

Quarterly Financial Performance Report

Q2 2023

PRELIMINARY UNAUDITED RESULTS

Connecting Communities / Ride the Wave



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Contents

- Executive Summary** 3
- Statement of Net Position** 4
- Revenues & Other Financing Sources** 5
- Transit Modes** 6
 - Link Light Rail* 8
 - Souder Commuter Rail* 8
 - ST Express Bus* 9
 - Tacoma Link Light Rail* 9
- Projects** 10
 - System Expansion* 10
 - Enhancement* 15
 - State of Good Repair* 17
 - Administrative*..... 19

Executive Summary

REVENUES & OTHER FINANCING SOURCES (in thousands)

	Annual 2023 Budget	2023 Budget YTD	2023 Actual YTD	Budget Variance YTD	% of YTD budget
Revenues & Other Financing Sources*	\$2,682,203	\$1,276,761	\$1,260,928	\$(15,833)	99%

*Excludes the non-cash transfer of Downtown Seattle Transit Tunnel (DSTT) from King County Metro to Sound Transit.

Year-to-date (YTD) revenues & other financing sources were \$1.3B were \$15.8M or 1% lower than budget driven by lower than budgeted federal grant funding and passenger fare revenues, partially offset by higher tax revenues, interest income, and miscellaneous revenues.

TRANSIT MODES (in thousands)

	Annual 2023 Budget*	2023 Budget YTD	2023 Actual YTD	Budget Variance YTD	% of YTD budget
Transit Modes	\$495,311	\$243,180	\$219,539	\$23,641	90%

YTD transit modes spending was \$23.6M lower than the YTD budget primarily driven by Link and Sounder, largely due to shifting of services needs and delays in operating projects to second half of year. Insurance premiums were also below budget due to the delay in transfer of DSTT ownership (budgeted starting Jan vs. actual transfer in Apr).

*Since the adoption of the 2023 budget, transit modes annual budget was adjusted by \$0.1M due to the 2023 market compensation study which increased salaries and benefits; funded by agency contingency per Budget Policy 3.4.2.c.

PROJECTS (in thousands)

	Annual 2023 Budget*	2023 Budget YTD	2023 Actual YTD	Budget Variance YTD	% of YTD budget
Project Budgets	\$2,379,197	\$1,033,816	\$934,422	\$99,394	90%

YTD project spending was \$99.4M lower than the YTD budget. The variance is largely attributed to system expansion projects which performed at 92% of YTD budget or \$76.9M lower than the YTD budget. This is primarily due to projects in construction, but the lower than budgeted performance is not expected to impact timing of substantial completion. For instance, Downtown Redmond Link Extension project resequenced work elements and the underspending is anticipated to be temporary. Slower progress in construction contract award for the I-405 Bus Rapid Transit NE 85th Interchange location also contributed to the overall variance.

*Since the adoption of the 2023 budget the following budget adjustments have been made:

- The Board approved a \$35.0M annual budget increase for the System Expansion project, Sumner, Kent and Auburn Stations Parking and Access Improvements (R2023-02).
- The annual budget for the Agency Admin Operating project increased by \$1.2M due to the 2023 market compensation study which increased salaries and benefits; this was funded by agency contingency per Budget Policy 3.4.2.c.

Q2 STATEMENT OF NET POSITION (in millions)

	Jun 30, 2023	Mar 31, 2023	Jun 30, 2022	% Change	
				Jun'23 vs. Mar'23	Jun'23 vs. Jun'22
Current assets, excluding restricted assets	\$2,840	\$2,866	\$2,195	(1%)	29%
Restricted assets	104	120	100	(13%)	4%
Capital assets	18,701	17,371	16,228	8%	15%
Other non-current assets	1,652	1,577	1,186	5%	39%
Total Assets	\$23,297	\$21,934	\$19,709	6%	18%
Deferred Outflows of Resources	\$6	\$6	\$8	(5%)	(26%)
Current liabilities, excluding interest payable from restricted assets	\$689	\$617	\$492	12%	40%
Interest payable from restricted assets	19	39	18	(50%)	8%
Long-term debt	2,764	2,806	2,235	(1%)	24%
Other long-term liabilities	170	173	180	(2%)	(5%)
Total Liabilities	\$3,642	\$3,635	\$2,925	0%	25%
Deferred Inflows of Resources	\$20	\$21	\$22	(2%)	N/A
Net Position					
Net investment in capital assets	\$15,695	\$14,416	\$14,392	9%	9%
Restricted net position	102	98	96	3%	6%
Unrestricted net position	3,844	3,770	2,282	2%	68%
Total Net Position	\$19,641	\$18,284	\$16,770	7%	17%

The increase in Total Assets, from March 31, 2023, to June 30, 2023, is largely due to an increase of \$1.3B in Capital Assets, primarily reflecting the recognition of the \$930M contribution of assets associated with the DSTT in April, and ongoing spending on various expansion projects. Other non-current assets increased by \$75M primarily due to an increase in long-term investments.

Total Liabilities increased slightly by \$7M as a result of an increase in Current liabilities including accounts payable related to increased spending and timing of payments which was partially offset by a decrease in unearned revenue related to property taxes, and further offset by a decrease in accrued interest payable and long-term debt due to bi-annual interest and principal payments.

Revenues & Other Financing Sources

YTD tax revenue actuals accounted for 88% of revenues & other financing sources.

YTD sales tax actuals are the largest revenue source, comprising 67% of revenues & other financing sources.

Passenger fare revenue includes fare revenue for Link, Sounder, and ST Express.

Miscellaneous revenues include advertising revenues, rental income from ST properties, reimbursements for ORCA regional program billing, and operating & maintenance expense reimbursements for Sounder and ST Express.

Year-to-date (YTD) revenues & other financing sources were \$1.3B were \$15.8M or 1% lower than budget driven by lower than budgeted federal grant funding and passenger fare revenues, partially offset by higher tax revenues, interest income, and miscellaneous revenues. This excludes a \$930.4M non-cash entry related to the transfer of ownership of the DSTT to Sound Transit.

Tax revenues were \$36.3M or 3% above budget. Sales tax revenue continues to exceed budget due to steady overall economic growth following the recovery in 2022. MVET collections were higher than budgeted for the first quarter, but lower than budgeted in the second quarter of 2022. Rental car tax revenue has eclipsed pre-pandemic levels as travel in the region has increased.

