

CFO Report

Finance and Audit Committee

10/14/2020



Topics

- August YTD 2020 Reports:
 - Financial Performance Report
 - Asset Liability Management Report

***August YTD 2020 Financial
Performance Report***

August YTD 2020 Transit Operating

Transit operating expense at 95% of YTD budget

- Current year payment for STX and Link is fixed regardless of service levels. Actual costs are reconciled in the following year.
- Lower Sounder cost mainly due to reduced service levels.
- Lower fuel cost due to falling oil prices and lower service levels.
- Lower insurance cost due to shift of DSTT transfer until mid-2021.

August YTD 2020 Projects Expense

Project spending at 93% of YTD budget

- Link project spending at 97% of plan or \$36.6M underspending to plan
- Project acceleration expected for major expansion projects in Q4

August YTD 2020 Tax Revenue Performance

- 1. YTD Tax revenues at 88% of budget***
- 2. Actual tax collections since pandemic down 11% as compared to 2019***
 - Sales tax collections down 11%
 - MVET collections down 9%
 - Rental Car Tax down 68%

Liquidity Position

Sound Transit entered the economic downturn with strong liquidity, but with the large decline in revenue, it is anticipated that all cash reserves will be used by mid 2021.

- Cash balance as of August 31, 2020: \$1.55B
- Cash balance as of December 31, 2020: \$0.8B
- Cash balance as of December 31, 2021: **\$(0.38B)**

Thank you.



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