

CFO Report

Finance and Audit Committee Meeting

12/15/23



Why we are here

October YTD 2023 Discussion Items:

- Financial Performance Report
- Asset Liability Management Report

***October YTD 2023 Financial
Performance Report***

October YTD performance

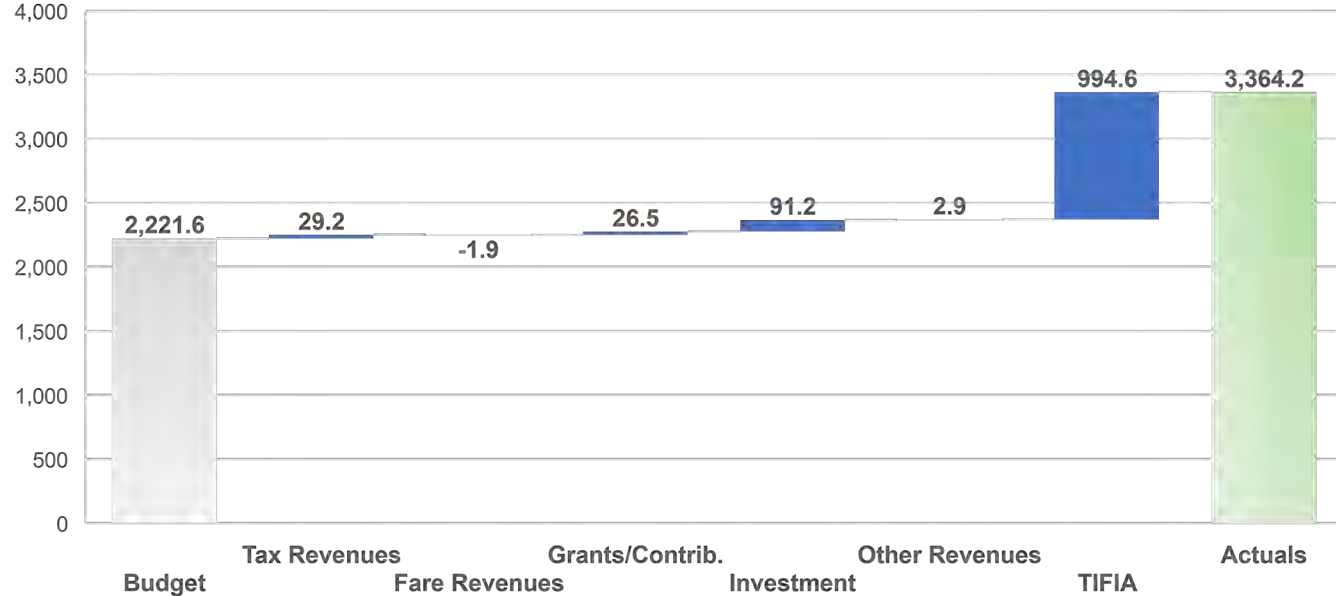
Revenues & Other Financing (in thousands)	October 2023 YTD Budget	October 2023 YTD Actuals	Variance (\$) (Under)/Over	Actuals as % of Budget
Tax Revenues	\$ 1,879,710	\$ 1,908,944	\$ 29,233	102%
Other Revenues & Financing	\$ 341,878	\$ 1,455,262	\$ 1,113,383	426%
Total Revenues & Other Financing	\$ 2,221,589	\$ 3,364,205	\$ 1,142,617	151%
Expenditures (in thousands)	October 2023 YTD Budget	October 2023 YTD Actuals	Variance (\$) Under/(Over)	Actuals as % of Budget
Transit Operations	\$ 410,191	\$ 379,182	\$ 31,009	92%
System Expansion Projects	\$ 1,654,237	\$ 1,422,834	\$ 231,403	86%
Non-System Expansion Projects	\$ 207,460	\$ 144,902	\$ 62,558	70%
Debt Service	\$ 109,880	\$ 106,953	\$ 2,927	97%
Other Expenses	\$ 39,272	\$ 37,028	\$ 2,244	94%
Total Expenses	\$ 2,421,040	\$ 2,090,900	\$ 330,140	86%

October YTD revenue & other financing

Actuals were \$1.1B higher than planned

- Federal grants
(11% favorable)
- Ridership / fares
(4% unfavorable)
- Tax revenues
(2% favorable)
- Investment income
(260% favorable)
- TIFIA
Not budgeted

YTD Revenues - Budget / Actual Variances (in \$M)

