Financial Performance Report Q3 2026

Finance and Audit Committee

11/19/2026

SOUNDTRANSIT

Why are we here?

Today we are here to provide information

- Q3 2026 Financial performance
- Asset and liability management report

Q3 2026 Financial Performance

Q3 2026 YTD budget performance

Revenues & Other Financing Sources (in thousands)	Sept 2026 YTD Budget	Sept 2026 YTD Actuals	Variance ($) Under/(Over)	Actuals as % of Budget
Tax Revenues	$ 1,813,217	$ 1,962,619	$ 149,402	108%
Other Revenues	$ 551,805	$ 536,638	$ (15,167)	97%
Total Revenues	**$ 2,365,021**	**$ 2,499,257**	**$ 134,235**	**106%**

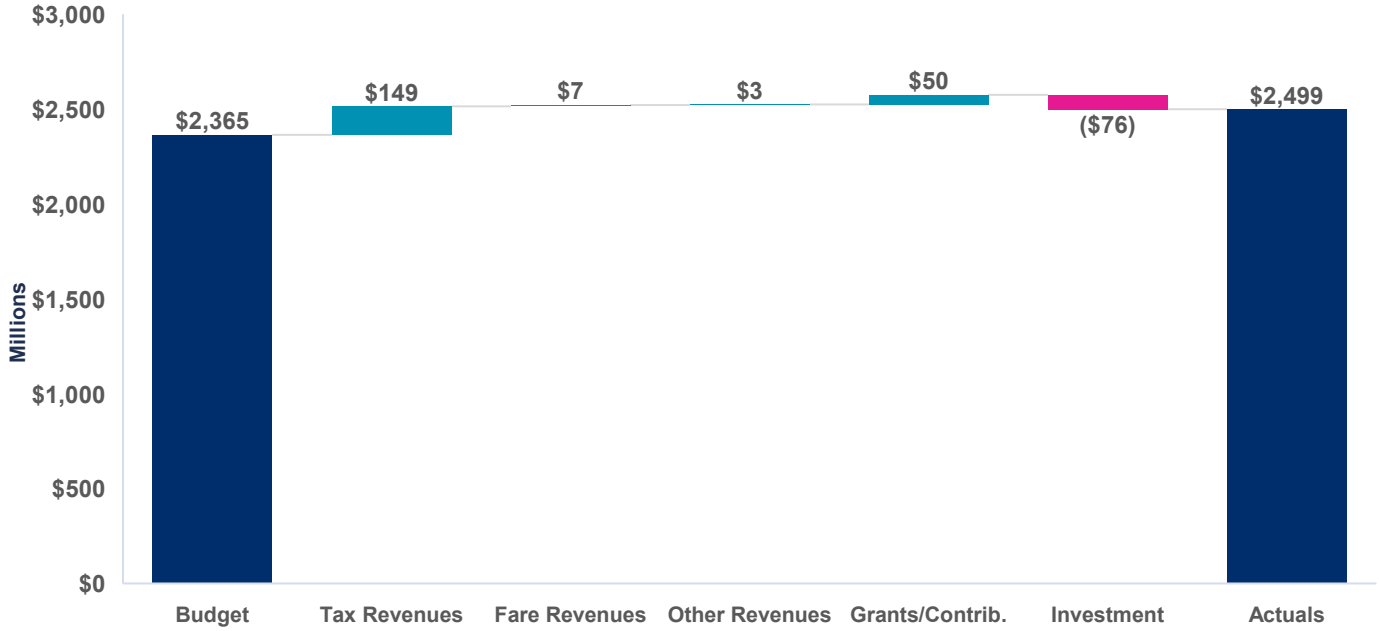
Expenditures (in thousands)	Sept 2026 YTD Budget	Sept 2026 YTD Actuals	Variance ($) Under/(Over)	Actuals as % of Budget
System Expansion Projects	$ 1,304,875	$ 890,118	$ 414,757	68%
Transit Operations	$ 675,614	$ 651,262	$ 24,351	96%
Service Delivery Projects	$ 147,596	$ 62,244	$ 85,352	42%
Debt Service	$ 146,094	$ 139,251	$ 6,843	95%
Other Expenses	$ 87,694	$ 74,374	$ 13,320	85%
Total Expenses	**$ 2,361,873**	**$ 1,817,250**	**$ 544,623**	**77%**

Q3 2026 YTD revenues & other sources

Actuals were $134M or 6% higher than budget

(in millions)

