



2012 First Quarter Financial Performance Report



June 2012

This page left intentionally blank

Contents

Section I – Executive Summary	1
Agency Revenues	1
Service Delivery Revenue by Mode	2
Service Delivery Expenditures by Mode	2
Capital Projects	3
Agency Staff Costs	3
Section II – Agency Revenue	4
Section III – Service Delivery by Mode	6
Service Delivery All Modes	6
Sounder Commuter Rail	7
ST Express	8
Tacoma Link Light Rail	9
Central Link Light Rail	10
Service Delivery – Supplemental Information	11
Section IV – Capital Outlays	12
Sounder Commuter Rail	13
Regional Express	15
Link Light Rail	16
North Link	17
University Link	18
Initial Segment	20
Noise Abatement	22
Airport Link	23
South Link	24
East Link	25
Lynnwood Line Extension	26
First Hill Street Car	27
Section V – Agency Staff and Other Expenses	29

This page left intentionally blank



To: Board of Directors

From: Joni Earl, Chief Executive Officer
 Brian McCartan, Chief Financial Officer

Subject: 2012 First Quarter Financial Performance Report

This report summarizes Sound Transit's financial performance for revenues, transit operations, capital outlays, and staff operations for the first quarter of 2012. The discussion and graphs below summarize the budget and financial results, followed by more detailed financial data with notes assessing the Agency's performance to budget.

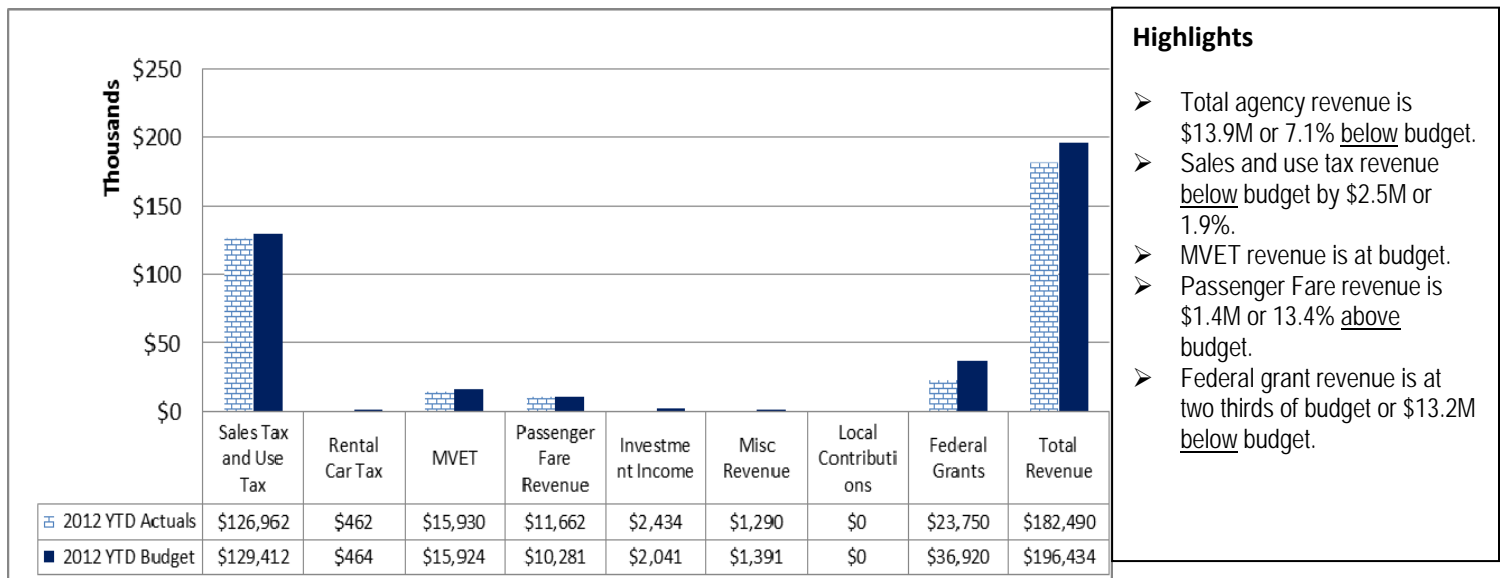
Section I – Executive Summary

The executive summary section is designed for quick review of key Agency revenue and expenditure outcomes: for agency revenue, service delivery, capital projects, and agency staff costs. Detailed financial analysis for each is located later in this report.

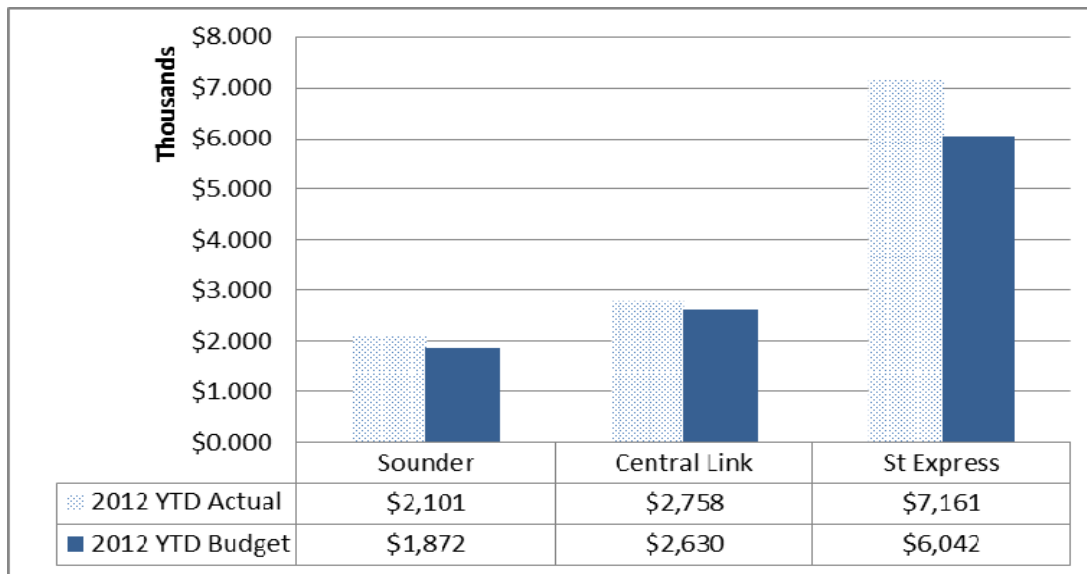
Agency revenues of \$182.5M are \$13.9M or 7.1% below budget. This is primarily due to lower than budgeted federal grant revenues, which are \$13.2M below budget. Sales and use taxes are \$2.45M below budget. This is partially offset by positive budget variances for passenger fare revenues of \$1.4M and investment income of \$0.4M.

On the cost side, service delivery, capital projects, and agency staff are all running below first quarter 2012 budget. Service delivery finished the quarter 4% or \$1.8 million under budget, capital projects are for all modes 26.3% or \$50 million under budget, and the agency staff costs are 14% or \$3 million under budget.

Agency Revenues



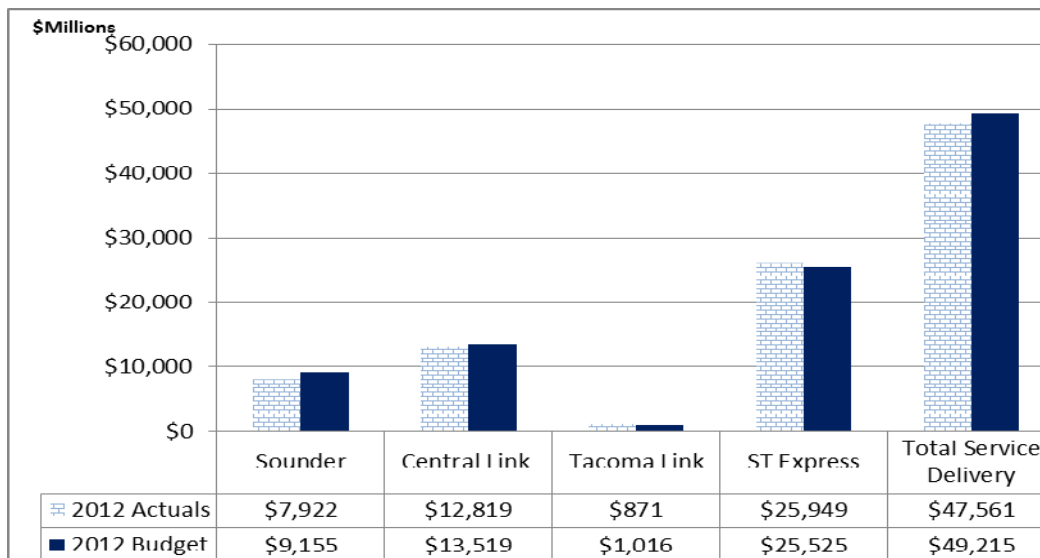
Service Delivery Revenue by Mode (Excludes Tacoma Link)



Highlights

- Sounder, Central Link and ST Express Operating Revenues are \$1.4M or 14% better than budget.
- Sounder revenue \$229K or 12% better than budget.
- ST Express revenue \$1.1M or 18% better than budget.
- Central Link \$128K or 5% better than budget.

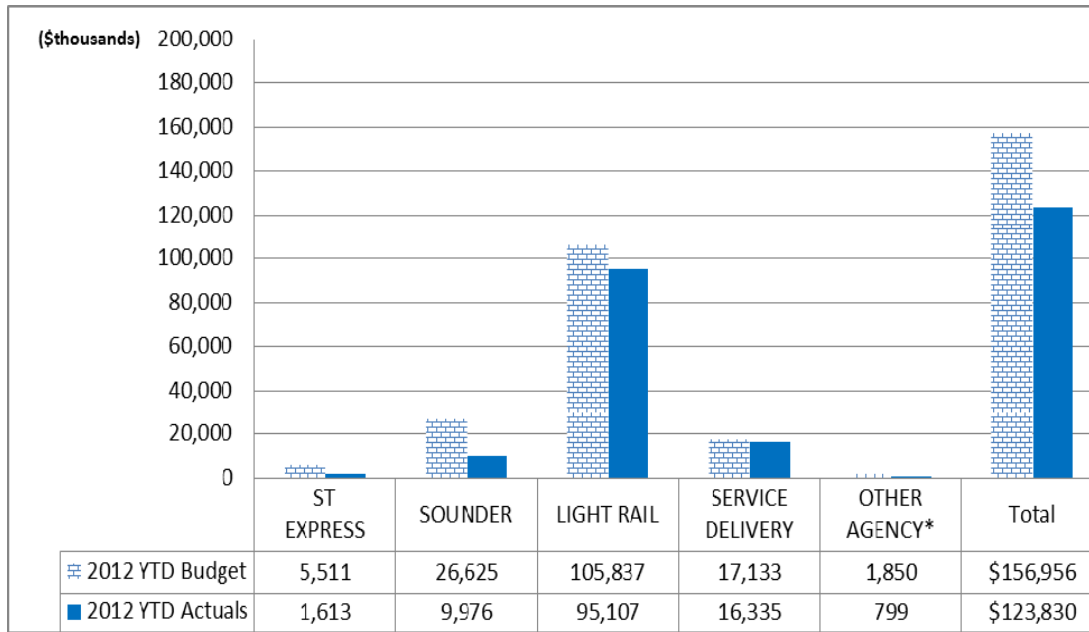
Service Delivery Expenditures by Mode



Highlights

- Service delivery for all modes \$1.6M or 3% below budget.
- Sounder below budget by \$1.1M or 13%.
- Tacoma link below budget by \$145K or 14%.
- Central Link below budget by \$700K or 5%.
- ST Express just over budget by \$424K or 1%.