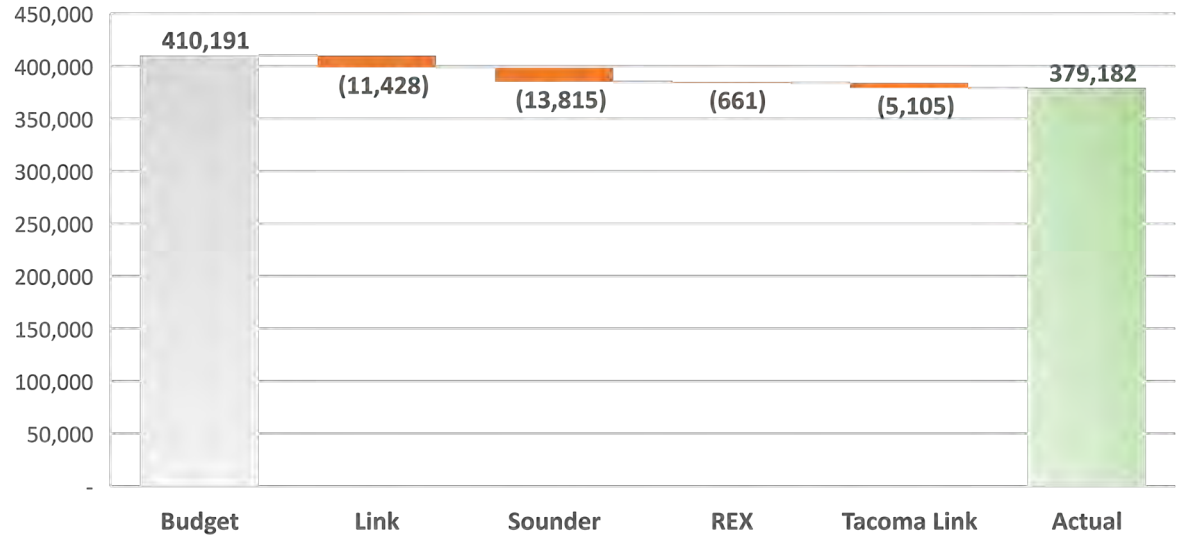


October YTD transit operations

Actuals were \$31M or 8% lower than planned

- Link
(6% under YTD budget)
- Sounder
(19% under YTD budget)
- ST Express
(1% under YTD budget)
- Tacoma Link
(36% under YTD budget)

YTD Modal - Budget / Actual Variances (in \$K)

