

Joint Board Meeting
June 10, 2025

Action Item: Approve 2025 ORCA Regional Operating Budget

Purpose: Approve the 2026 ORCA Regional Operating Budget with expenses of \$ 17,992,209.

The ORCA Regional Operating Budget represents the expenses related to the centralized management of ORCA. The table below provides a comparison of the Approved 2025 Operating Budget and the Proposed 2026 Operating Budget, as well as the Previous 2026 Forecast from the 2025 Operating Budget.

	2025 Adopted Budget	2026 Previous Forecast (in 2025 Budget)	2026 Proposed Budget	% Change from 2025 Adopted to 2026 Proposed
ORCA Operations	17,071,850	17,847,096	17,135,437	0%
Contingency	853,592	892,355	856,772	0%
Total	\$ 17,925,442	\$ 18,739,451	\$ 17,992,209	0.37%

ORCA Operations:

- **Regional Services** budget includes the reimbursement of expenses incurred by Regional Service Providers for: centralized ROOT Operations staffing, administrative host services, card management and fulfilment, and vending machine operations and maintenance services.
- **Professional Services** budget includes third party vendor contracts that support the operations and maintenance of the ORCA system. These services include system O&M, data O&M, the retail network, financial services, and miscellaneous consulting services.
- **Materials and Software** budget includes the costs of fare media, both physical and virtual, and other materials and software needed to support operations.

Recommendation: The ORCA Director and Business Managers recommend adoption of the 2026 ORCA Regional Operating Budget

ORCA REGIONAL OPERATING BUDGET

	2026 Regional Costs	AGENCY BREAKDOWNS (Operating % Share)						
		CT 5.03%	ET 1.01%	KCM 54.96%	KT 2.88%	PT 3.56%	ST 32.00%	WSF 0.56%
Non-Fare Regional Revenues								
Interest Earnings	1,195,284	60,154.66	12,123.26	656,955.05	34,371.56	42,514.55	382,526.85	6,638.45
Affiliate Fee	35,000	1,761.43	354.99	19,236.78	1,006.46	1,244.90	11,201.05	194.39
TOTAL NON-FARE OPERATING REVENUES	1,230,284	61,916	12,478	676,192	35,378	43,759	393,728	6,833
ORCA Regional Expenses								
Regional Services								
ROOT Operations	4,188,574	210,797	42,483	2,302,134	120,447	148,982	1,340,469	23,263
ST Admin Host	1,413,389	71,131	14,335	776,830	40,643	50,272	452,327	7,850
KCM Admin Card Mgmt	614,043	30,903	6,228	337,492	17,657	21,841	196,512	3,410
VM O&M	416,762	-	-	131,080	94,920	27,120	163,642	-
Professional Services								
SI O&M	4,940,169	248,622	50,106	2,715,227	142,059	175,715	1,581,002	27,437
OBI O&M	260,000	13,085	2,637	142,902	7,477	9,248	83,208	1,444
Financial Services	2,964,750	149,206	30,070	1,629,493	85,254	105,452	948,809	16,466
Other Services	692,493	34,851	7,024	380,610	19,913	24,631	221,619	3,846
Retail Network	116,918	5,884	1,186	64,261	3,362	4,159	37,417	649
Materials and Software								
Fare Media	1,211,618	60,977	12,289	665,932	34,841	43,096	387,754	6,729
Other Materials and Software	316,720	15,939	3,212	174,076	9,108	11,265	101,360	1,759
TOTAL REGIONAL ORCA COSTS	17,135,437	841,395	169,570	9,320,038	575,682	621,779	5,514,120	92,853
Contingency - General (2)	856,772	43,118	8,690	470,901	24,637	30,474	274,193	4,758
TOTAL REGIONAL OPERATING COSTS	17,992,209	884,513	178,260	9,790,939	600,319	652,253	5,788,313	97,612

(1) VM O&M budget allocated to Agencies based on number of Vending Machines owned and in-service

(2) Assumes 5% Contingency

2025 Reforecast	16,468,652.18	827,703.85	151,195.53	9,330,508.67	494,895.99	614,450.50	4,958,533.66	91,363.98
(Increase)	(1,523,556.92)	(56,809.54)	(27,064.79)	(460,430.16)	(105,422.83)	(37,802.88)	(829,779.01)	(6,247.71)
% Increase	-9.25%	-6.86%	-17.90%	-4.93%	-21.30%	-6.15%	-16.73%	-6.84%