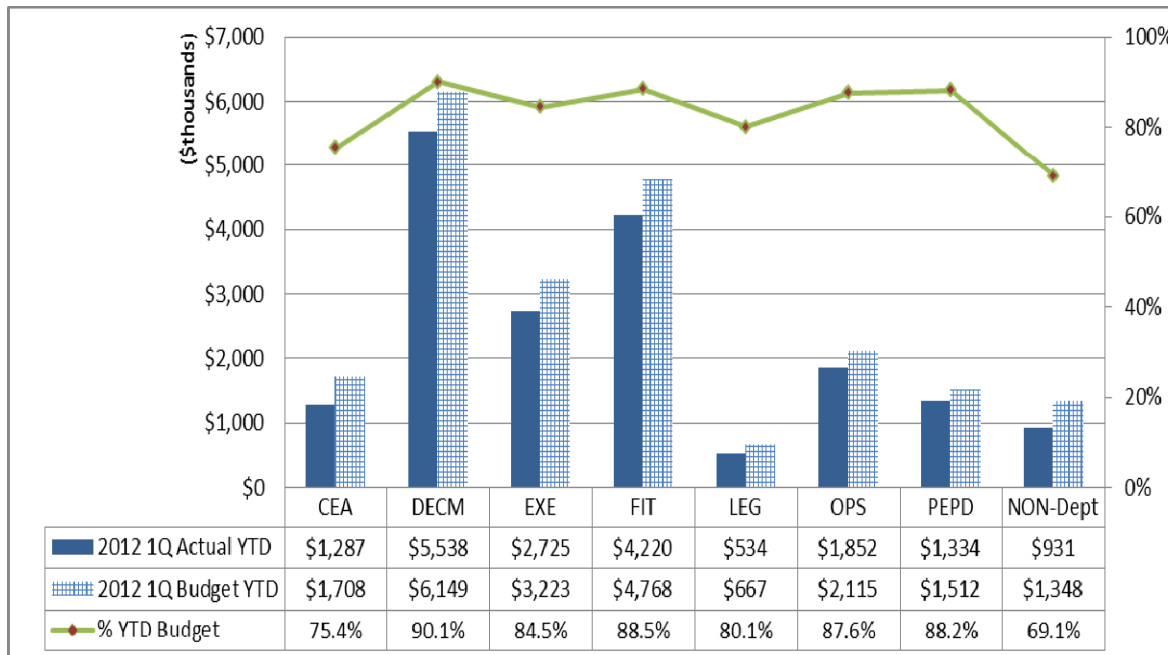
Capital Projects



Highlights

- Overall capital project costs are below budget by \$33M or 21%.
- Light rail is \$10M or 10% below budget.
- ST Express is \$3.8M or 71% below budget.
- Sounder is \$16M or 63% below budget.
- Service Delivery \$798K or 5% below budget.
- Other Agency is \$1M or 57% below budget.

Agency Staff Costs



Highlights

- Agency Staff costs are \$3M or 14% under budget.
- Savings in salary and benefits equaled \$774K or 5% of budget.
- Staff vacancy rate at the end of first quarter is 10%.
- Savings in service related costs are \$1.7M or 49% below budget.

Section II – Agency Revenue

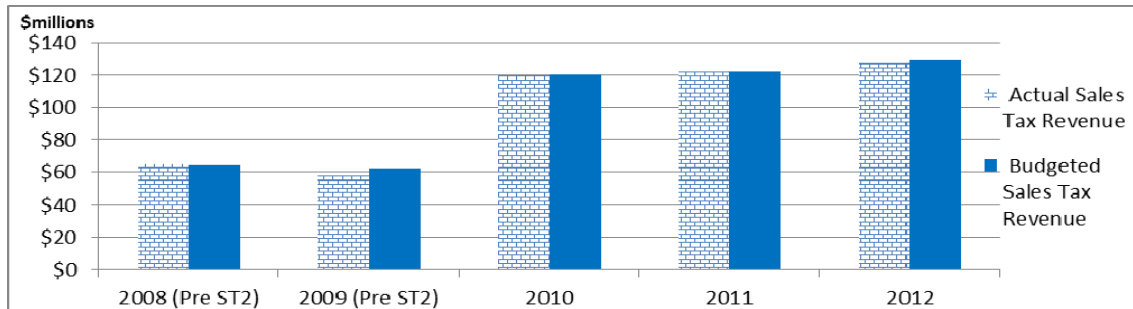
Agency Revenues as of March 31, 2012 (\$Thousands)

Revenue Source	2012 1Q Actuals	2012 YTD Budget	YTD Actuals v. Budget	% Variance
Sales Tax and Use Tax	\$126,962	\$129,412	(\$2,450)	98%
Rental Car Tax	\$462	\$464	(\$3)	99%
MVET	\$15,930	\$15,924	\$5	100%
Passenger Fare Revenue	\$11,662	\$10,281	\$1,380	113%
Investment Income	\$2,434	\$2,041	\$394	119%
Misc Revenue	\$1,290	\$1,391	(\$101)	93%
Local Contributions	\$0	\$0	\$0	0%
Federal Grants	\$23,750	\$36,920	(\$13,170)	64%
Total Revenue	\$182,490	\$196,434	(\$13,945)	93%

Overall revenues at the end of Q1 were below budget by \$13.94M or 7%, primarily due to lower than budgeted federal grant revenues which were \$13.17M below budget.

Retail Sales and Use Tax revenues declined in Q1 with a negative YTD budget variance of \$2.45M or 2%, reflecting the continuing effect of a weakened economy.

Historical First Quarter Perspective 2008 – 2012

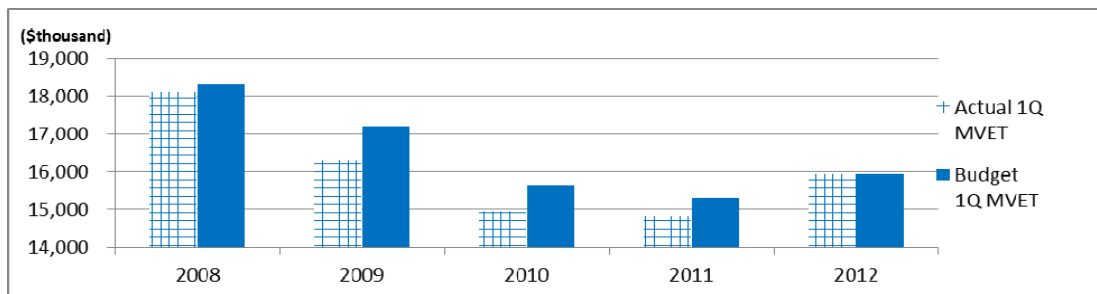


2012 Q1 sales tax revenue is \$4.96 million or 4.1% more than 2011 Q1, but is still under budgeted revenue.

Rental Car Tax revenues were just below YTD budget by \$3K or 1%.

Motor Vehicle Excise revenues for Q1 were at budget.

Historical Perspective First Quarter 2008 – 2012 MVET Revenue Compared to Budget



Actual MVET revenue for first quarter 2012 is just slightly above budget and is the first positive revenue variance since 2007.

Passenger Fare Revenues exceeded YTD budget by \$1.38M or 13% due to increase in ridership for all modes and a higher than budgeted average fare per boarding (AFB).

Investment Income was \$394K or 19% above budget at the end of Q1. \$294K or 14% of this variance from budget is due to the investment pools paying a higher rate of interest than was estimated in the budget. It is expected that the interest rates on the investment pools will decline as the year progresses. \$100K of this variance from budget is due to the GAAP-required mark to market entries. Under Generally Accepted Accounting Principles, the value of investment holdings must be adjusted to current market value. This requirement results in investment income being reduced when the market value of investments declines, and increased when the market value of investments rises.

Miscellaneous Revenues were \$101K or 7% below budget primarily due to no receipts for the ORCA Regional Program budgeted at \$210K, as Q1 invoices were sent out in Q2.

Local and State Contributions: There were no local or state grant revenue received or budgeted for Q1.

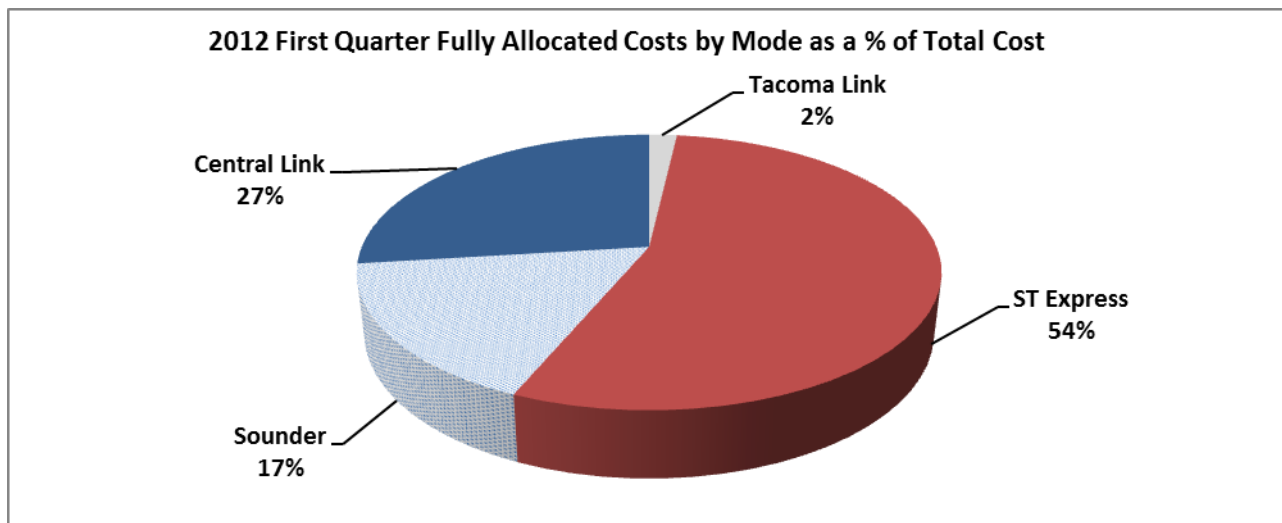
Federal Grants revenues were \$13.17M or 36% below budget at the end of Q1 primarily due to CMAQ funds for North Link ROW costs not executed in Q1 as budgeted.