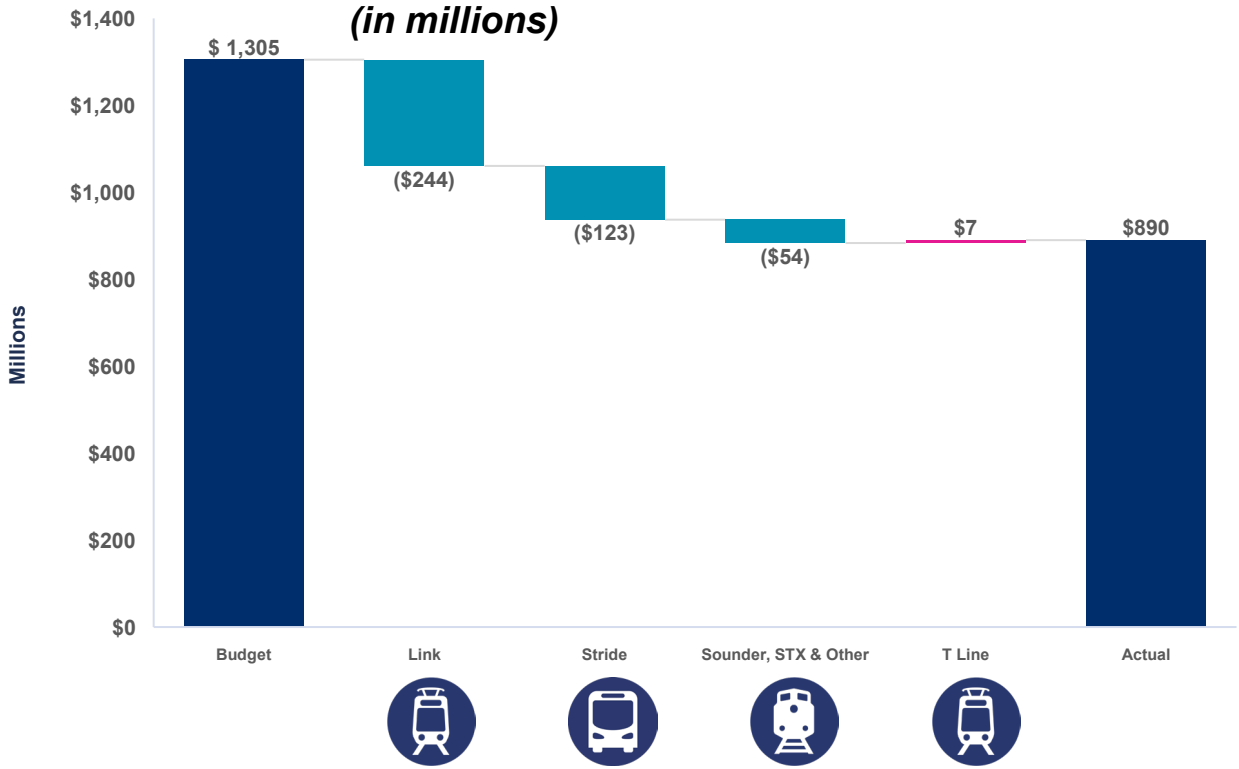
- **Tax revenues**
  (8% over budget)
- **Ridership / fares**
  (12% over budget)
- **Investment income**
  (39% under budget)
- **Federal grants**
  (105% over budget)



