Deputy CEO and CFO Report

Finance and Audit Committee
3/12/2026

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Why are we here?

Today we are here to provide information

- 2025 Year-end budget performance
- Asset and liability management report
- Bond refunding

2025 Year-end budget performance

2025 Year-end budget performance

Revenues & Other Financing Sources (in thousands)	2025 Budget	2025 Actuals	Variance ($) (Under)/Over	Actuals as % of Budget
Other Revenues	$ 2,589,798	2,941,508	$ 351,710	114%
Tax Revenues	$ 2,413,378	$ 2,368,683	$ (44,694)	98%
Total Revenues	**$ 5,003,176**	**$ 5,310,192**	**$ 307,016**	**106%**

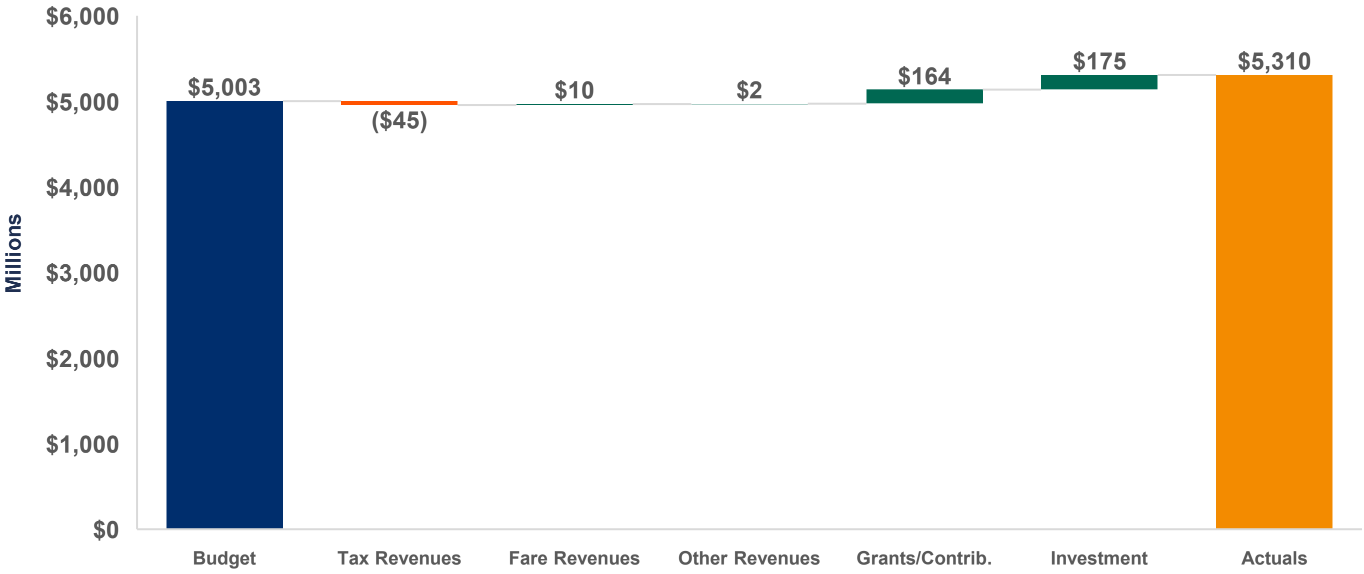
Expenditures (in thousands)	2025 Budget	2025 Actuals	Variance ($) Under/(Over)	Actuals as % of Budget
System Expansion Projects	$ 1,681,000	$ 1,268,813	$ 412,187	75%
Transit Operations	$ 769,959	$ 706,904	$ 63,055	92%
Debt Service	$ 283,674	$ 280,573	$ 3,102	99%
Service Delivery Projects	$ 278,335	$ 144,067	$ 134,268	52%
Other Expenses	$ 65,266	$ 32,404	$ 32,862	50%
Total Expenses	**$ 3,078,235**	**$ 2,432,760**	**$ 645,475**	**79%**

