

Board Budget Policy Update

Resolution No. R2025-22

Executive Committee

09/04/2025



Why we are here

*Requesting approval to forward a new Budget Policy to the Board for adoption
(Resolution No. R2025-22)*

- We are here to provide details of proposed changes and to inform today's decision

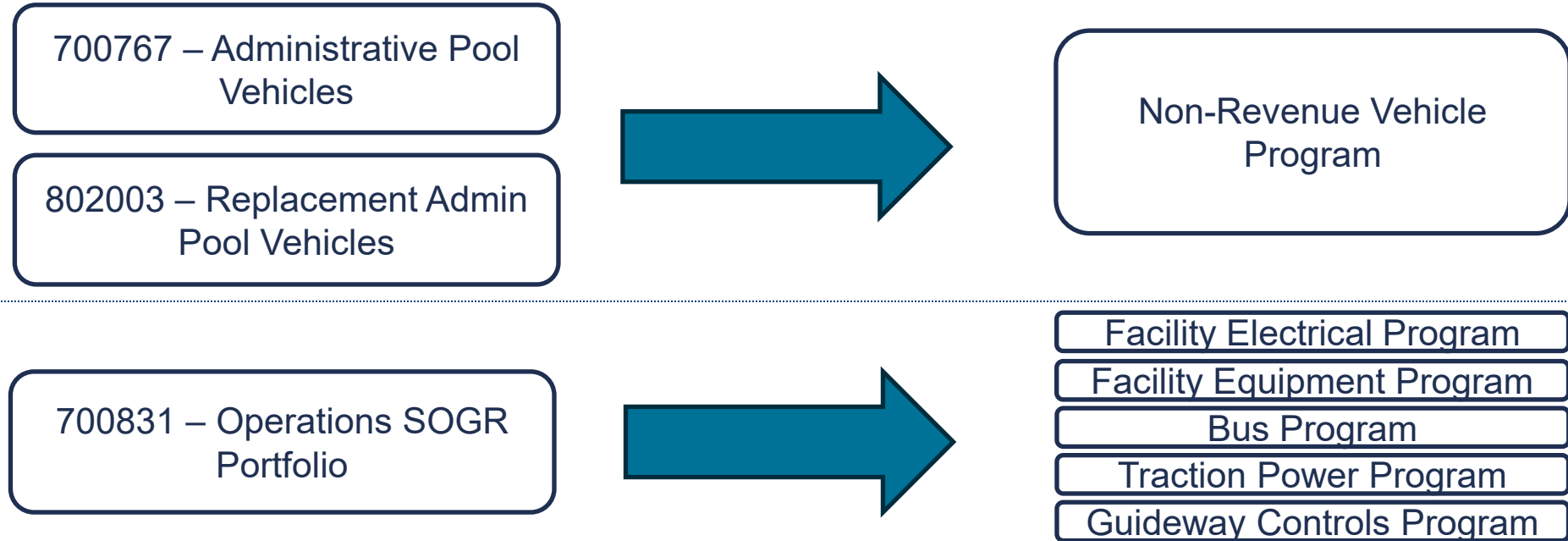
Proposed Changes

- Support programmatic approach to asset State Of Good Repair (SOGR) project execution
- Update and specify budget categories
- Align policy with current agency practice
- Revises and adds definitions for administrative clarity
- Provide control for agency contingency to be used on operations

No material changes proposed to Board controls

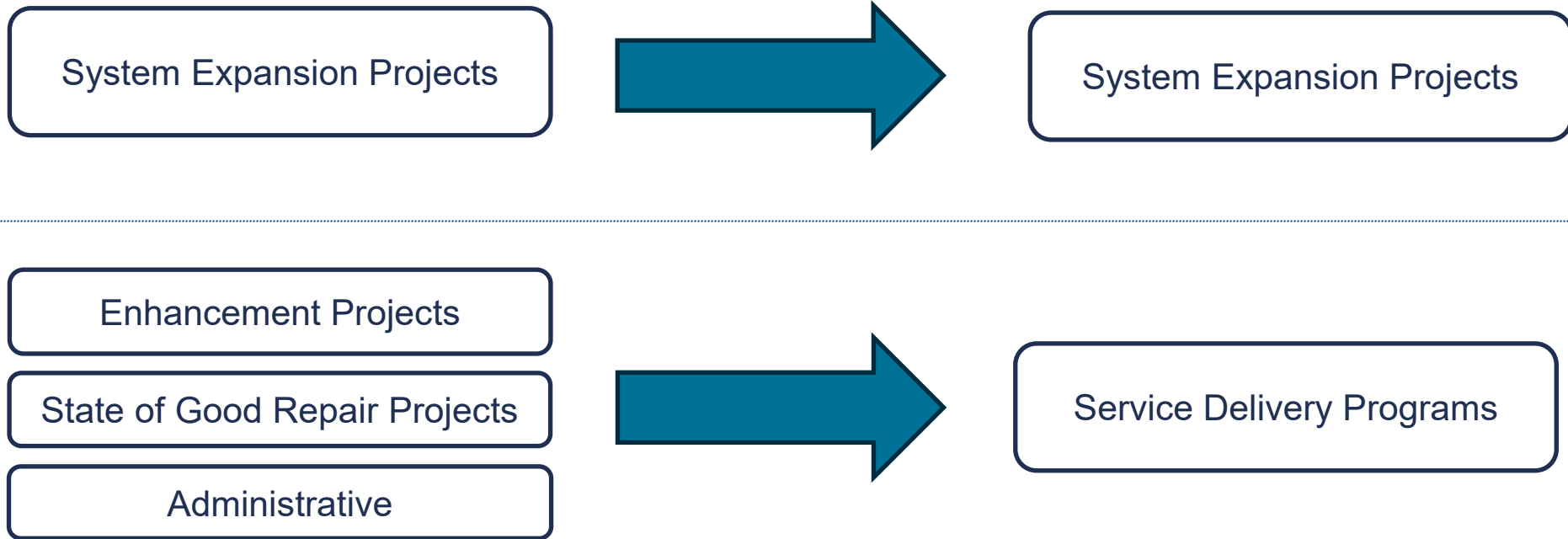
Programmatic approach to State Of Good Repair

