



Proposed 2019 Budget with Revisions and Grant Benefit Allocation

December 20, 2018

 **SOUNDTRANSIT**

- Proposed 2019 budget and Transit Improvement Plan (TIP) at the October Board meeting:
 - Revenues: \$2.42B
 - Expenditures: \$2.90B
 - TIP: \$18.72B

- Revisions to these numbers are recommended by the O&A and Capital Committee, and the final proposed numbers are:
 - Revenues: \$2.42B, unchanged
 - Expenditures: \$2.94B, \$40M increase
 - TIP: \$18.74B, \$20M increase

Proposed 2019 operating budget plus revisions approved by the O&A Committee \$501M

(in millions)	Proposed 2019 Budget	Revisions		Proposed 2019 Budget + Revisions
Transit Operations	\$345	4	<ul style="list-style-type: none"> ▪ Link vehicle and track repairs & maintenance and additional OMF space \$3.5M. ▪ Bus recommissioning \$1.0M. ▪ Administrative leases (\$0.5M). 	\$349
Debt Service	135	-		135
Tax Collection & Fees	10	(0.6)	<ul style="list-style-type: none"> ▪ Revised budget for Sales and Use Offset Taxes Fee (\$0.6) 	9
Donations	7	-		7
Total	\$498	\$3		\$501

Note: Numbers may not add due to rounding.

Proposed 2019 project budget plus revisions approved by the Capital Committee \$2.4B

(in millions)	Proposed 2019 Budget	Revisions		Proposed 2019 Budget + Revisions
Link	\$2,084	\$64	<ul style="list-style-type: none"> ▪ Downtown Redmond \$54.7M ▪ 130th St Station \$6.5M ▪ Hilltop Tacoma Link \$0.5M ▪ Escalator Modernization \$5.0M ▪ Overhead Catenary Tie Switch (\$3.0M) 	\$2,148
Sounder	49	0.6	<ul style="list-style-type: none"> ▪ Sounder South Capacity Expansion \$2.3M ▪ Locomotive Inboard Cameras (\$0.2) ▪ Sounder Pass Emerg Intercom (\$1.5M) 	50
Bus/BRT	128	(28)	<ul style="list-style-type: none"> ▪ I-405 BRT \$13.0M ▪ N Sammamish P&R \$0.5M ▪ Replacement buses (\$39.5M) ▪ PT Global Positioning Sys Repeater (\$1.7M) 	100
Other	137	2	<ul style="list-style-type: none"> ▪ ST3 Planning \$2.0M 	139
Total	\$2,398	\$38		\$2,436

Proposed 2019 TIP plus revisions approved by the Capital Committee \$18.74B

(in millions)	Proposed 2019 TIP	Revisions		Proposed 2019 TIP + Revisions
System Expansion	\$16,990	\$20	<ul style="list-style-type: none"> ▪ I-405 BRT \$24.5M ▪ ST Express Fleet \$7M ▪ ST3 Planning (\$11.1M) 	\$17,011
Enhancement	171	(1)	<ul style="list-style-type: none"> ▪ Central Link Overhead Catenary System Tie Switch (\$3M) ▪ N Sammamish P&R \$2.1M 	170
State of Good Repair	316	5	<ul style="list-style-type: none"> ▪ Escalator Modernization \$5.0M 	321
Administrative	1,239	-		1,239
Authorized Project Alloc.	\$18,716	\$24		\$18,741

Note: Numbers may not add due to rounding.

Proposed Board action to allocate federal grant benefit to ensure on-schedule program delivery

- Voter approved plan continues to be affordable based on updated projections. Certain subareas face future fiscal constraints that may threaten to delay project delivery dates and delay tax rollback for the entire region.
- Per the voter-approved Financial Policy, the Board can “take action to allocate grant funds to other subareas as it deems in the best interest of Sound Transit.
- Proposed Board action, as part of the 2019 budget resolution, **to authorize the allocation of federal grant benefits to any subarea where resource constraints could threaten project delivery and tax rollback schedule.**

- Utilizes an available tool to avoid delay in project delivery and maintain projected system completion date of 2041.
- Allows agency to begin tax rollback as early as possible
- Replaces grants assumption “placeholder” used in the ST3 plan.
- Proposed Board action consistent with management of the agency’s finances on a consolidated basis.
- Continues to meet all requirements for federal grant compliance.



Thank you!

 **SOUNDTRANSIT**