Section III – Service Delivery by Mode

Service Delivery All Modes as of March 31, 2012
(\$Thousands)

	Q1 2012 Actuals	YTD 2012 Budget	YTD 2012 Budget Remaining	YTD 2012 % Budget
Operating Revenues				
Passenger Fares	11,662	10,281	1,380	113%
Other Operating Revenue	363	264	99	137%
Total Operating Revenues	\$ 12,025	\$ 10,546	1,479	114%
Direct Operating Expenses				
Salaries and Benefits	1,149	1,226	77	94%
Services	5,915	7,361	1,446	89%
Materials and Supplies	2,148	2,296	148	94%
Insurance	673	946	273	71%
Purchased Transportation Svcs	30,626	30,506	(120)	100%
Miscellaneous Expenses	134	126	(8)	107%
Leases & Rentals	2,861	2,681	(180)	80%
Other Expenses	1,148	1,252	104	92%
Total Direct Operating Expenses	\$ 44,654	46,394	1,740	96%
Agency Admin Allocations	2,907	2,821	(86)	103%
Fully Allocated Operating Expenses	\$ 47,561	\$ 49,215	1,654	96%

Total Service Delivery fully allocated operating expenses for first quarter 2012 are \$47M which is \$1.6M or 4% under budget. As expressed in the chart below, Service Delivery fully allocated operating expenses as a percentage of total expenses were: Central Link 27%, Sounder 17%, ST Express 54% and Tacoma Link 2%.



Sounder Commuter Rail as of March 31, 2012
(\$Thousands)

	Q1 2012 Actuals	YTD 2012 Budget	YTD 2012 Budget Remaining	YTD 2012 % Budget
Operating Revenues				
Passenger Fares	2,092	1,853	239	113%
Other Operating Revenue	9	19	(10)	47%
Total Operating Revenues	2,101	1,872	229	112%
Direct Operating Expenses				
Salaries and Benefits	237	263	26	90%
Services	3,145	3,603	458	87%
Materials and Supplies	1,446	1,843	397	78%
Insurance	182	292	110	62%
Purchased Transportation Svcs	1,676	1,861	185	90%
Miscellaneous Expenses	49	54	5	91%
Leases & Rentals	119	81	(38)	147%
Other Expenses	373	461	88	81%
Total Direct Operating Expenses	\$ 7,227	\$ 8,458	1,231	85%
Agency Admin Allocations	695	697	2	100%
Fully Allocated Operating Expenses	\$ 7,922	\$ 9,155	1,233	87%

Revenues and Ridership: Passenger revenues were at 113% of the 2012 budget. Ridership was over budgeted levels by 6% and was above the prior year by 11%. Average fare per boarding was also coming in above budget based on further analysis of ORCA and other fare revenue data.

Services were at 87% of the YTD 2012 budget. The largest individual component of services spending is the vehicle maintenance contract with Amtrak, which is above 90% of the YTD budget. Discretionary systems consulting projects have been deferred during the first quarter. Station maintenance expenses are at 51% of the YTD budget as the majority of the budgeted work will be performed during warmer weather. Fare vending machine service contracts are also below budgeted levels as more work has been performed in-house.

Materials & Supplies were at 78% of the YTD 2012 budget. Fuel costs were under the YTD budget by \$0.1 M. Consumption has been lower than forecast, due both to missed trips from mudslide cancellations and due to the favorable impacts of conservation equipment, such as the automatic engine start-stop units.

Insurance was at 62% of the YTD 2012 budget. Claims experience has been favorable during 2012.

Purchased Transportation Services were at 90% of the YTD 2012. This is a timing difference that will correct itself by year end as additional service is added between Tacoma and Lakewood.

ST Express as of March 31, 2012
(\$Thousands)

	Q1 2012 Actuals	YTD 2012 Budget	YTD 2012 Budget Remaining	YTD 2012 % Budget
Operating Revenues				
Passenger Fares	6,852	5,809	1,043	118%
Other Operating Revenue	309	233	76	133%
Total Operating Revenues	7,161	6,042	1,119	119%
Direct Operating Expenses				
Salaries and Benefits	99	95	(4)	104%
Services	318	862	544	37%
Materials and Supplies	12	41	29	29%
Insurance	6	5	(1)	120%
Purchased Transportation Svcs	22,799	21,995	(804)	104%
Miscellaneous Expenses	40	24	(16)	167%
Leases & Rentals	1,228	1,115	(113)	110%
Other Expenses	249	228	(21)	109%
Total Direct Operating Expenses	\$ 24,751	\$ 24,365	(386)	102%
Agency Admin Allocations	1,198	1,160	(38)	103%
Fully Allocated Operating Expenses	\$ 25,949	\$ 25,525	(424)	102%

Revenues and Ridership: Passenger Fares were over the YTD 2012 Budget by 18%. Ridership is above the 2012 YTD budget by 9%, and average fares per boarding are over budget by about 9%. Ridership increased by 14% compared to Q1 2011.

Services were under the YTD 2012 budget by \$0.5M, or 63%. The largest variance was underspending of \$0.2M related to facilities maintenance at ST Express stations. These variances should be erased as facilities maintenance work increases during the good weather of Q2 and Q3. Maintenance of vehicle expenses were under budget by \$0.1M as the agency received warranty reimbursements for earlier maintenance work performed on the fleet.

Purchased Transportation Services were at 104% of the YTD 2012 budget. This is a timing difference that will be corrected during Q2 2012.

Leases and Rentals were at 110% of the YTD 2012 budget. This is a timing difference as Airspace leases that were budgeted in Amortization were recorded in Leases. These costs will be transferred out in Q2 2012.

Other Expenses were at 109% of the YTD 2012 budget. This is due to excise taxes that have exceeded budgeted levels due to higher than forecasted fare revenues. The Agency pays 1.96% of fare revenues to the state in the form of excise taxes.

Agency Admin Allocations were at 103% of the YTD 2012 budget. This account includes the staff operating costs allocated from both corporate and line of business departments, as well as project costs transferred into operations. Allocation rules were updated after the adoption of the 2012 budget, yielding more costs allocated to ST Express transit operations than had been budgeted.

Tacoma Link Light Rail as of March 31, 2012
(\$Thousands)

	Q1 2012 Actuals	YTD 2012 Budget	YTD 2012 Budget Remaining	YTD 2012 % Budget
Operating Revenues				
Passenger Fares	0.00	0.00	0.00	-
Other Operating Revenue	3.72	1.25	2.47	298%
Total Operating Revenues	3.72	1.25	2.47	298%
Direct Operating Expenses				
Salaries and Benefits	426	444	18	96%
Services	144	240	96	60%
Materials and Supplies	47	51	4	92%
Insurance	42	66	24	64%
Purchased Transportation Svcs	-	1	1	0%
Miscellaneous Expenses	-	8	8	0%
Leases & Rentals	2	2	-	100%
Other Expenses	36	33	(3)	109%
Total Direct Operating Expenses	\$ 697	\$ 845	148	82%
Agency Admin Allocations	174	171	(3)	102%
Fully Allocated Operating Expenses	\$ 871	\$ 1,016	145	86%

Ridership: YTD 2012 Ridership was 10% higher than the same period in 2011, and above the 2011 forecast by 17%. There are no fare revenues on Tacoma Link.

Salaries and Benefits: Salaries and Benefits are under the YTD 2012 budget by \$18k, or 4%. The vacancy rate of positions at Tacoma Link was higher than budgeted.

Services were at 60% of the YTD 2012 budget. Concrete repair projects that had been planned for 2012 will occur beginning in Q2 2012. Facilities maintenance expenses are at 40% of the YTD budget but are forecast to come in at budgeted levels by year-end.

Insurance was under the YTD 2012 budget by 36%. Claims experience has been favorable during the year, and premiums under the rail operations insurance program are below budgeted levels.

Central Link Light Rail as of March 31, 2012
(\$Thousands)

	Q1 2012 Actuals	YTD 2012 Budget	YTD 2012 Budget Remaining	YTD 2012 % Budget
Operating Revenues				
Passenger Fares	2,717	2,619	98	104%
Other Operating Revenue	41	11	30	373%
Total Operating Revenues	2,758	2,630	128	105%
Direct Operating Expenses				
Salaries and Benefits	387	424	37	91%
Services	2,308	2,656	348	87%
Materials and Supplies	643	361	(282)	178%
Insurance	443	583	140	76%
Purchased Transportation Svcs	6,151	6,649	498	93%
Miscellaneous Expenses	45	40	(5)	113%
Leases & Rentals	1,512	1,483	(29)	102%
Other Expenses	490	530	40	92%
Total Direct Operating Expenses	\$ 11,979	\$ 12,726	747	94%
Agency Admin Allocations	840	793	(47)	106%
Fully Allocated Operating Expenses	\$ 12,819	\$ 13,519	700	95%

Revenues and Ridership: Fare revenues were at 104% of the YTD 2012 budget. Ridership was 4% over budgeted levels, while the average fare per boarding is at budget. Ridership on Central Link was 10% higher in 2012 compared to the same period in 2011.

Services were under the YTD 2012 budget by 13%, or \$0.3M. Fare vending machine contracted services were lower than budget by \$0.1M as more work has been performed in-house. Security costs were lower than budgeted levels by \$0.1M due to unused contingency hours. Facilities maintenance expenses are below the YTD budget by \$0.1M, although this variance should go away as the weather improves, allowing more work to proceed.

Material and Supplies were \$0.3M, or 178% of the YTD 2012 budget. Purchases of spare parts for LRVs have exceeded budgeted levels due in part to the expansion of the fleet in 2011. There were 27 additional vehicles being maintained beginning in late 2011.

Insurance costs are at 76% of the YTD 2012 budget. Premiums have been lower than budgeted levels, and claims experience was also favorable.

