

CFO Report

Finance and Audit Committee

3/18/2021



Topics

- 2020 Year End Reports:
 - Financial Performance Report
 - Asset Liability Management Report

2020 Year End Revenue Performance

2020 revenues of \$2.6B, or 104% of budget including \$166M CARES Act funding.

- Without CARES Act funding, total revenue was \$72M, or 3% below budget.
- Tax revenues was \$115M, or 6% below budget.

2020 Operating Expense

\$332M, 93% of \$359M annual budget.

- **Purchased Transportation** \$15M (8%) below budget due to reduced services.
 - Actual reconciliation for Link and STX in Q2 2021.
 - Sounder \$3M (43%) below budget due to lower spare parts usage and lower price for fuel.
- **Overhead across modes** \$6M (16%) below budget primarily due to cost reduction efforts, namely 161 (13%) of 2020 budgeted positions not filled.

2020 System Expansion Projects

\$2.0B, 90% of \$2.2B annual budget.

- **Link at 95% of \$1,995M budget.** Primarily East Link and LRV Fleet Expansion
- **Souder at 64% of \$56M budget.** Primarily due to station access and improvement projects awaiting realignment decisions.
- **Regional Express at 49% of \$28M budget.** Primarily due to third party agreement performance and realignment pause.
- **Stride at 45% of \$107M budget.** Primarily due to project refinement and COVID delays, contractor performance and delays in right of way acquisitions.

2020 Non-System Expansion Projects

\$79M, 71% of \$111M annual budget.

State of good repair at 89% of \$59M budget

- \$6M under budget. Primarily due to DSTT Capital Improvements (\$3M) – further assessments needed prior to construction

Administrative at 77% of \$13M budget

- \$3M under budget. Primarily due to delay of Union Station HVAC replacement project

Enhancements at 41% of \$38M budget

- \$23M under budget. Digital Passenger Info System due to COVID and cashflow

Key Asset and Liability Management report Highlights

- ***Currently pursuing TIFIA loan on DRLE and refinance on five existing loans.***
- ***Investment strategy focusing on liquidity in response to market uncertainty and in anticipation of future Board realignment decisions.***

Thank you.



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