SOUNDTRANSIT

Quarterly Financial Performance Report

Q3 2026 | Preliminary Unaudited Results



EXECUTIVE SUMMARY

Revenues & Other Financing Sources

(In Thousands)	Annual 2026 Budget	2026 Budget YTD	2026 Actual YTD*	Budget Variance YTD	% of Budget YTD
Revenues and Other Financing Sources	$3,271,384	$2,365,021	$2,499,257	$134,235	106%

Year-to-date (YTD) revenues & other financing sources of $2.5B were $134.2M or 5.7% above budget driven by higher-than-budgeted sales tax revenue, federal grants, and passenger fare revenue. This was partially offset by lower-than-budgeted investment income resulting from negative fair market value adjustments.

*Excludes non-cash transactions for gain/loss on disposal of assets & landbank contributions.

Transit Modes

(In Thousands)	Annual 2026 Budget	2026 Budget YTD	2026 Actual YTD	Budget Variance YTD	% of Budget YTD
Transit Modes	$912,755	$675,614	$651,262	$24,351	96%

Transit mode spending was $24 million, or 4% below YTD budget. The variance was driven by underspending on operating projects, primarily Sounder Overhaul and DSTT Modernization. Other variances include lower renewal rates than anticipated for property insurance, unutilized World Cup temporary staffing and delay of the paid parking program into 2027, higher vacancy than budgeted for indirect costs, higher vacancy than planned for Link's King County Rail staff, partially offset by higher security expenses.

Projects

(In Thousands)	Annual 2026 Budget	2026 Budget YTD	2026 Actual YTD	Budget Variance YTD	% of Budget YTD
Projects	$2,149,388	$1,452,471	$952,362	$500,109	66%

Project spending was $952M or 34% lower than YTD budget driven by the system expansion portfolio due to delays in right-of-way acquisitions, close-out and follow-on activities, commencing construction. Projects most impacted by these delays were O&M Facility- South, Federal Way Link Extension, East Link, and the Stride program (I-405 BRT, SR-522 BRT, and Bus Base North). The service delivery portfolio is 58% under YTD budget, due to track access issues, MATOC ramp-up, and delayed milestones on several key projects (ERP/EAM contract awards, Kinkisharyo Systems upgrade and Sounder Passenger Car Overhaul).

*Since the adoption of the 2026 budget, the annual budget for the following projects have been amended via Board actions:
1. System Expansion Project, OMFS, increased by $32M per resolution R2026-05
2. System Expansion Project, West Seattle Link Extension, increased by $51.7M per resolution R2026-14
3. System Expansion Project, Ballard Link Extension, increased by $6M per resolution R2026-14

Debt Service

(In Thousands)	Annual 2026 Budget	2026 Budget YTD	2026 Actual YTD	Budget Variance YTD	% of Budget YTD
Debt Service	$230,442	$146,094	$139,251	$6,843	95%

Debt service was $6.8M or 5% lower than YTD budget primarily driven by interest savings due to not drawing down on two TIFIA loans originally planned for Q1 but drawn in Q3 (Pinehurst and Sounder Access). A board approved refunding in June is expected to result in additional savings by year end.

Others

(In Thousands)	Annual 2026 Budget	2026 Budget YTD	2026 Actual YTD	Budget Variance YTD	% of Budget YTD
General & Administrative	31,788	22,225	23,787	(1,562)	107%
Fare & Regional Planning	41,460	30,593	22,424	8,168	73%
Tax Collections & Fees	25,256	18,673	14,790	3,883	79%
Leases	16,658	11,471	7,460	4,011	65%
Subscription-Based IT Arrangements	5,622	4,228	5,408	(1,180)	128%
Other Non-Operating Expenses	680	503	504	(1)	100%
Agency Contingency	31,200				N/A
Total Other Expenses	**$152,663**	**$87,694**	**$74,374**	**$13,320**	**85%**

YTD spending was $13.3M or 15% lower-than-budget driven by FRP as a result of lower spending across FRP expense projects starting later than planned, primarily related to the Innovation and Technology project and the Unified Control Center project. The Innovation and Technology project is $2.7M under budget due to a number of project delays including one for AI strategic advice and one for agency data management strategy. The Unified Control Center project is $1.4M under budget as agency reorganization delayed progress towards setting up a MATOC for support to selecting the primary building site. Total FRP expense projects are at 50% of YTD budget. Agency Leases are $4M under budget as the agency has not expanded existing administrative space as budgeted.

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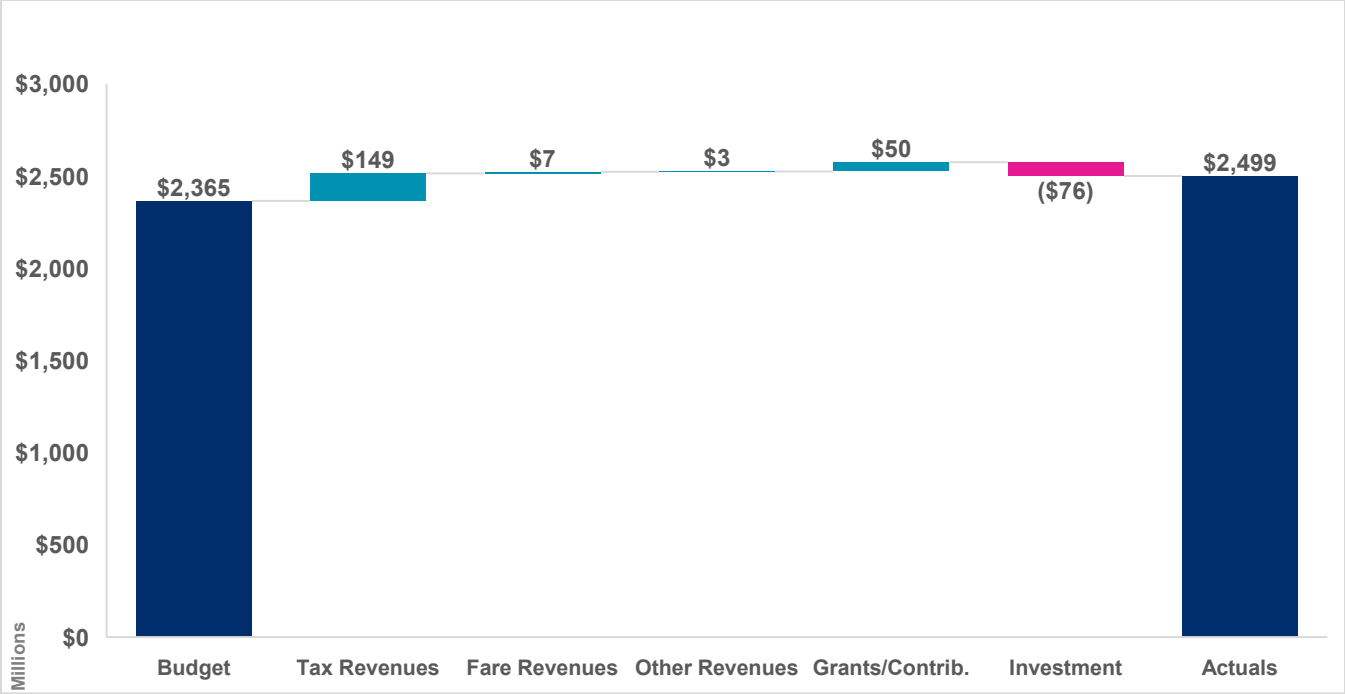
STATEMENT OF NET POSITION