Federal grants were \$101M or 68% below budget mainly due to the Lynnwood Link Extension Full Funding Grant Agreement (FFGA) drawing down \$86M below budget and the Federal Way Link Extension FFGA drawing down \$10M below budget. Amendments for both projects were submitted in April and are expected to be executed later this year allowing funds to be drawn and make up the deficit.

Investment income was \$48M or 217% above budget due to \$44.9M higher than budgeted interest income and \$2.8M in Fair Market Value adjustments which are not budgeted. The value of the Sound Transit portfolio is impacted by changes in the yield curve. The agency seeks to hold investments to maturity to avoid realizing negative changes.

Passenger fare revenues were \$2M or 18% below budget primarily driven by lower than expected ridership and higher than budgeted fare non-compliance. Q2 Also includes a negative \$435K prior year adjustment on the ORCA products revenue.

Miscellaneous revenues were \$3M or 58% above budget primarily due to \$3.2M in unbudgeted Build America Bond Subsidy funding.

REVENUES & OTHER FINANCING SOURCES (in thousands)

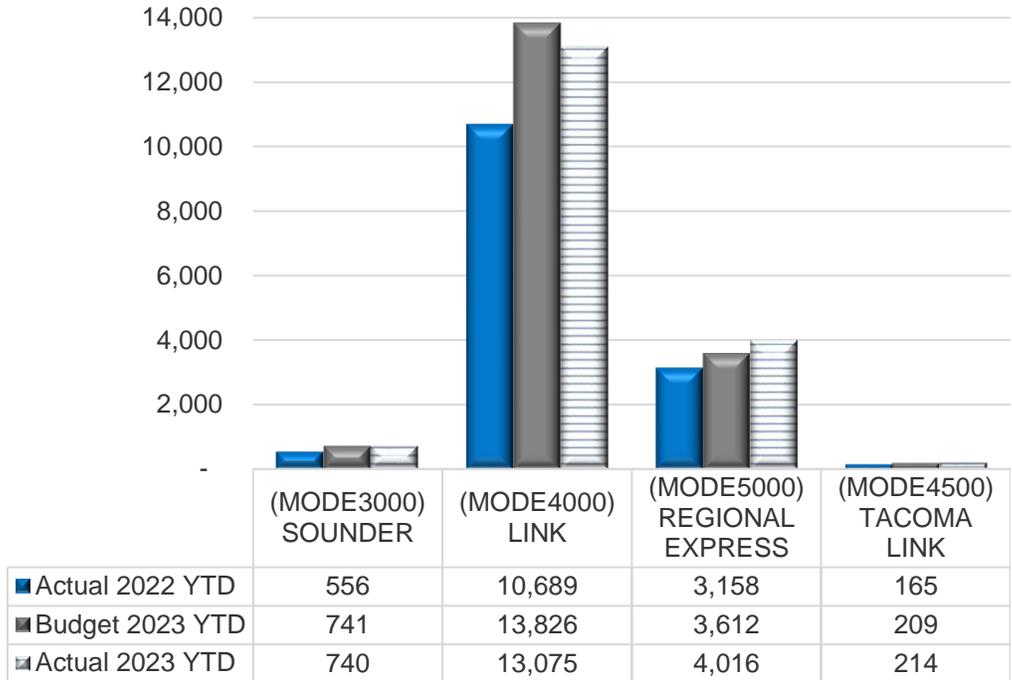
	Annual Budget 2023	2023 Budget YTD	2023 Actual YTD	YTD Budget Variance	% of YTD Budget
Sales Tax	\$ 1,742,980	\$ 807,056	\$ 842,764	\$ 35,707	104%
Motor Vehicle Excise Tax	381,233	181,717	181,913	197	100%
Rental Car Tax	3,980	1,633	2,037	404	125%
Property Tax	167,308	83,654	83,654	(0)	100%
Passenger Fare Revenue	52,379	25,827	23,656	(2,171)	92%
Federal Grants	282,172	149,401	48,245	(101,156)	32%
Local & State Contributions*	860	0	309	309	-
Investment Income	40,409	22,032	69,778	47,746	317%
Miscellaneous Revenues	10,882	5,441	8,570	3,129	158%
Revenues & Other Financing Sources	\$ 2,682,203	\$ 1,276,761	\$ 1,260,928	\$ (15,833)	99%

*Excludes the non-cash transfer of Downtown Seattle Transit Tunnel (DSTT) from King County Metro to Sound Transit.

Transit Modes

- Higher boardings in 2023 for all modes compared to prior year as the region continues to shift towards 'back to office' workforce.

BOARDINGS* (in thousands)



* Excludes Paratransit.

- Higher fare revenues in 2023 compared to prior year as the region continues to shift towards 'back to office' workforce.

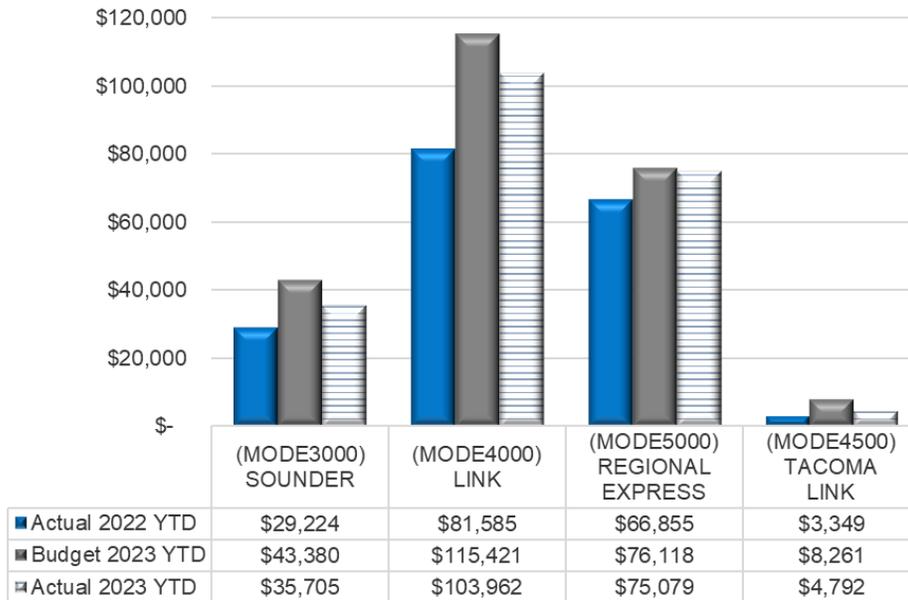
- No passenger revenue yet for Tacoma Link. Revenue collection is expected to begin in Sept of 2023 with HTLE opening.

