



**Massachusetts Bay  
Transportation Authority**

# Budget Update: April Results

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Fiscal and Management Control Board

June 7, 2021

Mary Ann O'Hara, Chief Financial Officer

# Operating Budget Summary

- April actuals continue to be compared to the revised FY21 budget as presented on October 19, 2020
- **April net revenues (amount to transfer to the Operating Budget Deficiency Fund) were \$15.8M** with \$187.4M in total revenues and \$171.6M in total expenses
  - Without one-time CARES Act funding, the operating net deficit would be -\$32.3M for month and -\$366.0M YTD
- In accordance with FMCB approved action, \$15.8M to be transferred to the Operating Budget Deficiency Fund this month to bring YTD transfers to \$114.8M
- **\$134.3M Operating Budget Deficiency Fund balance** through April 2021 with a targeted FY21 ending balance of \$365M in order to balance the FY22 budget (\$114.8M YTD net revenue plus \$19.5M beginning balance on July 1, 2020)

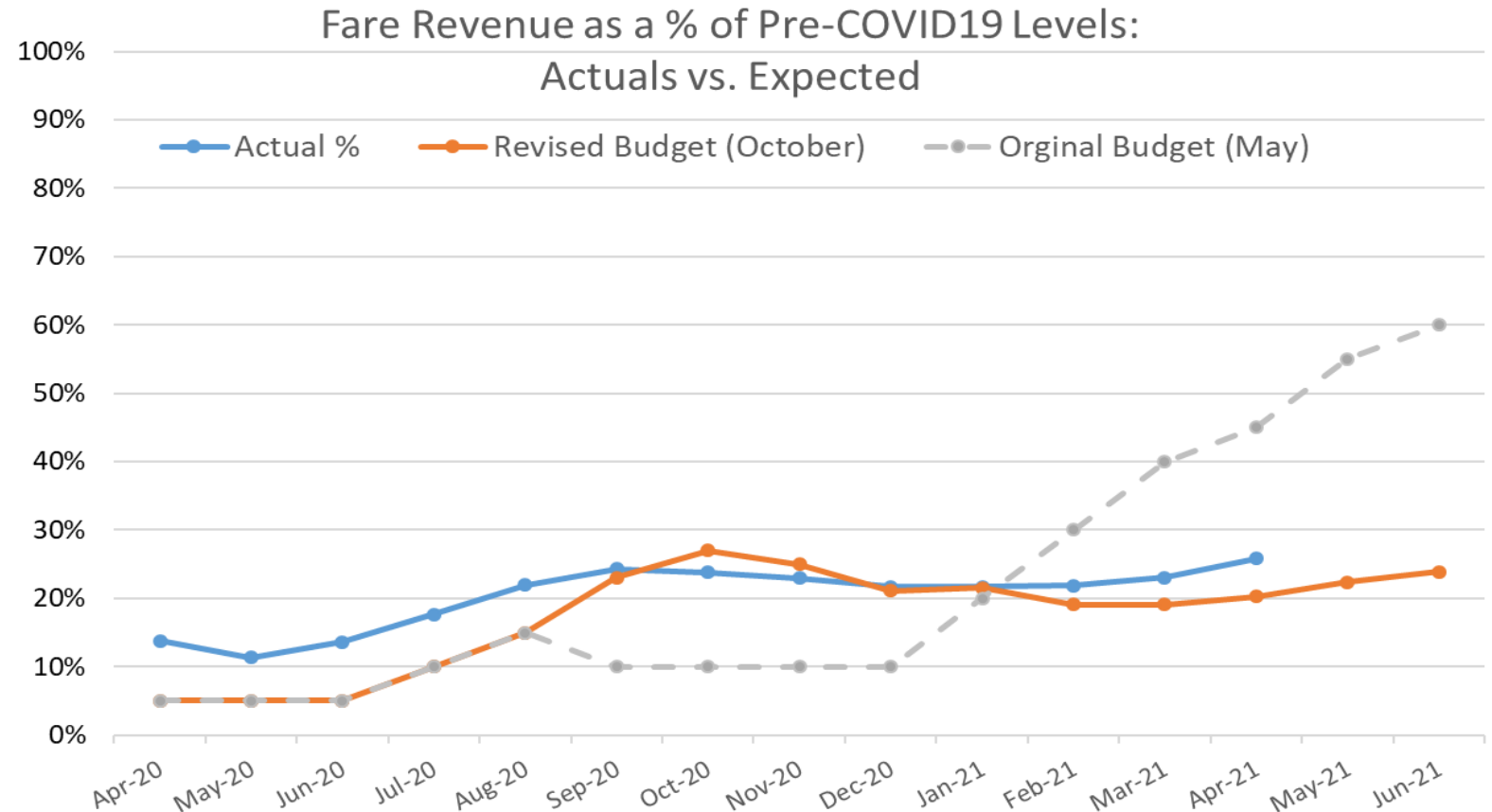
		April	April	Monthly	FY21 YTD	FY21 YTD	\$	FAV/	April	FY21 Annual
	(\$M) Category	Budget	Actual	Variance	Budget	Actual	Variance	UNFAV	FY19	Budget
REVENUE	Fare Revenues	11.9	15.2	3.3	116.3	130.3	14.0	FAV	56.8	143.5
	Own Source Revenue	2.7	2.9	0.2	21.5	26.1	4.6	FAV	7.5	27.0
	Non-Operating Revenues	153.7	158.8	5.1	1,576.3	1,644.4	68.1	FAV	105.4	1,979.6
	State Assistance	10.6	10.6	-	105.8	105.8	(0.0)	FAV	10.6	127.0
	<b>Total Revenues</b>	<b>178.9</b>	<b>187.4</b>	<b>8.6</b>	<b>1,819.9</b>	<b>1,906.7</b>	<b>86.7</b>	<b>FAV</b>	<b>180.4</b>	<b>2,277.1</b>
	<i>Fare Recovery Ratio</i>	<i>8%</i>	<i>12%</i>	<i>4%</i>	<i>8%</i>	<i>10%</i>	<i>2%</i>	<i>FAV</i>	<i>45%</i>	<i>8%</i>
EXPENSES	Wages, Benefits and Payroll Taxes	69.7	64.3	5.4	694.2	655.9	38.3	FAV	63.1	831.0
	Non-Wage	76.3	65.1	11.2	788.9	708.8	80.1	FAV	62.0	940.2
	Operating Expenses	146.0	129.4	16.6	1,483.1	1,364.7	118.4	FAV	125.1	1,771.2
	Debt Service	43.6	42.2	1.4	436.2	427.2	9.0	FAV	40.3	523.5
	<b>Total Expenses</b>	<b>189.7</b>	<b>171.6</b>	<b>18.0</b>	<b>1,919.3</b>	<b>1,791.9</b>	<b>127.4</b>	<b>FAV</b>	<b>165.4</b>	<b>2,294.6</b>
	<b>Net Revenues Before Transfers</b>	<b>(10.8)</b>	<b>15.8</b>	<b>26.6</b>	<b>(99.3)</b>	<b>114.8</b>	<b>214.1</b>	<b>FAV</b>	<b>14.9</b>	<b>(17.5)</b>
	<i>CARES Act Federal Relief Revenue</i>	<i>48.1</i>	<i>48.1</i>	<i>-</i>	<i>480.8</i>	<i>480.8</i>	<i>-</i>	<i>FAV</i>	<i>-</i>	<i>56.7</i>
	<i>Net Revenues Without Relief Revenue</i>	<i>(58.9)</i>	<i>(32.3)</i>	<i>26.6</i>	<i>(580.2)</i>	<i>(366.0)</i>	<i>214.1</i>	<i>FAV</i>	<i>14.9</i>	<i>(74.3)</i>



