

A low-angle, upward-looking shot of a white and blue Sound Transit train at a station platform. The train's windows reflect the sky and platform. A dark grey semi-transparent banner is overlaid across the middle of the image, containing white text. The bottom of the image shows the blue side of the train with the 'SOUNDTRANSIT' logo in white.

Draft ST3 Financial Plan 5-26-16

Board of Directors

May 26, 2016

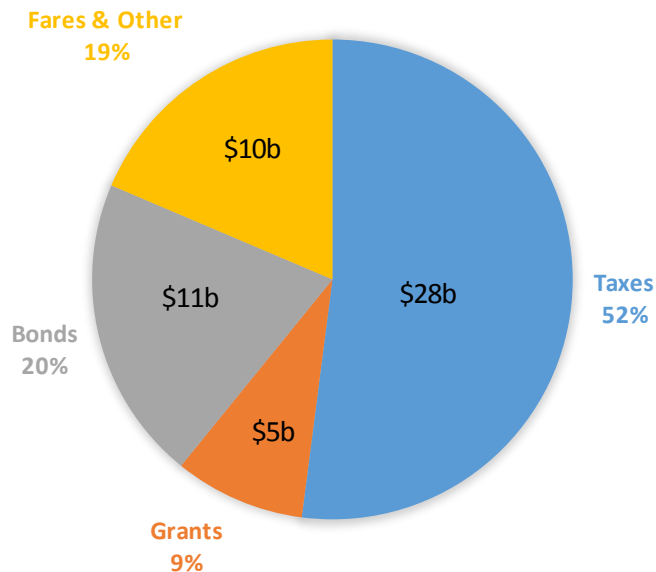
SOUNDTRANSIT

5-26-16 Draft ST3 Plan Fully Affordable

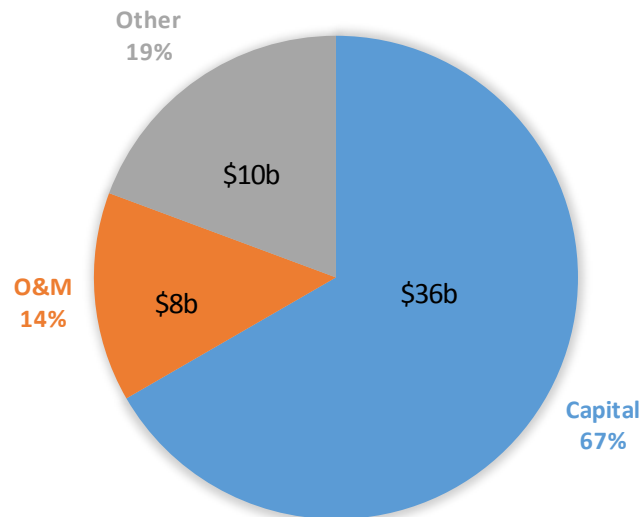
- Draft ST3 Plan is:
 - Fully consistent with existing and proposed financial policies
 - Provides transparent accounting of all program costs
 - Meets the requirements of subarea equity that a subarea's revenues are spent on transit improvements that benefit the subarea
 - Consistent with prudent financial planning assumptions and will allow continuation of high credit ratings enjoyed by ST
 - 1.5x net coverage
 - Independently confirmed by: PB Consulting, Ben Porter & Associates and investment banking team.

Plan Delivers \$36 billion of Capital Improvements to Region

SOURCES OF FUNDS \$54 B.



USES OF FUNDS \$54 B.



Billions of Year of Expenditure \$

Financial Plan - Sources & Uses Summary

2017 through 2041

(YOE Dollars in Millions)

| | | North | South | East | | System | |
|---------------------------------|--------------|---------------|--------------|---------------|--------------|--------------|---------------|
| Sources of Funds | Snohomish | King | King | King | Pierce | Wide | Total |
| Sound Transit Tax Revenues | 3,689 | 7,912 | 3,933 | 6,973 | 5,203 | - | 27,710 |
| Grant Revenue - Federal / Local | 764 | 1,165 | 619 | 870 | 675 | 596 | 4,690 |
| Bond Proceeds | 2,790 | 4,744 | 2,760 | 422 | 233 | - | 10,948 |
| Fares & Other Revenues | 1,975 | 2,192 | 1,128 | 1,842 | 2,814 | 605 | 10,555 |
| Interest Earnings | - | - | - | - | - | 355 | 355 |
| Total Sources | 9,218 | 16,013 | 8,439 | 10,107 | 8,925 | 1,555 | 54,258 |
| Uses of Funds | | | | | | | |
| Capital Expenditures | | | | | | | |
| Sounder Commuter Rail | - | - | 727 | - | 1,438 | - | 2,165 |
| Link Light Rail | 5,867 | 8,764 | 3,234 | 6,004 | 3,200 | 4,022 | 31,091 |
| Regional Express Bus | 18 | - | 21 | 72 | 56 | 23 | 189 |
| Bus Rapid Transit | 42 | 325 | 268 | 1,217 | 127 | - | 1,978 |
| System-wide Activities | 93 | 81 | 43 | - | 40 | 485 | 742 |
| Total Capital | 6,019 | 9,170 | 4,294 | 7,293 | 4,859 | 4,530 | 36,166 |
| O & M Expenditures | | | | | | | |
| Sounder Commuter Rail | - | - | 270 | - | 326 | - | 596 |
| Link Light Rail | 409 | 679 | 563 | 305 | 312 | 702 | 2,971 |
| Regional Express Bus | 67 | - | 59 | 160 | 278 | - | 563 |
| Bus Rapid Transit | 132 | 238 | 170 | 668 | 90 | - | 1,298 |
| System-wide Activities | - | - | - | - | - | 2,176 | 2,176 |
| Total O&M | 608 | 918 | 1,062 | 1,132 | 1,006 | 2,878 | 7,605 |
| Debt Service | 1,735 | 3,388 | 2,194 | 399 | 179 | - | 7,895 |
| Bond Reserves | 82 | 300 | 303 | 89 | 18 | - | 793 |
| O&M Reserve Contributions | 7 | 12 | 14 | 16 | 13 | 52 | 115 |
| State of Good Repair Spending | 9 | 81 | 171 | 440 | 81 | - | 781 |
| System-wide Activities | 768 | 1,666 | 829 | 1,471 | 1,086 | (5,820) | - |
| Change in Cash | (11) | 479 | (428) | (734) | 1,683 | (85) | 905 |
| Total Uses | 9,218 | 16,013 | 8,439 | 10,107 | 8,925 | 1,555 | 54,258 |