2025 Year-end revenues & other sources

Actuals were $307M or 6% higher than budget

(in millions)

- **Tax revenues**
  (2% under budget)
- **Ridership / fares**
  (17% over budget)
- **Investment income**
  (94% over budget)
- **Federal grants**
  (86% over budget)



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2025 Year-end system expansion projects

Actuals were $412M or 25% lower than budget

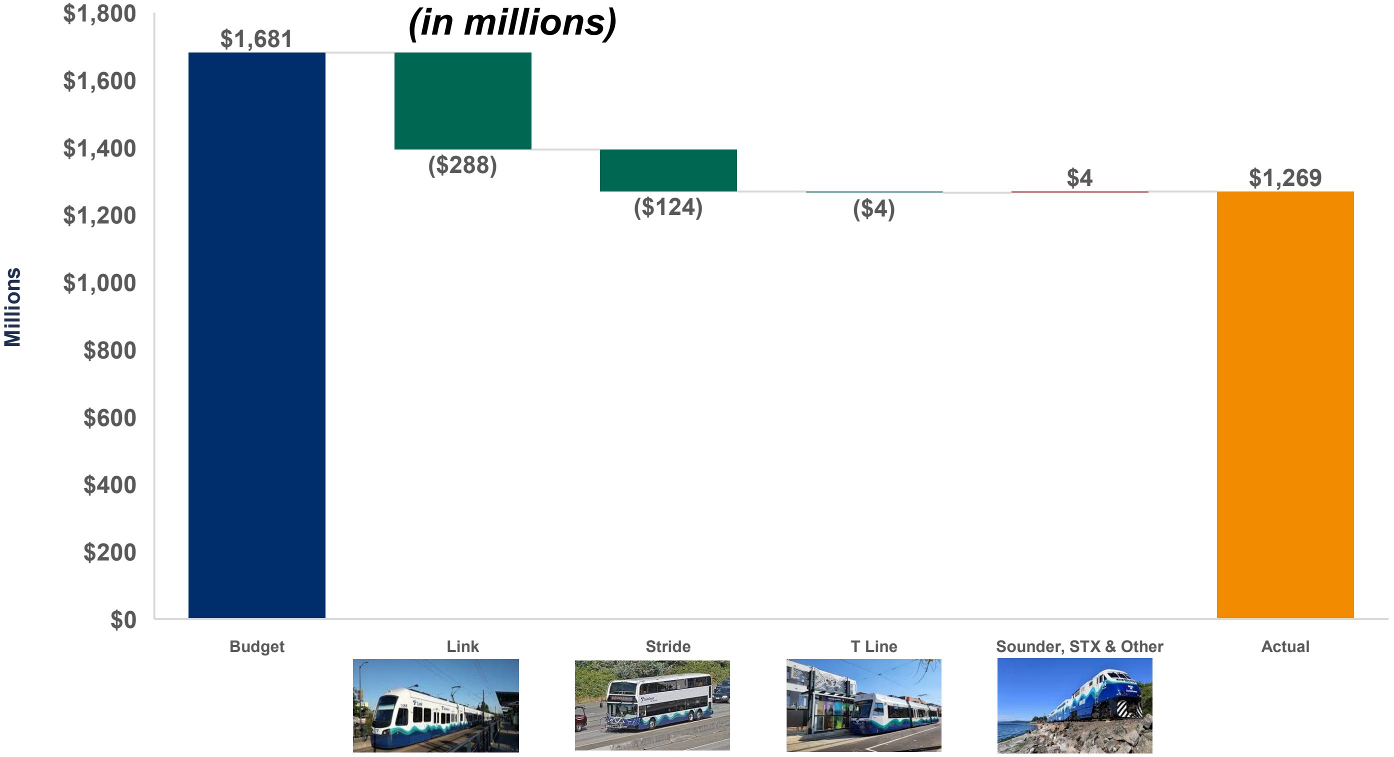
- **Link**

  (26% under budget)
- **Stride**

  (34% under budget)
- **Sounder, ST Express & Other**

  (2% over budget)
- **T Line**

  (48% under budget)