Statement of Net Position (in millions)	Sep 30, 2026	Jun 30, 2026	Sep 30, 2025	Sep 26 vs. Jun 26	Sep 26 vs. Sep 25
Current assets, excluding restricted assets	5,040	4,828	4,851	4%	4%
Restricted assets	144	131	145	10%	(0%)
Capital assets	21,098	20,930	20,515	1%	3%
Other non-current assets	5,329	5,168	3,720	3%	43%
Total Assets	**31,611**	**31,057**	**29,231**	**2%**	**8%**
Deferred Outflows of Resources	**3**	**3**	**3**	**(5%)**	**(17%)**
Current liabilities, excluding interest payable from restricted assets	677	723	676	(6%)	0%
Interest payable from restricted assets	60	27	57	123%	4%
Long-term debt	5,802	5,590	5,043	4%	15%
Other long-term liabilities	227	248	194	(8%)	17%
Total Liabilities	**6,766**	**6,588**	**5,970**	**3%**	**13%**
Deferred Inflows of Resources	**39**	**21**	**22**	**88%**	**78%**
Net Position					
Net investment in capital assets	15,219	15,322	15,312	(1%)	(1%)
Restricted net position	118	118	84	0%	41%
Unrestricted net position	9,472	9,011	7,846	5%	21%
Total Net Position	**$24,809**	**$24,451**	**$23,242**	**1%**	**7%**

The increase in Total Assets of approximately $554M, from June 30, 2026, to September 30, 2026, is primarily related to an increase in long-term investments due to a net increase in cash and cash equivalents related to TIFIA loans and an increase in capital assets as spending continues related to various extension projects.

The increase in Total Liabilities of $178M is primarily the result of an increase in Long-term debt due to two new TIFIA loans for Pinehurst Station opening and Sounder RIFF (railroad rehabilitation and improvement financing).

REVENUES & OTHER FINANCING SOURCES



- YTD tax revenue actuals accounted for 79% of revenues & other financing sources.
- YTD sales tax revenue is the largest source of funds, comprising 61% of revenue & other financing sources.
- Passenger fare revenue includes fare revenue for Link Light Rail, Sounder Commuter Rail, T Line, and ST Express Bus.
- 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 of $2.5B were $134.2M or 5.7% above budget driven by higher-than-budgeted sales tax revenue, federal grants, and passenger fare revenue. This was partially offset by lower-than-budgeted investment income resulting from negative fair market value adjustments.

Tax revenues were $149.4M or 8.2% above budget, primarily driven by sales tax performing $157.9M or 11.6% above budget. The increase in sales tax collections is driven by the impacts of ESSB 5814. YTD sales tax collection growth is 15.5% compared to the budgeted 4.8%. YTD MVET revenue was $8.2M or 2.6% below budget. YTD MVET collections growth is –0.2% compared to the budgeted 3.1%.

Federal grants were $47.4M or 104.6% above budget due to an unbudgeted draw of $16.7M for the Tacoma Dome Link Extension project to exhaust funding from grant WA-2026-001TDLE and an unbudgeted draw of $15.4M for OMFS to exhaust funding from grant WA-2026-002. These draws were initiated at the end of 2025 but were not processed and received until 2026 and were not included in the 2026 budget. Also, $4.3M in draws above budget were taken for the University Link FFGA grant related to DSTT as more contracts were identified as eligible for grand funding. Additionally, $3.8M more than budgeted draws were taken for bus grants for the I-405 BRT project. These were partially offset by $8.1M lower than budgeted funding draws for the Federal Way Link Extension as the project nears completion. All other grants are $9.6M above budget.

Investment income was $76.0M or 38.7% below budget. YTD interest revenue was $57.7M above budget due to larger than expected cash balances and higher than anticipated market rates. This represents an increase of 29.4% over budgeted interest revenue. However, this was offset by $133.8M of negative fair market value adjustments.

Passenger fare revenues were $7.5M or 12.3% above budget YTD. These increases were driven by higher than forecasted Link ridership which surged during the June World Cup events and surpassed the monthly budget by 20%. Total ridership variance to budget resulted in $7.6M of fare revenue above budget; $5.9M above budget for Link light rail, $0.1M above budget for Sounder commuter rail, $1.6M above budget for ST Express, and $0.0M below budget for T Line. Total average fare per boarding variance to budget resulted in $0.2M of fare revenue

below budget; $1.0M above budget for Link light rail, $0.1M above budget for Sounder commuter rail, $1.3M below budget for ST Express, and $0.0M below budget for T Line. On a modal level Link light rail is $6.9M above budget, Sounder commuter rail is $0.2M above budget, ST express bus is $0.3M above budget, and T Line is $0.0M below budget.

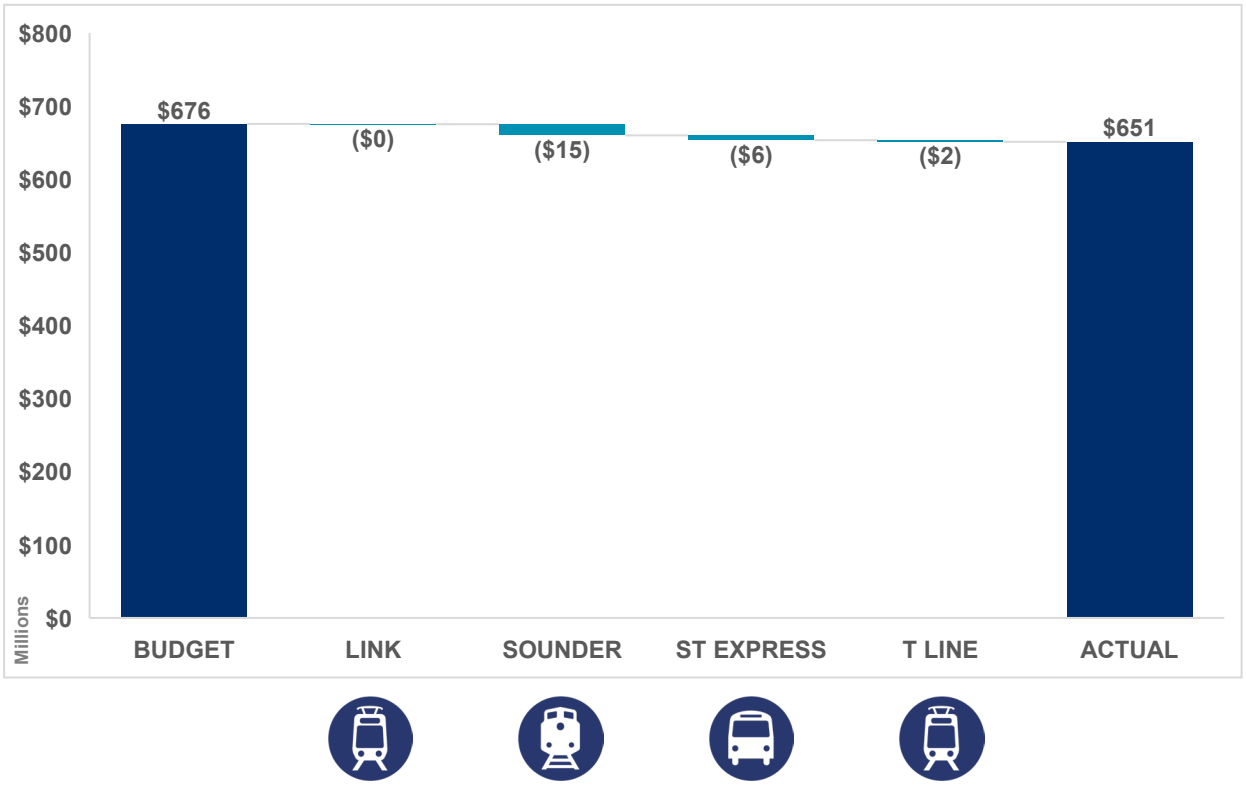
Miscellaneous revenues were $3.3M or 22.3% above budget. ORCA regional program billing reimbursements were $1.3M above budget, CFS carbon credit revenue was $1.0M above budget, rental and use license fee revenue was $0.7M above budget, and advertising was $0.2M below budget. All other miscellaneous revenues were $5K above budget.