Q3 2026 YTD system expansion projects

Actuals were $415M or 32% lower than budget

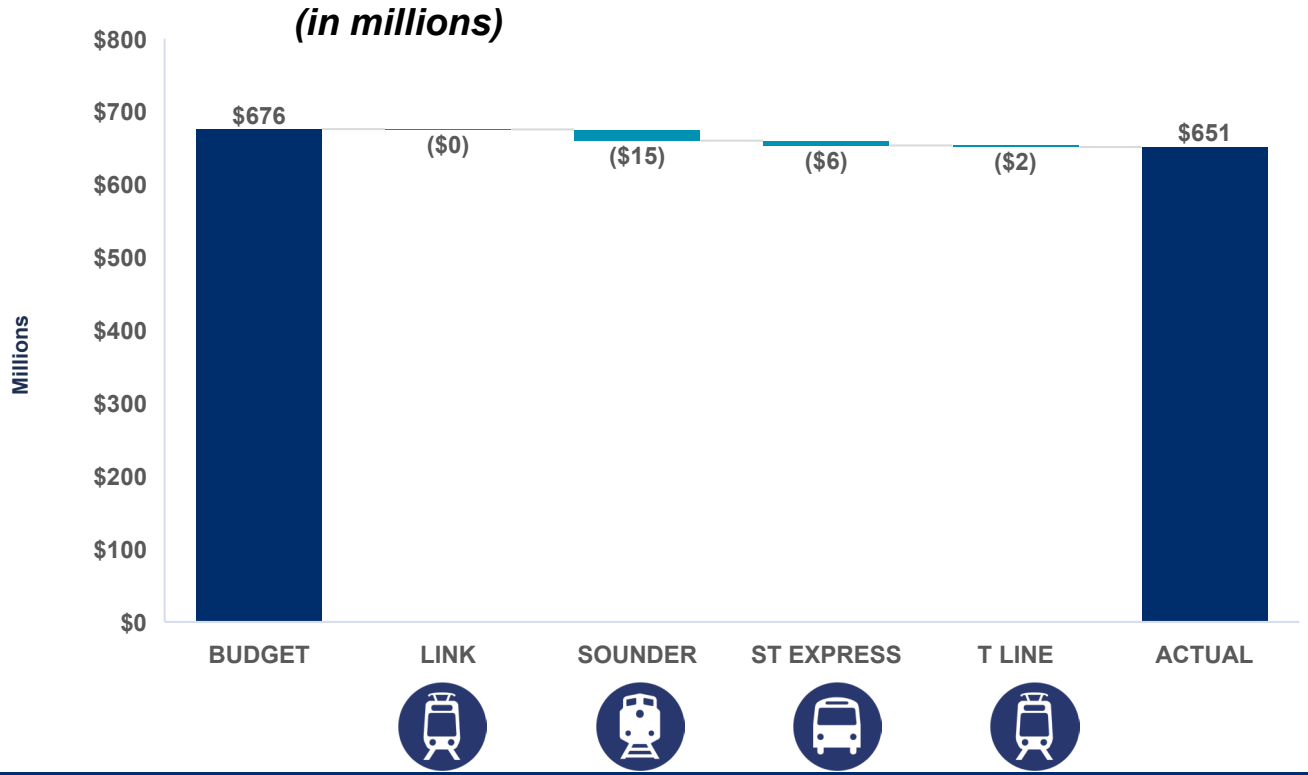
- **Link**
  (35% under budget)
- **Stride**
  (34% under budget)
- **Sounder, ST Express & Other**
  (22% under budget)
- **T Line**
  (212% over budget)



Q3 2026 YTD transit modes operating

Actuals were $24M or 4% lower than budget

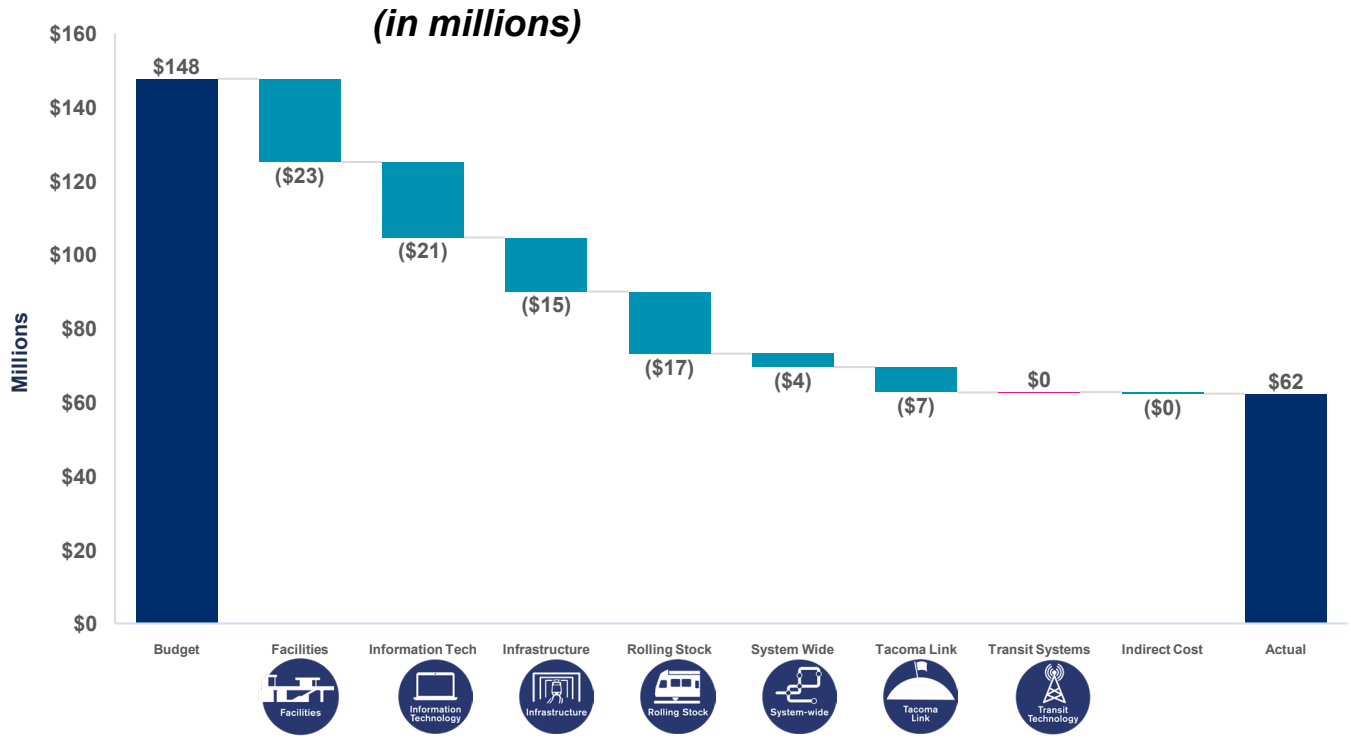
- **Link**
  (At budget)
- **Sounder**
  (17% under budget)
- **ST Express**
  (4% under budget)
- **T Line**
  (12% under budget)