2025 Year-end transit modes operating

Actuals were $63M or 8% lower than budget

(in millions)

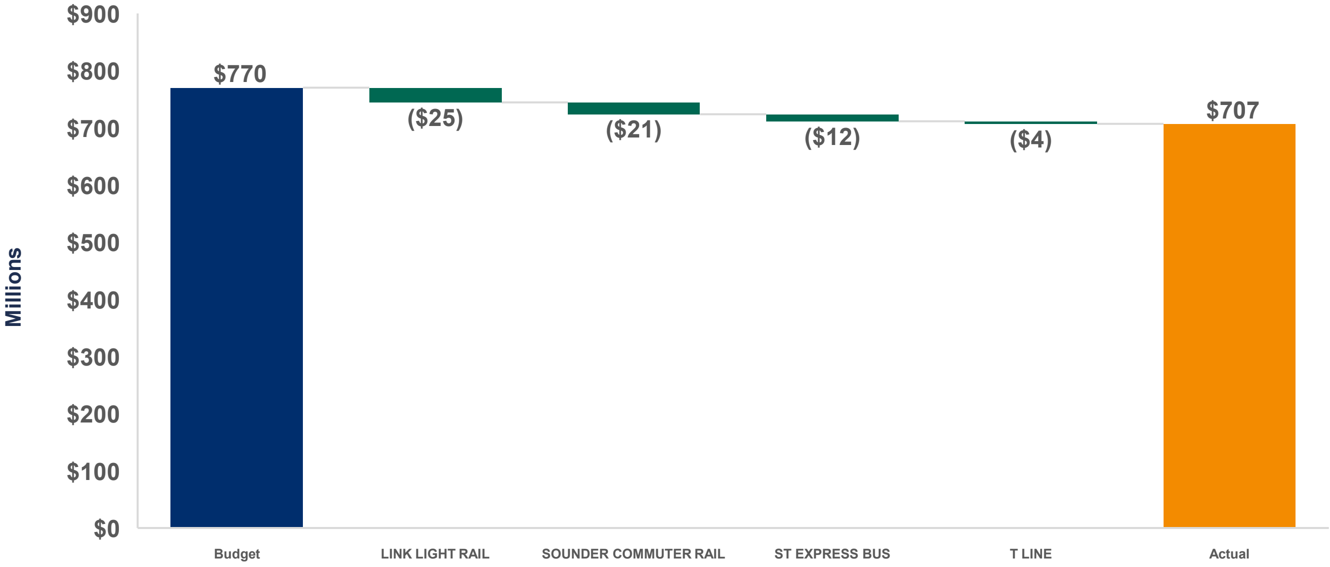
- **Link**

  (6% under budget)
- **Sounder**

  (19% under budget)
- **ST Express**

  (6% under budget)
- **T Line**

  (17% under budget)



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2025 Year-end service delivery projects