Revenues & Other Financing Sources (In Thousands)	Annual Budget 2026	2026 Budget YTD	2026 Actual YTD	Budget Variance YTD	% of Budget YTD
Sales Tax	1,841,621	1,363,389	1,521,276	157,887	112%
Motor Vehicle Excise Tax	413,599	311,709	303,553	(8,156)	97%
Property Tax	179,300	134,475	134,475	0	100%
Rental Car Tax	4,546	3,643	3,314	(329)	91%
Federal Grants	212,389	45,314	92,707	47,392	205%
Passenger Fare Revenue	84,626	60,457	67,918	7,461	112%
Investment Income	260,939	196,484	120,472	(76,013)	61%
Local & State Contributions	19,970	1507	4,239	2,731	281%
Bond & TIFIA Loan Proceeds	233,403	233,403	233,403	0	100%
Miscellaneous Revenues[1]	20,991	14,638	17,900	3,262	122%
Total Revenues & Other Financing Sources	**$3,271,384**	**$2,365,021**	**$2,499,257**	**$134,235**	**106%**

[1]Excludes noncash transactions for gain/loss on disposal of assets and landbank contributions.

TRANSIT MODES

Budget Performance by Mode



Link Light Rail

Link Light Rail Budget Performance (In Thousands)	2026 Budget YTD	2026 Actual YTD	Budget Variance	% of Budget
Revenues				
Passenger Fares	45,089	51,982	6,893	115%
Other Operating Revenue	5,383	7,453	2,071	138%
Total Revenues	**50,471**	**59,436**	**8,964**	**118%**
Expenses				
Salaries & Benefits	34,416	33,406	1,010	97%
Services	94,497	96,195	(1,697)	102%
Materials & Supplies	13,586	15,051	(1,464)	111%
Utilities	12,566	14,451	(1,885)	115%
Insurance	23,584	18,672	4,912	79%
Taxes	1,578	1,608	(30)	102%
Purchased Transportation Services	173,087	183,194	(10,107)	106%
Miscellaneous Expenses	853	897	(44)	105%
Cost Transfers	49,151	40,068	9,083	82%
Subtotal - Expenses	**403,320**	**403,542**	**(222)**	**100%**
Paratransit	7,955	7,058	896	89%
Leases & Rentals	312	703	(391)	225%
Total All Expenses	**$ 411,586**	**$ 411,303**	**$ 283**	**100%**

- Passenger Fares were higher than budget due to increased ridership and improved fare media compliance.
- Cost transfers were lower than budget driven by lower operating project costs. The DSTT Modernization project and other upgrades were delayed due to a focus on World Cup operations and delayed task order execution as the new Multiple Award Task Order Contract (MATOC) was set up. Also, the 3rd Ave Vent Structure project due to track access issue which has now been resolved.
- Lower insurance costs driven by lower renewal rates for the Agency Operations Insurance Program.
- Purchased transportation expenses were above budget due to the true-up for 2025 expenses recognized in May 2026, partially offset by higher King County Rail vacancies at 14% vs. 10% budgeted.
- Utilities above budget due to actual energy consumption higher than budgeted for the new 4-minute headways during peak hours and 5-minute headways most other times between Lynnwood and International District Stations as well as for the new Traction Power Substations.
- Services were higher than budget driven higher Security & Safety costs to provide expanded coverage for wire and copper theft, police staffing, security events, and 24/7 camera and alarm monitoring, partially offset by delayed performance management and oversight consulting costs, un-utilized World Cup funding, and the deferral of the paid parking program to 2027.

Sounder Commuter Rail

Sounder Commuter Rail Budget Performance (In Thousands)	2026 Budget YTD	2026 Actual YTD	Budget Variance	% of Budget
Revenues				
Passenger Fares	5,074	5,293	219	104%
Other Operating Revenue	396	1,072	676	270%
Total Revenues	**5,470**	**6,365**	**894**	**116%**
Expenses				
Salaries & Benefits	6,894	7,675	(781)	111%
Services	17,165	12,652	4,513	74%
Materials & Supplies	4,139	3,049	1,090	74%
Utilities	729	824	(95)	113%
Insurance	6,653	6,891	(238)	104%
Taxes	1,067	1,017	50	95%
Purchased Transportation Services	32,820	33,366	(546)	102%
Miscellaneous Expenses	368	342	26	93%
Cost Transfers	21,382	9,549	11,833	45%
Subtotal - Expenses	**91,215**	**75,364**	**15,852**	**83%**
Paratransit	102	90	12	88%
Leases & Rentals	841	1,272	(431)	151%
Total All Expenses	**$ 92,159**	**$ 76,726**	**$ 15,433**	**83%**

- Other Operating Revenues were higher than budget largely due to higher than budgeted use license fees received from third party entities usage of ST owned properties.
- Cost transfers were lower than budget driven by the Sounder Vehicle Overhaul Program, where the shipment of the first four cars for overhaul was delayed due to technical issues. Separately, Kent Garage concrete repair work was delayed due to weather and World Cup events.
- Services were lower than budget driven by the deferral of the daily paid parking implementation to 2027, lower-than-expected demand for as-needed elevator maintenance, lower hardware maintenance expenses and consulting services due to procurement timing.
- Materials and Supplies were lower than budget due to lower usage for as-needed spare parts, tools, and equipment.

ST Express Bus

ST Express Budget Performance (In Thousands)	2026 Budget YTD	2026 Actual YTD	Budget Variance	% of Budget
Revenues				
Passenger Fares	10,040	10,358	318	103%
Other Operating Revenue	960	455	(505)	47%
Total Revenues	**11,001**	**10,814**	**(187)**	**98%**
Expenses				
Salaries & Benefits	5,755	6,188	(433)	108%
Services	16,804	18,660	(1,856)	111%
Materials & Supplies	374	210	164	56%
Utilities	168	247	(79)	147%
Insurance	433	81	352	19%
Taxes	185	214	(29)	116%
Purchased Transportation Services	115,477	108,025	7,451	94%
Miscellaneous Expenses	344	340	4	99%
Cost Transfers	13,137	12,303	835	94%
Subtotal - Expenses	**152,677**	**146,269**	**6,408**	**96%**
Paratransit		31	(31)	-%
Leases & Rentals	40	1	38	4%
Total All Expenses	**$ 152,717**	**$ 146,301**	**$ 6,416**	**96%**