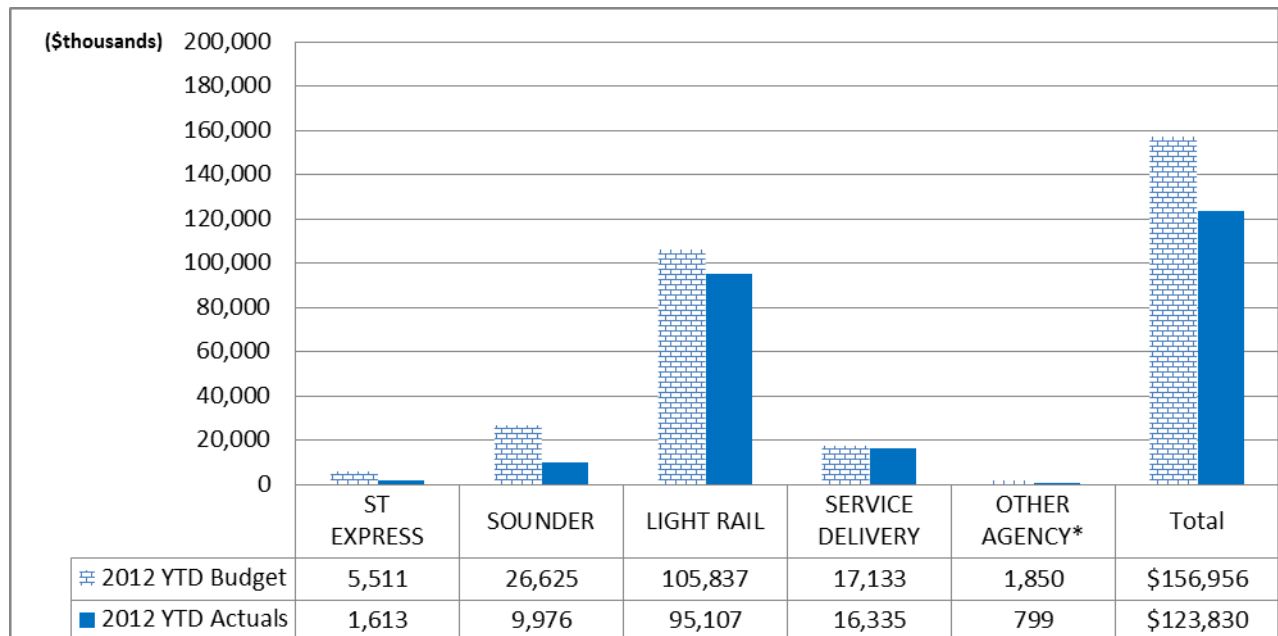
Agency Admin Allocations were 6% over the YTD 2012 budget. Allocation rules were updated during after the budget was finalized to reflect the current level of support from Agency administrative departments, resulting in a larger percentage of agency costs allocated to transit operations and Central Link.

Service Delivery - Supplemental Information

Systemwide	1st Quarter			Year to Date			YTD vs. Budget	
Boardings by Service Type	2011	2012	% Change	2011	2012	% Change	Budget	% Variance
ST Express Bus	3,183,722	3,615,741	14%	3,183,722	3,615,741	14%	3,319,172	9%
Souder Commuter Rail	574,295	636,412	11%	574,295	636,412	11%	597,804	6%
Central Link	1,653,134	1,822,619	10%	1,653,134	1,822,619	10%	1,746,252	4%
Tacoma Link	235,101	259,521	675%	235,101	259,521	10%	222,847	16%
Total	5,646,252	6,334,294	12%	5,646,252	6,334,294	12%	5,886,075	8%
Farebox Recovery	Annual Target		Q1 2012 Actuals		YTD 2012 Actuals			
Souder Commuter Rail		21%		26%		26%		
ST Express Bus		24%		26%		26%		
Central Link		23%		21%		21%		

Section IV – Capital Outlays

Capital Project Financial Status as of March 31, 2012



Mode	Current Year 2012					Lifetime				
	2012 Budget	2012 YTD Budget	2012 YTD Actuals	Budget Remaining	YTD % Budget Used	Lifetime Budget	LTD Actuals	Contract Remaining	LTD Budget Uncommitted	LTD % Uncommitted
ST EXPRESS	24,136	5,511	1,613	3,898	29%	777,342	661,129	36,584	\$79,629	10%
SOUNDER	183,669	26,625	9,976	16,649	37%	1,528,667	1,277,601	24,010	\$227,056	15%
LIGHT RAIL	475,276	105,837	95,107	10,730	90%	6,150,865	3,558,339	414,115	\$2,178,411	35%
SERVICE DELIVERY	68,926	17,133	16,335	798	95%	388,660	215,738	22,077	\$150,845	39%
OTHER AGENCY*	12,106	1,850	799	1,051	43%	176,313	59,938	3,639	\$112,736	64%
Total	\$764,113	\$156,956	\$123,830	\$33,126	79%	\$9,021,847	\$5,772,745	\$500,425	\$2,748,677	30%

*Includes Administrative Capital; Fare System Integration; Research and Technology; Start, and TOD

Total Agency capital outlays of \$123M were at 79% of 2012 YTD budget. Capital outlays for Sounder were 37% of the 2012 YTD budget, primarily due to lower than anticipated spending on the D Street – M Street Track and Signal, Positive Train Control, and Sounder South Expanded Service projects. Capital outlays for Regional Express were 29% of the 2012 YTD budget, due to lower than budgeted spending on I-90 Two-Way Transit and HOV Operations, Stage 2 and Strander Boulevard Extension. Light Rail capital outlays of \$95M were 90% of 2012 YTD budget due to delays in East Link and delays in right of way expenditures on North Link. East Link is moving toward Final Design and right of way purchase delays are concentrated on a few large properties.

Capital Outlays by Phase as of March 31, 2012
(\$Thousands)

Sounder Commuter Rail - Capital Outlays by Phase

As of March 31, 2012

Current Year 2012

Phase	2012 Current Capital Plan	YTD Budget	YTD Actuals	YTD actuals (over)/under YTD Budget	YTD actuals as % of YTD Budget
	a	b	c	[b - c]	[c / b]
Agency Administration	6,428	1,932	597	1,335	31%
Preliminary Engineering	1,999	577	114	462	20%
Final Design	8,031	2,741	1,056	1,685	39%
Third Party	2,839	748	40	708	5%
ROW Acq. & Permits	106,721	2,281	493	1,789	22%
Construction	53,082	17,317	7,123	10,194	41%
Construction Management	4,518	1,029	554	475	54%
Vehicles	0	0	0	0	0%
Contingency	50	0	0	0	0%
TOTAL	183,869	26,625	9,976	16,649	37%

Lifetime Capital Plan

Phase	Adopted Capital Plan	Life-to-date Outlays	Contract Remaining	Budget Remaining	% Spent & Committed
	d	e	f	[d-(e+f)]	[(e+f)/d]
Agency Administration	68,082	54,987	131	12,964	81%
Preliminary Engineering	34,666	27,778	509	6,378	82%
Final Design	59,699	49,272	3,319	7,108	88%
Third Party	8,670	352	494	7,825	10%
ROW Acq. & Permits	577,288	463,502	178	113,608	80%
Construction	634,403	543,405	15,531	75,467	88%
Construction Management	10,942	3,580	3,847	3,514	68%
Vehicles	134,504	134,503	0	0	0%
Contingency	413	0	0	413	0%
Unabsorbed Overhead	0	221	0	(221)	0%
TOTAL	1,528,667	1,277,601	24,010	227,056	85%

Agency Administration spending was \$1.3M under the year to date budget of \$1.9M. Agency Administration expenditures are mainly the direct staff overhead being charged to the projects. This phase is under budget due to agency indirect overhead allocation charges being budgeted, but no longer being charged to projects as they have been in the past. Budgets have not been reduced pending project completions; this ensures that funding will be available to cover any unabsorbed overhead in the projects.

Preliminary Engineering spending was \$462K under the year to date budget of \$577K. Station Access and Demand Study was \$125K under spent due to delaying the final deliverable in order to determine if there would be any additional work required to respond to the board. The contract scope should be completed in May 2012. Sounder Yard and Shops Facility was \$152K under spent, the capital committee took action to authorize a contract amendment for environmental documentation for the project April 12th, and work will be initiated in May.

Final Design spending was \$1.7M under the year to date budget of \$2.7M. Sounder South Expanded Service was \$400K under spent due to slower than anticipated NEPA/SEPA process delaying the payment schedule. Positive Train Control was \$1.0M under spent, the project ad date was delayed to better define the scope of work. Request for Proposal (RFP) advertised on April 12th, Notice to Proceed (NTP) is anticipated for October 2012.

Third Party spending was \$708K under the year to date budget of \$748K. Mukilteo Station, South Platform was \$247K under spent; the work associated with this will be completed in the second quarter. Positive Train Control was \$371K under spent, the project ad date was delayed to better define the scope of work. RFP advertised on April 12th, NTP is anticipated for October 2012.

ROW spending was \$1.8M under the year to date budget of \$2.3M. Layover was \$1.8M under spent due to property acquisitions taking longer than anticipated.

Construction spending was \$10.2M under the year to date budget of \$17.3M. Permitting/Environmental Mitigation was \$167K under spent. Construction of the Christofferson Fill pad continues to be delayed due to an appeal of the shoreline permit. Construction is currently scheduled to start third quarter of 2012 pending the resolution of permit issues. Layover was \$359K under spent, project ad date was delayed to work through design issues, construction work should begin in the third quarter 2012. D Street-M Street Track and Signal was \$8.7M under spent. Construction expenditures have not been tracking to the cash flow due to slower production rates from the contractor. Project is scheduled to be completed in July with start up and testing to finish in September. M Street – Lakewood Track and Signal was \$672K under spent; ad date for the 66th Street bridge improvements was delayed, bids are currently under review. Positive Train Control was \$202K under spent, the project ad date was delayed to better define the scope of work. RFP advertised on April 12th, NTP is anticipated for October 2012.

Construction Management spending was \$475K under the year to date budget of \$1.0M. D Street – M Street Track & Signal was \$152K under spent. Construction expenditures have not been tracking to the cash flow due to slower production rates from the contractor. Project is scheduled to be completed in July with start up and testing to finish in September. Positive Train Control was \$163K under spent, the project ad date was delayed to better define the scope of work. RFP advertised on April 12th, NTP is anticipated for October 2012.

Capital Outlays by Phase as of March 31, 2012
(\$Thousands)

**Regional Express - Capital Outlays by Phase
As of March 31, 2012**

Current Year 2012

<u>Phase</u>	2012 Current Capital Plan	YTD Budget	YTD Actuals	YTD actuals (over)/under YTD Budget	YTD actuals as % of YTD Budget
	<i>a</i>	<i>b</i>	<i>c</i>	<i>[b-c]</i>	<i>[b/a]</i>
Agency Administration	2,498	660	398	262	60%
Prelim. Engineering	1,967	283	52	231	19%
Final Design	7,239	0	0	0	0%
Third Party	3	0	0	0	0%
ROW Acq. & Permits	187	26	0	26	0%
Construction	12,050	4,542	1,162	3,380	26%
Contingency	192	0	0	0	0%
REX TOTAL	24,136	5,511	1,613	3,899	29%

Lifetime Capital Plan

<u>Phase</u>	Adopted Capital Plan	Life-to-date Outlays	Contract Remaining	Budget Remaining	% Spent & Committed
	<i>d</i>	<i>e</i>	<i>f</i>	<i>[d-(e+f)]</i>	<i>[(e+f)/d]</i>
Agency Administration	44,589	37,429	(11)	7,171	84%
Prelim. Engineering	55,986	51,577	358	4,050	93%
Final Design	73,476	49,987	16,438	7,051	90%
Third Party	14,733	14,730	0	2	0%
ROW Acq. & Permits	52,957	52,098	459	401	98%
Construction	481,071	454,284	19,338	7,448	98%
Contingency	54,530	0	0	54,530	0%
Unabsorbed Overhead	0	1,024	0	(1,024)	0%
REX TOTAL	777,342	661,129	36,584	79,629	90%

Agency Administration was \$262K under the year to date budget of \$660K. Agency Administration expenditures are mainly the direct staff overhead being charged to the projects. This phase is under budget due to agency indirect overhead allocation charges being budgeted, but no longer being charged to projects as they have been in the past. Budgets have not been reduced pending project completions; this ensures that funding will be available to cover any unabsorbed overhead in the projects.

