

2024 Proposed Budget and Transit Improvement Program

*Executive Committee
12/07/2023*



Why we are here

Request that the Executive Committee:

Recommend the portions of the proposed 2024 budget and Transit Improvement Plan (TIP) under purview to advance to the Finance and Audit Committee

- System expansion – systemwide projects
- Debt service and other

Budgets within Committee purview

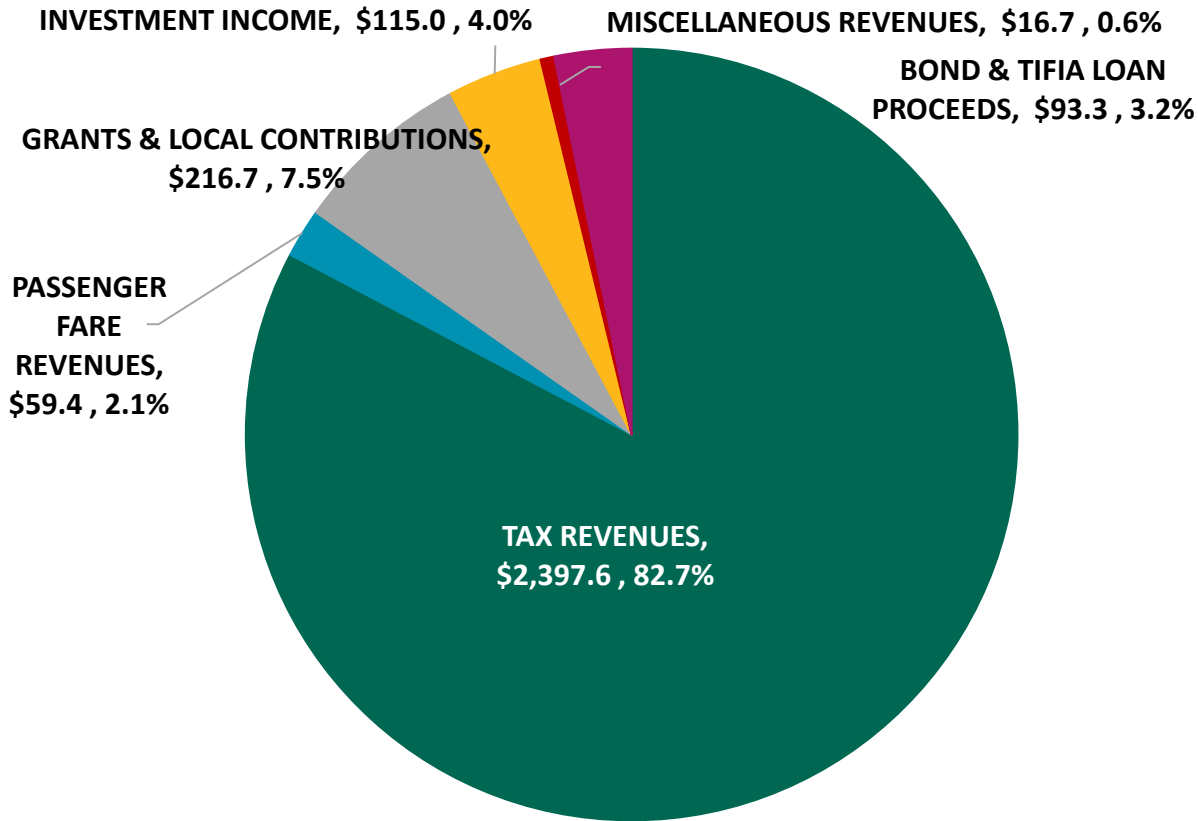
| Committee | Budget/TIP Sections |
|---------------------------------|--|
| Rider Experience and Operations | <ul style="list-style-type: none">• Transit operations• Non-system expansion projects (State of Good Repair, Enhancement, and Administrative) |
| System Expansion | System expansion projects – Link, Tacoma Link, Sounder, Stride, and ST Express |
| Executive | <ul style="list-style-type: none">• System expansion projects – systemwide• Debt service and other costs |
| Finance and Audit Committee | Other committees recommend budget to FAC; FAC recommends to Board |

