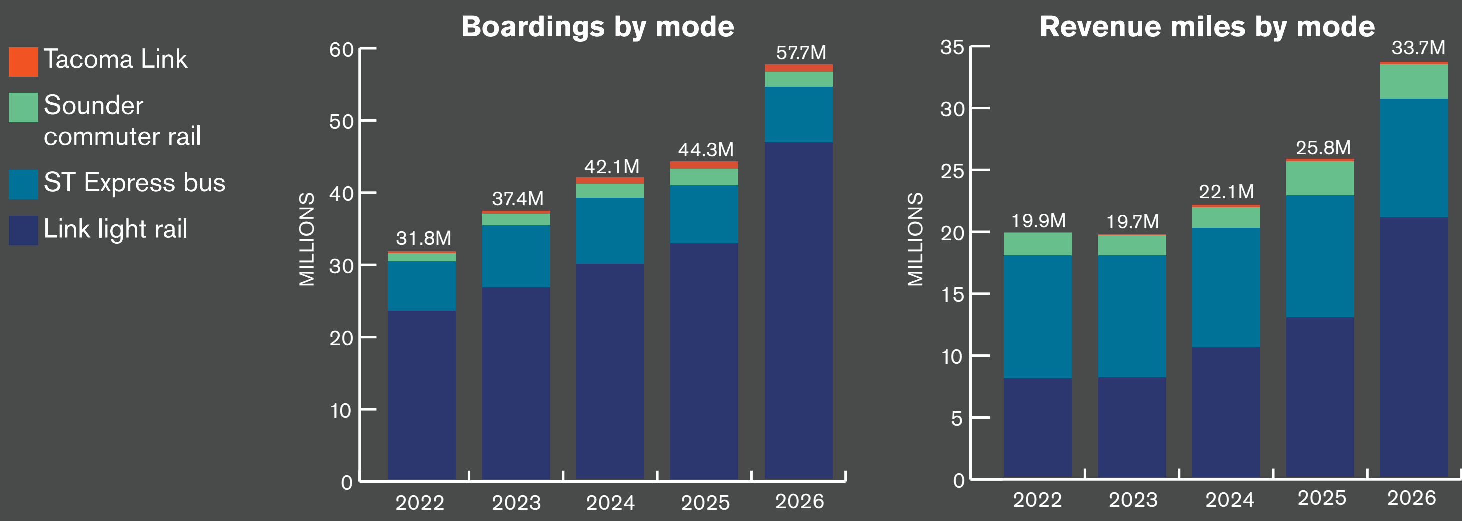
Sales Tax and Motor Vehicle Excise Tax are the largest revenue sources in 2026, representing 68.9% of the total revenue sources.

- Tax revenue growth is expected to remain stable with a 4.1% increase in sales tax expected in 2026 from our 2025 forecast.
- Passenger Fare revenue will increase by 28.4% as a result of Federal Way Link Extension and Crosslake Connection Extension.
- Grant revenue will increase 25.2% from our 2025 year-end forecast as a result of final Lynnwood Link Extension Funding.

