2027 Proposed Budget and Transit Improvement Plan

Executive Committee

11/5/2026

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Why we are here

- ***Provide information on the 2027 proposed budget and Transit Improvement Plan (TIP)***
- ***Request that the Executive Committee recommend the portions under purview to advance to the Finance and Audit Committee***
    - System Expansion Projects – Other (projects not associated with a single mode)
    - Debt service

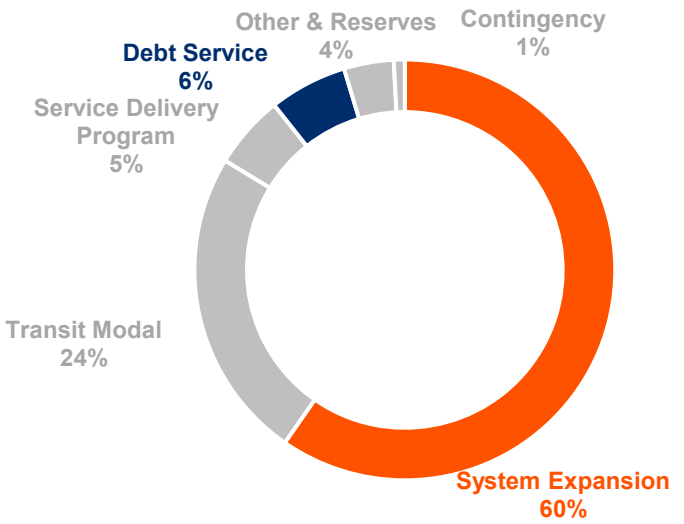
Budgets within Committee Purview

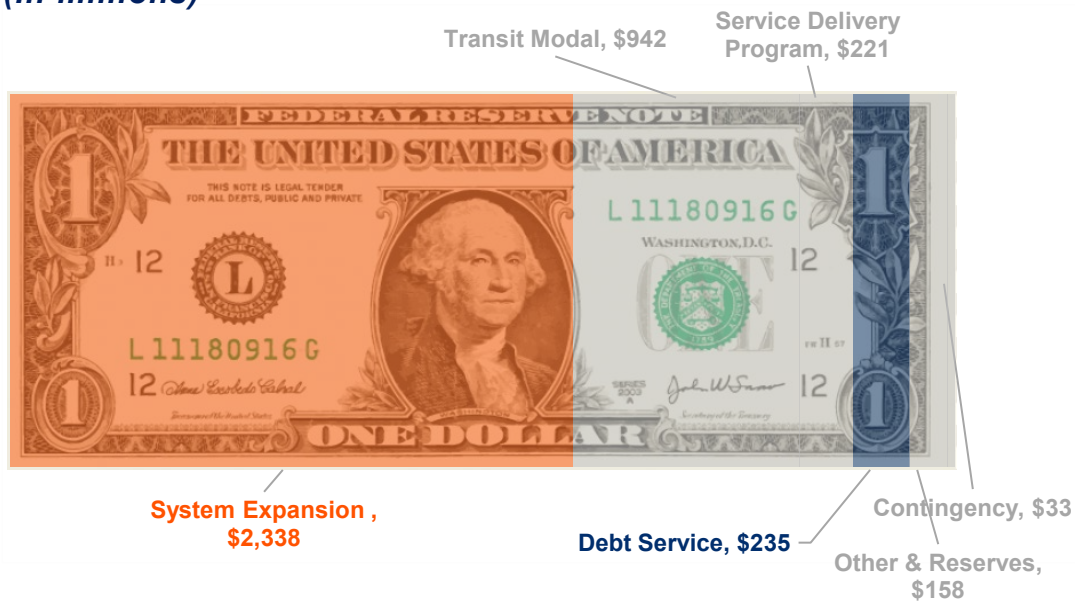
Committee	Budget/TIP Sections
Rider Experience and Operations	• Modal operating • Service delivery programs • Other expenditures • Agency contingency
System Expansion	• System expansion programs – Link, Sounder, Regional Express, Stride
Executive	• System expansion programs – systemwide • Debt service
Finance and Audit Committee	Other committees recommend budgets to FAC; FAC recommends overall budget to Board

2027 Proposed Budget Summary

FY 2027 overview – uses $3.9B

(In millions)