***2024 Proposed budget -
summary***

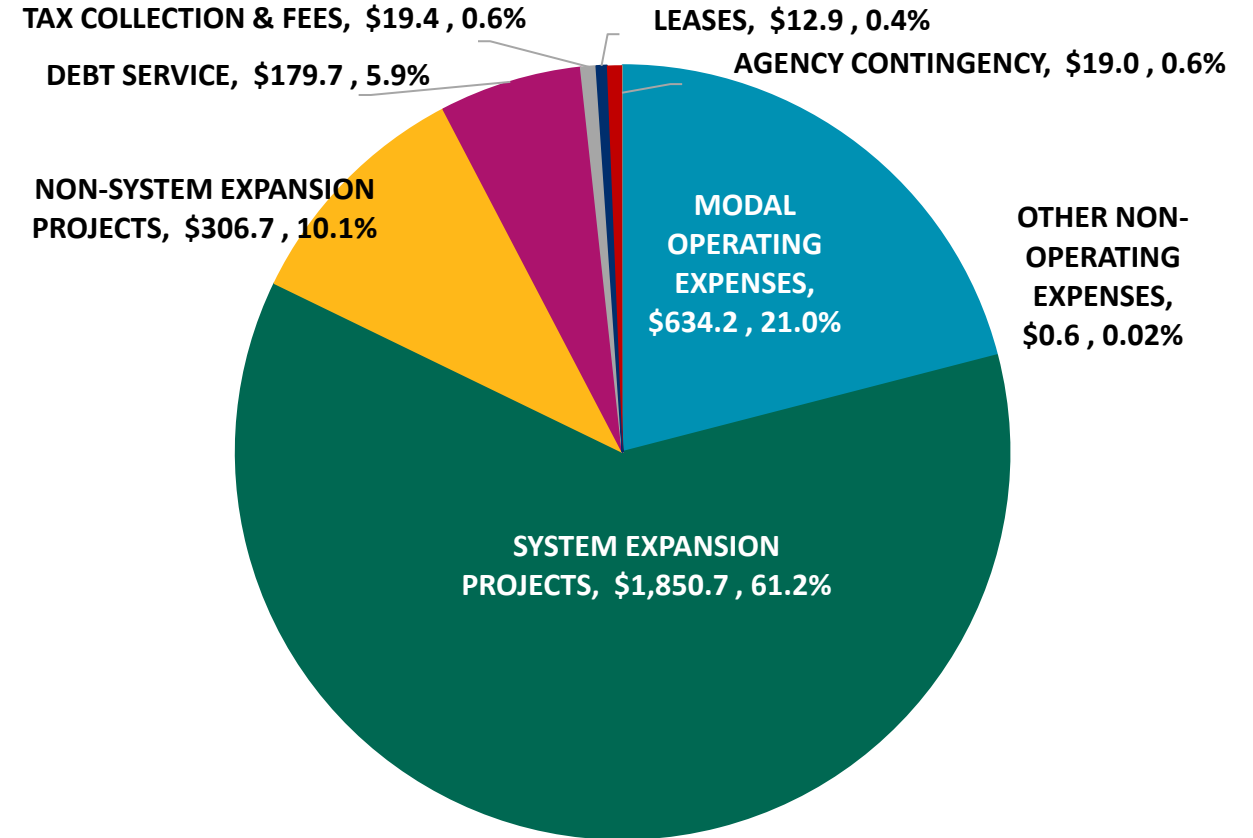
Proposed 2024 Budget

Sources lower than expenditures, gap will be covered by existing cash balance.

Sources: \$2.9B



Expenses: \$3.0B



***System expansion –
systemwide***

System expansion – systemwide: \$42M

(In millions)

| SYSTEM EXPANSION PROJECT EXPENSES - 2024 Proposed Budget | | | | | |
|---|------------------|------------------|----------------|------------------|----------------|
| CATEGORY | Forecast | Budget | % Variance | Proposed | % Change |
| | 2023 | 2023 | 2023F to 2023B | 2024 | 2023B to 2024B |
| SOUNDER | 65.3 | 76.7 | 14.8% | 88.0 | 14.9% |
| LINK | 1,657.5 | 1,664.3 | 0.4% | 1,419.5 | -14.7% |
| TACOMA LINK | 21.5 | 28.0 | 23.4% | 6.6 | -76.6% |
| REGIONAL EXPRESS | 23.0 | 34.6 | 33.3% | 15.6 | -54.9% |
| STRIDE | 204.0 | 204.0 | 0.0% | 279.5 | 37.0% |
| SYSTEMWIDE | 39.5 | 40.2 | 1.7% | 41.5 | 3.1% |
| Grand Total | \$2,010.9 | \$2,047.9 | 1.8% | \$1,850.7 | -9.6% |