FARE REVENUE BY MODE* (in thousands)



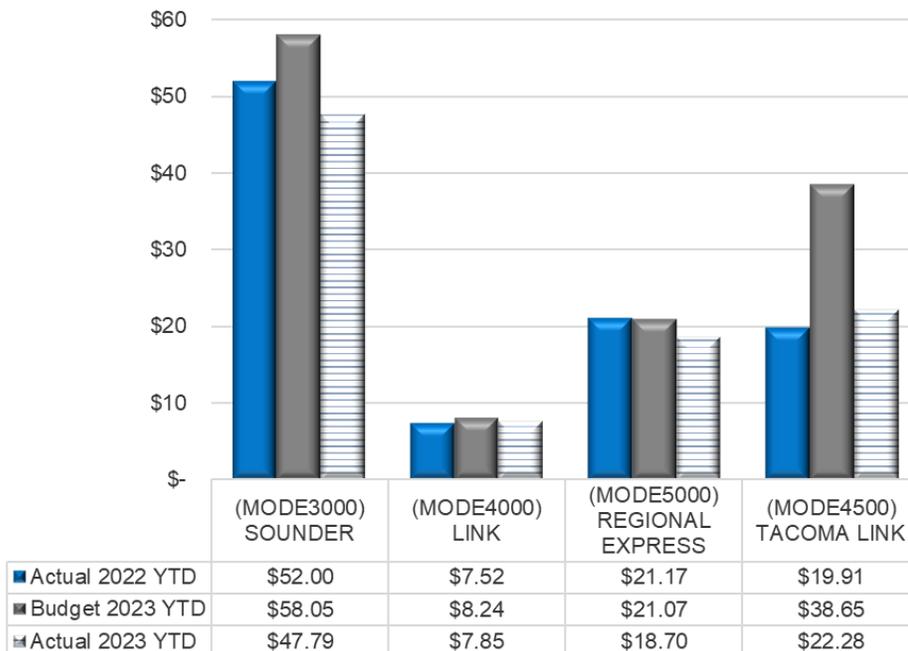
*Excludes Park & Ride parking revenue.

TRANSIT MODE BUDGET PERFORMANCE (in thousands)



Q2 2023 YTD spending was under budget by \$23.6M or 10% driven by shifts in service needs, delays of operating projects to second half of year, lower insurance premiums and insurance expense from the delayed ownership of the Downtown Seattle Transit Tunnel.

COST PER BOARDING BY MODE* (in dollars)



Q2 2023 cost per boarding lower than budget primarily due to lower expenses as cited above.

*All modes cost per boarding calculations exclude long-term Leases & Rental expenses. Link cost per boarding excludes paratransit expenses.

LINK LIGHT RAIL (in thousands)

	2023 Budget YTD	2023 Actual YTD	Budget Remaining	% of Budget
Revenues				
Passenger Fares	\$16,573	\$14,945	(\$1,628)	90%
Other Operating Revenue	1,639	1,577	(61)	96%
Total	\$18,211	\$16,522	(\$1,689)	91%
Expenses				
Salaries	\$6,371	\$6,052	\$319	95%
Benefits	4,330	4,327	3	100%
Services	30,271	21,788	8,482	72%
Materials & Supplies	4,983	5,051	(68)	101%
Utilities	3,350	3,388	(37)	101%
Insurance	6,325	5,130	1,195	81%
Taxes	671	681	(10)	101%
Purchased Transportation Services	41,629	43,627	(1,998)	105%
Miscellaneous Expenses	218	180	38	82%
Cost Transfers	15,731	12,429	3,303	79%
Total Expenses	\$113,880	\$102,651	\$11,229	90%
Paratransit	\$1,467	\$1,248	\$219	85%
Leases & Rentals	74	63	10	86%
Total	\$115,421	\$103,962	\$11,459	90%

- Lower services expenses due to lower fare vending costs than planned and delays in consulting needs to later in year.
- Lower cost transfers due to delay in start of operating projects.
- Higher purchased transportation service expenses from reconciliation of prior year amounts owed to partners.

SOUNDER COMMUTER RAIL (in thousands)

	2023 Budget YTD	2023 Actual YTD	Budget Remaining	% of Budget
Revenues				
Passenger Fares	\$3,157	\$2,399	(\$759)	76%
Other Operating Revenue	308	274	(34)	89%
Total	\$3,466	\$2,673	(\$793)	77%
Expenses				
Salaries	\$2,136	\$2,165	(\$29)	101%
Benefits	1,449	1,492	(43)	103%
Services	14,645	12,330	2,316	84%
Materials & Supplies	6,023	4,569	1,454	76%
Utilities	616	487	129	79%
Insurance	4,479	3,204	1,275	72%
Taxes	603	585	18	97%
Purchased Transportation Services	6,933	7,328	(395)	106%
Miscellaneous Expenses	60	68	(8)	114%
Cost Transfers	6,099	3,138	2,960	51%
Total Expenses	\$43,042	\$35,364	\$7,678	82%
Paratransit		-		-%
Leases & Rentals	338	341	(3)	101%
Total	\$43,380	\$35,705	\$7,675	82%

- Lower cost transfers due to delayed start of operating projects.
- Lower services expenses due to lower vehicle maintenance costs driven by delays in new vehicle delivery.
- Lower materials & supplies expenses driven by decreasing trends of fuel rates.

ST EXPRESS BUS (in thousands)

▪ Lower services expenses due to lower fare vending costs than planned.

▪ Higher purchased transportation costs due to reconciliation of prior year amounts owed to partners.

	2023 Budget YTD	2023 Actual YTD	Budget Remaining	% of Budget
Revenues				
Passenger Fares	\$6,007	\$6,298	\$291	105%
Other Operating Revenue	652	364	(288)	56%
Total	\$6,659	\$6,662	\$3	100%
Expenses				
Salaries	\$917	\$920	(\$3)	100%
Benefits	623	634	(11)	102%
Services	4,098	1,909	2,189	47%
Materials & Supplies	87	103	(16)	119%
Utilities	235	195	40	83%
Insurance	174	93	81	53%
Taxes	152	145	7	96%
Purchased Transportation Services	67,182	69,009	(1,827)	103%
Miscellaneous Expenses	69	51	18	74%
Cost Transfers	2,582	2,021	561	78%
Total Expenses	\$76,118	\$75,079	\$1,039	99%
Paratransit		-		-%
Leases & Rentals	0	1	0	351%
Total	\$76,118	\$75,079	\$1,039	99%

TACOMA LINK LIGHT RAIL (in thousands)

▪ HTLE's revenue service has been delayed from Q1 2023 to Sept 2023 driving the overall underspending in this mode.