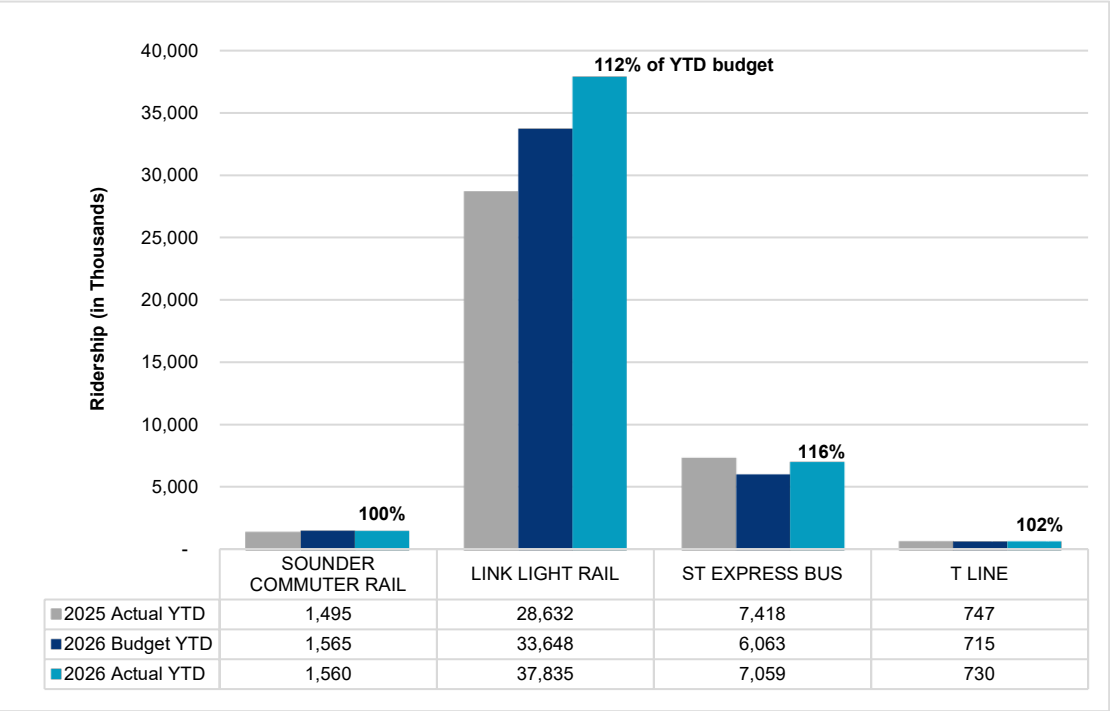
- Other Operating Revenues were lower than budget largely due to lower ORCA card fees and advertising revenues than anticipated. This was partially offset by Passenger Fares Revenues due to higher ridership.
- Purchased Transportation Services was under budget due to the reconciliation adjustment for prior year (2025) services.
- Services were higher than budget primarily due to higher than budgeted World Cup charter bus services.

T Line

T Line Budget Performance (In Thousands)	2026 Budget YTD	2026 Actual YTD	Budget Variance	% of Budget
Revenues				
Passenger Fares	254	235	(19)	92%
Other Operating Revenue	185	115	(71)	62%
Total Revenues	**439**	**349**	**(90)**	**80%**
Expenses				
Salaries & Benefits	9,123	9,880	(757)	108%
Services	5,431	3,671	1,760	68%
Materials & Supplies	771	657	114	85%
Utilities	258	244	14	94%
Insurance	304	330	(26)	109%
Taxes	13	7	6	57%
Purchased Transportation Services	-	-	-	-%
Miscellaneous Expenses	207	269	(62)	130%
Cost Transfers	2,330	1,515	815	65%
Subtotal - Expenses	**18,437**	**16,573**	**1,863**	**90%**
Paratransit	595	315	280	53%
Leases & Rentals	121	44	77	36%
Total All Expenses	**$ 19,152**	**$ 16,932**	**$ 2,220**	**88%**

- Other Operating Revenues were lower than budget due to largely due to lower advertising revenues than anticipated. Passenger Fares were lower than budget due to less special events than anticipated for 2026.
- Services were under budget primarily due to facilities maintenance and consulting costs.
  - Facilities Maintenance was under budget primarily due to lower allocated cleaning contract expenses than budgeted, the deferral of the daily paid parking implementation to 2027, and lower-than-expected demand for as-needed elevator and hardware maintenance expenses.
  - Consulting services originally planned for engineering service requests are no longer expected to be needed this year. Additionally, allocated expenses from other Operations business units were lower than anticipated, including Traction Power Sub-Station (TPSS) condition assessment due to task order delays and temporary labor costs related to World Cup planning that were less than originally anticipated.
- Cost transfers were under budget primarily due to underspending on operating projects such as Tacoma Link Rail Repair, which is in closeout; and Ops Pre-Project Program–T Line, as the majority of work initiated this year has been focused on Link-related projects.

Ridership by Mode



	SOUNDER COMMUTER RAIL	LINK LIGHT RAIL	ST EXPRESS BUS	T LINE
2025 Actual YTD	1,495	28,632	7,418	747
2026 Budget YTD	1,565	33,648	6,063	715
2026 Actual YTD	1,560	37,835	7,059	730

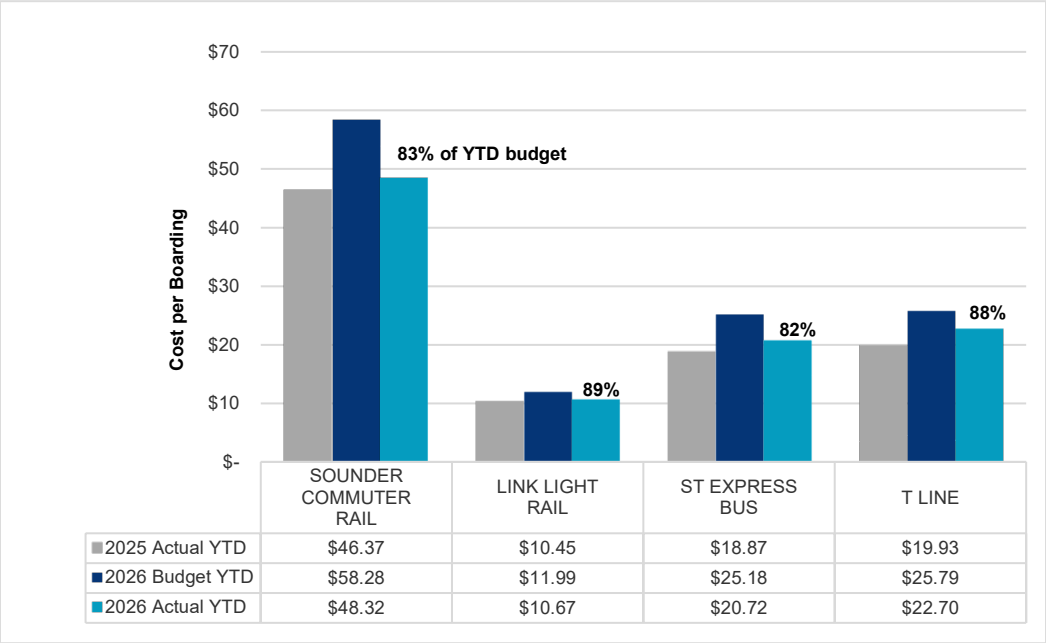
Note: Excludes paratransit boardings. Current quarter ridership figures are preliminary estimates and may be adjusted in the subsequent quarter.

- Sounder commuter rail ridership exceeded prior-year levels driven by ongoing return-to-office trends among major Seattle-area employers. Ridership also benefited from increased demand associated with the Seattle Seahawks Super Bowl Parade and FIFA World Cup-related activities.
- Link light rail ridership exceeded both budget and prior year results, driven by the addition of four stations *through the Federal Way Link Extension and the Crosslake Line 2 Extension, which opened in December* 2025 and March 2026, respectively. Ridership also benefited from increased travel related to the Seattle Seahawks Super Bowl Parade and FIFA World Cup activities.
- ST Express bus ridership exceeded budget driven by improved route efficiency achieved by concentrating service hours on higher-productivity corridors and aligning with return-to-office travel patterns. Ridership also benefited from increased demand associated with the Seattle Seahawks Super Bowl Parade and FIFA World Cup-related activities.
- T Line ridership was slightly below prior-year levels primarily due to a lower number of scheduled special events compared to the prior year.

Modal Metrics

Cost per Boarding by Mode

Cost per boarding metric is calculated using operating costs divided by ridership. This metric shows how much it costs to operate the mode per rider.

