$1.6 Billion 2017 Proposed Budget

- Projects: $1,111M
- Transit Modes: $287M
- Charges to Projects: $109M
- Debt & Donations: $129M
- Operations: 67%

Total Budget: $1.6 Billion
Operating Budget Organized by Department

Total Budget $1.6B

Projects $1,111M
Transit Modes $287M
Charges to Projects $109M
Debt & Donations $129M

7 Departments: Budget $0.4B
Operations 66%

PEPD 2%
CEA 2%
DECM 11%
Executive 6%
FIT 12%
Legal 1%

Six Strategic Objectives Shape 2017 Budget

- Increase ridership and deliver a safe, high-quality customer experience.
- Successfully deliver voter-approved capital projects.
- Promote a safe and secure culture.
- Maintain fiscal integrity, accountability, and transparency.
- Foster an inclusive, sustainable agency.
- Enhance talent management and organizational vibrancy.
Increase ridership and deliver a safe, high quality customer experience

- 47 million boardings forecast.
- $25 m. higher costs related to delivering transit services
  - 7% higher service levels in 2017
    - 32,000 additional ST Express hours.
    - Full year of U Link and S 200th.
  - Results in increases in costs for:
    - Purchased Transportation
    - 16 new ST FTEs
    - Operating insurance
    - Utilities, space parts
    - Facility/vehicle maintenance
    - Security
    - Downtown Seattle Transit Tunnel
Successfully deliver voter-approved capital projects

- $7m higher department costs related to implementing ST2 capital program
  - 30 new FTE related to capital program, primarily in DECM and SQA.
  - Higher costs for property under management.
Promote a safe and secure culture

- Increased staffing and investment in IT security, including information security awareness training.
- $ for ST University providing agency-wide safety training.
- $ for Safety orientation for staff.
Maintain fiscal integrity, accountability, and transparency

- 2017 Budget funds:
  - Comprehensive Operational Analysis – identify and implement operational efficiencies.
  - Enterprise asset management system.
  - Sustainability studies on waste reduction and facility energy conservation.
Foster an inclusive, sustainable agency

- APTA Platinum recognition for sustainability.
- Integration of sustainability into our projects.
- HOV Parking Permit Program to 10 stations.
- Carbon emission/fuel reduction strategies.
- Small business and DBE goals and non-discrimination compliance.
- Transit Oriented Development agreements – Capitol Hill and Link OMF East.
Enhance talent management and organizational vibrancy

• Employee Engagement.
• Knowledge Transfer.
• ST University grows its offerings:
  o Management Excellence Program
  o Project Management
  o Technology
  o Safety
<table>
<thead>
<tr>
<th>Department</th>
<th>2016 Budget</th>
<th>2017 Budget</th>
<th>Budget $ Change</th>
<th>Budget % Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Communications &amp; External Affairs</td>
<td>$8,014</td>
<td>$6,848</td>
<td>($1,166)</td>
<td>(14.5%)</td>
</tr>
<tr>
<td>Design, Engineering &amp; Construction Management</td>
<td>40,639</td>
<td>44,333</td>
<td>3,694</td>
<td>9.1</td>
</tr>
<tr>
<td>Executive</td>
<td>19,091</td>
<td>23,489</td>
<td>4,398</td>
<td>23.0</td>
</tr>
<tr>
<td>Finance &amp; Information Technology</td>
<td>42,728</td>
<td>46,362</td>
<td>3,634</td>
<td>8.5</td>
</tr>
<tr>
<td>Legal</td>
<td>3,368</td>
<td>3,660</td>
<td>292</td>
<td>8.7</td>
</tr>
<tr>
<td>Operations</td>
<td>241,345</td>
<td>263,701</td>
<td>22,356</td>
<td>9.3</td>
</tr>
<tr>
<td>Planning, Environment &amp; Project Development</td>
<td>7,329</td>
<td>7,843</td>
<td>514</td>
<td>7.0</td>
</tr>
<tr>
<td><strong>Total Department Budgets</strong></td>
<td><strong>$362,514</strong></td>
<td><strong>$396,236</strong></td>
<td><strong>$33,721</strong></td>
<td><strong>9.3%</strong></td>
</tr>
</tbody>
</table>
$1.6 Billion 2017 Proposed Budget
Proposed 2017 Transit Mode Budgets – $287.5M

