



**Massachusetts Bay  
Transportation Authority**

# Budget Update: March Results

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Fiscal and Management Control Board

May 10, 2021

Mary Ann O'Hara, Chief Financial Officer

# Operating Budget Summary

- March actuals continue to be compared to the revised FY21 budget as presented on October 19, 2020
- **March net revenue (amount to transfer to the Operating Budget Deficiency Fund) was -\$0.2M** with \$186.8M in total revenues and \$187.0M in total expenses, even with \$48.1M in CARES Act funding for the month
  - Without one-time CARES Act funding, the operating net deficit would be -\$48.3M for month and -\$521.3M YTD
- Negative actual net revenue for the month results in no additional deficiency fund transfer
- **\$118.5M Operating Budget Deficiency Fund balance** through March 2021 with a targeted FY21 ending balance of \$365M in order to balance the FY22 preliminary budget (\$99.0M YTD net revenue plus \$19.5M beginning balance on July 1, 2020)

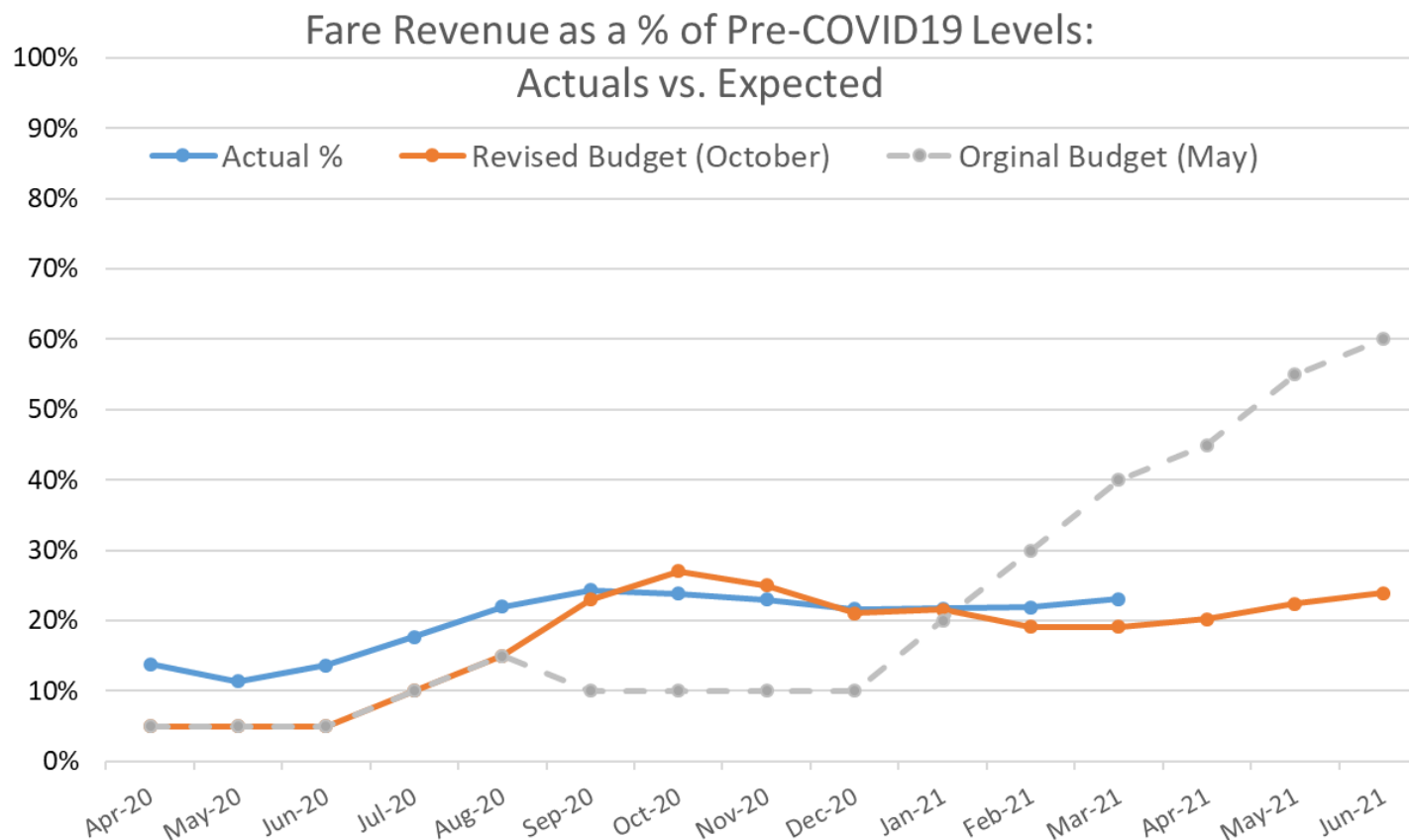
		March Budget	March Actual	Monthly Variance	FY21 YTD Budget	FY21 YTD Actual	\$ Variance	FAV/ UNFA V	March FY19	FY21 Annual Budget
REVENUE	(\$M) Category									
	Fare Revenues	11.1	13.4	2.3	104.4	115.2	10.7	FAV	55.3	143.5
	Own Source Revenue	2.2	2.0	(0.1)	18.8	23.2	4.4	FAV	7.8	27.0
	Non-Operating Revenues	152.4	160.8	8.4	1,422.6	1,485.6	63.0	FAV	102.5	1,979.6
	State Assistance	10.6	10.6	(0.0)	95.3	95.2	(0.0)	FAV	10.6	127.0
	Total Revenues	176.2	186.8	10.6	1,641.1	1,719.2	78.2	FAV	176.2	2,277.1
EXPENSES	Fare Recovery Ratio	7%	9%	2%	8%	9%	2%	FAV	44%	8%
	Wages, Benefits and Payroll Taxes	71.6	66.3	5.4	624.5	591.6	32.8	FAV	60.8	831.0
	Non-Wage	78.7	77.2	1.6	712.6	643.6	68.9	FAV	65.4	940.2
	Operating Expenses	150.3	143.4	6.9	1,337.0	1,235.3	101.8	FAV	126.2	1,771.2
	Debt Service	43.6	43.6	(0.0)	392.6	385.0	7.6	FAV	40.1	523.5
	Total Expenses	194.0	187.0	6.9	1,729.6	1,620.2	109.4	FAV	166.3	2,294.6
	Net Revenues Before Transfers	(17.8)	(0.2)	17.5	(88.5)	99.0	187.5	FAV	9.9	(17.5)
	CARES Act Federal Relief Revenue	48.1	48.1	-	432.7	432.7	-	FAV	-	605.2
	Net Revenues Without Relief Revenue	(65.9)	(48.3)	17.5	(521.3)	(333.7)	187.5	FAV	9.9	(622.7)