Q3 2026 YTD service delivery projects

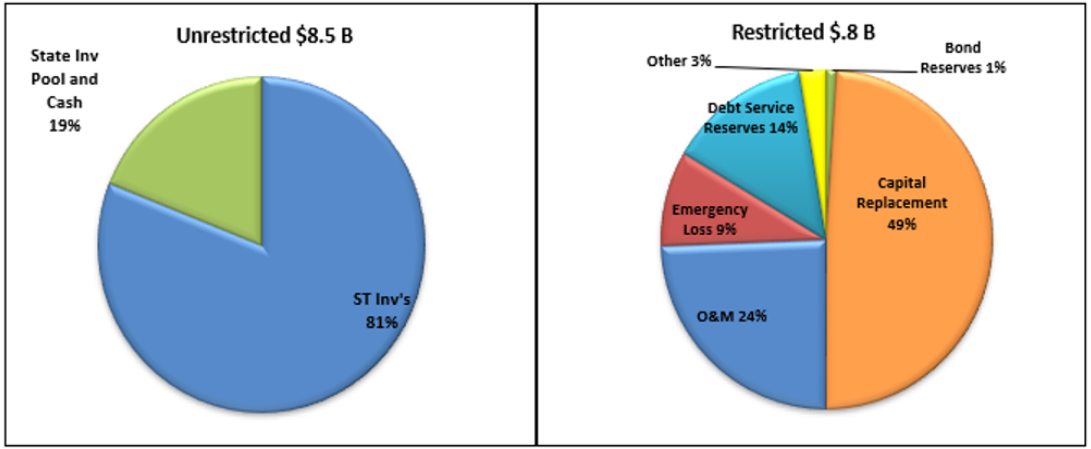
Actuals were $85M or 58% lower than budget

- **Facilities**
  (68% under budget)
- **Infrastructure**
  (50% under budget)
- **Rolling Stock**
  (69% under budget)