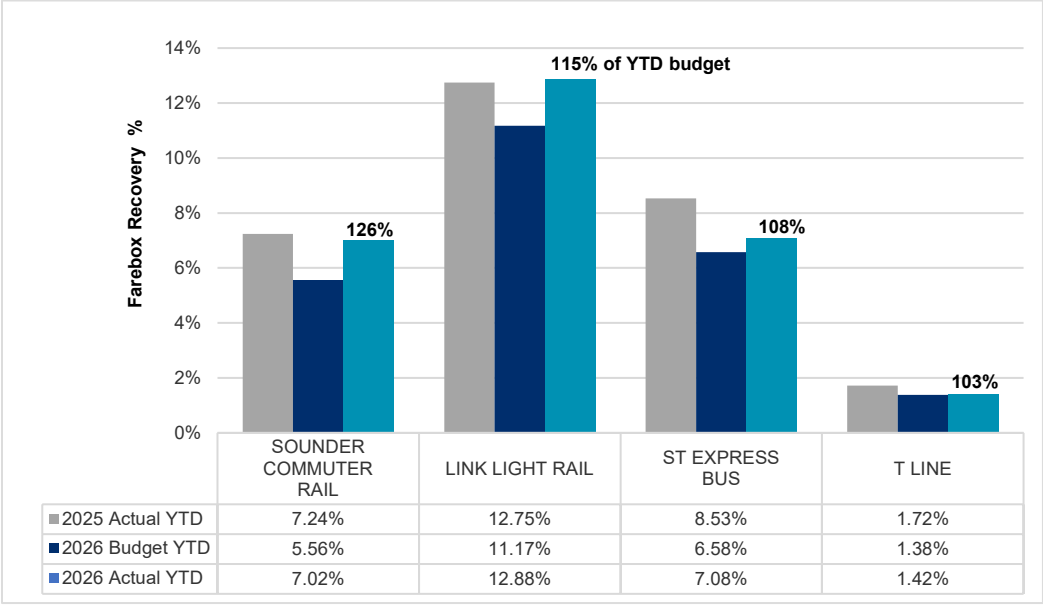


	SOUNDER COMMUTER RAIL	LINK LIGHT RAIL	ST EXPRESS BUS	T LINE
2025 Actual YTD	$46.37	$10.45	$18.87	$19.93
2026 Budget YTD	$58.28	$11.99	$25.18	$25.79
2026 Actual YTD	$48.32	$10.67	$20.72	$22.70

Note: Boarding costs are total expenses, less paratransit and short-term leases and rentals costs. Also, 2026 YTD ridership actuals are preliminary and subject to change.

Farebox Recovery by Mode

Farebox recovery metric is calculated using fare revenue divided by operating costs. This metric shows the amount of revenue recovered per operating dollar spent.



	SOUNDER COMMUTER RAIL	LINK LIGHT RAIL	ST EXPRESS BUS	T LINE
2025 Actual YTD	7.24%	12.75%	8.53%	1.72%
2026 Budget YTD	5.56%	11.17%	6.58%	1.38%
2026 Actual YTD	7.02%	12.88%	7.08%	1.42%

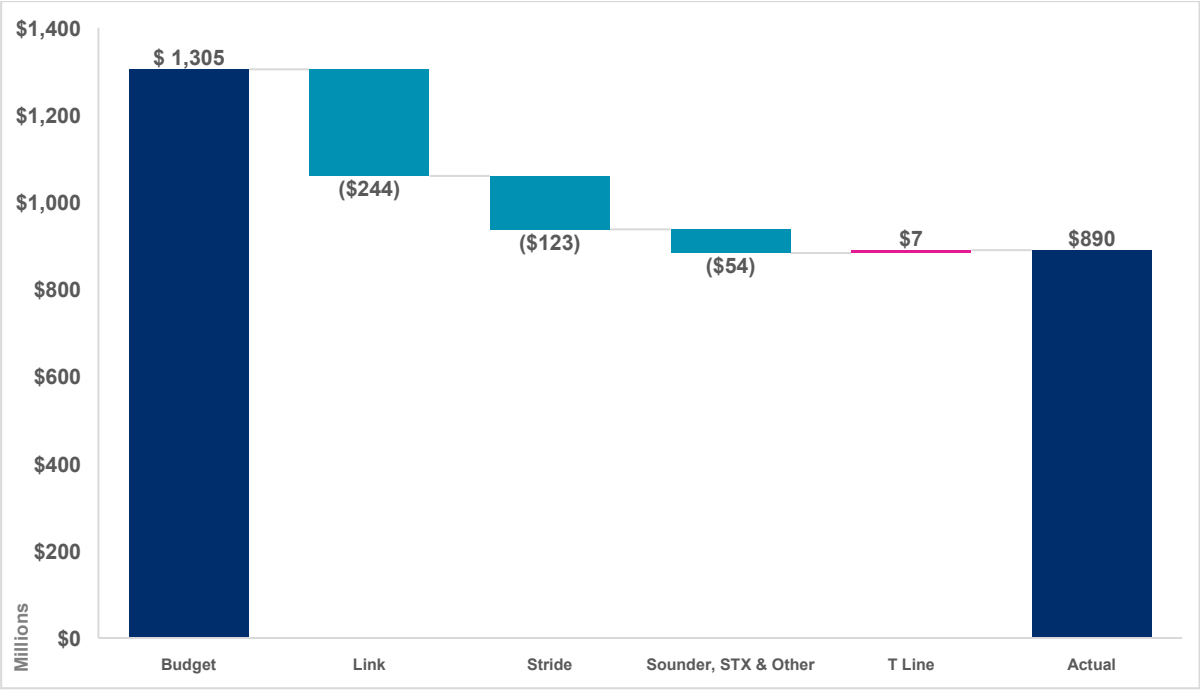
Note: Boarding costs are total expenses, less paratransit and short-term leases and rentals costs. Fare Revenue is total revenue less Park & Ride parking revenue. Also, 2026 fare revenue YTD actuals are preliminary and subject to change.

PROJECTS

Summary Project Performance

Project Performance (In Thousands)	Annual 2026 Budget	2026 Budget YTD	2026 Actual YTD	Budget Variance YTD	% of Budget YTD
System Expansion Projects					
Link Light Rail	1,084,990	694,253	449,785	244,468	65%
Stride Bus Rapid Transit	521,611	361,783	238,747	123,036	66%
Sounder Commuter Rail	142,177	112,183	76,922	35,261	69%
ST Express Bus	1,759	328	1,415	(1,087)	432%
T Line	4,058	3,166	9,883	(6,717)	312%
Multimodal	48,515	35,062	17,772	17,290	51%
System Expansion Projects Indirect Cost	141,560	98,100	95,594	2,506	97%
Subtotal - System Expansion	**1,944,669**	**1,304,875**	**890,118**	**414,757**	**68%**
Service Delivery Projects					
Service Delivery Projects Direct Cost	190,316	137,615	52,683	84,932	38%
Service Delivery Projects Indirect Cost	14,403	9,981	9,562	420	96%
Subtotal – Service Delivery	**204,719**	**147,596**	**62,244**	**85,352**	**42%**
Total	**$ 2,149,388**	**$ 1,452,471**	**$ 952,362**	**$ 500,109**	**66%**

System Expansion Projects



System Expansion – Link Light Rail projects

- Link Light Rail project budgets performed at 65% of the YTD budget, primarily due to underspend in the O&M Facility- South, Federal Way Link Extension, West Seattle Link Extension, East Link, Everrett Link Extension, Lynnwood Link Extension, and Ballard Link Extension.
- Delayed right-of-way acquisitions for O&M Facility –South, West Seattle Link Extension and Ballard Link Extension. Delays in closeout and follow-on activities for Federal Way, East Link, and Lynnwood; and third party jurisdictional station planning delayed for Everrett Link Extension, and delayed invoices for Tacoma Dome contributed to the variance.

