



**Massachusetts Bay
Transportation Authority**

**Budget Update:
December Results**

Fiscal and Management Control Board

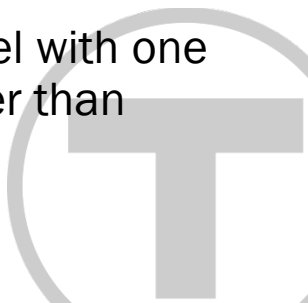
February 8, 2021

Mary Ann O'Hara, Chief Financial Officer

Operating Budget Summary

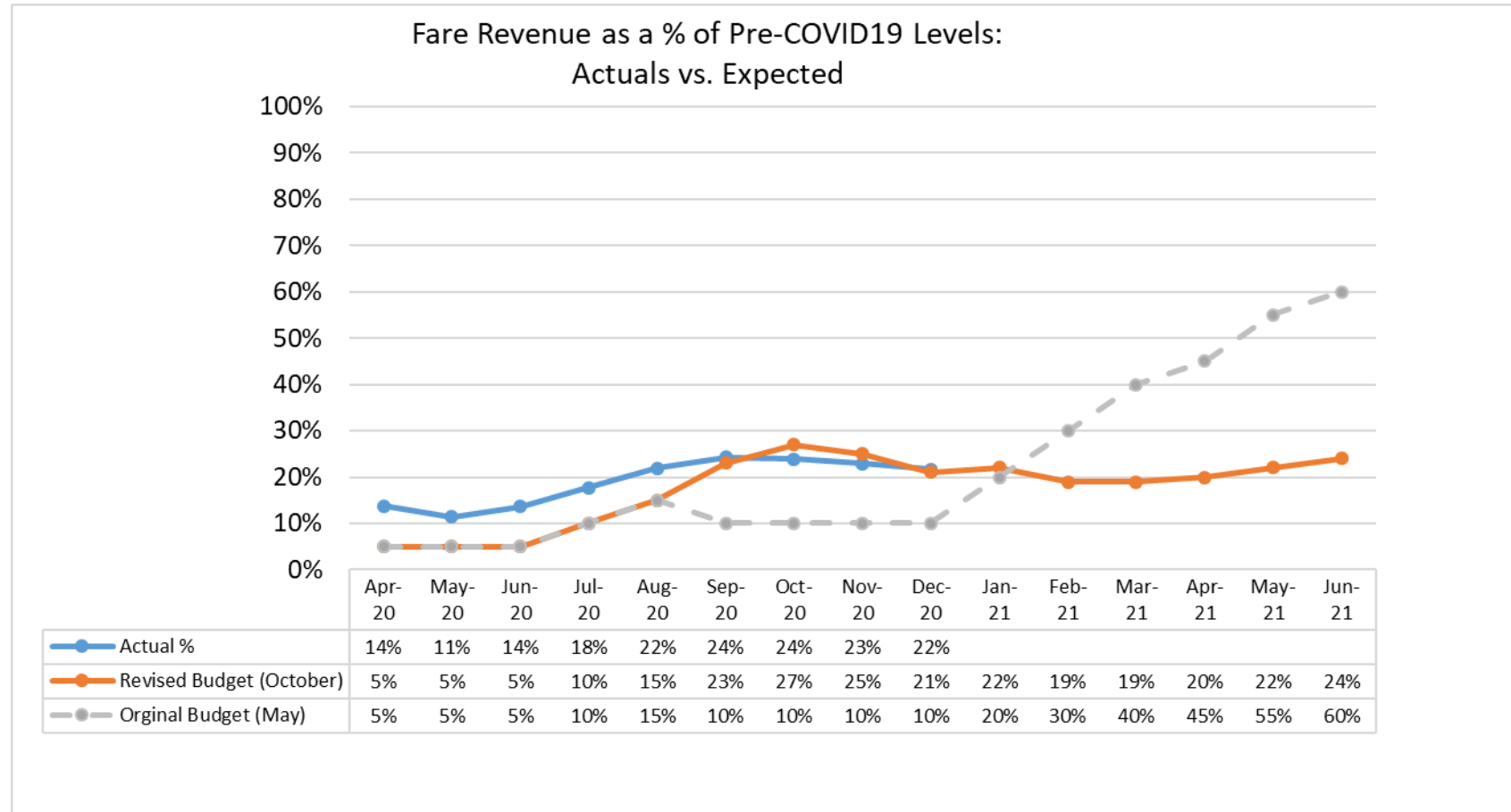
December Overview

- December actuals are compared to the revised FY21 budget as presented on October 19, 2020
- Budgeted December net revenues (total revenues less total expenses before transfers) were **-\$16.8M**
 - \$184.0M in total revenues and \$200.8M in total expenses
- Actual **December net revenues were \$3.5M** (to be transferred to the Operating Deficiency Fund)
 - \$190.1M in total revenues and \$186.6M in total expenses
- Compared to budget, **December net revenues were favorable \$20.3M**
 - -\$16.8M budgeted and \$3.5M actual
- **Total revenues were \$6.1M favorable** due to sales tax, real estate, and investment income
- **Total expenses were \$14.2M favorable** due to wages, materials/services, and the RIDE
- December COVID-19 actual expenses were \$2.2M bringing **total COVID-19 related payments to \$47.4M as we continue to track a potential exposure of \$13.0M to budget**
- Actual **operating budget employee headcount is 5,940** (a month over month **increase** of 0.1% and level with one year ago), over 100+ positions approved by position control committee not yet hired and trending lower than budget



Monthly Fare Revenue Collections

- **Fare revenue collections in December were 22% of FY20 budgeted levels** compared to the 21% budgeted for the month
- **\$0.3M favorable for the month** with \$12.0M in fare revenue compared to the \$11.6M budgeted
 - 9% decrease from prior month actuals but above budget
 - Third consecutive month of actual revenue decreasing month over month
- **\$6.8M favorable YTD** with actual fare revenue at \$78M compared to the \$71.2M budgeted



Operating Budget Deficiency Fund

- **\$74.3M Operating Budget Deficiency Fund balance** through December 2020
 - **\$54.8M available for transfer** as of December 2020 adds to the pre-existing fund balance
 - **\$19.5M pre-existing balance** (prior to FY21) is less than 1% of total expenses in FY21
- **Balance amount to date can decrease** in future months if spending or revenues do not meet budget
 - For example, just in the next few months, a severe winter could reduce the balance up to \$5M
- As approved by the board on August 24, transferring net revenues to mitigate current or future obligations
- The **Operating Budget Deficiency Fund** contains one-time reserve revenues and may be used to pay debt service on Authority bonds, notes, and other obligations and expenses at the discretion of the CFO

Operating Budget Deficiency Fund	
Description	Amount (\$M)
Pre-existing Balance	19.5
<i>July 2020 Net Revenue</i>	<i>(1.1)</i>
<i>August 2020 Net Revenue</i>	<i>14.5</i>
<i>September 2020 Net Revenue</i>	<i>16.1</i>
<i>October 2020 Net Revenue</i>	<i>7.5</i>
<i>November 2020 Net Revenue</i>	<i>14.3</i>
<i>December 2020 Net Revenue</i>	<i>3.5</i>
FY21 Net Transfers to Date	54.8
FY21 Balance Amount to Date	74.3
*Planned Funds Available for FY22	314.0

*Planned funds available reflects maximum potential ending balance in FY21 as presented to the FMCB on 12/14