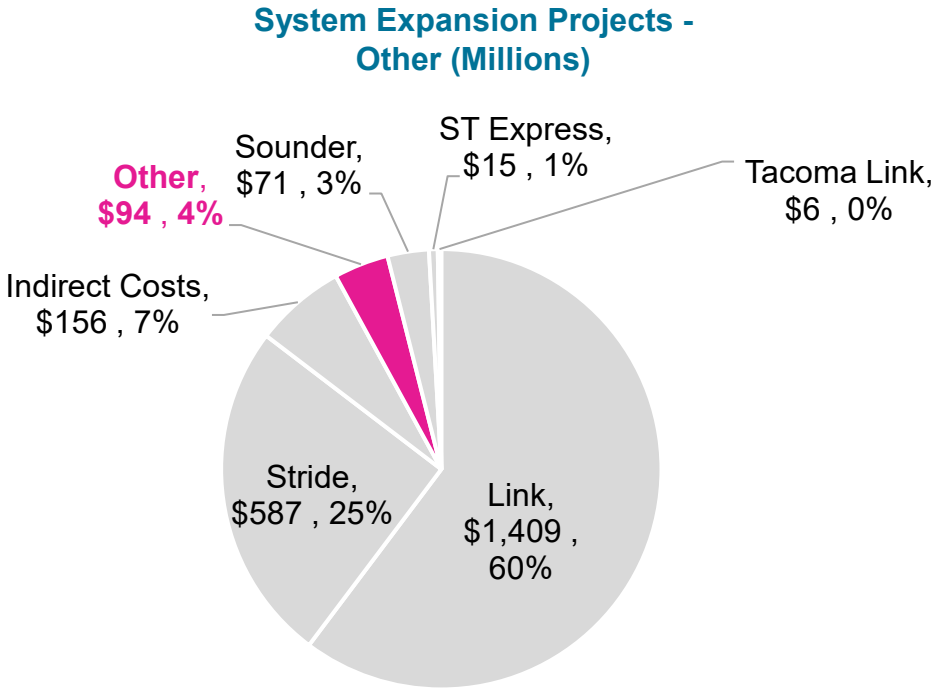




- Expansion Projects: Stride construction and moving forward with May System Plan update
- Modal Ops: Full year of Crosslake Connection
- Service Delivery Program: Increased investment in resiliency, safety, and agency modernization
- Debt service: Interest increase as all TIFIA/RIFF loans now fully drawn

System Expansion Projects- Other

System Expansion-Other 2027 Proposed Budget: $94M



2027 Highlights:

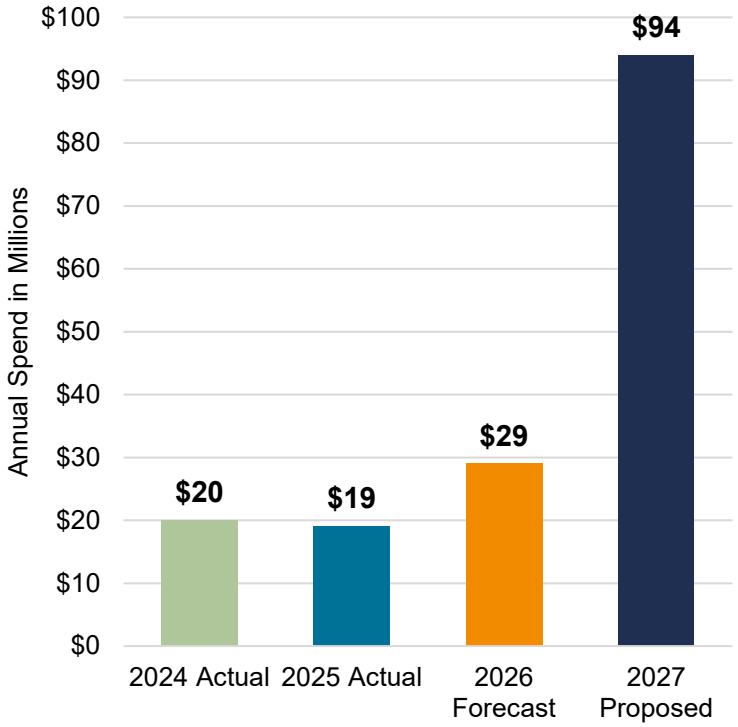
- **Regional Parking Fund:** develop approach and potential contribution.
- **High Capacity Transit Studies:** begin 3 corridor studies.
- **Innovation and Technology:** continue pilots and research related to transit operations.
- **Renton Transit Center Garage:** design advancement, value engineering, cost estimating, and delivery method study.
- **ST ART:** Completion of artwork in Sumner, Auburn, and Kent Sounder garages.