System Expansion Projects - Link Light Rail (In Thousands)	Annual 2026 Budget	2026 Budget YTD	2026 Actual YTD	Budget Variance YTD	% of Budget YTD
Downtown Redmond Link Ext	22,189	16,254	27,345	(11,092)	168%
Northgate Link Extension	3,180	2,398	3,359	(962)	140%
Link O&M Facility East	1,796	521	330	191	63%
S 200th Link Extension	690	690	219	471	32%
University Link Extension	1,550	1,085	81	1,004	7%
Series 3 LRV	5,780	4,058	2,487	1,571	61%
North Corridor Mow	2,474	1,971	246	1,725	12%
Graham St Infill Station	7,359	5,282	2,514	2,768	48%
Boeing Access Rd Infill Stn	11,677	8,454	3,006	5,448	36%
NE 130th Street Infill Station	54,587	47,873	37,032	10,841	77%
Tacoma Dome Link Extension	65,650	52,035	40,514	11,521	78%
Series 2 LRV Fleet Expansion	45,660	31,376	18,242	13,134	58%
Ballard Link Extension	198,448	56,625	43,320	13,305	77%
Lynnwood Link Extension	37,073	26,929	13,372	13,557	50%
Everett Link Extension	75,543	61,246	46,705	14,541	76%
East Link	93,663	76,583	51,243	25,340	67%
West Seattle Link Extension	186,898	96,321	67,203	29,118	70%
Federal Way Link Extension	88,522	80,757	51,206	29,550	63%
O&M Facility-South	182,251	123,798	41,361	82,436	33%
Total	**$1,084,990**	**$694,253**	**$449,785**	**$244,468**	**65%**

Note: Variance explanations are provided below in this section for projects with YTD budget variance +/-10% and +/-1M threshold.

Downtown Redmond Link Extension – Project spending was at 168% or 11M higher than the budget due to overspending in construction phase driven by processing contract closeout items.

Series 3 LRV– Project spending was at 61% or 1.6M lower than the budget due to delivery issues of final LRV's driven by supply chain issues. Scope postponed to future years, variance will likely continue for the remainder of the year.

North Corridor Mow – Project spending was at 12% or 1.7M lower than the budget due to delay of projected construction spending into Q4.

Graham St Infill Station – Project spending was at 48% or 2.8M lower than the budget due to preliminary engineering costs ramping up more slowly than forecast, pushing costs into 2027.

Boeing Access Rd Infill Stn – Project spending was at 36% or 5.4M lower than the budget due to preliminary engineering costs ramping up more slowly than forecast, pushing costs later into Q4 and 2027.

NE 130th Street Infill Station – Project spending was at 77% or 10.8M lower than the budget due to unforeseen delays; however, project has reached revenue service and is expected to finish year close to budget.

Tacoma Dome Link Extension – Project spending was at 78% or 11.5M lower than the budget due to invoices from cities lower than anticipated or delayed. Right of way administration continues to develop the acquisition plan, resulting in lower-than-planned expenditures.

Series 2 LRV Fleet Expansion – Project spending was at 58% or 13.1M lower than the budget due to delivery

issues of final LRV's driven by supply chain issues. Because of these issues milestone payment estimates were over aggressive, vehicles conditionally accepted milestone is expected to be pushed to 2027. Variance will likely continue for the remainder of the year.

Ballard Link Extension – Project spending was at 77% or 13.3M lower than the budget due to delays with the Draft Environmental Impact Statement.

Lynnwood Link Extension – Project spending was at 50% or 13.6M lower than the budget due to slower than expected progress punch list items, follow-on work, and other closeout costs.

Everett Link Extension – Project spending was at 76% or 14.5M lower than the budget due to preparation of transition from phase 2 to phase 3 of design. Third party jurisdiction station planning delayed till 2027.

East Link – Project spending was at 67% or 25.3M lower than the budget due to delays in closeout items and third party costs that are pushing planned expenses into 2027.

West Seattle Link Extension – Project spending was at 70% or 29.1M lower than the budget due to delays in right-of-way acquisitions and final design, activities which are expected to pick up into Q4.

Federal Way Link Extension – Project spending was at 63% or 30M lower than the budget due to post-revenue service date closeout activities and pending change items.

O&M Facility-South – Project spending was at 33% or 82.4M lower than the budget due to delays in right-of-way acquisitions and lower than planned construction services spending.

System Expansion – Remaining projects

- Stride Bus Rapid Transit project budgets performed at 66% of the YTD budget driven primarily by delays in start of construction because of delays in construction start at TIBS for I-405 BRT, only late night work during world cup as well as late notice to proceed for SR 522-NE 145 ST BRT and additional peat removal and permitting delays for Bus OMF.
- Sounder Commuter Rail project budgets performed at 69% of the YTD budget driven by non-conformance reports leading to delays with Sumner Garage and a billing issue with Sounder Fleet Expansion.

Stride Bus Rapid Transit

System Expansion Projects - STRIDE (In Thousands)	Annual 2026 Budget	2026 Budget YTD	2026 Actual YTD	Budget Variance YTD	% of Budget YTD
SR-522 BRT Garages	15	11	22	(11)	199%
I-405 BRT Garages	15	11	15	(3)	129%
Bus OMF	121,658	75,006	50,737	24,268	68%
SR 522-NE 145th St BRT PW	98,906	67,962	41,536	26,426	61%
I-405 BRT Portfolio Wide	301,017	218,793	146,437	72,356	67%
Total	**$521,611**	**$361,783**	**$238,747**	**$123,036**	**66%**

Bus OMF – Project spending was at 68% or 24.2M lower than the budget due to delays in construction and maintenance facilities due to additional peat removal areas and delays on permits.

SR 522-NE 145th St BRT PW – Project spending was at 61% or 26.4M lower than the budget due to issues with Notice To Proceed, construction has started with limited scope. During world cup only night work was done causing delays as well.

I-405 BRT Portfolio Wide – Project spending was at 67% or 72.3M delays in construction due to late start of construction at TIBS pushing back their schedule for construction.

Sounder Commuter Rail

System Expansion Projects - Sounder (In Thousands)	Annual 2026 Budget	2026 Budget YTD	2026 Actual YTD	Budget Variance YTD	% of Budget YTD
Edmonds & Mukilteo Stn P&A Imp	0	0	0	(0)	0%
Tacoma Trestle Track & Signal	0	0	0	0	0%
TDS Access Improvements	304	304	154	150	51%
Sounder Maintenance Base 1	1,070	499	216	282	43%
Sounder South Expanded Service	568	425	134	291	31%
Dupont Extension	4,852	1,176	713	463	61%
South Tacoma Access Improv	1,989	1,392	664	729	48%
Lakewood Station Improvements	6,908	5,253	3,836	1,417	73%
Sounder South Capacity Expn	10,886	4,929	3,432	1,497	70%
D St - M St Track & Signal	5,237	5,237	6	5,231	0%
Sounder Fleet Expansion	8,210	6,157	466	5,691	8%
Sumner, Kent & Auburn SPAI	102,153	86,811	67,301	19,510	78%
Total	**$142,177**	**$112,183**	**$76,922**	**$35,261**	**69%**

Lakewood Station Improvements – Project spending was at 73% or 1.4M lower than the budget due to the city led projects are beginning to pick up as construction is underway; however, invoiced amounts have been lower than planned for 2026. Final design costs for VE and QRA now delayed to 2027. Delay in ROW activities with property costs likely pushed to late 2027.

Sounder South Capacity Expn– Project spending was at 70% or 1.5M lower than the budget due to delays caused by multiple internal reviews and communication with King County. There has higher internal support than expected.

D St - M St Track & Signal – Project spending was at 0% or 5.2M lower than the budget due to lower than anticipated staffing levels for planned closeout activities.