▪ Higher cost transfers due to continued transfers from operating to the HTLE capital project for startup.

	2023 Budget YTD	2023 Actual YTD	Budget Remaining	% of Budget
Revenues				
Passenger Fares	\$76		(\$76)	0%
Other Operating Revenue	24		(24)	0%
Total	\$99	\$ -	(\$99)	0%
Expenses				
Salaries	\$2,316	\$2,465	(\$150)	106%
Benefits	1,569	1,699	(130)	108%
Services	2,395	1,466	929	61%
Materials & Supplies	397	213	185	53%
Utilities	174	100	73	58%
Insurance	311	190	121	61%
Taxes	3	0	3	1%
Purchased Transportation Services	50		50	0%
Miscellaneous Expenses	42	80	(38)	190%
Cost Transfers	810	(1,452)	2,262	-179%
Total Expenses	\$8,067	\$4,762	\$3,305	59%
Paratransit	\$125		\$125	0%
Leases & Rentals	69	31	39	44%
Total	\$8,261	\$4,792	\$3,469	58%

Projects

PROJECT BUDGETS (in thousands)

Project budgets performed at 90% of the YTD budget.

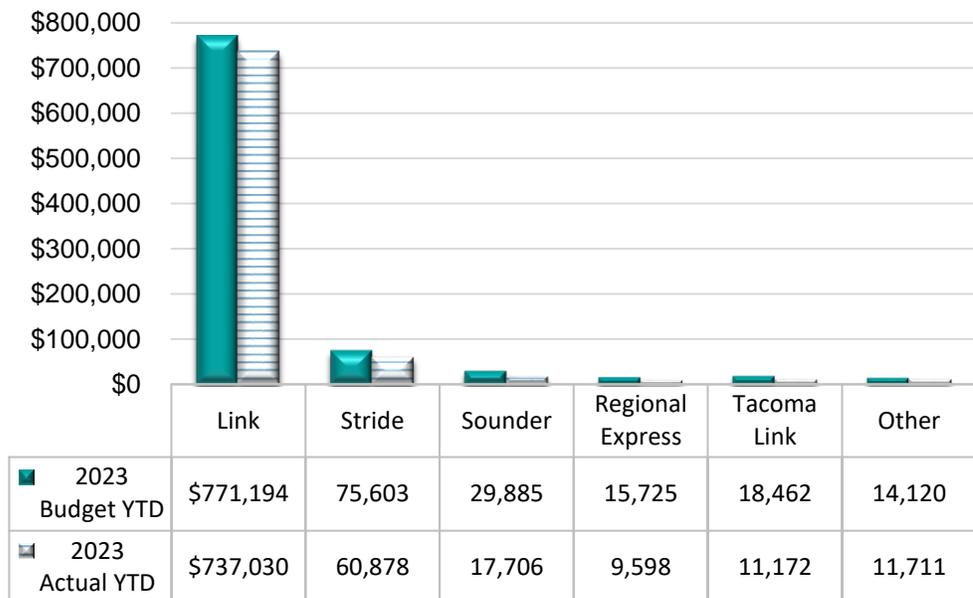
	Annual 2023 Budget	2023 Budget YTD	2023 Actual YTD	Budget Variance YTD	% of Budget YTD
System Expansion					
Link	\$1,664,326	\$771,194	\$737,030	\$34,165	96%
Stride	274,090	75,603	60,878	14,726	81%
Sounder	76,654	29,885	17,706	12,178	59%
Regional Express	34,573	15,725	9,598	6,127	61%
Tacoma Link	28,034	18,462	11,172	7,290	61%
Other	40,230	14,120	11,711	2,408	83%
System Expansion Total	\$2,117,907	\$924,989	\$848,095	\$76,894	92%
Enhancement	52,541	23,462	13,163	10,300	56%
State of Good Repair	51,682	16,849	8,599	8,250	51%
Administrative*	157,066	68,516	64,565	3,950	94%
Total	\$2,379,197	\$1,033,816	\$934,422	\$99,394	90%

* Administrative project category includes overhead charges to projects and G&A.
Note: see Executive Summary page for changes to the 2023 Budget since budget adoption.

SYSTEM EXPANSION PROJECTS (in thousands)

Link system expansion projects performed at 96% of the YTD budget. Performance driven primarily by lower than budgeted spending on Lynnwood Link and Downtown Redmond Link extensions which is offset by higher than planned spending on Federal Way Link. See details in following section.

Stride system expansion projects performed at 81% of the YTD budget. Performance driven primarily by general engineering spending and delays in construction work. See details in following section.



Note: see Executive Summary page for changes to the 2023 Budget since budget adoption.

SYSTEM EXPANSION PROJECTS (in thousands)