- ST Express: 45%
- Link: 34%
- Sounder: 19%
- Tacoma Link: 2%
### Proposed 2017 Link Budget

<table>
<thead>
<tr>
<th>$000s</th>
<th>2015 Actuals</th>
<th>2016 Budget</th>
<th>Proposed 2017 Budget</th>
<th>Budget % Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vehicle Hours</td>
<td>172,153</td>
<td>177,911</td>
<td>201,100</td>
<td>13.0%</td>
</tr>
<tr>
<td>Operating Expenses (excl. paratransit)</td>
<td>$58,500</td>
<td>$85,948</td>
<td>$96,845</td>
<td>12.7%</td>
</tr>
<tr>
<td>Passenger Revenues</td>
<td>$18,152</td>
<td>$24,424</td>
<td>$36,415</td>
<td>49.1%</td>
</tr>
</tbody>
</table>
## Proposed 2017 Sounder Budget

<table>
<thead>
<tr>
<th>Before Depreciation</th>
<th>2015 Actuals</th>
<th>2016 Budget</th>
<th>Proposed 2017 Budget</th>
<th>Budget % Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vehicle Hours</td>
<td>53,054</td>
<td>56,150</td>
<td>64,500</td>
<td>14.9%</td>
</tr>
<tr>
<td>Operating Expenses</td>
<td>$40,617</td>
<td>$45,726</td>
<td>$54,486</td>
<td>19.2%</td>
</tr>
<tr>
<td>Passenger Revenues</td>
<td>$11,038</td>
<td>$11,563</td>
<td>$14,560</td>
<td>25.9%</td>
</tr>
</tbody>
</table>
## Proposed 2017 ST Express Budget

<table>
<thead>
<tr>
<th></th>
<th>2015 Actuals</th>
<th>2016 Budget</th>
<th>2017 Proposed</th>
<th>Budget % Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Platform Hours</td>
<td>722,937</td>
<td>745,000</td>
<td>777,448</td>
<td>4.4%</td>
</tr>
<tr>
<td>Operating Expenses</td>
<td>$108,063</td>
<td>$124,085</td>
<td>$129,975</td>
<td>4.7%</td>
</tr>
<tr>
<td>Passenger Revenues</td>
<td>$34,666</td>
<td>$35,779</td>
<td>$36,986</td>
<td>3.3%</td>
</tr>
</tbody>
</table>
### Proposed 2017 Tacoma Link Budget

<table>
<thead>
<tr>
<th>Before Depreciation</th>
<th>2015 Actuals</th>
<th>2016 Budget</th>
<th>2017 Proposed</th>
<th>Budget % Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vehicle Hours</td>
<td>9,857</td>
<td>9,844</td>
<td>9,900</td>
<td>0.6%</td>
</tr>
<tr>
<td>Operating Expenses</td>
<td>$4,244</td>
<td>$5,133</td>
<td>$4,550</td>
<td>-11.4%</td>
</tr>
<tr>
<td>Passenger Revenues</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>n/a</td>
</tr>
</tbody>
</table>
$1.6 Billion 2017 Proposed Budget

- Projects: $1,111M
- Transit Modes: $287M
- Debt & Donations: $129M
- Charges to Projects: $109M
Proposed 2017 Debt & Donations = $129M

Debt Service of $124M

• $33.2M for principal repayment
• $89.4M for capitalized interest
• $1.3M for financing expenses

Donations of $5M for First Hill Streetcar maintenance

• $5M annual contribution until 2023
## 2017 Budget Review Calendar

**Operations & Administration Committee: October — December**
- Proposed 2017 Operating Budget.
- Service Implementation Plan (SIP).

**Capital Committee: October — December**
- 2017 Projects Budget.

**Executive Committee: October — December**
- Financial Plan.

**Board Consideration of Budget & TIP — December 15, 2016**
SOUND TRANSIT