# Monthly Fare Revenue Collections

- Fare revenue collections in April were 26% of baseline and above the budgeted 20%
- April fare revenue increase primarily driven by sunseting credits at the end of March 2021
- \$3.3M favorable for the month** with \$15.2M in fare revenue compared to the \$11.9M budgeted
- \$14.0M favorable YTD** with actual fare revenue at \$130.3M compared to the \$116.3M budgeted
  - \$9.2M of \$14.0M fare revenue favorability from Q1 of FY21

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%	26%		
Actual \$ (M)	8.1	6.6	8.1	10.6	12.9	14.8	14.6	13.2	12.0	11.9	11.8	13.4	15.2		
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

- **\$134.3M Operating Budget Deficiency Fund balance** through April 2021, with \$365M necessary to balance the FY22 budget
  - **\$114.8M for transfer** as of April 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 May and June expected to support \$365M net revenue target** including \$236M in CRRSAA federal relief funds and \$40M in estimated sales tax acceleration revenue
- 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>
<i>April 2021 Net Revenue</i>	<i>15.8</i>
<b>FY21 Net Transfers to Date</b>	<b>114.8</b>
<b>FY21 Balance Amount to Date</b>	<b>134.3</b>
<b>*Planned Funds Available for FY22</b>	<b>365.0</b>

\*Planned funds available reflects maximum potential ending balance in FY21 as presented in the March Pro Forma presentation to the FMCB on 3/8