Sounder Fleet Expansion – Project spending was at 8% or 5.7M lower than the budget due to no planned spend for the remainder of the year

Sumner, Kent & Auburn SPAI – Project spending was at 78% or 19.5M lower than the budget due to two significant Non-Conformance reports requiring rework for several floors of the Sumner Garage, leading slower construction progress and spending than initially planned.

ST Express Bus, T Line and Multimodal

System Expansion Projects - ST Express Bus, T Line, Multimodal & Non-Modal (In Thousands)	Annual 2026 Budget	2026 Budget YTD	2026 Actual YTD	Budget Variance YTD	% of Budget YTD
ST Express Bus					
Rapidride C And D	1,286	6	1,295	(1,290)	23131%
Bus On Shoulder Project	0	0	0	0	0%
North Sammamish Park & Ride	0	0	0	0	0%
ST Express Fleet Expansion	0	0	0	0	0%
Rex I-90 2 Way Trans& Hov III	20	20	13	7	66%
ST Express Bus Base	167	125	92	34	73%
Pacific Ave SR 7 Bus Corridor	286	177	15	162	8%
Total - ST Express Bus	**1,759**	**328**	**1,415**	**(1,087)**	**432%**
T Line					
Hilltop Tacoma Link Extension	4,058	3,166	9,883	(6,717)	312%
Total - T Line	**4,058**	**3,166**	**9,883**	**(6,717)**	**312%**

Multimodal					
Fare Administration	1,620	855	1,181	(326)	138%
Environmental Mitigat'N Monitr	53	39	346	(307)	879%
Renton Transit Center Garage	0	0	3	(3)	0%
ORCA Next Generation	2,337	674	660	14	98%
Environmental Remediation	1,000	750	590	160	79%
Start Operations & Maintenance	566	477	193	284	41%
TOD Planning Program Capital	5,050	3,788	3,350	437	88%
ST3 Planning	2,495	2,021	1,449	571	72%
Unified Control Center	1,798	938	337	601	36%
Research & Technology	1,250	820	135	685	16%
Efficiency & Sustainability	2,907	2,326	515	1,810	22%
Transit System Access Program	5,390	3,793	1,883	1,910	50%
ST Art	10,258	8,481	3,427	5,055	40%
Innovation & Technology Prog	13,792	10,102	3,703	6,399	37%
Total - Multimodal	**48,515**	**35,062**	**17,772**	**17,290**	**51%**
Non-Modal					
System Expansion Projects – Indirect Cost	141,560	98,100	95,594	2,506	97%
Total	**$195,891**	**$136,656**	**$124,664**	**$11,992**	**91%**

Rapidride C&D – Project spending was $1.3M higher than the budget due to third party costs occurring earlier in the year than initially forecast.

Hilltop Tacoma Link Extension – Project spending was at 312% or $6.7M higher than the budget due to high costs associated with ongoing litigation resolution.

Efficiency & Sustainability – Project spending was at 22% or $1.8M lower than the budget due to a delay in project activities planned for earlier in the current year, but these tasks are expected to be completed later in 2026. Also, the annual budget contains some buffer for unexpected project requests.

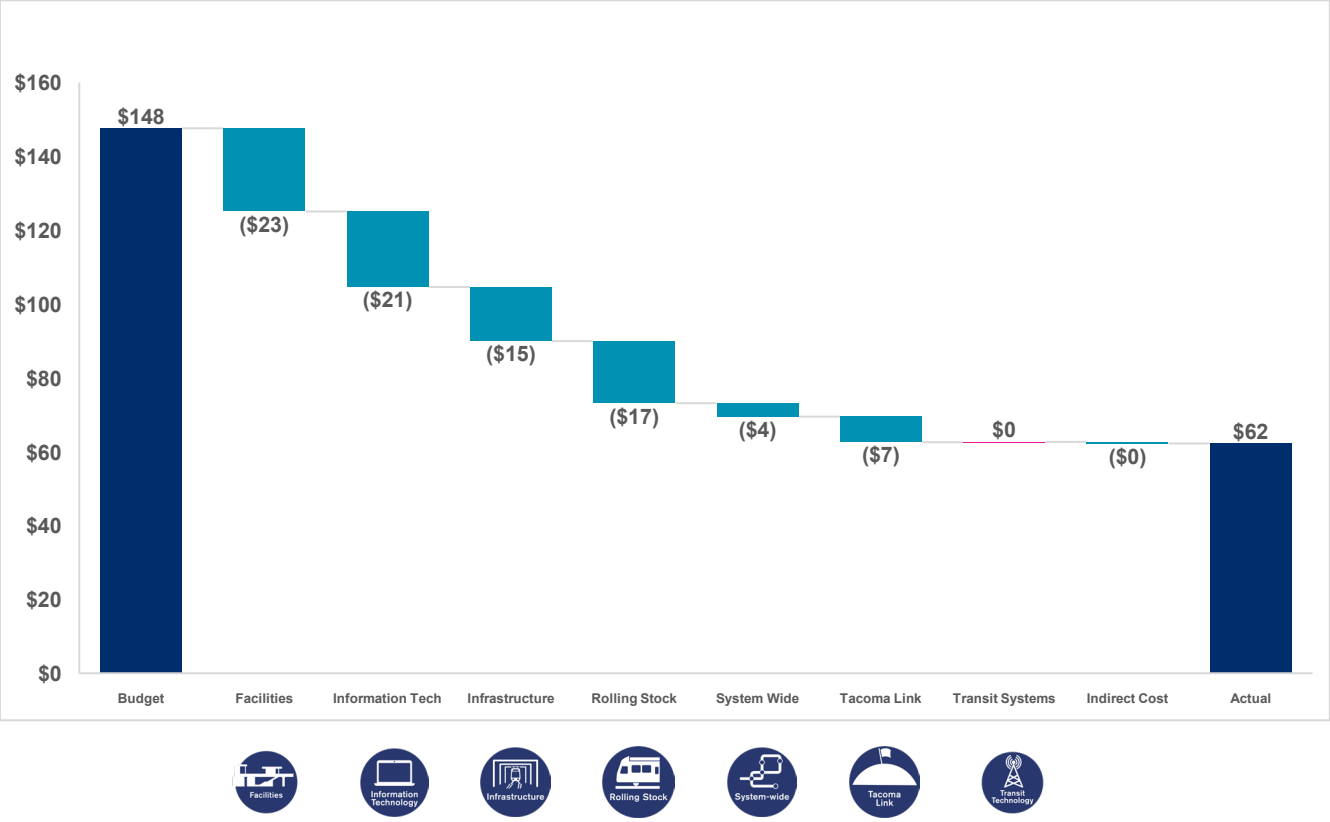
Transit System Access Program – Project spending was at 50% or $1.9M lower than the budget due to a delay in third party agreement invoices from local agencies projects and slower internal spend. Also underspent on limited local agency project activities.

ST Art – Project spending was at 40% or $5.1M lower than the budget due to a delay in project activities planned for earlier in the current year, but these tasks are expected to be completed later in 2026 and into 2027.

Innovation & Technology Program – Project spending was at 37% or $6.4M lower than the budget due to several planned projects for 2026 having been on hold but are in queue to start in Q4 2026 and into 2027.

Service Delivery Projects

SDP programs combined performed at 42% or $85M lower than budget driven by Sounder Passenger Car Overhaul (Rolling Stock portfolio), ERP/EAMs Transformation (IT Portfolio), ST Express Fleet Replacement (Rolling Stock portfolio) Kinkisharyo LRV System Upgrade (Rolling Stock portfolio), International District Station (Infrastructure portfolio), 1 Line At-Grade Crossings (Infrastructure portfolio) and multiple projects in the DSTT Modernization program (Facility portfolio).



