

CFO Report

Finance and Audit Committee

3/16/23



Why we're here

- **2022 Year End Reports:**
 - Financial Performance Report
 - Asset Liability Management Report

2022 YE Financial Performance Report

2022 Year End Performance

Revenues & Other Financing Sources (in thousands)	Annual Budget	2022 Full Year Actuals	Variance (\$) Under/(over)	Actuals as % of Budget
Tax Revenues	2,255,994	2,238,682	(17,313)	99%
Other Revenues	1,180,510	1,236,893	56,383	105%
Total Revenues	3,436,504	3,475,575	39,071	101%

Expenditures (in thousands)	Annual Budget	2022 Full Year Actuals	Variance (\$) Under/(over)	Actuals as % of Budget
System Expansion Projects	2,154,020	1,603,950	550,070	74%
Non-System Expansion Projects*	222,352	149,293	73,058	67%
Transit Operations	433,046	381,481	51,565	88%
Debt Service	156,680	132,786	23,894	85%
Other Expenses	73,340	43,031	30,309	59%
Total Expenses and Outlays	3,039,438	2,310,542	728,896	76%

*Non-System Expansion project category includes overhead charges to projects and G&A that was not previously included in the previous quarters

2022 Year End Revenue Performance

- 2022 revenues of \$3.5B or 1% above budget
- Tax revenues of \$2.2B or 1% below budget.
- Federal grants of \$574.9M or 15% above budget.
- Passenger fare revenues of \$45.1M or 24% above budget.

2022 Operating Expense Budget Performance

Transit operating expenses \$51.6M or 12% below budget.

- Purchased Transportation (PT) \$23.1M below budget due to resource limitations
- Operating projects and maintenance delayed into 2023 \$12.2M
- Higher than expected vacancy rates across the Agency \$8.2M
- Actualized flat premiums on heavy rail and delay of DSTT transfer \$6.6M

2022 System Expansion Projects

Project expenses \$550.1M or 26% under budget.

- Link – \$379.8M or 21% under budget
 - Federal Way, Lynnwood, Downtown Redmond, and LRV Fleet Expansion
- Stride – \$99.9M or 61% under budget
 - SR 522 BRT, I-405 BRT, BRT Bus Maintenance
- Sounder – \$19.8M or 28% under budget
 - Sounder Fleet Expansion, Sounder South Capacity Expansion, Auburn Station Improvements
- Regional Express – \$13.9M or 58% under budget
 - Pacific Ave SR 7 and Rapid Ride C&D

2022 Non-System Expansion Projects

Project expenses \$73.1M or 33% under budget.

- Enhancements – \$29.7M or 68% under budget
 - Digital Passenger Information Management System, Data Management Program, Fare Paid Zone, Central Link Fiber Upgrade, HVAC Corrections
- State of good repair – \$23.7M or 52% under budget
 - Sounder Vehicle Overhaul Program, IT Network Redesign, Link LRV Overhaul
- Administrative – \$19.6M or 15% under budget
 - Agency Administrative Operating, Information Tech Program, Admin Facilities

Asset Liability Management Report

Key Asset and Liability Management Highlights

- The investment portfolio has weathered market volatility well
- Continuing to monitor geopolitical and economic pressures and adjust the portfolio as needed

Thank you.



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