Annual Trends - System Expansion Other Projects

224% projected increase 2026 forecast to 2027 proposed budget

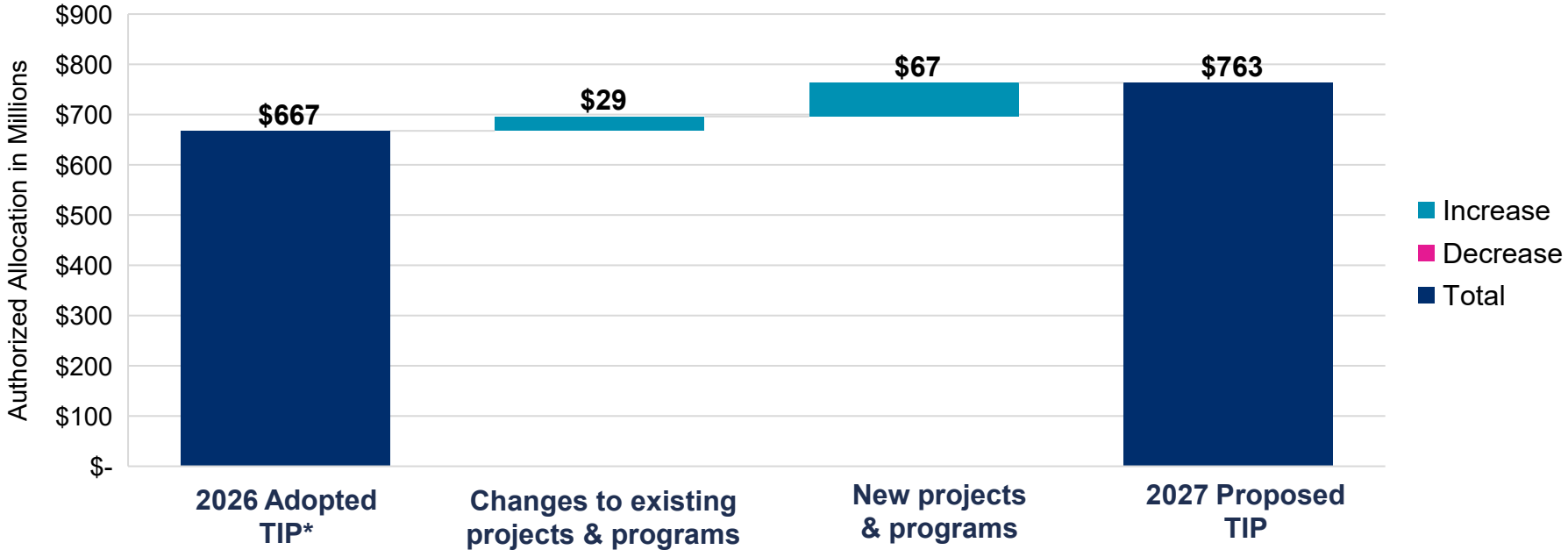
Major drivers include:

- New projects established by May System Plan
- Environmental remediation
- Innovation & Technology
- ST Art



Changes to Transit Improvement Plan: 2026 Adopted TIP to 2027 Proposed TIP

$96M (14%) increase in total authorized dollars for system expansion – other



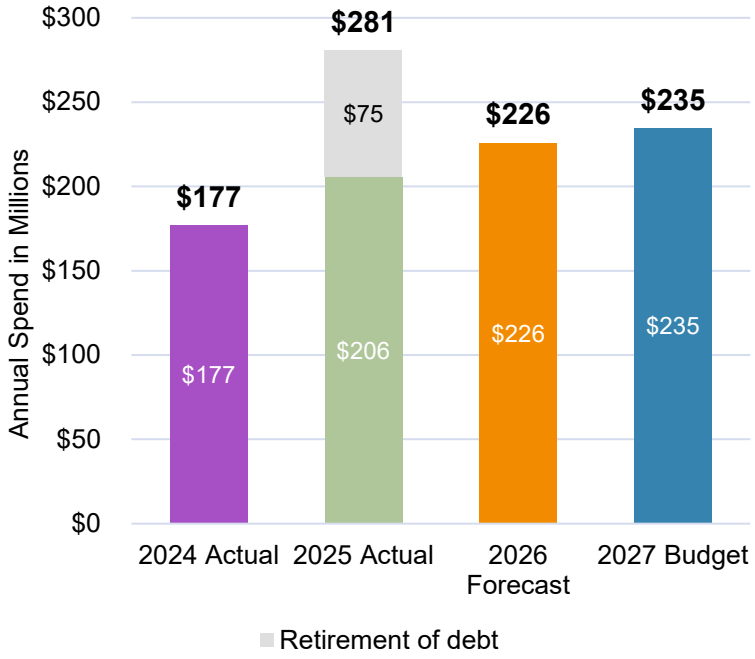
*Includes Board-approved budget amendments through October 2026.

Debt Service

Debt Service 2027 Proposed Budget: $235M

4% increase from 2026

- Principal and interest on existing bonds and loans
- All TIFIA and RRIF loans fully drawn in Sept 2026



Budget Timeline and Next Steps

Timeline

October – long-rang plan, budget overview, and property tax approval

- ✓ **10/8** – Public hearing for proposed 2026 budget & property tax levy
- ✓ **10/8** – Finance & Audit Committee – Overview of Long-Range Financial Plan projections and proposed 2026 budget and TIP
- ✓ **10/22** – Board – budget overview and property tax levy approval

November – budget recommendation and approval

- ➡ **11/5** – Executive Committee – recommends to FAC
- **11/5** – Rider Experience and Operations Committee – recommends to FAC
- **11/12** – System Expansion Committee – recommends to FAC
- **11/19** – Finance and Audit Committee – recommends to Board
- **11/19** – Board – adoption of the proposed 2026 Budget and TIP

Thank you.

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