Examples of future TIP – 48 projects/programs to 29 estimated programs



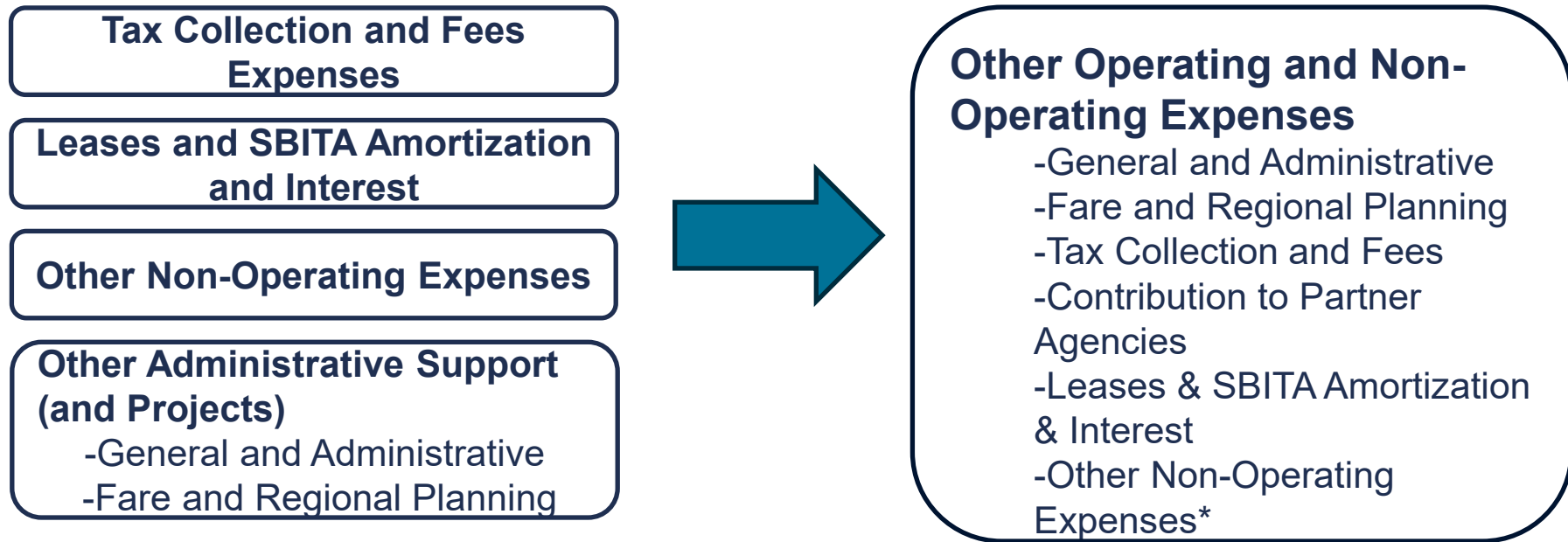
Clarification of budget categories

Maintenance and replacement projects streamlined into Service Delivery Programs



Refresh policy to align with agency changes

Group together Other Operating and Non-Operating Expense items



*Denotes only non-operating category

Inclusion and revision of definitions

Additional clarifications through definitions and defined terms

- **Agency contingency** – new control for operating expenses
- **Budget category** – top line appropriation categories
- **Debt service** – principal and interest repayment
- **Program** – grouping of projects for streamlined execution
- **Transit mode expenses** – annual operating and maintenance expenses

Maintain Controls

The Board continues to control:

- Allocations established for each individual project and program
- Amount established in the budget for each budget category
- System expansion project contingency
- Debt issuance and repayment

Thank you.



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