Preliminary Engineering was \$231K under the year to date budget of \$283K. ST Express Bus Base was \$163K under spent because the project is on hold pending ELT and board direction to proceed.

ROW was \$26K under budget, there has been no spending through the end of the first quarter.

Construction was \$3.4M under the year to date budget of \$4.5M. 85th Corridor, Kirkland was \$256K under spent, construction is expected to start in the 2nd quarter 2012 and complete in the third quarter of 2013. Kirkland Transit Center was \$194K under spent; construction hold backs have not yet been released. Rainier Avenue Arterial Improvements was \$314K under spent; the city anticipates starting construction in the late April 2012. Strander Boulevard Extension was \$512K under spent, the city started this capped contribution project later than had been scheduled. I-90 Two-way Transit & HOV Operations, Stage 2 was \$2.0M under spent. Stage 2 is substantially complete but invoicing will continue through the second quarter. The project is within the task order budget and opened for service on March 29th.

Link Light Rail
Capital Outlays by Project as of March 31, 2012
(\$Thousands)

Current Year 2012

<u>Project</u>	2012 Adopted Capital Plan	YTD Budget	YTD Actuals	YTD Actuals (over)/under YTD Budget	YTD Actuals as % of YTD Budget
	<i>a</i>	<i>b</i>	<i>c</i>	<i>[b-c]</i>	<i>[c/b]</i>
North Link - Northgate to 45th St	76,249	15,357	15,809	(452)	103%
University Link - PSST to UW Sta	229,969	59,880	65,947	(6,067)	110%
LRV On Board Energy	1,525	-	-	-	0%
Initial Segment - CPS to 154th St	12,808	1,136	960	176	85%
DSTT South Access Security	122	44	11	33	24%
Noise Abatement	6,350	752	646	106	86%
Initial Segment Project Reserve	-	-	-	-	0%
Airport Link - 154th St to 176th St	1,252	9	31	(22)	340%
South Link - Airport to 200th St	37,209	2,685	2,254	431	84%
East Link	33,366	11,310	2,239	9,070	20%
North Corridor Transit	12,230	2,446	1,833	613	75%
South Corridor HCT S 200th to Federal	3,831	76	73	2	97%
South Corridor Alternatives Planning	2,383	-	-	-	0%
First Hill Street Car	54,516	12,019	5,233	6,785	44%
Tacoma Link Alternative Analysis	1,264	74	24	50	32%
Link Light Rail Maintenance & Storage	2,203	51	47	4	92%
LRT Overhead Reserve	-	-	-	-	0%
TOTAL	475,276	105,837	95,107	10,730	90%

Lifetime Capital Plan

<u>Project</u>	Adopted Capital Plan	Life-to-date Outlays	Contract Remaining	Budget Remaining	% Spent & Committed
	<i>d</i>	<i>e</i>	<i>f</i>	<i>[d-(e+f)]</i>	<i>[(e+f)/d]</i>
North Link - Northgate to 45th St	465,500	110,863	42,081	312,556	33%
University Link - PSST to UW Sta	1,756,007	883,298	233,807	638,901	64%
LRV On Board Energy	1,643	-	-	1,643	0%
Initial Segment - CPS to 154th St	2,099,000	2,086,663	3,542	8,796	100%
Central Link Switch Heaters	2,253	2,253	-	0	100%
DSTT South Access Security	800	688	21	90	89%
Noise Abatement	13,000	1,269	2,373	9,358	28%
DSTT Capital Costs	23,719	23,719	-	-	100%
Initial Segment Project Reserve	58,495	-	-	58,495	0%
Airport Link - 154th St to 176th St	263,100	256,700	2,722	3,679	99%
South Link - Airport to 200th St	383,241	23,118	1,651	358,473	6%
East Link	756,819	62,467	3,866	690,486	9%
Tacoma Link	77,097	77,097	8	(8)	100%
Puyallup Extension Study	-	35	-	(35)	0%
North Corridor Transit	57,119	7,923	12,640	36,556	36%
South Corridor HCT S 200th to Federal	41,843	183	1	41,658	0%
South Corridor Alternatives Planning	4,064	-	-	4,064	0%
First Hill Street Car	132,780	17,617	111,418	3,745	97%
Tacoma Link Alternative Analysis	4,953	185	(1)	4,769	4%
Link Light Rail Maintenance & Storage	9,432	306	(14)	9,140	3%
LRT Overhead Reserve	-	3,955	-	(3,955)	0%
TOTAL	6,150,865	3,558,339	414,115	2,178,410	65%

Light rail capital outlays through the first quarter of 2012 are 65% of the YTD 2012 Budget plan. A description of financial performance through March 2012 follows.

North Link – University of Washington Station to Northgate
 Capital Outlays by Phase as of March 31, 2012
 (\$Thousands)

Current Year 2012					
<u>Phase</u>	2012 Adopted Capital Plan	YTD Budget	YTD Actuals	YTD Actuals (over)/under YTD Budget	YTD Actuals as % of YTD Budget
	<i>a</i>	<i>b</i>	<i>c</i>	<i>[b-c]</i>	<i>[c/b]</i>
Agency Administration	5,099	1,176	1,260	(83)	107%
Preliminary Engineering	2	2	-	2	0%
Final Design	22,600	5,662	6,739	(1,077)	119%
Third Party	3,200	140	45	95	32%
ROW Acq. & Permits	37,153	8,302	7,744	557	93%
Construction	7,345	75	21	54	28%
Construction Services	850	-	-	-	0%
Vehicles	-	-	-	-	0%
Test and Startup	-	-	-	-	0%
Contingency	-	-	-	-	0%
TOTAL	76,249	15,357	15,809	(452)	103%

Lifetime Capital Plan					
<u>Phase</u>	Adopted Capital Plan	Life-to-date Outlays	Contract Remaining	Budget Remaining	% Spent & Committed
	<i>d</i>	<i>e</i>	<i>f</i>	<i>[d-(e+f)]</i>	<i>[(e+f)/d]</i>
Agency Administration	49,461	8,124	206	41,131	17%
Preliminary Engineering	15,251	15,077	1	174	99%
Final Design	106,127	35,343	39,375	31,409	70%
Third Party	20,994	1,415	1,173	18,406	12%
ROW Acq. & Permits	164,820	43,344	1,249	120,227	27%
Construction	19,596	7,561	76	11,959	39%
Construction Services	89,250	-	-	89,250	0%
Vehicles	-	-	-	-	0%
Test and Startup	-	-	-	-	0%
Contingency	-	-	-	-	0%
TOTAL	465,500	110,863	42,081	312,556	33%

North Link – UW Station to Northgate project capital outlays of \$15.8M through March 2012 are 103% of the YTD 2012 Budget plan, or \$0.5M ahead of plan.

Agency Administration Capital outlays of \$1.3M are 107% of the YTD 2012 Budget plan, or \$83K ahead of plan. Staff costs are \$149K ahead of plan for the first three months of 2012, and reflect increased activity in support of final design and development of the project baseline.

Preliminary Engineering is complete. Current year activity planned for this phase is for environmental design coordination.

Final Design Capital outlays of \$6.8M are 119% of the YTD 2012 Budget plan, or \$1.1M ahead of plan. Higher than planned expenditures reflect efforts to advance final design and baseline the project by June 2012.

Third Party Activity planned for this phase represents work by outside agencies to support final design. Capital outlays of \$45K are 32% of the YTD 2012 Budget plan, or \$95K below plan. Work planned for this phase includes design coordination by the City of Seattle and WSDOT.

Right of Way Capital outlays of \$7.7M are 93% of the YTD 2012 Budget plan, or \$0.6M below plan. Activity planned for this phase includes acquisition of properties around the Roosevelt and Brooklyn station locations, and for tunnel easements. Current year outlays reflect ST agreements to lease two properties for Brooklyn Station for the duration of construction, and closing on one additional property in January 2012.

Construction Capital outlays of \$21K are 28% of the YTD 2012 Budget plan, or \$54K below plan. Work planned for this phase includes early work at the Brooklyn and Roosevelt Station locations, utility relocation and permitting. Approval of tunneling and station construction funding will be sought following establishment of the baseline in mid-2012.

Construction Services Planned activity for this phase is for civil construction management, which is projected to start in the third quarter of 2012.

University Link – PSST to University Washington Station
Capital Outlays by Phase as of March 31, 2012
(\$Thousands)

Current Year 2012

<u>Phase</u>	2012 Adopted Capital Plan	YTD Budget	YTD Actuals	YTD Actuals (over)/under YTD Budget	YTD Actuals as % of YTD Budget
	<i>a</i>	<i>b</i>	<i>c</i>	<i>[b-c]</i>	<i>[c/b]</i>
Agency Administration	13,424	3,231	2,307	923	71%
Preliminary Engineering	-	-	-	-	0%
Final Design	6,526	1,644	861	782	52%
Third Party	2,225	461	(7)	468	-1%
ROW Acq. & Permits	1,839	638	636	2	100%
Construction	185,533	47,985	56,735	(8,750)	118%
Construction Services	17,822	4,397	3,137	1,260	71%
Vehicles	2,500	1,500	2,277	(777)	152%
Test and Startup	100	25	-	25	0%
Contingency	-	-	-	-	0%
TOTAL	229,969	59,880	65,947	(6,067)	110%

Lifetime Capital Plan

<u>Phase</u>	Adopted Capital Plan	Life-to-date Outlays	Contract Remaining	Budget Remaining	% Spent & Committed
	<i>d</i>	<i>e</i>	<i>f</i>	<i>[d-(e+f)]</i>	<i>[(e+f)/d]</i>
Agency Administration	115,229	35,719	366	79,145	31%
Preliminary Engineering	24,261	24,261	5	(5)	100%
Final Design	87,633	68,815	8,236	10,582	88%
Third Party	18,646	10,081	1,405	7,160	62%
ROW Acq. & Permits	152,332	125,473	789	26,070	83%
Construction	1,148,783	485,267	182,630	480,886	58%
Construction Services	95,814	36,070	39,326	20,418	79%
Vehicles	103,909	97,528	1,050	5,331	95%
Test and Startup	9,400	85	-	9,315	1%
Contingency	-	-	-	-	0%
TOTAL	1,756,007	883,298	233,807	638,901	64%

University Link project capital outlays of \$65.9M through March 2012 are 110% of the YTD 2012 Budget plan, or \$6.1M ahead of plan, primarily due to TBM tunneling progressing at a rate faster than anticipated. Based on contingencies included in the current-year plan, project expenditures are anticipated to be within budget at year-end.