Project	Annual 2023 Budget	2023 Budget YTD	2023 Actual YTD	Budget Variance YTD	% of Budget YTD
LINK					
4X445 - FEDERAL WAY LINK EXTENSION	410,147	200,987	284,210	(83,223)	141%
400052 - EVERETT LINK EXTENSION	49,825	5,061	6,314	(1,252)	125%
4X100 - NORTHGATE LINK EXTENSION	6,070	2,740	3,671	(931)	134%
400007 - FIRST HILL STREETCAR	50	0	0	0	0%
4X199 - NORTHGATE LINK EXT PROJ RESERV	0	0	0	0	0%
4X420 - S 200th LINK EXTENSION	6	2	1	2	22%
400136 - GRAHAM ST INFILL STATION	1,710	118	68	50	58%
400137 - BOEING ACCESS RD INFILL STN	4,110	231	120	111	52%
4X200 - UNIVERSITY LINK EXTENSION	500	290	8	282	3%
400037 - SERIES 3 LRV	1,345	428	75	353	17%
4X600 - EAST LINK	133,198	64,313	63,710	603	99%
400009 - LINK O&M FACILITY EAST	3,553	1,468	720	747	49%
400113 - NORTH CORRIDOR MOW	8,837	2,215	1,162	1,053	0
400047 - WEST SEATTLE LINK EXTENSION	23,943	10,426	5,071	5,355	49%
400115 - NE 130TH STREET INFILL STATION	26,943	19,716	12,743	6,973	65%
400066 - BALLARD LINK EXTENSION	67,096	23,715	11,091	12,624	47%
400053 - TACOMA DOME LINK EXTENSION	138,068	25,903	10,510	15,393	41%
400032 - LRV FLEET EXPANSION	121,547	59,354	39,503	19,851	67%
4X630 - DOWNTOWN REDMOND LINK EXT	236,313	126,006	102,061	23,945	81%
4X115 - LYNNWOOD LINK EXTENSION	431,063	228,222	195,992	32,231	86%
Total - LINK	\$1,664,326	\$771,194	\$737,030	\$34,165	96%
STRIDE					
500051 - SR 522-NE 145th ST BRT	82,341	14,813	16,270	(1,456)	110%
500070 - BRT MAINTENANCE BASE	23,921	5,936	7,064	(1,128)	119%
500050 - I-405 BRT	167,828	54,854	37,544	17,310	68%
Total - STRIDE	\$274,090	\$75,603	\$60,878	\$14,726	81%
SOUNDER					
3X206 - MUKILTEO STATION-S PLATFORM	0	0	4	(4)	0%
300087 - EDMONDS & MUKILTEO STN P&A IMP	0	0	0	0	0%
300026 - SOUNDER YARD EXPANSION	5	3	1	2	25%
300136 - TDS PARKING AND ACCESS IMPROV	34	8	2	6	29%
3X510 - SOUNDER SOUTH EXPANDED SERVICE	43	18	10	8	57%
3X135 - D ST - M ST TRACK & SIGNAL	100	45	3	42	6%
300021 - TACOMA TRESTLE TRACK & SIGNAL	240	61	0	61	0%
300019 - LAKEWOOD STATION IMPROVEMENTS	2,001	1,044	947	97	91%
300004 - SOUNDER MAINTENANCE BASE	1,233	146	28	118	19%
300057 - SOUTH TACOMA ACCESS IMPROV	2,071	1,099	710	390	65%
300017 - PUYALLUP STATION IMPROVEMENTS	3,466	3,267	2,864	403	88%
300140 - DUPONT EXTENSION	1,882	784	10	774	1%
300056 - SOUNDER SOUTH CAPACITY EXPN	5,273	2,251	964	1,287	43%
300044 - SUMNER, KENT & AUBURN SPAI	51,505	13,196	9,904	3,292	75%
7X755 - SOUNDER FLEET EXPANSION	8,802	7,964	2,259	5,705	28%
Total - SOUNDER	\$76,654	\$29,885	\$17,706	\$12,178	59%
REGIONAL EXPRESS					
5X387 - REX I-90 2 WAY TRANS& HOV III	2,375	660	1,658	(998)	251%
500117 - NORTH SAMMAMISH PARK & RIDE	0	0	0	(0)	0%
700720 - ST EXPRESS FLEET EXPANSION	0	0	0	0	0%
500086 - BUS ON SHOULDER PROJECT	0	0	0	0	0%
500005 - ST EXPRESS BUS BASE	205	68	61	8	89%
500111 - PACIFIC AVE SR 7 BUS CORRIDOR	6,020	2,010	77	1,933	4%
500110 - RAPIDRIDE C and D	25,973	12,986	7,802	5,185	60%
Total - REGIONAL EXPRESS	\$34,573	\$15,725	\$9,598	\$6,127	61%
TACOMA LINK					
400008 - HILLTOP TACOMA LINK EXTENSION	28,034	18,462	11,172	7,290	61%
Total - TACOMA LINK	\$28,034	\$18,462	\$11,172	\$7,290	61%
OTHER					
600073 - TRANSIT SYSTEM ACCESS PROGRAM	12,700	3,280	4,470	(1,190)	136%
6X668 - ST ART	7,096	2,539	3,143	(604)	124%
600025 - ENVIRONMENTAL MITIGATN MONITR	61	61	36	25	59%
600668 - STart OPERATIONS & MAINTENANCE	299	171	120	51	70%
5X410 - RESEARCH & TECHNOLOGY	325	0	(81)	81	0%
600143 - ENVIRONMENTAL REMEDIATION	773	387	148	239	38%
600038 - ORCA NEXT GENERATION	3,515	472	177	295	38%
809100 - ST3 PLANNING	2,751	1,375	898	477	65%
600016 - FARE ADMINISTRATION	3,293	1,279	602	676	47%
600132 - EFFICIENCY & SUSTAINABILITY	1,958	979	302	677	31%
804302 - TOD PLANNING PROGRAM CAPITAL	2,875	1,437	661	776	46%
600076 - INNOVATION & TECHNOLOGY PROG	4,585	2,140	1,234	905	58%
Total - OTHER	\$40,230	\$14,120	\$11,711	\$2,408	83%
System Expansion Total	\$2,117,907	\$924,989	\$848,095	\$76,894	92%

LINK

Federal Way Link Extension – Project spending was at 141% or \$83.2M higher than the YTD budget due to a 2022 construction invoice paid in 2023 which was unable to be captured in the 2023 budget, coupled with YTD ROW acquisition expenditures higher than planned because of the timing of the acquisition of 2 parcels and the late additional need of a third resulting in the project performing ahead of budget.

Everett Link Extension – Project spending was at 125% or \$1.2M higher than the YTD budget due to increased preliminary engineering work required to complete Phase 1 and additional scope elements for preferred alternatives.

Lynnwood Link Extension – Project spending was at 86% or \$32.2M lower than the YTD budget due to civil contractors performing on the late curve while budgeted on the early curve. The project is projected to still achieve substantial completion on-time but at a slower cash flow YTD. Additionally, passenger signage, fare collection equipment, and vibration monitoring equipment purchases were anticipated but not yet realized YTD.

Downtown Redmond Link Extension – Project spending was at 81% or \$23.9M lower than the YTD budget due to contractor re-sequencing several work elements which resulted in slower progress in April and May but is expected to be temporary. The project team anticipates a return to an expenditure rate at plan.

LRV Fleet Expansion – Project spending was at 67% or \$19.9M lower than the YTD budget due to contractor production rate lowered to reflect a most realistic production approach. The lower production rate will result in a year-end performance of approximately 78% to budget.

Tacoma Dome Link Extension – Project spending was at 41% or \$15.4M lower than the YTD budget due to delays in design/preliminary engineering activities (NEPA/DEIS) due to new scope of additional alignment and station options in Tacoma Dome Link Extension and the Link O&M Facility South.

Ballard Link Extension – Project spending was at 47% or \$12.6M lower than the YTD budget due to accrual corrections in third party spending, absence of right-of-way legal costs, and delays in execution of Phase 3 preliminary engineering activities brought on by additional Board-requested studies.

