

2023 Proposed Budget

Rider Experience and Operations Committee

12/01/2022

Why we are here

Request that the Committee:

Authorize the portions of the proposed 2023 budget and Transit Improvement Plan (TIP) under purview to advance to the Finance and Audit Committee

- Enhancement projects
- State of good repair (SOGR) projects
- Administrative projects
- Transit operations budget

2023 budget and Transit Improvement Plan recommendations

Long-Range Financial Plan Projections 2017 - 2046

- Including Sound Move, ST2, and ST3 sources and uses through 2046

Transit Improvement Plan to 2028

- Board-approved costs for active projects through 2028

Budget 2023

- Annual revenue, financing sources and expenditures for 2023

2023 Proposed Budget

<i>In \$million</i>	2022 Forecast	2022 Budget*	2023 Proposed
PROJECTS			
System Expansion	1,950	2,154	2,099
Non System Expansion	184	205	270
<i>Enhancement</i>	31	44	62
<i>State of Good Repair</i>	32	46	77
<i>Administrative</i>	132	133	159
<i>Less Charges to Transit Modes</i>	(12)	(18)	(27)
TRANSIT OPERATING & OTHER			
Transit Operating	384	433	500
Other**	198	230	205
Total	2,717	3,022	3,075

*2022 budget includes budget adjustments via Board actions and R2020-24 Budget Policy Section 3.4.2.

**Other includes debt service, tax collection & fees, contributions to partner agencies, operating leases, non-operating expenses, and operating contingency.

Note: Numbers may not add correctly due to rounding.

Enhancement

<i>In \$million</i>	<i>2022 Forecast</i>	<i>2022 Budget</i>	<i>2023 Proposed</i>
Enhancement (ENH)	31	44	62
State of Good Repair (SOGR)	32	46	77
Administrative (ADM)	132	133	159
Total	195	223	298

*Numbers may not add correctly due to rounding.

Major Enhancement projects in 2023

- Digital Passenger Information Systems
- PSO Programmatic work
- SeaTac Airport Second Elevator
- Fare Paid Zone
- Data Management Program

State of Good Repair

<i>In \$million</i>	2022 Forecast	2022 Budget	2023 Proposed
Enhancement (ENH)	31	44	62
State of Good Repair (SOGR)	32	46	77
Administrative (ADM)	132	133	159
Total	195	223	298

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Major State of Good Repair projects in 2023

- DSTT Capital Improvements
- IT Tech Infrastructure
- IT Network Redesign
- Sounder Vehicle Overhaul Program
- Vertical Conveyance Program

Administrative

<i>In \$million</i>	2022 Forecast	2022 Budget	2023 Proposed
Enhancement (ENH)	31	44	62
State of Good Repair (SOGR)	32	46	77
Administrative (ADM)	132	133	159
Total	195	223	298

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Major Administrative projects in 2023

- Agency Admin Operating
- IT Program
- Admin Facilities
- Admin Services

Transit operations

<i>In \$million</i>	2022 Forecast	2022 Budget	2023 Proposed
Link	178	199	240
Sounder	67	76	90
Regional Express	132	146	153
Tacoma Link	8	11	17
Total	384	433	500

*Numbers may not add correctly due to rounding.

- **Link:** increase in Purchased Transportation services, spares, consulting and security
- **Sounder:** recovery of South trips, increase in fuel rate, maintenance, and vehicle overhaul
- **ST Express:** increase in fuel rate and partner operating cost escalation
- **Tacoma Link:** Tacoma Hilltop service begins

2023 budget and Transit Improvement Plan recommendations

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TIP: Non-system expansion projects

<i>In \$million</i>	2022 TIP	Changes	2023 TIP
Existing project without changes	750	-	750
Existing project with changes	1,864	129	1,992
Closed Projects	82	(82)	-
New Projects	-	70	70
Total	2,696	116	2,813

Largest changes:

- **Changes to existing projects:** Agency Administrative Operating; Engineering Services Program
- **Closed projects:** Positive Train Control; Bus Maintenance Facility; IT Program Prior 2020
- **New projects:** LRV propulsion upgrade; PSO Programmatic work

Timeline

October – budget and Financial Plan kickoff


- **10/27** – Board Meeting – Overview of Long-Range Financial Plan projections and budget

November – budget overview and property tax levy approval

- **11/3** – Public hearing – budget and property taxes.
- **11/3** – Executive Committee – budget overview and property tax levy
- **11/3** – Rider Experience and Operations Committee – budget overview
- **11/10** – System Expansion Committee – budget overview
- **11/17** – Board Meeting – request for approval of the property tax levy

Timeline continued

December – budget recommendation and approval

-  **12/1 – Rider Experience and Operations Committee – recommends to FAC**
- **12/8 – Executive Committee – recommends to FAC**
- **12/8 – System Expansion Committee – recommends to FAC**
- **12/15 – Finance and Audit Committee – recommends to Board**
- **12/15 – Board – adoption of the Proposed 2022 Budget and Transit Improvement Plan**

Thank you.



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