

2025 Proposed Budget and Transit Improvement Plan

Executive Committee

11/07/2024



Why we are here

- ***Provide information on the 2025 proposed budget and Transit Improvement Plan (TIP)***
- ***Request that the Executive Committee recommend the portions under purview to advance to the Finance and Audit Committee***
 - System Expansion Projects – Other (projects not associated with a single mode)
 - Debt service

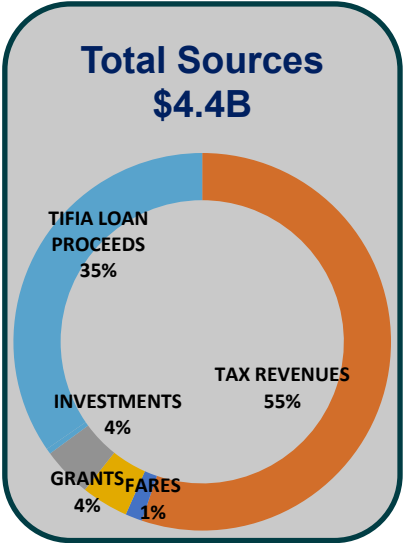
Budgets within Committee purview

Committee	Budget/TIP Sections
Rider Experience and Operations	<ul style="list-style-type: none">• Modal operating• Service delivery projects• Other expenditures
System Expansion	<ul style="list-style-type: none">• System expansion projects – Link, Sounder, Regional Express, Stride
Executive	<ul style="list-style-type: none">• System expansion projects – Other• Debt service
Finance and Audit Committee	Other committees recommend budgets to FAC; FAC recommends overall budget to Board

***2025 Proposed Budget -
Summary***

FY 2025 overview – revenues and sources

(In millions)

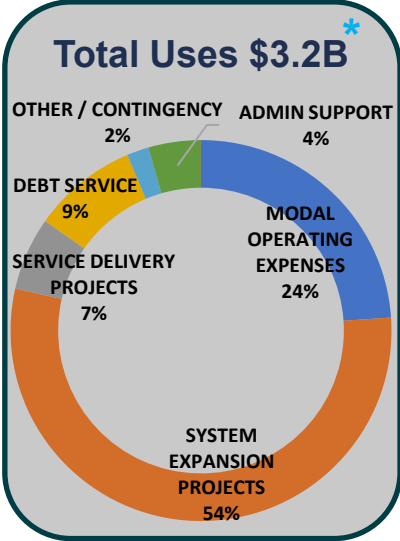


Total Sources	FY2025 Budget	% change from 2024 forecast
Taxes	\$2,414	4.3%
Fares	\$63	9.9%
Grants	\$177	-20.3%
Investments	\$186	-5.7%
Misc. Rev	\$20	16.6%
TIFIA	\$1,514	1,523%

- Tax revenues: Economic growth expected to pick up regionally after slow 2024
- Fares: Full year of Lynnwood and Starter Line; opening of Downtown Redmond and East Link
- Grants: Lower Lynnwood funding due to project opening and reduced costs budgeted for Federal Way in 2025
- TIFIA: East Link, Lynnwood, and Downtown Redmond loan drawdowns

FY 2025 overview – uses of funds

(In millions)



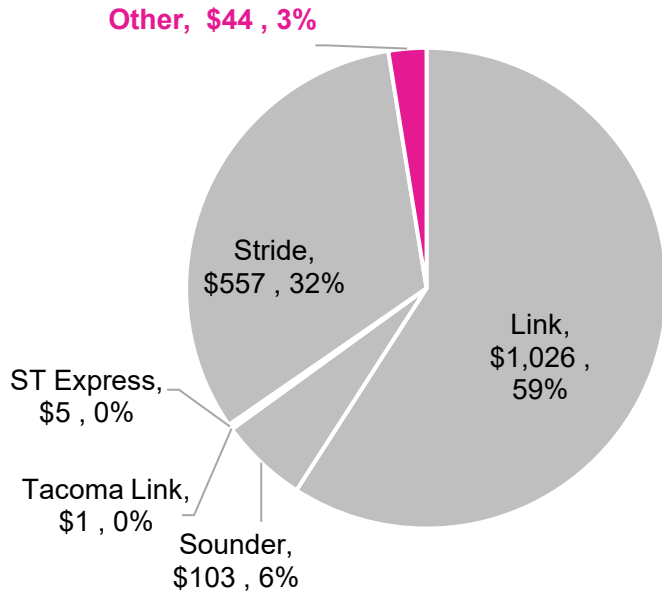
Total Uses	FY2025 Budget	% change from 2024 forecast
Expansion	\$1,736	2%
Modal Ops	\$760	29%
Service Proj.	\$206	71% *
Debt Service	\$284	60%
Admin Support	\$141	
Other / Cont.	\$61	13% *

- *Expansion Projects: Growth in Stride, Ballard, West Seattle; projects in construction ramp down.*
- *Modal Ops: Full year of Lynnwood, Starter Line; opening of Downtown Redmond, East Link.*
- *Service Projects: Fund agency critical state of good repair, enhancement, and admin projects.*
- *Debt service: Interest begins with drawdown of East Link, Lynnwood, and Downtown Redmond TIFIA loans.*

System Expansion Projects-
Other

System Expansion Other 2025 Proposed Budget: \$44M

System Expansion
Projects (Millions)