NE 130th Infill Station – Project spending was at 65% or \$7.0M lower than the YTD budget due to concrete deck work commencing later than planned due to delayed delivery of canopy steel. Additionally, the City of Seattle construction services agreement, originally planned to be completed in March, has not yet been executed and has contributed to lower spending to budget.

West Seattle Link Extension – Project spending was at 49% or \$5.3M lower than the YTD budget due to accrual corrections in third party spending, absence of right-of-way legal costs, and delays in execution of Phase 3 preliminary engineering activities brought on by additional Board-requested studies.

STRIDE

I-405 BRT – Project spending was at 68% or \$17.3M lower than the YTD budget due to slower construction progress on NE 85th Interchange as the DB contract award was delayed and will follow current progress to the end of the year. Project will baseline in July, which will result in amending the annual cash flow and year end forecast.

SR-522 / NE 145th St. BRT – Project spending was at 110% or \$1.5M higher than the YTD budget due to greater progress by the general engineering consultant on the 90% design and the construction agreement with the City of Shoreline on I-5/145th Interchange. Project will baseline in July which will result in amending the annual cash flow and year end forecast.

BRT Maintenance Base – Project spending was at 119% or \$1.1M higher than the YTD budget due to greater progress by the general engineering consultant on the 60% design milestone. Project will baseline in July which will result in amending the annual cash flow and year end forecast.

SOUNDER

Sounder Fleet Expansion – Project spending was at 28% or \$5.7M lower than the YTD budget due to safety and performance related issues (new cars have encountered issues with the batteries and brake test results not meeting ST standards), resulting in budgeted milestone payment not being paid on time. This is targeted to get resolved by the end of July.

Sumner, Kent, & Auburn SPAI – Project spending was at 75% or \$3.2M lower than the YTD budget due to underrun caused by delay in property acquisitions. The property acquisitions were anticipated in June for City of Auburn properties.

Sounder South Capacity Expansion – Project spending was at 43% or \$1.3M lower than the YTD budget due to delay in seeking approval to begin conceptual engineering & environmental review services for the double track projects; majority of planned spending that was expected to begin Q1 2023 will now begin in Q3 2023.

South Tacoma Access Improvements – Project spending was at 65% or \$0.4M lower than YTD budget due to delay in seeking approval to begin conceptual engineering & environmental review services for the double track projects; majority of planned spending that was expected to begin Q1 2023 will now begin in Q3 2023.

DuPont Extension – Project spending was at 1% or \$0.7M lower than the YTD budget due to delays in seeking approval to begin conceptual engineering and environmental review services; majority of planned spending that was expected to begin Q1 2023 will now begin in Q3 2023.

REGIONAL EXPRESS

I-90 Two-Way Transit & HOV - Stage III – Project spending was at 251% or \$1.0M higher than the YTD budget due to the actual submission of the invoices for completed work. The timing of submission is dependent on the City of Mercer Island and has resulted in fluctuations against planned cash flow.

RapidRide C and D – Project spending was at 60% or \$5.2M lower than the YTD budget due to delayed invoice submission from City of Seattle & King County (work completed includes signal upgrades, sitework improvements, and project development).

Pacific Ave SR 7 Bus Corridor – Project spending was at 4% or \$1.9M lower than the YTD budget due to continued third party challenges faced by Pierce Transit to deliver the project; ST staff awaiting Pierce Transit board direction, traffic mitigation requirements, and permit issuance.

TACOMA LINK

Hilltop Tacoma Link Extension – Project spending was at 61% or \$7.3M lower than the YTD budget due to slowed change management efforts due to contractor focus on punch list items. Delayed delivery of vehicles and further delay of conditional acceptance of vehicles have also deferred the payment schedule.

OTHER

Transit System Access Program – Project spending was at 136% or \$1.2M higher than the YTD budget due to May submission of Q4 2022 local agency agreement invoices.

ST Art – Project spending was at 124% or \$0.6M higher than the YTD budget due to the fabrication and installation activities to complete ST2 art installations that were planned in 2022 and deferred to 2023 and now underway. Balancing the challenges of the local economy were reflected in the initial annual cash flow projections.

Innovation and Technology Program – Project spending was at 58% or \$0.9M lower than the YTD budget due to work on the Digital Assistant occurring later than planned because additional rounds of design review, feedback, and revision were necessary for the custom components to ensure that they met all ST needs and requirements.

TOD Planning Program Capital – Project spending was at 65% or \$0.8M lower than the YTD budget due to lower-than-expected spending driven by delays in TOD planning in other projects.

Efficiency & Sustainability – Project spending was at 31% or \$0.7M lower than the YTD budget due to vacancy in the Efficiency & Sustainability Program Lead role. Project will experience lower spending until role is filled.

Fare Administration – Project spending was at 47% or \$0.7M lower than the YTD budget due to deferred distribution of preloaded ORCA cards until later in 2023. Administrative costs for subsidized annual passes are lower than planned.

ENHANCEMENT PROJECTS (in thousands)