Actuals were $134M or 48% lower than budget

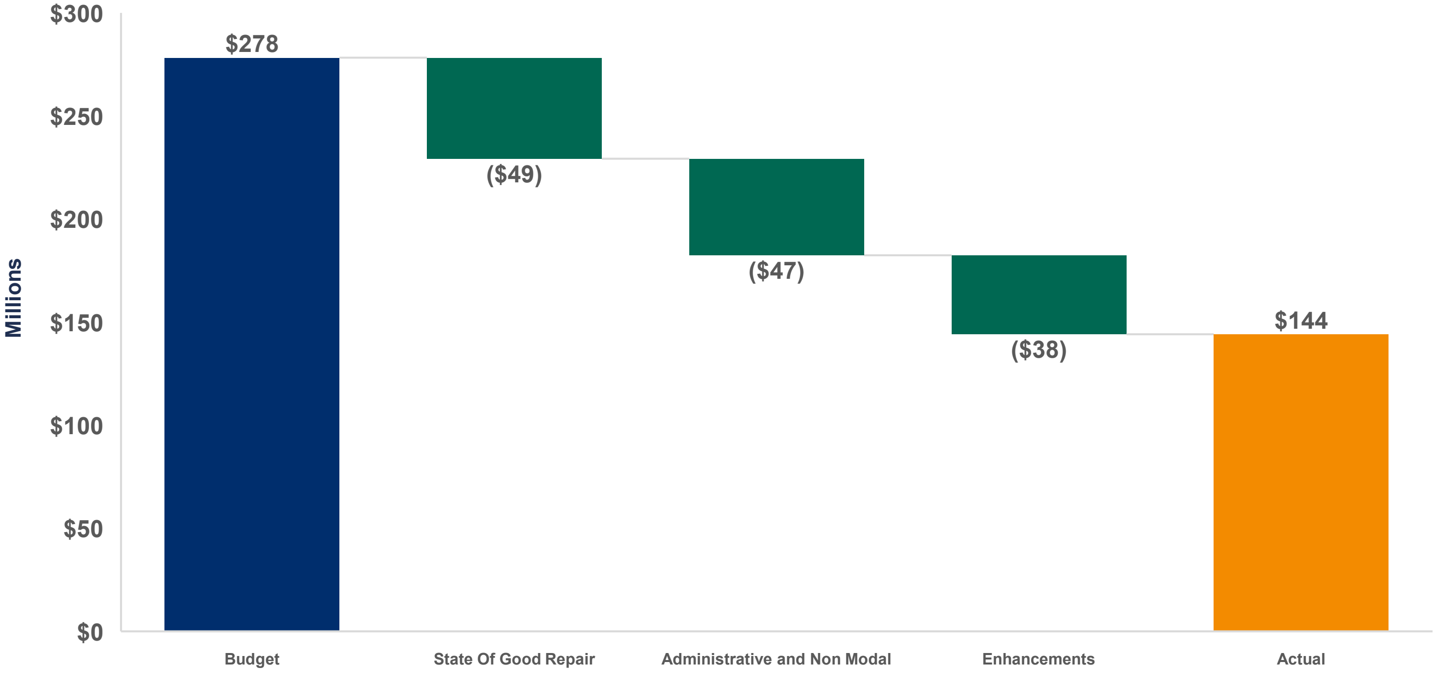
- **State of Good Repair**

  (52% under budget)
- **Enhancement**

  (51% under budget)
- **Administrative & Non-Modal**

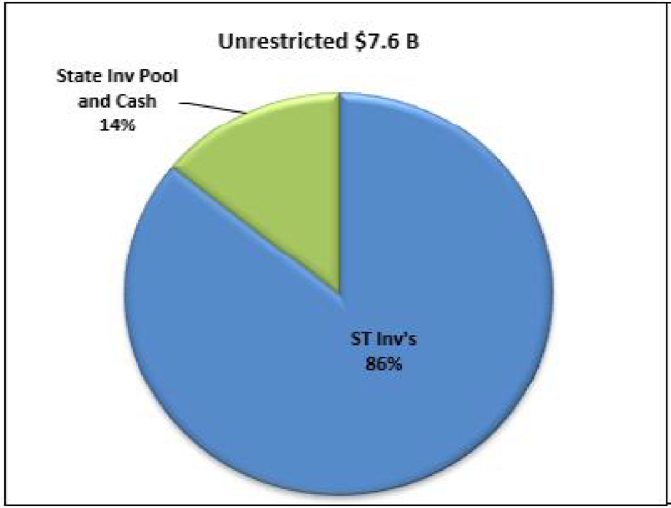
  (44% under budget)