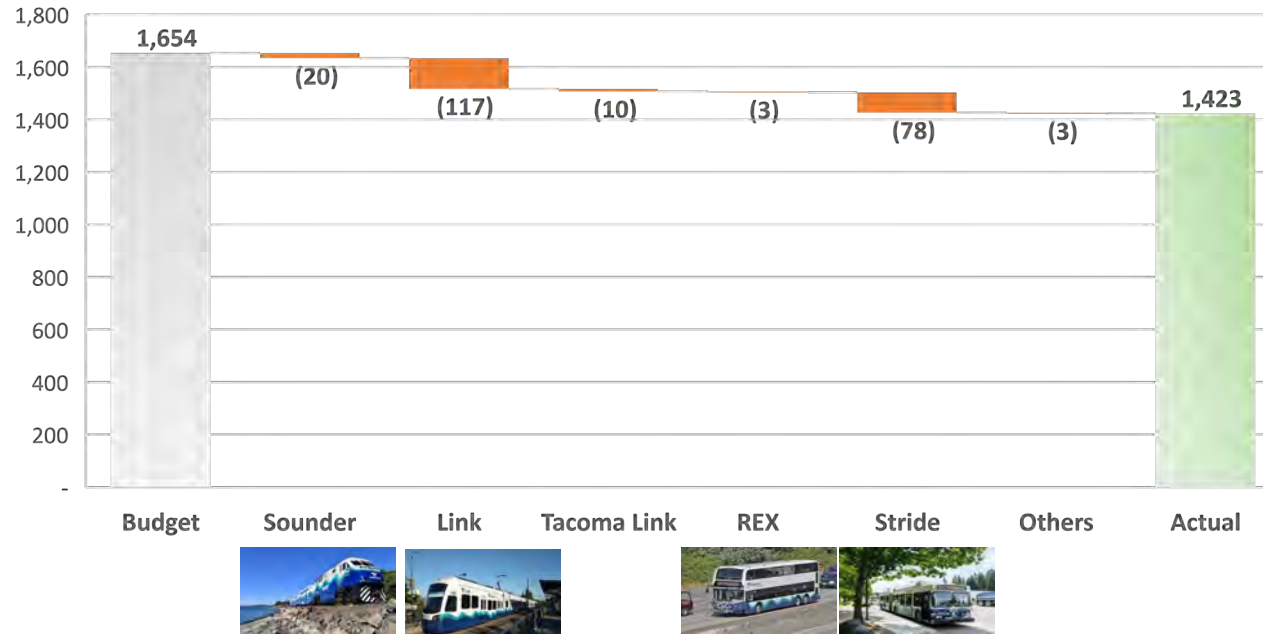


October YTD system expansion projects

Actuals were \$231M or 86% lower than planned

- Link
(9% under budget)
- Stride
(41% under budget)
- Sounder
(37% under budget)
- Regional Express
(12% under budget)
- Other
(12% under budget)

YTD System Expansion Projects - Budget / Actual Variances (in \$M)



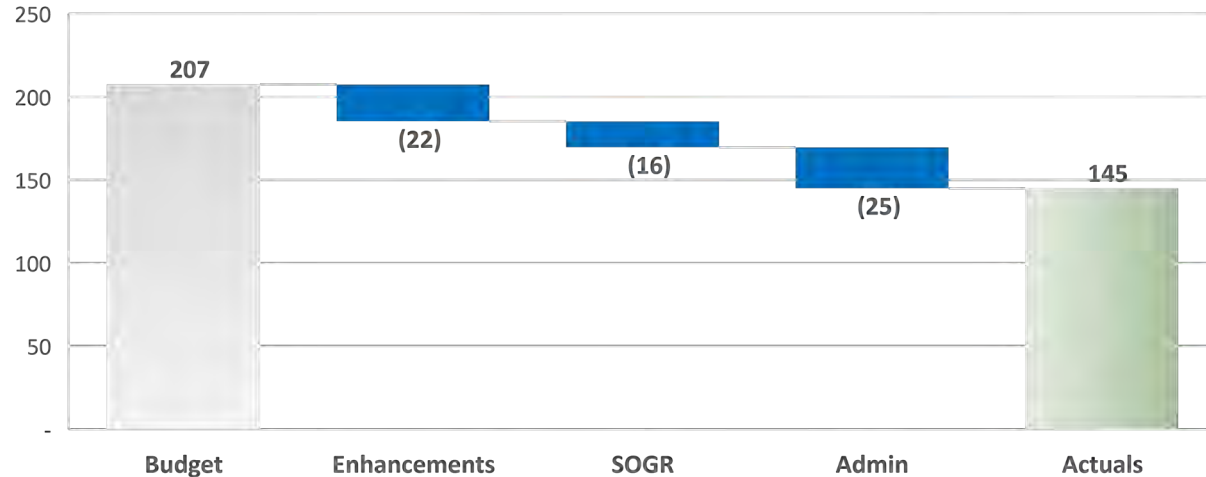
October YTD agency projects

(excluding system expansion)

Actuals were \$63M or 30% lower than planned

- Enhancements
(52% under YTD budget)
- State of Good Repair
(39% under YTD budget)
- Administrative
(20% under YTD budget)

YTD Projects - Budget / Actual Variances (in \$M)