Project	Annual 2023 Budget	2023 Budget YTD	2023 Actual YTD	Budget Variance YTD	% of Budget YTD
700647 - HVAC CORRECTIONS	1,393	493	2,856	(2,362)	579%
700818 - OMF SECURITY ENHANCEMENT	1,478	729	846	(117)	116%
800111 - FARE PAID ZONE	3,315	1,632	1,714	(82)	105%
300038 - SOUNDER AT GRADE	1	1	63	(62)	5291%
700688 - LED LIGHTING PROGRAM	1	1	23	(21)	1771%
700654 - SEATAC AIRPORT SECOND ELEVATOR	380	0	12	(12)	0%
700781 - NON-REVENUE SUPPORT VEHICLES	0	0	9	(9)	0%
700811 - LINK OMF GENERATOR	91	46	54	(8)	118%
700817 - OMF SHOP CRANE MODIFICATION	0	0	2	(2)	0%
400033 - LINK AT GRADE	1,579	433	434	(1)	100%
700843 - LINK RADIO DAS SCADA UPDATE	0	0	0	(0)	0%
864169 - STATION CODES	0	0	0	(0)	0%
600146 - ENGINEERING STANDARDS UPDATE	526	0	0	0	0%
700651 - SEATAC AIRPORT WRONG DOOR	0	0	0	0	0%
700665 - VIDEO MNGMNT SYSTEM UPGRADE	500	0	0	0	0%
700676 - TACOMA LINK RADIO UPGRADE	20	0	0	0	0%
700684 - LRV WIRELESS COMM UPGRADE	0	0	0	0	0%
700690 - CT ONBOARD COMM UPGRADE	0	0	0	0	0%
700692 - OMF EXPANDED PARKING	0	0	0	0	0%
700711 - SCR PASSENGR EMERGENCY INTRCOM	0	0	0	0	0%
700730 - OMF LRV LIFT	50	0	0	0	0%
700827 - DSTT ACCESS IMPACT MITIGATION	0	0	0	0	0%
700828 - BHS EMERGENCY FAN REDUNDANCY	49	0	0	0	0%
700858 - SME FOR LINK SYX RELATED	1,000	0	0	0	0%
700860 - LINEAR ASSET DATA-LINK	600	0	0	0	0%
700864 - INTRUSION DETECTION SYSTEM	35	0	0	0	0%
700865 - LCC ALERT NOTIFICATION SYSTEM	150	0	0	0	0%
700872 - LRV SIMULATOR	0	0	0	0	0%
700873 - SW SCADA BMS INTEGRATION	60	0	0	0	0%
700876 - SYSTEM WIDE SMART KEY UPGRADE	110	0	0	0	0%
700878 - NORTHGATE GARAGE GENERATOR	39	0	0	0	0%
700880 - TLINK DRAIN VALVE AUGMENTATION	48	0	0	0	0%
700881 - KING ST STN BIRD DETERRENT	154	0	0	0	0%
700884 - LINK WASTE RECEPICLES-EXP	513	0	0	0	0%
800112 - LINK LINE RENAMING	280	141	140	1	99%
400122 - ESCALATOR MODERNIZATION PROG	0	0	(2)	2	0%
700829 - LRV FRICTION BRAKE BYPASS	3	3	0	3	12%
700847 - BHS ELECTRICAL MAINT-UPS SY	92	22	5	17	22%
700723 - DT SEATTLE & REG MOBILITY IMP	49	43	24	19	55%
700846 - CLINK TIE SWITCH INSTALL	74	52	18	34	35%
700646 - OMF ELECTRICAL CAPACITY	557	79	36	43	46%
600078 - PINE STREET STUB SECURITY	267	53	7	45	14%
700820 - CAPITOL HILL FALL PROTECT	207	70	16	54	23%
700812 - LINK OMF PIT FALL PROTECTION	172	73	3	70	4%
600029 - TACOMA LINK FARE COLLECTION	281	281	198	84	70%
600133 - PARKING MANAGEMENT PROGRAM	560	260	175	85	67%
700879 - AT GRADE DYNAMIC WARNING SIGNS	607	152	0	152	0%
700793 - SIGNAGE IMPROVEMENTS	339	164	2	161	1%
700889 - CCTV ACS ADDITION	458	183	0	183	0%
700710 - LOCOMOTIVE INBOARD CAMERAS	300	200	0	200	0%
700844 - CENTRAL LINK FIBER UPGRADE	800	286	79	207	28%
4X340 - NOISE ABATEMENT	1,174	568	250	318	44%
700004 - OPS OPEX ENH PROG	855	551	196	355	36%
700686 - SECURITY RADIO SYSTEM	1,330	360	2	358	1%
700888 - CROSSINGS PREPROJECT & OUTREACH	781	476	26	451	1%
600085 - SODO MLK HAZARD MITIGATION	1,364	588	108	480	18%
600080 - BIKE PARKING PROGRAM	1,400	600	97	503	16%
700845 - TLINK ONBOARD PIMS UPGRADE	585	575	60	515	10%
803904 - DATA MANAGEMENT PROGRAM	2,927	1,421	97	1,324	7%
600147 - PSO PROGRAMMATIC WORK	8,989	2,398	712	1,686	30%
600084 - DIGITAL PASSENGER INFO SYSTEM	16,000	10,528	4,900	5,627	47%
Enhancement Total	\$52,541	\$23,462	\$13,163	\$10,300	56%

HVAC Corrections – Project spending was at 579% or \$2.4M higher than the YTD budget as project is accelerated to align with the efforts of East Link Starter Link opening.

Digital Passenger Info Management System – Project spending was at 47% or \$5.6M lower than the YTD budget due to vendor quality issues resulting in delayed payment obligations.

PSO Programmatic Work – Project spending was at 30% or \$1.7M lower than the YTD budget due to delay in initiating task orders.

Data Management Program – Project spending was at 7% or \$1.3M lower than the YTD budget as work performed by vendor at no cost and delay due to the lack of internal resources to analyze software for installation.

T-Link Onboard PIMS Upgrade – Project spending was at 10% or \$0.5M lower than the YTD budget as the contract was only awarded in Q2. Construction is expecting to start in Q3.

Bike Parking Program – Project spending was at 16% or \$0.5M lower than the YTD budget due to lower than expected operating, maintenance and staffing costs.

STATE OF GOOD REPAIR PROJECTS (in thousands)