2025 Highlights:

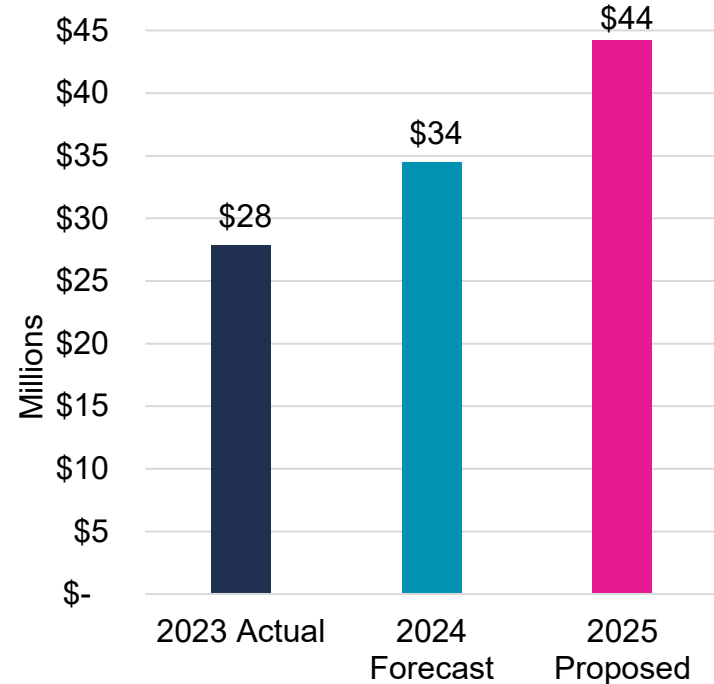
- **Innovation & Tech (\$9M):** Passenger Facing Technology, research and development
- **ST Art (\$6M):** Finalize FWLE art, fabrication of Sumner, Kent and Auburn, NE 130th, BRT
- **ST3 Planning (\$6M):** Long-range planning activities
- **TOD Planning (\$5M):** Design/ evaluation of TOD to inform WSLE & BLE station design
- **ORCA Next Gen (\$4M):** Start-up for ORCA Phase II (expand payment options)

System Expansion Other: Annual Trends

28% growth from 2024 forecast to 2025 proposed budget.

Major drivers include growth in these projects:

- TOD Planning Program
- ST3 Planning
- Innovation and Technology



System Expansion Other: Changes to TIP

\$9.68M increase to Transit Improvement Plan

- ORCA Next Gen (\$9M): Support ORCA Phase II expansion of payment options
- Research and Technology Program (-\$2M): Proposed for closure

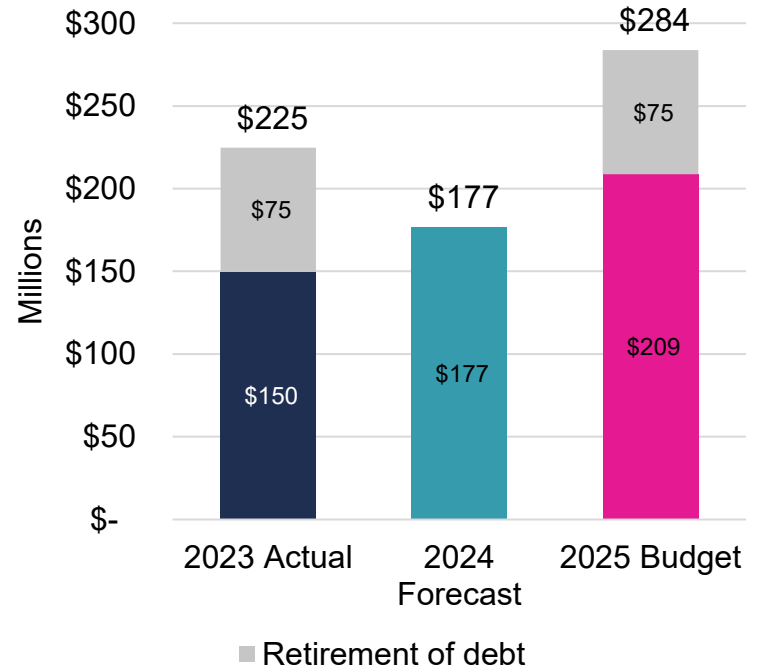
	Millions
2024 Adopted TIP (System Expansion Other)	\$ 627.41
Increases to Existing Projects	\$ 11.91
Decreases from Project Closure	\$ (2.23)
2025 Proposed TIP (System Expansion Other)	\$ 637.08

Debt Service

Debt Service – 2025 Proposed Budget: \$284M

60% increase from 2024

- \$75M to pay off last variable rate bond
- Interest on TIFIA loans



Next Steps

Timeline

October – budget overview and property tax approval

- **10/10** – Finance & Audit Committee – Proposed 2025 budget and TIP
- **10/15** – Public hearing for proposed 2025 budget and property tax levy
- **10/24** – Board – budget overview and property tax levy approval

November – budget recommendation and approval

- **11/7** – Executive Committee – recommends to FAC
- **11/7** – Rider Experience and Operations Committee – recommends to FAC
- **11/14** – System Expansion Committee – recommends to FAC
- **11/21** – Finance and Audit Committee – recommends to Board
- **11/21** – Board – adoption of the proposed 2025 Budget and TIP

Thank you.



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