***Asset and Liability
Management Report***

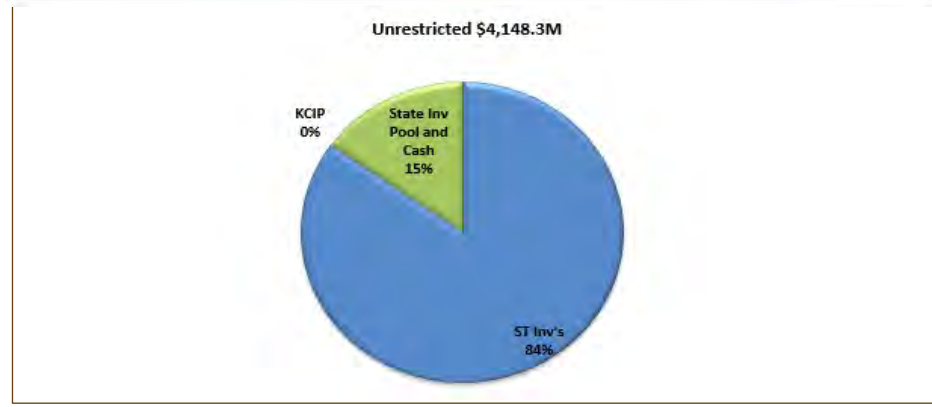
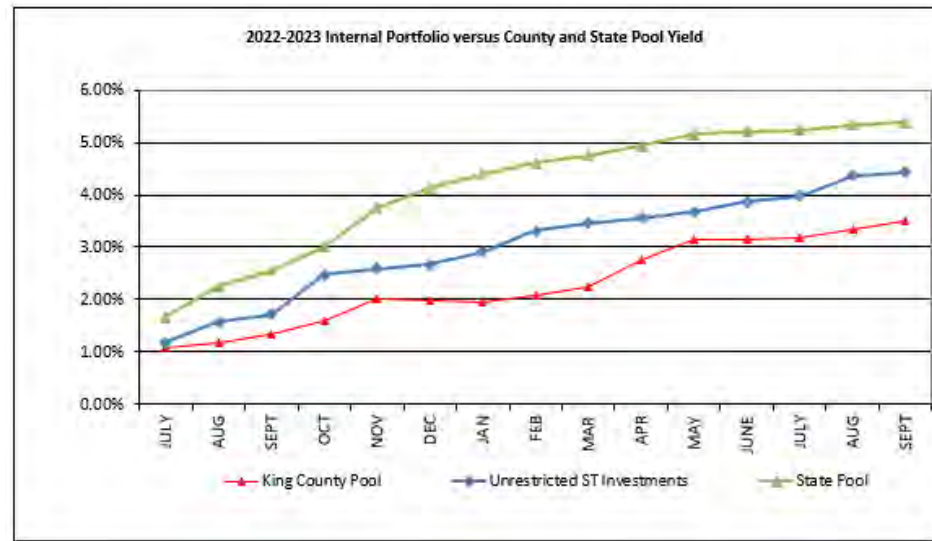
Asset and Liability Management Highlights

- The Agency continues to have strong liquidity. Investment balances remain favorable, and there are no planned debt issuances in the medium term (3 to 5 years)
- Staff continues to monitor Fed actions and the market. As needed, the portfolio is adjusted to minimize risk and maximize returns

ALM Report Highlights

Rising interest rates in Q3 result in higher yields on the Agency's investments.

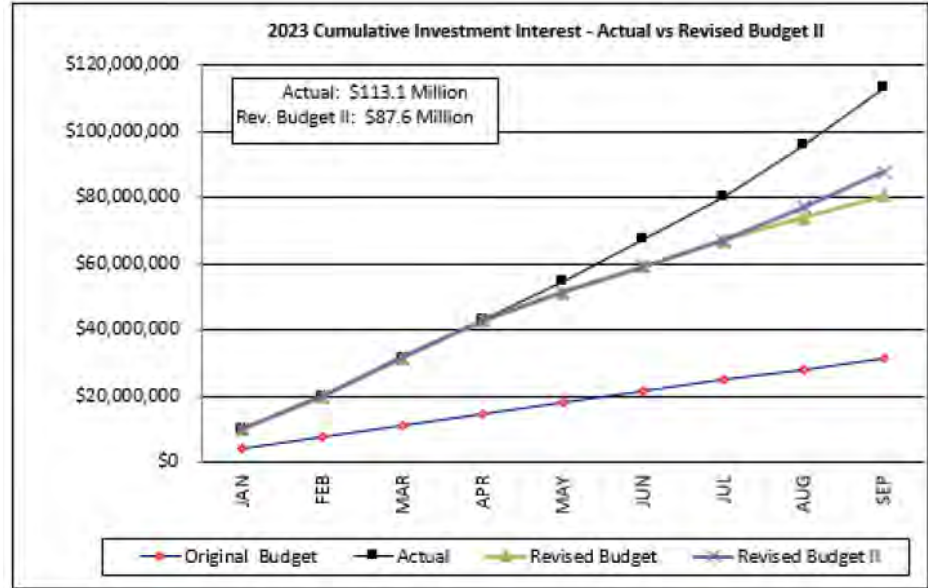
- The portfolio continues to overweight the State Investment Pool to capture high short-term rates, while also locking in yield in medium and long term in the Unrestricted portfolio



Portfolio Performance

The portfolio continues to outperform
Budget driven by:

- **Portfolio Action**
 - \$1B of TIFIA drawn on August 15th, interest rate 1.91%
 - Funds have been invested at an average yield of 4.99%
 - Action generates ~\$30 million of 2024 net interest income
- **Rising Interest Rates**
 - During Q3 yields rebounded, led by the 10-year treasury increasing by .73%, while the 2-year increased by .15%.



2023 Year End Forecast of \$161 million

Thank you.



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