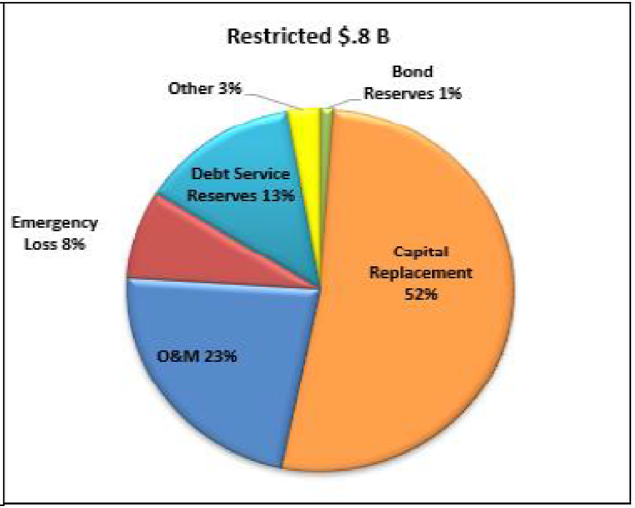
(in millions)



Q4 2025 Asset Liability Management (ALM) Report

ALM-Investment Portfolio

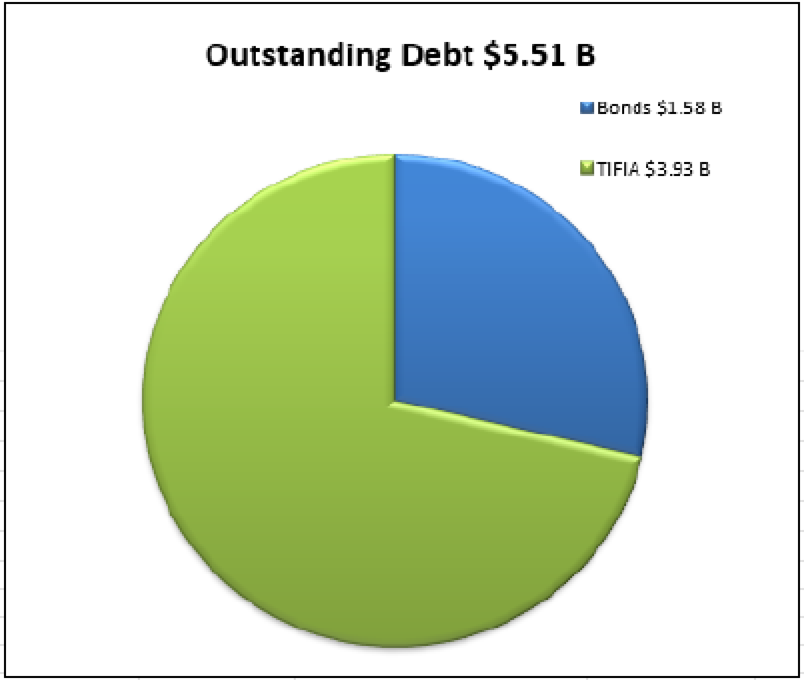




- Total Agency investments in the combined unrestricted and restricted portfolios were $8.4 Billion as of December 31, 2025.
- Prudent management of the investment portfolio resulted in $310.4 million of interest income in 2025.
- Staff continues to monitor the economic data and adjust the portfolio as appropriate.

ALM-Debt Portfolio

- The Agency had $5.5 billion of outstanding bonds and TIFIA borrowings as of December 31, 2025.
- The Agency reviews the debt portfolio regularly for opportunities to lower borrowing costs and maximize debt capacity.
- Appropriate action is taken based on market conditions and financial needs. The next slide addresses a current opportunity within the portfolio.



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2016S-1 Refunding Discussion

Refunding 2016S-1

- The Agency issued debt in 2016 via series 2016S-1 with a principal amount of $400 million.
- The issue has a ten-year call option available November 1, 2026, for certain maturities totaling ~$225 million.
- Market interest rates are currently lower than the 2016S-1 interest rate. This provides an opportunity for the Agency to refund the callable portion of the debt and create savings.
- The exercise of the call option via a refunding has net present value savings of >$25 million.
- Staff will provide updated savings projections and additional detail at the May Finance and Audit Committee meeting.
- The Board will be asked in June to approve the refunding via a resolution.

Thank you.

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