- *No changes to budget as presented in November*

Changes to Transit Improvement Plan

TRANSIT IMPROVEMENT PLAN EXPENSES - 2024 Proposed Budget

| CATEGORY | Authorized Allocation |
|--|-----------------------|
| 2023 ADOPTED TRANSIT IMPROVEMENT PLAN (SYSTEMWIDE) | 610.8 |
| NEW PROJECTS / PROGRAMS | 3.1 |
| INCREASES TO EXISTING PROJECTS / PROGRAMS | 13.5 |
| DECREASES FROM PROJECT CLOSURES | .0 |
| 2024 Proposed Transit Improvement Plan (SYSTEMWIDE) | \$627.4 |

- *No changes to TIP for 2024 as presented in November*
- *System Expansion Committee will have 3 changes (LRV Fleet Expansion, West Seattle Link Extension, Ballard Link Extension) to forward to Board*

Debt service & other budgets

Debt service and other expenses : \$232M

(In millions)

| TOTAL EXPENDITURES - 2024 Proposed Budget | | | | | |
|--|------------------|------------------|-----------------------|------------------|-----------------------|
| CATEGORY | Forecast | Budget | % Variance | Proposed | % Change |
| | 2023 | 2023 | 2023F to 2023B | 2024 | 2023B to 2024B |
| MODAL OPERATING EXPENSES | \$455.3 | \$495.3 | 8.1% | \$634.2 | 28.0% |
| SYSTEM EXPANSION PROJECTS | 2,010.9 | 2,047.9 | 1.8% | 1,850.7 | -9.6% |
| NON-SYSTEM EXPANSION PROJECTS | 236.0 | 261.3 | 9.7% | 306.7 | 17.4% |
| DEBT SERVICE | 229.4 | 229.4 | 0.0% | 179.7 | -21.6% |
| TAX COLLECTION & FEES | 26.2 | 23.1 | -13.7% | 19.4 | -15.7% |
| CONTRIBUTIONS TO PARTNER AGENCIES | 5.0 | 5.0 | 0.0% | .0 | -100.0% |
| LEASES | 15.9 | 16.8 | 5.5% | 12.9 | -22.9% |
| AGENCY CONTINGENCY | - | 10.6 | | 19.0 | 78.5% |
| OTHER NON-OPERATING EXPENSES | .6 | .6 | 6.6% | .6 | 2.4% |
| Grand Total | \$2,979.2 | \$3,089.9 | 3.6% | \$3,023.3 | -2.2% |

- *No changes to budget as presented in November*

***Budget timeline
and next steps***

Timeline

October – budget and Financial Plan kickoff

- **10/19** – Board Meeting – Overview of Long-Range Financial Plan projections and Proposed 2024 budget and TIP
- **10/26** – Board Meeting – Overview of Long-Range Financial Plan projections and Proposed 2024 budget and TIP

November – budget overview and property tax levy approval

- **11/2** – Public hearing – budget and property taxes.
- **11/2** – Executive Committee – budget overview and property tax levy
- **11/2** – Rider Experience and Operations Committee – budget overview
- **11/9** – System Expansion Committee – budget overview
- **11/16** – Board Meeting – request for approval of the property tax levy

Timeline continued

December – budget recommendation and approval

- **12/7** – Rider Experience and Operations Committee – recommends to FAC

 **12/7 – Executive Committee – recommends to FAC**

- **12/14** – System Expansion Committee – recommends to FAC
- **12/15** – Finance and Audit Committee – recommends to Board
- **12/15** – Board – adoption of the Proposed 2024 Budget and Transit Improvement Plan

Thank you.



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