# Monthly Fare Revenue Collections

- Fare revenue collections in March were 23% of baseline and above budget
- \$2.3M favorable for the month with \$13.4M in fare revenue compared to the \$11.1M budgeted
- \$10.7M favorable YTD with actual fare revenue at \$115.2M compared to the \$104.4M budgeted
  - \$9.2M of \$10.7M fare revenue favorability from Q1 of FY21
- March marks the first month-over-month increase in actual fare revenues since September 2020
  - Previously realized 5 consecutive months of monthly fare revenue declines

Description	April	May	June	July	August	September	October	November	December	January	February	March	April	May	June
Actual %	14%	11%	14%	18%	22%	24%	24%	23%	22%	22%	22%	23%			
Actual \$ (M)	8.10	6.60	8.09	10.58	12.92	14.75	14.63	13.21	11.96	11.95	11.80	13.37			
Revised Budget %	5%	5%	5%	10%	15%	23%	27%	25%	21%	22%	19%	19%	20%	22%	24%
Original Budget %	5%	5%	5%	10%	15%	10%	10%	10%	10%	20%	30%	40%	45%	55%	60%



# Operating Budget Deficiency Fund

- **\$118.5M Operating Budget Deficiency Fund balance** through March 2021, with \$365M necessary to balance the preliminary FY22 budget
  - **\$99.0M available for transfer** as of March 2021 adds to the pre-existing fund balance
  - **\$19.5M pre-existing balance** (prior to FY21) is less than 1% of total expenses in FY21
- **Revenues in April-June expected to support \$365M net revenue target** including \$236M in CRRSAA federal relief funds and \$40M in sales tax acceleration revenue
- Balance amount to date can decrease in future months if spending or revenues do not meet budget
- 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)
<b>Pre-existing Balance</b>	<b>19.5</b>
<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>
<i>January 2021 Net Revenue</i>	<i>14.2</i>
<i>February 2021 Net Revenue</i>	<i>30.3</i>
<i>March 2021 Net Revenue</i>	<i>(0.2)</i>
<b>FY21 Net Transfers to Date</b>	<b>99.0</b>
<b>FY21 Balance Amount to Date</b>	<b>118.5</b>
<b>*Planned Funds Available for FY22</b>	<b>365.0</b>

\*As presented in the March Pro Forma presentation to the FMCB on 3/8 and preliminary FY22 budget presentation to the FMCB on 4/26