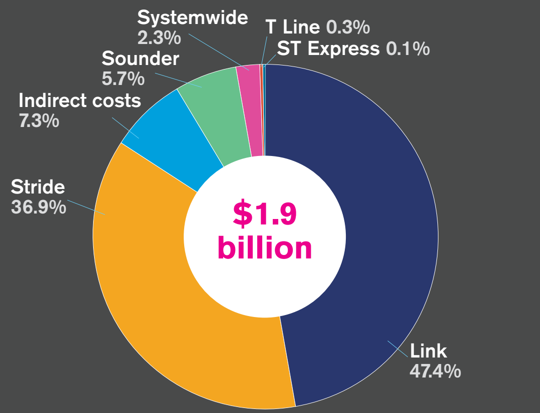


From 2022 to 2026

213.6 million boardings
121.5 million revenue miles



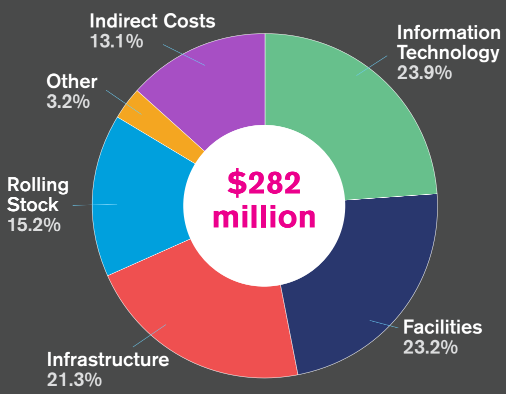
Total uses: $3.5 billion



System expansion projects

System expansion project spending increases 23% over 2025 forecast.

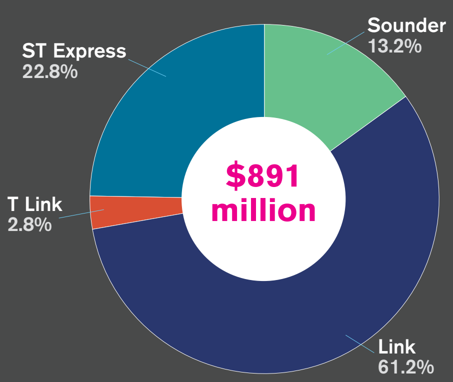
- In 2026 Stride and Link projects in planning make up the largest pieces of the budget compared to prior years where Link in construction was the largest component of the system expansion budget.
- Link projects in planning include Ballard Link, OMF South, West Seattle Link, Everett Link, and Tacoma Dome Link among others.
- Stride spending ramps up in 2026 with projects representing 20% of total agency expenditures driven by I-405 BRT, SR-522 BRT, and the BRT Maintenance base projects.



Service delivery projects

Spending on projects to enhance service delivery and maintain our assets in a state of good repair are increasing 34% over our 2025 forecast.

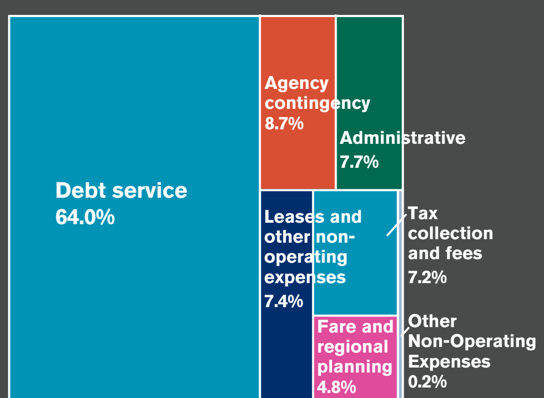
- The IT portfolio of projects represents the largest portion of SDP spending at 24% of total and includes the ERP/EAMs procurement project, project management information systems (PMIS), and the digital passenger information system (PIMS)
- The Facilities portfolio is next largest at 23% of total. DSTT modernization is a major component of this which will finish procurement and move into construction following the FIFA World Cup.
- The infrastructure portfolio is 21% of total spending. The traction power program and 1 Line power electrification modernization project are the largest components of this portfolio.



Modal operating expenses

Modal operating expense increases 23% from 2025 forecast to reflect expanded service and fund agency initiatives.

- Operational response to improve system reliability, support four-minute headways, and redefine cleaning.
- Increase security for a more safe, secure, and clean system.
- Business Transformation funding to modernize agency IT infrastructure.
- Operational spending to prepare for FIFA World Cup.
- Full year of operating Downtown Redmond and Federal Way Link Extension.



SOURCES: 2026 Proposed Budget.

Debt service, contingency, and other expenses: $360 million

Total budget decreases 2% from 2025 forecast driven by decreases in debt service offset by increases to fund FRP projects.

- Debt service is budgeted to decrease 19% due to paying off our last remaining variable rate bond in 2025.
- Contingency is consistent with prior year approach and is based on 3.5% of our modal operating budget.
- Fare and regional planning expense supports innovation & technology, TOD planning, and the ambassador fare pilot program among other agency initiatives.