Note: Variance explanations are provided below in this section for projects with YTD budget variance +/-10% and +/-1M threshold.

Facilities

Facilities Projects (In Thousands)	Annual 2026 Budget	2026 Budget YTD	2026 Actual YTD	Budget Variance YTD	% of Budget YTD
Facility Mechanical	427	175	84	91	48%
Facility Equipment	2,578	1,252	64	1,188	5%
Fire Life Safety Systems	2,678	1,769	170	1,599	10%
Facility Electrical	3,938	3,449	1,572	1,878	46%
Mtlake Terrace Rehabilitation	4,164	2,874	513	2,360	18%
Facility Structure	4,135	2,917	326	2,592	11%
DSTT Modernization	15,912	10,956	5,200	5,756	47%
Facility Property	16,313	9,909	2,858	7,052	29%
Total	**50,146**	**33,301**	**10,786**	**22,515**	**32%**

Facility Equipment – Program spending was at 5% or 1.2M lower than budget due to work for the Station Codes project being pushed out to Q4 to comply with graphic conventions and standards.

Fire Life Safety Systems – Program spending was at 10% or 1.6M lower than budget due to construction being behind schedule on the Auburn fire system replacement.

Facility Electrical – Program spending was at 46% or 1.9M lower than budget due to contract delays for procurement of Link OMF generator.

Mtlake Terrace Rehabilitation – Program spending was at 18% or 2.4M lower than budget due to unanticipated planning complexity around ownership issues.

Facility Structure– Program spending was at 11% or 2.6M lower than budget due to delay to Kent Garage repairs due to World Cup.

DSTT Modernization – Program spending was at 47% or 5.8M lower than budget due to track access limitations and project bundling coordination.

Facility Property – Program spending was at 29% or 7.1M lower than budget due permitting delays, contractor turnover, and delayed return-to-office implementation.

Infrastructure

Infrastructure Projects (In Thousands)	Annual 2026 Budget	2026 Budget YTD	2026 Actual YTD	Budget Variance YTD	% of Budget YTD
Trackway	964	122		122	0%
Guideway Structural	332	237	84	153	35%
Traction Power	1,306	1,085	224	862	21%
Guideway Communications	2,429	2,083	924	1,159	44%
Guideway Controls	3,640	2,453	818	1,635	33%
Vertical Transportation	11,776	10,809	7,399	3,410	68%
Crossings And Train Control	13,566	12,338	5,043	7,294	41%
Total	**34,013**	**29,128**	**14,492**	**14,636**	**50%**

Guideway Communications – Program spending was at 44% or 1.2M lower than budget caused by track access delays.

Guideway Controls– Program spending was at 33% or 1.6M lower than budget caused by delayed assessment for fiber upgrades due to track access.

Vertical Transportation – Program spending was at 68% or 3.4M lower than budget caused by $1.7M underspend in construction phase for International District Station caused by pending change orders along with cost savings previously realized.

Crossings And Train Control – Program spending was at 41% or 7.3M lower than budget caused by previously reported delay to onboarding new design consultant and program re-organization. Underspends will persist through year-end.

Rolling Stock

Rolling Stock Projects (In Thousands)	Annual 2026 Budget	2026 Budget YTD	2026 Actual YTD	Budget Variance YTD	% of Budget YTD
Non Revenue Vehicle	3,557	1,400	774	626	55%
Revenue Bus	5,323	1,961	195	1,766	10%
Light Rail Vehicle	13,694	9,539	4,928	4,611	52%
Commuter Rail Vehicle	16,856	11,427	1,601	9,826	14%

Total	**39,430**	**24,327**	**7,498**	**16,829**	**31%**

Revenue Bus – Program spending was at 10% or 1.8M lower than budget driven by the STX Fleet Replacement Program which was pushed to 2027.

Light Rail Vehicle – Program spending was at 52% or 4.6M lower than budget due to Kinkisharyo LRV System Upgrade project delay in conditional acceptance and final inspection of the first four cars. The ST1 LRV Propulsion Upgrade has experienced procurement delays as selected contractor bid was significantly lower than expected.

Commuter Rail Vehicle – Program spending was at 14% or 9.8M lower than budget driven by prolonged change order review. Additionally, the first four car shipments to Brookville, PA were delayed by about a month due to technical issues. Initial cars have now been shipped, but underspend will persist through year-end.

Tacoma Link

Tacoma Link Projects (In Thousands)	Annual 2026 Budget	2026 Budget YTD	2026 Actual YTD	Budget Variance YTD	% of Budget YTD
T-Link Trains And Trackway	7,479	6,993	102	6,891	1%
Total	**7,479**	**6,993**	**102**	**6,891**	**1%**

T-Link Trains And Trackway – Program spending was at 1% or 6.9M lower than budget driven by prolonged negotiations with Portland on the Skoda-Brookville streetcar exchange. The first payment is now expected in Q4.

System Wide Asset Support

System Wide Asset Support Projects (In Thousands)	Annual 2026 Budget	2026 Budget YTD	2026 Actual YTD	Budget Variance YTD	% of Budget YTD
Agency Oversight Initiatives			(51)	51	-%
Ops And Adm Support Facilities	1,857	1,498	518	981	35%
System Wide Asset Support	6,900	6,412	3,810	2,602	59%
Total	**8,757**	**7,911**	**4,277**	**3,634**	**54%**

System Wide Asset Support – Program spending was at 59% or 2.6M lower than budget driven by delays to return-to-office mandates and associated tenant improvements.

Transit Systems

Transit Systems Projects (In Thousands)	Annual 2026 Budget	2026 Budget YTD	2026 Actual YTD	Budget Variance YTD	% of Budget YTD
Transit Technology	947	712	786	(74)	110%
Total	**947**	**712**	**786**	**($74)**	**110%**

Information Tech Portfolio

Information Tech Portfolio Projects (In Thousands)	Annual 2026 Budget	2026 Budget YTD	2026 Actual YTD	Budget Variance YTD	% of Budget YTD
OT Risk Mitigation Prgrm	309	252	66	186	26%
IT Network Redesign-Phase 2	1,947	1,415	871	544	62%
Digital Passenger Info System	7,934	5,380	4,501	879	84%
IT Tech Infrastructure	4,349	3,082	1,832	1,250	59%
Data Management Program	2,672	2,174	735	1,439	34%
Information Tech Program	6,804	4,450	2,312	2,138	52%

PMIS-Project Mgmt Info System	6,837	5,714	3,502	2,212	61%
ERP/EAM Transformation	18,692	12,777	924	11,853	7%
Total	**49,544**	**35,244**	**14,742**	**20,502**	**42%**

ERP/EAM Transformation – Program spending was at 7% or 12M lower than budget due to protracted contract negotiations with software and implementation vendors. EAM contract was awarded in Q3, ERP contract expected to be awarded in Q4.

IT Tech Infrastructure – Program spending was at 59% or 1.3M lower than budget due to delayed hardware procurement.

Data Management Program – Program spending was at 34% or 1.4M lower than budget to program making use of existing tool, with further gap analysis planned for 2027.

Information Tech Program – Program spending was at 52% or 2.1M lower than budget due to multiple drivers, including delayed hardware procurement and re-scoping.

PMIS-Project Mgmt Info System – Program spending was at 61% or 2.2M lower than budget due to underspend on consulting services. A new implementation consultant is on board for future work.

Indirect Cost

Indirect Projects (In Thousands)	Annual 2026 Budget	2026 Budget YTD	2026 Actual YTD	Budget Variance YTD	% of Budget YTD
Service Delivery Projects Indirect Cost	14,403	9,981	9,562	420	96%
Total	**14,403**	**9,981**	**9,562**	**420**	**96%**



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