Agency Administration includes: Staff costs, historical agency allocations through March 2006, OCIP/Builder's Risk insurance, and direct expenses. Outlays of \$2.3M are 71% of the YTD 2012 Budget plan, or \$0.9M below plan. Staff costs of \$1.5M are on plan, insurance payments of \$0.8M are \$0.2M below plan, and direct expenses overall are \$0.7M below plan.

Final Design Activity planned for this phase includes final design for the Montlake Triangle Project and ongoing design services in support of construction. Capital outlays of \$0.9M are 52% of the YTD 2012 Budget plan, or \$0.8M below plan: the UW Station Pedestrian Bridge is below plan by \$0.3M, other final design by \$0.1M, and design support during construction (DSDC) by \$0.4M.

Third Party Activity planned for this phase represents work by outside agencies to support final design and construction. Capital outlays of \$-7K are \$0.5M below the YTD 2012 Budget plan. Negative actual outlays reflect adjustments to accruals for work performed in 2011, but not invoiced until 2012. Outlays are below plan for construction assistance by WSDOT, KCM, and the City of Seattle due to lower than expected levels of support.

Right of Way phase outlays of \$0.6M are approximately 100% of the YTD 2012 Budget plan at just \$2K below plan. All property acquisitions are complete, with the exception of a permanent easement at the West entrance of Capitol Hill Station that is in ongoing negotiations.

Construction phase outlays of \$56.7M are 118% of the YTD 2012 Budget plan, or \$8.8M ahead of plan. Work is progressing at faster than anticipated rates on the TBM tunneling. Contract U220 (UW to CPS) expenditures are ahead of plan by \$12.0M, and expenditures for Contract U230 (CPS to PSST) are ahead of plan by \$1.4M. Tunneling expenditures above plan are offset by costs trends below plan for Contract U250 UW Station Finishes by \$1.9M, work by UW and the City of Seattle by \$0.5M, and \$2.3M unused construction phase unallocated contingency.

Construction Services includes construction management and construction support services. Capital outlays of \$3.1M are 71% of the YTD 2012 Budget plan, or \$1.3M below plan. Of this amount, Civil CM is below plan by \$1.0M and Inspection and Testing by \$0.3M, because overall Civil CMC is encountering fewer than anticipated issues in tunneling.

Vehicles The current payment plan for this contract is tied to specific deliverables for the University Link project. Capital outlays of \$2.3M are 152% of the YTD 2012 Budget plan, or \$0.8M ahead of plan. As a result of high productivity in assembly and delivery, all 27 LRVs were received and commissioned in 2011. Final Acceptance for University Link vehicles is expected by mid-year 2012, contingent upon receipt of all necessary documentation.

Testing & Startup Work planned for this phase reflects LRV commissioning. However, since that effort essentially completed in late 2011, no activity is reported for the first quarter of 2012.

LRV On Board Energy is a pilot project that entails the design, procurement, and installation of energy storage units on up to five light rail vehicles to capture and store energy generated by vehicle braking for reuse that would otherwise dissipate as heat. The project is partially funded by a Transportation Investment Generating Economic Recovery (TIGGER) grant awarded to Sound Transit in 2011.

The LRV On Board Energy project is a new project with a baseline project budget of \$1.6M that was approved by the ST Board in February 2012. Procurement of a contractor to provide and install the equipment is projected for July 2012.

Initial Segment – CPS to 154th
Capital Outlays by Phase as of March 31, 2012
(\$Thousands)

Current Year 2012					
<u>Phase</u>	2012 Adopted Capital Plan	YTD Budget	YTD Actuals	YTD Actuals (over)/under YTD Budget	YTD Actuals as % of YTD Budget
	<i>a</i>	<i>b</i>	<i>c</i>	<i>[b-c]</i>	<i>[c/b]</i>
Agency Administration	361	150	135	16	90%
Preliminary Engineering	1	-	-	-	0%
Final Design	139	67	37	30	55%
Third Party	388	30	12	18	39%
ROW Acq. & Permits	1,487	197	314	(117)	159%
Construction	10,026	689	557	131	81%
Construction Services	403	3	(82)	85	-2741%
Vehicles	3	-	(11)	11	0%
Test and Startup	-	-	(1)	1	0%
Contingency	-	-	-	-	0%
TOTAL	12,808	1,136	960	176	85%

Lifetime Capital Plan					
<u>Phase</u>	Adopted Capital Plan	Life-to-date Outlays	Contract Remaining	Budget Remaining	% Spent & Committed
	<i>d</i>	<i>e</i>	<i>f</i>	<i>[d-(e+f)]</i>	<i>[(e+f)/d]</i>
Agency Administration	185,810	185,529	105	176	100%
Preliminary Engineering	33,269	33,268	1	(0)	100%
Final Design	144,057	143,977	23	57	100%
Third Party	61,469	61,093	591	(215)	100%
ROW Acq. & Permits	206,529	205,229	(606)	1,906	99%
Construction	1,216,713	1,206,851	2,756	7,105	99%
Construction Services	102,725	102,290	668	(233)	100%
Vehicles	131,803	131,800	(1)	4	100%
Test and Startup	16,625	16,625	5	(4)	100%
Contingency	-	-	-	-	0%
TOTAL	2,099,000	2,086,663	3,542	8,796	100%

The Initial Segment opened for revenue service in July 2009; however, a number of capital elements remain to be completed before the project can be closed out.

Capital outlays of \$1.0M through March 2012 are 85% of the YTD 2012 Budget plan, or \$0.2M below plan.

Agency Administration includes: Staff costs, historical agency allocations through 2009, OCIP/Builder's Risk insurance, and direct expenses. Capital outlays of \$135K are 90% of the YTD 2012 Budget plan, or \$16K below plan. Staff costs are ahead of plan by \$29K, and direct expenses are \$44K below plan.

Final Design is complete. Activity planned for this phase represents mitigation and design services provided in support of follow-on construction. Capital outlays of \$37K are 55% of the YTD 2012 Budget, or \$30K below plan.

Third Party Work planned for this phase reflects contract close out activities by WSDOT, SDOT, and City of Seattle utilities. Capital outlays of \$12K are 39% of the YTD 2012 Budget plan, or \$18K below plan. An apparent budget shortfall to the lifetime capital plan for this phase is a result of *Contract Remaining*, which reflects committed funds that are not anticipated to be spent, and will be decommitted as soon as contracts complete and are closed.

Right of Way Current year activity planned for this phase relates to the extension of construction easements in the Beacon Hill, MLK Way, and Tukwila segments required for construction close out activities and environmental mitigation work, and efforts required to transfer property that was improved by ST back to the City. Capital outlays of \$0.3M are \$0.1M ahead of the YTD 2012 Budget plan for repairs to

a property near the O&M Facility and Yard. This area is not included in the current-year plan; however, budget remaining for the ROW phase is adequate to fund the work.

Construction Current year follow-on work includes: I-5 slope repair, West Portal restoration, Beacon Avenue paving, and retaining walls. Capital outlays of \$0.6M are 81% of the YTD 2012 Budget plan, or \$0.1M below plan.

Construction Services Work planned for this phase is to support follow-on construction. Capital outlays of \$-82K are \$85K below the YTD 2012 Budget plan. Negative actual outlays reflect adjustments to accruals for work performed in 2011. An apparent budget shortfall to the lifetime capital plan for this phase is a result of *Contract Remaining*, which reflects committed funds that are not anticipated to be spent and will be decommitted as soon as contracts complete and are closed.

Vehicles All LRVs for the Initial Segment were accepted in 2009 and are in operation. Capital outlays of \$-11K reflect adjustments to accruals for work performed in 2011. ST expects to issue Final Payment on the contract for the Initial Segment LRVs by mid-year 2012.

Testing and Start-Up Testing and start-up work is complete. Negative actual outlays reflect adjustments to accruals for work performed in 2011.

DSTT South Access Security project capital outlays of \$11K through March 2012 are 24% of the YTD 2012 Budget plan, or \$33K below plan. This project is expected to complete in 2012.

Agency Administration includes: Staff costs and direct expenses. Capital outlays of \$10K are 107% of the YTD 2012 Budget plan, or \$1K ahead of plan. Staff activity in the first quarter of 2012 reflects construction coordination of work requested by the Seattle Department of Transportation (SDOT) and King County Metro (KCM).

Construction Work planned for this phase represents Installation of additional security measures required by SDOT and KCM. Current activities include striping work, concrete saw cutting and demolition, and barrier replacement. Capital outlays of \$1K are 2% of the YTD 2012 Budget plan, or \$34K below plan.

Noise Abatement
Capital Outlays by Phase as of March 31, 2012

Current Year 2012

<u>Phase</u>	2012 Adopted Capital Plan	YTD Budget	YTD Actuals	YTD Actuals (over)/under YTD Budget	YTD Actuals as % of YTD Budget
	<i>a</i>	<i>b</i>	<i>c</i>	<i>[b-c]</i>	<i>[c/b]</i>
Agency Administration	450	100	104	(4)	104%
Preliminary Engineering	-	-	-	-	0%
Final Design	60	5	3	2	53%
Third Party	-	-	-	-	0%
ROW Acq. & Permits	-	-	-	-	0%
Construction	4,600	416	307	109	74%
Construction Services	1,240	232	233	(1)	101%
Vehicles	-	-	-	-	0%
Test and Startup	-	-	-	-	0%
Contingency	-	-	-	-	0%
TOTAL	6,350	752	646	106	86%

Lifetime Capital Plan

<u>Phase</u>	Adopted Capital Plan	Life-to-date Outlays	Contract Remaining	Budget Remaining	% Spent & Committed
	<i>d</i>	<i>e</i>	<i>f</i>	<i>[d-(e+f)]</i>	<i>[(e+f)/d]</i>
Agency Administration	1,000	160	(5)	845	15%
Preliminary Engineering	-	-	-	-	0%
Final Design	60	3	28	29	51%
Third Party	-	-	-	-	0%
ROW Acq. & Permits	-	-	-	-	0%
Construction	8,750	394	403	7,954	9%
Construction Services	3,190	713	1,948	530	83%
Vehicles	-	-	-	-	0%
Test and Startup	-	-	-	-	0%
Contingency	-	-	-	-	0%
TOTAL	13,000	1,269	2,373	9,358	28%

The Noise Abatement project is a new project approved by the ST Board in the 2012 TIP to design and construct a noise wall along the elevated guideway in Tukwila. In addition, as part of this project, the Residential Sound Insulation Program (RSIP) will continue for impacted residences in the Rainier Valley. The lifetime capital plan includes budget and 2011 costs for noise abatement that were moved from the Initial Segment project as of January 2012.

Capital outlays of \$0.6M through March 2012 are 86% of the YTD 2012 Budget plan, or \$0.1M below plan.

Agency Administration includes: Staff costs and direct expenses. Capital outlays of \$104K are 104% of the YTD 2012 Budget plan, or \$4K ahead of plan. Staff costs are \$14K ahead of plan due to higher than planned staffing levels. Direct expenses are \$9K below plan.

Final Design Work planned for this phase represents design services in support of the noise wall in Tukwila. Capital outlays of \$3K are 53% of the YTD 2012 Budget plan, or \$2K below plan.