Project	Annual 2023 Budget	2023 Budget YTD	2023 Actual YTD	Budget Variance YTD	% of Budget YTD
700677 - LINK LRV OVERHAUL	900	300	783	(483)	261%
700657 - WHEEL TRUING MACHINE	465	0	466	(466)	0%
400116 - DSTT CAPITAL IMPROVEMENTS	5,509	1,515	1,855	(340)	122%
7X356 - TACOMA DOME STATION	200	0	135	(135)	0%
700751 - LINK STN CTR OCS WIRE DESIGN	613	9	129	(120)	1435%
700815 - UPGRADE CCTV GENETEC SW	0	0	53	(53)	0%
700752 - KENT-AUBURN BRIDGE STAIR REPLM	453	153	201	(48)	131%
700770 - SOUNDER VEHICLE OVERHAUL PROG	4,527	0	44	(44)	0%
3X212 - FARE COLLECTION	0	0	0	0	0%
400046 - CONVENTION PL SYSTEM RETROFIT	0	0	0	0	0%
700652 - OT VIRTUAL SYS HARDWARE UPGRD	0	0	0	0	0%
700682 - TACOMA LINK HVAC-BLDG UPGRADE	0	0	0	0	0%
700705 - LINK BRIDGE REPAIRS	0	0	0	0	0%
700741 - PUGET SOUND EMER RADIO NWRK	0	0	0	0	0%
700769 - LRV OVERHAUL	0	0	0	0	0%
700813 - OPS WAREHSE IMPROV-LYNNWOOD	43	0	0	0	0%
700816 - LINK FIREWORKS UPGRADE	0	0	0	0	0%
7X701 - ST EXPRESS FLEET REPLACEMENT	0	0	0	0	0%
802001 - REPLACEMENT LINK SPEC VEHIC	0	0	0	0	0%
700849 - PIERCE TRANSIT CAD AVL REPLACE	466	0	0	0	0%
700851 - EASTMONT S LOT CURB REPAIR	0	0	0	0	0%
700857 - EASTGATE FREEWAY STATION IMPRO	118	0	0	0	0%
700867 - LINK BENCH REPLACEMENT	52	0	0	0	0%
700870 - ISSAQ TC SITE IMPROVEMENT	309	0	0	0	0%
700877 - AUBURN FIRE SYS REPLACEMENT	149	0	0	0	0%
700882 - AUBURN COMFORT STN IMPROVEMENT	180	0	0	0	0%
700883 - TLINK STATION BENCHES	50	0	0	0	0%
700859 - ST1 LRV APSE OVERHAUL	116	3	0	3	0%
700853 - SEATAC STN RESTROOM RENOVATION	462	45	41	4	91%
700718 - TACOMA LINK LRV OVERHAUL	60	20	6	14	32%
700875 - ST1 LRV PROPULSION UPGRADE	76	28	0	28	0%
700868 - SCR TDS SITE IMPROVEMENTS	74	37	0	37	0%
400089 - BELLEVUE RIDER SERVICE CENTER	89	41	0	41	0%
700663 - OMF PLUMBED EYEWASHES	154	48	6	43	12%
600002 - PXO OPEX SOGR PROGRAM	100	50	0	50	0%
600004 - SAFETY OPEX SOGR PROGRAM	58	58	6	52	11%
700005 - OPS PRE-PROJECT PROGRAM	462	154	95	59	62%
700814 - CLINK SIGNAL HSE COM UPGRADE	67	67	0	67	0%
700728 - LINK STATION TILE REPLACEMENT	1,176	80	12	68	15%
700819 - LINK TPSS UPGRADES	120	120	48	72	40%
700863 - BHS BLDG MGMT SYS PRE-PROJECT	500	80	0	80	0%
700852 - EVERETT STN PED BRIDGE	258	166	38	127	23%
700704 - LINK RADIO UPGRADE	292	140	1	139	1%
870115 - HUB INTRANET REPLACE	222	222	56	166	25%
700841 - LINK OMF FACP SYS REPLACE	800	237	0	237	0%
700810 - LINK OMF VEHICLE GATE REPLACE	485	259	15	244	6%
700850 - MT LAKE TERR PED BRIDGE	290	290	31	259	11%
700771 - STATION MIDLIFE MAINTENANCE	897	361	75	286	21%
803925 - ERP/EAMS REDESIGN	900	360	64	296	18%
700862 - CLINK PA TASK ORDER PRE-DESIGN	750	375	0	375	0%
805009 - ENGINEERING SERVICES PROGRAM	3,537	1,769	1,362	407	77%
803905 - OT RISK MITIGATION PRGRM	611	493	66	427	13%
7X740 - SMALL WORKS PROGRAM	1,310	685	221	464	32%
700003 - OPS OPEX SOGR PROGRAM	1,972	963	444	518	46%
700826 - SCR WITRONIX HARDWARE UPGRADE	1,233	756	0	756	0%
700655 - KINKISHARYO LRV SYSTS UPGRADE	3,375	1,253	274	979	22%
803903 - IT NETWORK REDESIGN-PHASE 2	6,767	2,218	1,160	1,059	52%
870100 - IT TECH INFRASTRUCTURE	6,240	2,365	1,163	1,202	49%
700825 - VERTICAL CONVEYANCE PROGRAM	4,198	1,133	(250)	1,382	-22%
State of Good Repair Total	\$51,682	\$16,849	\$8,599	\$8,250	51%

Link LRV Overhaul – Project spending was at 261% or \$0.5M higher than the YTD budget as additional overhaul activities for pantographs, coupling, traction motors, and brakes were brought forwarded into this year.

Wheel Truing Machine - Project spending was at 0% or \$0.5M higher than the YTD budget due to unbudgeted obligations from work performed late in 2022.

DSTT Capital Improvements - Project spending was at 122% or \$0.3M higher than the YTD budget due to timing of planned versus executed task orders with assigned contractor (WSP).

Vertical Conveyance Program – Project spending was at 22% or \$1.4M lower than the YTD budget due to prior year over accrual credit and pending reconciliation/processing of current year maintenance invoices.

IT Tech Infrastructure – Project spending was at 49% or \$1.2M lower than the YTD budget due to budget timing; spending planned in April is scheduled to commence Q3 & Q4.

IT Network Redesign – Phase 2 – Project spending was at 52% or \$1.1M lower than the YTD budget due to design issues, and resource availability.

Kinkisharyo LRV System Upgrade - Project spending was at 22% or \$0.9M lower than the YTD budget due to less spending on design and vehicle systems as originally planned.

SCR Witronix Hardware Upgrade - Project spending was at 0% or \$0.8M lower than the YTD budget due to delay in new car deliveries pushed out overhaul.

ADMINISTRATIVE PROJECTS (in thousands)

Project	Annual 2023 Budget	2023 Budget YTD	2023 Actual YTD	Budget Variance YTD	% of Budget YTD
700824 - ADMIN FACILITIES	1,319	180	2,068	(1,888)	1152%
802000 - ADMINISTRATIVE CAPITAL	140	40	15	25	38%
802003 - REPLACEMENT ADMIN POOL VEHIC	135	135	0	135	0%
700767 - ADMINISTRATIVE POOL VEHICLES	500	436	108	328	25%
864140 - ADMIN SERVICES	1,696	641	94	547	15%
803800 - INFORMATION TECH PROGRAM	8,829	2,567	638	1,929	25%
0x002 - AGENCY ADMINISTRATIVE OPERATING	144,447	64,517	61,642	2,875	96%
Administrative Total	\$157,066	\$68,516	\$64,565	\$3,950	94%

Admin Facilities – Project spending was at 1152% or \$1.9M higher than the YTD budget primarily due to the Union Station HVAC Replacement project where the mechanical and lighting work was budgeted in 2022 but incurred in 2023. Expected to remain within authorized project allocation.

Agency Administrative Operating – Project spending was at 96% or \$2.9M lower than the YTD budget largely due to agency vacancy rate at 13.8% as opposed to budgeted vacancy at 8%.

Information Technology Program – Project spending was at 25% or \$1.9M lower than the YTD budget driven by procurement delays, internal resource availability, and planned resources provided by vendor at no cost.

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