Q3 2026 Asset Liability Management (ALM) Report

Investment Portfolio



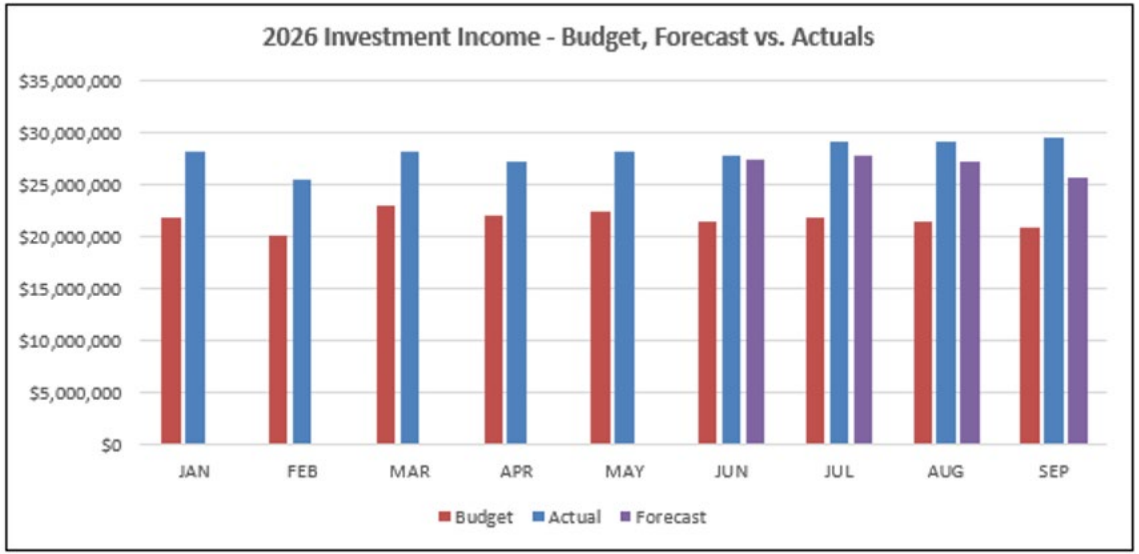
Agency investments in the combined unrestricted and restricted portfolios were $9.3 Billion as of September 30, 2026. Increase from Q2 was due to $233 Million drawn on TIFIA in September. All TIFIA/RRIF loans are now drawn.

- Unrestricted funds are available for any Agency needs and support the planned system expansion
- Restricted funds are set aside for specific purposes based on Board policy and other constraints

Staff continues to monitor the economic data and adjust the portfolio as appropriate

Interest Income

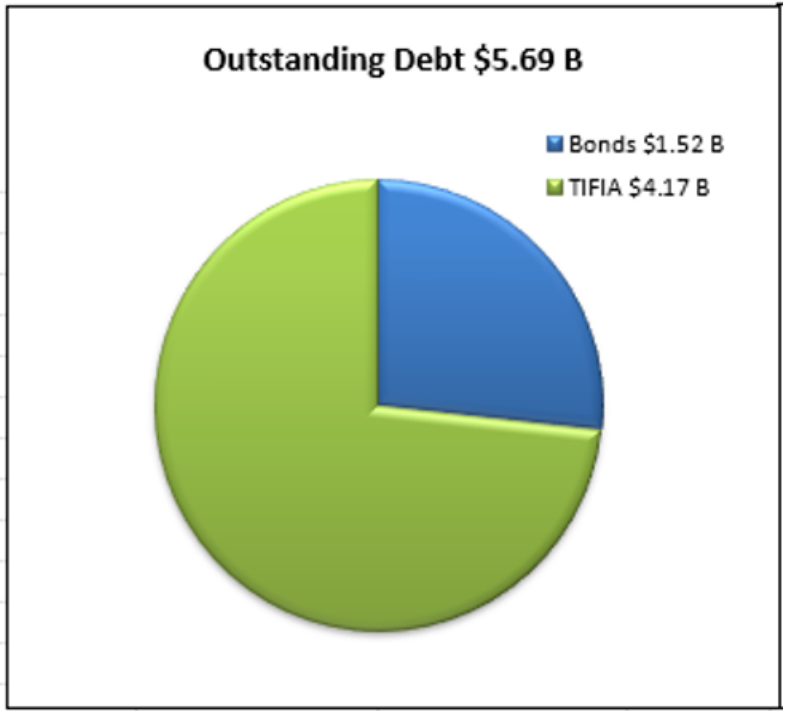
Year-to-date interest income of $253.1 million is $57.9 million above the 2026 budget. Full year interest income is projected to exceed $320 million due to higher than planned balances and interest rates.



Debt Portfolio

The Agency had $5.69 billion of outstanding bonds and TIFIA/RRIF borrowings as of September 30, 2026

The Agency reviews the debt portfolio regularly for opportunities to lower borrowing costs and maximize debt capacity



Portfolio Actions

TIFIA/RRIF draws

- The Agency drew ~$233 million of existing TIFIA and RRIF loan capacity in September for the NE 130th St Infill and Sound Access loans. This action resulted in the total drawdown of existing TIFIA/RRIF loan capacity.

- Future system expansion will likely utilize additional TIFIA loans and staff is engaged in the preliminary work on these loans.

Green Bond report

- Certain of the Agency's bonds have been issued at Green Bonds. The annual Green Bond report was included in the Committee's materials for this meeting.

Thank you.

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