Construction Current year activities for this phase include RSIP, but primarily reflect construction of the noise wall in Tukwila. Capital outlays of \$0.3M are 74% of the YTD 2012 Budget plan, or \$0.1M below plan. Expenditures for noise wall construction are \$0.1M ahead of plan. RSIP construction is below plan by \$0.2M, because Phase III of the program has been delayed.

Construction Services Current year activities planned for this phase include CM for the noise wall, but primarily reflect RSIP CM. Capital outlays of \$0.2M are 101% of the YTD 2012 Budget plan, or \$1K ahead of plan.

Airport Link – 154th to 176th
Capital Outlays by Phase as of March 31, 2012
(\$Thousands)

Current Year 2012

<u>Phase</u>	2012 Adopted Capital Plan	YTD Budget	YTD Actuals	YTD Actuals (over)/under YTD Budget	YTD Actuals as % of YTD Budget
	<i>a</i>	<i>b</i>	<i>c</i>	<i>[b-c]</i>	<i>[c/b]</i>
Agency Administration	100	9	12	(3)	129%
Preliminary Engineering	-	-	-	-	0%
Final Design	100	-	-	-	0%
Third Party	552	-	-	-	0%
ROW Acq. & Permits	-	-	-	-	0%
Construction	450	-	9	(9)	0%
Construction Services	50	-	(1)	1	0%
Vehicles	-	-	11	(11)	0%
Test and Startup	-	-	(0)	0	0%
Contingency	-	-	-	-	0%
TOTAL	1,252	9	31	(22)	340%

Lifetime Capital Plan

<u>Phase</u>	Adopted Capital Plan	Life-to-date Outlays	Contract Remaining	Budget Remaining	% Spent & Committed
	<i>d</i>	<i>e</i>	<i>f</i>	<i>[d-(e+f)]</i>	<i>[(e+f)/d]</i>
Agency Administration	10,859	9,842	10	1,007	91%
Preliminary Engineering	3,691	3,666	0	25	99%
Final Design	15,924	15,694	100	130	99%
Third Party	1,387	1,336	118	(67)	105%
ROW Acq. & Permits	12,553	12,001	26	525	96%
Construction	187,644	183,832	1,964	1,848	99%
Construction Services	15,539	14,874	502	164	99%
Vehicles	14,587	14,539	1	47	100%
Test and Startup	917	917	0	(0)	100%
Contingency	-	-	-	-	0%
TOTAL	263,100	256,700	2,722	3,679	99%

Airport Link opened for service in December 2009. Although in revenue service, certified final acceptance and close out remain to be completed.

Capital outlays of \$31K for the first quarter of 2012 are \$22K ahead of the YTD 2012 Budget plan. The 2012 TIP reduced the lifetime project budget by \$6.0M to reflect project savings, and additional savings may be realized at project close, which is expected by year-end.

Agency Administration includes: Staff costs, historical agency allocations through 2009, OCIP/Builder's Risk insurance, and direct expenses. Capital outlays of \$12K are \$3K ahead of the YTD 2012 Budget plan, due to staff activity being higher than anticipated for this period.

Final Design phase activity represents design services provided in support of construction. No activity is reported for the first quarter of 2012.

Third Party No activity is reported for the first quarter of 2012. An apparent budget shortfall to the lifetime capital plan for this phase is a result of *Contract Remaining*, which reflects committed funds that are not anticipated to be spent and will be decommitted as soon as contracts complete and are closed.

Construction Activity planned for this phase reflects close out work required for final acceptance of the project. Capital outlays of \$9K are ahead of the YTD 2012 Budget plan, which anticipated no activity until the second quarter of 2012.

Construction Services Activity planned for this phase includes project/contract close out work. Capital outlays of \$-1K reflect adjustments to accruals for work performed in 2011.

Vehicles work is complete. All four LRVs for Airport Link were accepted in December 2009 and are in service. The change order to the contract for Airport Link LRVs has been fully paid. Costs to this phase of \$11K reflect adjustments to accruals for work performed in 2011, and are covered by unexpended funds remaining in the lifetime capital plan for this phase.

South Link – Airport to 200th
Capital Outlays by Phase as of March 31, 2012
(\$Thousands)

Current Year 2012					
Phase	2012 Adopted Capital Plan	YTD Budget	YTD Actuals	YTD Actuals (over)/under YTD Budget	YTD Actuals as % of YTD Budget
	<i>a</i>	<i>b</i>	<i>c</i>	<i>[b-c]</i>	<i>[c/b]</i>
Agency Administration	2,148	411	559	(148)	136%
Preliminary Engineering	47	-	1	(1)	0%
Final Design	3,533	1,200	797	403	66%
Third Party	2,226	135	16	119	12%
ROW Acq. & Permits	20,414	939	881	57	94%
Construction	8,193	-	-	-	0%
Construction Services	649	-	-	-	0%
Vehicles	-	-	-	-	0%
Test and Startup	-	-	-	-	0%
Contingency	-	-	-	-	0%
TOTAL	37,209	2,685	2,254	431	84%

Lifetime Capital Plan					
Phase	Adopted Capital Plan	Life-to-date Outlays	Contract Remaining	Budget Remaining	% Spent & Committed
	<i>d</i>	<i>e</i>	<i>f</i>	<i>[d-(e+f)]</i>	<i>[(e+f)/d]</i>
Agency Administration	16,064	2,986	(18)	13,096	18%
Preliminary Engineering	5,878	5,697	2	180	97%
Final Design	20,005	3,450	436	16,118	19%
Third Party	6,885	659	286	5,939	14%
ROW Acq. & Permits	43,549	10,324	945	32,281	26%
Construction	273,936	1	-	273,935	0%
Construction Services	15,135	-	-	15,135	0%
Vehicles	-	-	-	-	0%
Test and Startup	1,789	-	-	1,789	0%
Contingency	-	-	-	-	0%
TOTAL	383,241	23,118	1,651	358,473	6%

South Link – Airport to 200th project capital outlays of \$2.3M through March 2012 are 84% of the YTD 2012 Budget plan, or \$0.4M below plan.

Agency Administration includes: Staff costs, historical agency allocations through 2008, and direct expenses. Capital outlays of \$0.6M are 136% of the YTD 2012 Budget plan, or \$0.1M ahead of plan due to staffing levels higher than the staffing plan. Current activities include procurement of the design/build contractor and project management consultant, and negotiation of third party agreements.

Preliminary Engineering is complete. Current year activity planned for this phase is for environmental mitigation. Capital outlays of \$1K are ahead of the YTD 2012 Budget plan.

Final Design Capital outlays of \$0.8M are 66% of the YTD 2012 Budget plan, or \$0.4M below plan, Current activity reflects design/build preparation.

Third Party Activity planned for this phase represents work by outside agencies performed in support of design and construction. Capital outlays of \$16K are 12% of the YTD 2012 Budget plan, or \$119K below plan. Agreements with the Port of Seattle and City of SeaTac that were anticipated for the first quarter are now not expected to be finalized until late May and June 2012, respectively.

Right of Way Capital outlays of \$0.9M are 94% of the YTD 2012 Budget plan, or \$0.1M below plan. Current activity reflects acquisition of properties along the alignment.

Construction No activity is reported through March 2012. Utility relocation work is scheduled to start this summer.

Construction Services No activity is reported during this period. Work planned for this phase includes design/build project management, which is projected to start early-Fall 2012.

East Link
Capital Outlays by Phase as of March 31, 2012
(\$Thousands)

Current Year 2012					
Phase	2012 Adopted Capital Plan	YTD Budget	YTD Actuals	YTD Actuals (over)/under YTD Budget	YTD Actuals as % of YTD Budget
	<i>a</i>	<i>b</i>	<i>c</i>	<i>[b-c]</i>	<i>[c/b]</i>
Agency Administration	8,830	1,660	893	767	54%
Preliminary Engineering	2,897	1,350	1,063	287	79%
Final Design	11,500	100	100	-	100%
Third Party	2,040	100	97	2	98%
ROW Acq. & Permits	8,100	8,100	86	8,014	1%
Construction	-	-	-	-	0%
Construction Services	-	-	-	-	0%
Vehicles	-	-	-	-	0%
Test and Startup	-	-	-	-	0%
Contingency	-	-	-	-	0%
TOTAL	33,366	11,310	2,239	9,070	20%

Lifetime Capital Plan					
Phase	Adopted Capital Plan	Life-to-date Outlays	Contract Remaining	Budget Remaining	% Spent & Committed
	<i>d</i>	<i>e</i>	<i>f</i>	<i>[d-(e+f)]</i>	<i>[(e+f)/d]</i>
Agency Administration	66,539	10,398	47	56,093	16%
Preliminary Engineering	61,123	50,199	3,754	7,171	88%
Final Design	223,685	100	(100)	223,685	0%
Third Party	40,064	1,038	67	38,959	3%
ROW Acq. & Permits	365,408	732	98	364,578	0%
Construction	-	-	-	-	0%
Construction Services	-	-	-	-	0%
Vehicles	-	-	-	-	0%
Test and Startup	-	-	-	-	0%
Contingency	-	-	-	-	0%
TOTAL	756,819	62,467	3,866	690,486	9%

East Link project capital outlays of \$2.2M through March 2012 are 20% of the YTD 2012 Budget, or \$9.1M below plan. This shortfall in spending is due to a right of way acquisition (ROW) being delayed until April 2012. Once this transaction is complete the annual spending will be in line with the plan.

Agency Administration Outlays of \$0.9M are 54% of the YTD 2012 Budget plan, or \$0.8M below plan. Currently staff expenditures are below plan but are expected to increase as the design process progresses.

Preliminary Engineering Capital outlays of \$1.1M are 79% of the YTD 2012 Budget plan, or \$0.3M below plan mainly because Track Bridge (phase 1) design expenditures are less than originally expected.

Final Design Capital outlays of \$0.1M are 100% of the YTD 2012 Budget plan.

Third Party Capital outlays of \$0.1M are 98% of the YTD 2012 Budget plan, or \$2K below plan.

Right of Way Capital outlays of \$0.1M are 1% of the YTD 2012 Budget plan, or \$8.0M below plan. Anticipated property acquisition was delayed until April 2012. This transaction will bring the budget in line with plan in the 2nd Quarter.

