

# ***2025 Adopted Budget Amendment Briefing***

*To be considered at September FAC meeting*

*Executive Committee*

*09/04/2025*



# ***Why we are here***

## ***Review an amendment to the 2025 Adopted Budget***

We are here to provide details of proposed changes and to inform the committee

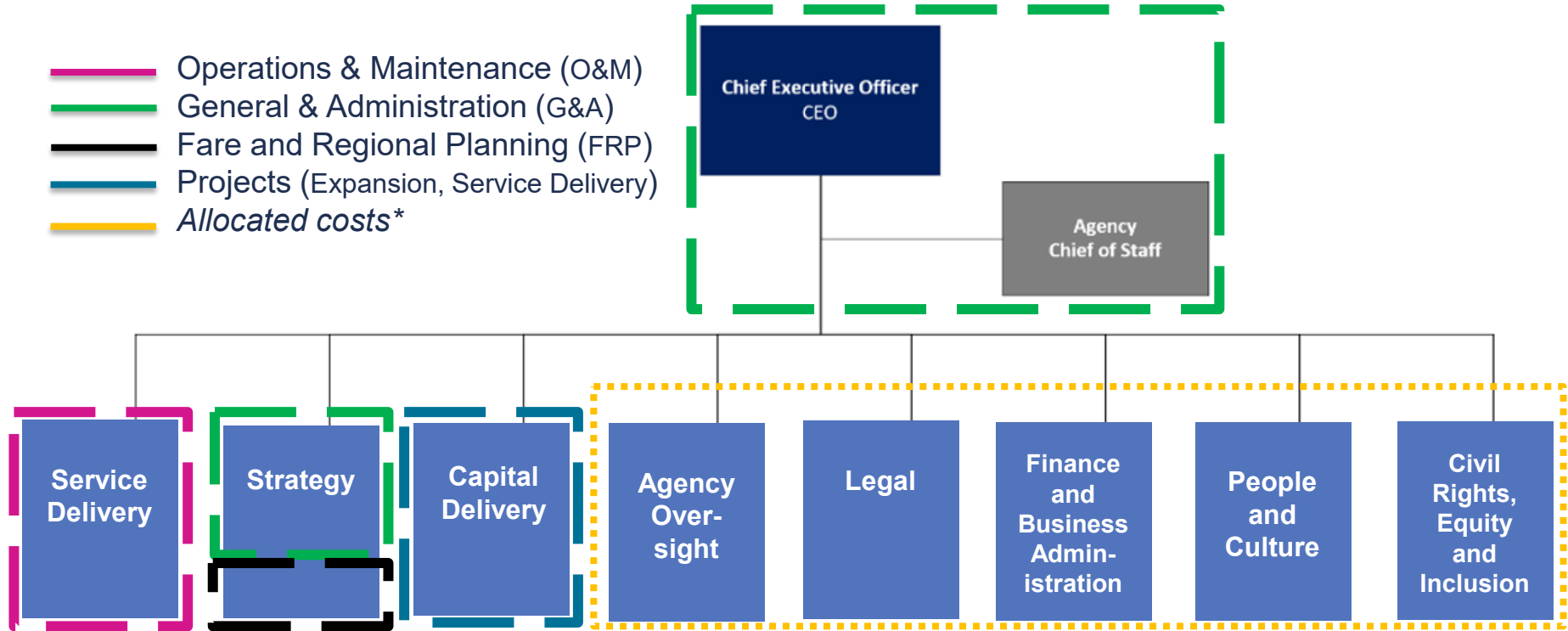
***This presentation is for information only, no action is requested.***

# *Key takeaways*

## *Agency reorganized structure effective in May*

- The Mobilizing One Sound Transit structure updated teams allocating charges to projects
- Allocations determine costs to overarching budget categories
- Administrative support costs consist of:
  - Fare and Regional Planning (FRP)
  - General and Administrative (G&A)
  - Indirect System Expansion project costs
  - Indirect Service Delivery project costs

# Current agency structure



# *Summary of changes*

- Shift budget (**\$67M**) from agency administrative support (indirect costs) to System Expansion Projects (\$54M) and Transit Modes O&M (\$13M).
  - Shift (\$1.3B) from agency administrative support lifetime authorized allocation to System Expansion.
- Create a new indirect cost budget line (project) for System Expansion projects.
- Future step for 2026 budget cycle (October 2025) to break out:
  - System Expansion Projects Indirect Costs
  - Service Delivery Projects Indirect Costs
  - General and Administrative
  - Fare and Regional Planning

***Net neutral budget impact to 2025***

# Summary of changes – 2025 adopted budget

	PRE MOST		POST MOST
2025 Adopted Budget Summary  (in thousands)	2025 Adopted (incl. 2025 Board actions)	Estimated Budget Impact	2025 Adopted Budget AMENDED
Expenses & Outlays			
Subtotal - Transit Modes	756,312	12,808	769,119
Projects			
System Expansion Projects	1,617,186	53,814	1,671,000
Enhancement	75,590		75,590
State of Good Repair	85,303		85,303
Administrative	27,132		27,132
Administrative - agency admin support	147,117	(66,622)	80,496
Less: Service Delivery Project Transfers	(36,431)	-	(36,431)
Subtotal - Projects	1,915,898	(12,808)	1,903,091
Subtotal - Other Expenses	348,940	-	348,940
Total Expenses & Outlays	3,021,150	-	3,021,150

# Summary of changes – 2025 TIP

## Agency Administrative Support

(in thousands)

Project Phase	2025 Annual Project Budget			Authorized Project Allocation		
	Adopted Annual Project Budget	Budget Amendment	Revised Annual Project Budget	Current Authorized Project Allocation	Allocation Revision	Revised Authorized Project Allocation
Indirect Cost	\$147,117	\$(66,622)	\$80,496	\$1,941,537	\$(1,323,359)	\$618,177
<b>Total</b>	<b>\$147,117</b>	<b>\$(66,622)</b>	<b>\$80,496</b>	<b>\$1,941,537</b>	<b>\$(1,323,359)</b>	<b>\$618,177</b>

## System Expansion Indirect Costs

(in thousands)

Project Phase	2025 Annual Project Budget			Authorized Project Allocation		
	Adopted Annual Project Budget	Budget Amendment	Revised Annual Project Budget	Current Authorized Project Allocation	Allocation Revision	Revised Authorized Project Allocation
Indirect Cost	\$	\$53,814	\$53,814	\$	\$1,323,359	\$1,323,359
<b>Total</b>	<b>\$</b>	<b>\$53,814</b>	<b>\$53,814</b>	<b>\$</b>	<b>\$1,323,359</b>	<b>\$1,323,359</b>

# *Next steps*

## ***Executive Committee – inform – September 4, 2025***

- REO Committee – inform – September 4, 2025
- System Expansion Committee – inform – September 11, 2025
- Finance and Audit Committee – forward to Board – September 11, 2025
- Board – adoption of the amendment – September 25, 2025



*Thank you.*



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