Lynnwood Line Extension
Capital Outlays by Phase as of March 31, 2012
(\$Thousands)

Current Year 2012					
<u>Phase</u>	2012 Adopted Capital Plan	YTD Budget	YTD Actuals	YTD Actuals (over)/under YTD Budget	YTD Actuals as % of YTD Budget
	<i>a</i>	<i>b</i>	<i>c</i>	<i>[b-c]</i>	<i>[c/b]</i>
Agency Administration	1,588	364	262	103	72%
Preliminary Engineering	10,432	2,055	1,571	484	76%
Final Design	-	-	-	-	0%
Third Party	100	24	-	24	0%
ROW Acq. & Permits	110	3	-	3	0%
Construction	-	-	-	-	0%
Construction Services	-	-	-	-	0%
Vehicles	-	-	-	-	0%
Test and Startup	-	-	-	-	0%
Contingency	-	-	-	-	0%
TOTAL	12,230	2,446	1,833	613	75%
Lifetime Capital Plan					
<u>Phase</u>	Adopted Capital Plan	Life-to-date Outlays	Contract Remaining	Budget Remaining	% Spent & Committed
	<i>d</i>	<i>e</i>	<i>f</i>	<i>[d-(e+f)]</i>	<i>[(e+f)/d]</i>
Agency Administration	10,738	1,472	(3)	9,269	14%
Preliminary Engineering	44,334	6,444	12,643	25,247	43%
Final Design	-	-	-	-	0%
Third Party	996	-	-	996	0%
ROW Acq. & Permits	1,050	7	-	1,043	1%
Construction	-	-	-	-	0%
Construction Services	-	-	-	-	0%
Vehicles	-	-	-	-	0%
Test and Startup	-	-	-	-	0%
Contingency	-	-	-	-	0%
TOTAL	57,119	7,923	12,640	36,556	36%

The North Corridor Project Capital outlays of \$4.0M through the end of Q4 2011 are 40% of the Adopted 2011 YTD budget, or \$6.1M below the plan.

Agency Administration phase costs of \$0.8M (35%) are \$1.4M below plan. Staffing levels have been at less than half of the staffing plan (planned 11 FTEs vs. actual 5 FTEs on average).

Preliminary Engineering Expenditures of \$1.6M are 76% of the 2012 YTD Budget or \$0.5M below plan. This shortfall in spending is due to a timing delay of submission of invoices against the Draft EIS Phase 2 contract.

Third Party WSDOT expenses budgeted in 2011 but will take place in 2012.

First Hill Street Car
Capital Outlays by Phase as of March 31, 2012
(\$Thousands)

Current Year 2012						
Phase	2012 Adopted Capital Plan	YTD Budget	YTD Actuals	YTD Actuals (over)/under YTD Budget	YTD Actuals as % of YTD Budget	
	<i>a</i>	<i>b</i>	<i>c</i>	<i>[b-c]</i>	<i>[c/b]</i>	
Agency Administration	1,128	127	33	93	26%	
Preliminary Engineering	-	-	-	-	0%	
Final Design	-	-	-	-	0%	
Third Party	53,388	11,892	5,200	6,692	44%	
ROW Acq. & Permits	-	-	-	-	0%	
Construction	-	-	-	-	0%	
Construction Services	-	-	-	-	0%	
Vehicles	-	-	-	-	0%	
Test and Startup	-	-	-	-	0%	
Contingency	-	-	-	-	0%	
TOTAL	54,516	12,019	5,233	6,785	44%	
Lifetime Capital Plan						
Phase	Adopted Capital Plan	Life-to-date Outlays	Contract Remaining	Budget Remaining	% Spent & Committed	
	<i>d</i>	<i>e</i>	<i>f</i>	<i>[d-(e+f)]</i>	<i>[(e+f)/d]</i>	
Agency Administration	3,867	122	(0)	3,745	3%	
Preliminary Engineering	-	-	-	-	0%	
Final Design	-	-	-	-	0%	
Third Party	128,913	17,495	111,418	-	100%	
ROW Acq. & Permits	-	-	-	-	0%	
Construction	-	-	-	-	0%	
Construction Services	-	-	-	-	0%	
Vehicles	-	-	-	-	0%	
Test and Startup	-	-	-	-	0%	
Contingency	-	-	-	-	0%	
TOTAL	132,780	17,617	111,418	3,745	97%	

First Hill – Capital outlays of \$5.2M through the end of March are 44% of the Adopted 2012 YTD budget, or \$6.8M below plan. The City of Seattle is the lead Agency for this project. They invoice the Agency on a Quarterly basis and no invoice was received in the 1st Quarter. Actuals are based on accruals.

Agency Administration phase Agency Administration phase is 26% of plan as staff costs are much lower than planned.

Third Party phase – City of Seattle costs of \$7.8M (29%) are \$19.2M below the plan. The last (August) forecast provided by city of Seattle dramatically exceeded the actual progress of work. As the project moves forward communication with the city of Seattle will hopefully improve and with it better forecasting.

2012 Budget that was provided by the city of Seattle in August 2011 does appear to be aligned with the actual work schedule.

Section V – Agency Staff and Other Expenses

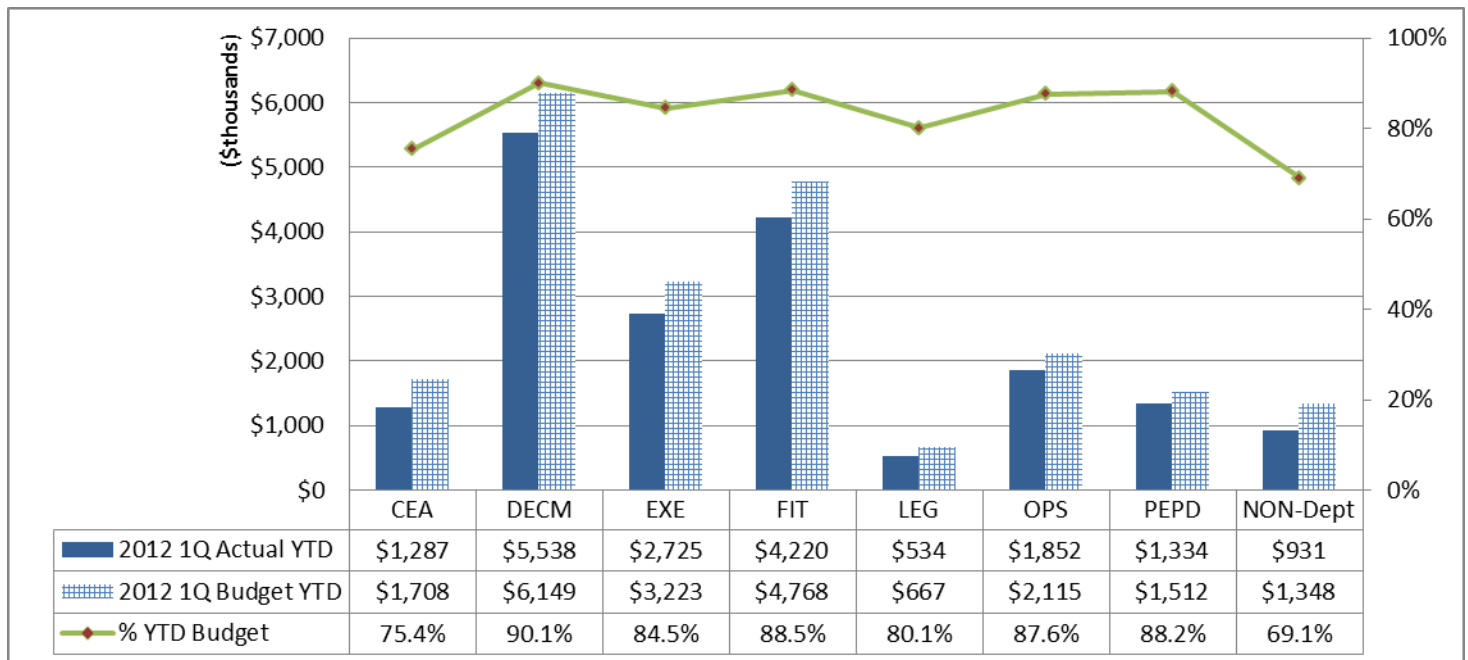
Agency Staff Operating by Category as of March 31, 2012

Staff Operating Expenses (\$Thousands)	Q1 2012 Actuals	YTD 2012 Budget	YTD 2012 Budget Remaining	YTD 2012 %Budget
Salaries and Benefits	14,485	15,260	774	94.9%
Services	1,795	3,552	1,757	50.5%
Materials and Supplies	262	425	164	61.5%
Insurance	569	574	5	99.0%
Miscellaneous Expenses	288	586	298	49.1%
Leases & Rentals	876	906	31	96.6%
Other Expenses	146	186	40	78.3%
Interest Expense	0	0	0	24.6%
Staff Operating Expenses	\$ 18,421	21,490	3,069	86.3%
Agency Admin Allocations	(12,293)	(14,593)	(2,299)	84.2%
Total Staff Operating Expenses	\$ 6,128	\$ 6,898	\$ 770	90.4%

Staff Operating Expense Notes

Factors contributing to this positive variance are: salary and benefit costs are \$774K or 5.1% under budget due to a 10% staff vacancy rate and service related costs that are \$1.7M or 49.5% under budget due to Department of Licensing fees that are running \$387K below budget and delays in the start of service agreements and consulting contracts.

Agency Department Expenses as of March 31, 2012



As the graph illustrates, all departments are running under budget through first quarter of 2012. In total Agency staff costs are 14% or \$3 million under budget.

Agency Other Expenses as of March 31, 2012 (\$thousands)

Other Expenses	Q1 2012	YTD 2012	YTD 2012	YTD 2012
	Actuals	Budget	Budget Remaining	% Budget
Debt Service Costs	10,911	7,335	(3,576)	148.8%
Non-Capitalizable LOB Expenses	5,817	16,802	10,985	34.6%
Regional Fund Projects	116	288	172	40.4%
STart	2	11	8	23.7%
Transit-Oriented Development	35	40	5	87.9%
Total Other Expenses	\$ 16,883	24,476	7,593	69.0%

Other Expenses Notes

Other expenses are running \$7.5M or 31% under first quarter budgeted amounts. The primary reason for the variance is a delay in the transfer of Sound Transit assets to other governmental agencies which is running about \$10M behind budget.

Debt service costs are running \$3.5M over budget for first quarter due to a less than expected amount for capitalized interest.

Staffing Plan by Department as of March 31, 2012

AGENCY ADMINISTRATION	2012 Staffing Plan	Filled Positions	Open Positions
COMMUNICATIONS & EXT AFFAIRS	36.00	33.00	3.00
DESIGN, ENG & CONST MGMT	199.00	175.00	24.00
EXECUTIVE	85.50	80.00	5.50
FINANCE & INFO TECHNOLOGY	100.00	90.00	10.00
LEGAL	15.00	13.00	2.00
OPERATIONS	60.00	52.00	8.00
PLANNING, ENV & PROJECT DEV	41.00	38.00	3.00
Agency Administration Total	536.50	481.00	55.50
SERVICE DELIVERY			
IT TRANSIT SYSTEMS	12.00	9.00	3.00
OPS CENTRAL LINK LIGHT RAIL	7.00	7.00	0.00
OPS SOUNDER	5.00	5.00	0.00
OPS ST EXPRESS	3.00	3.00	0.00
OPS TACOMA LIGHT RAIL	18.00	16.00	2.00
Service Delivery Total	45.00	40.00	5.00
Total Sound Transit Staff	581.50	521.00	60.50

Total Sound Transit staffing finished first quarter 2012 with a 10.4% vacancy rate.