

Revenue

- Avg weekday trips for the quarter were 403,426 or 0.1% over budget and 0.5% below the same quarter last year. Total trips for the quarter were 0.4% over budget and 1.2% lower than FY19Q2, with weekend and holiday trips 2.2% over budget. YTD, total trips are 0.5% over budget and 1.0% below FY19. Net passenger revenue was 0.4% under budget.

- Parking revenue was \$0.2M favorable, mainly due to over budget daily non-reserve program.

- Other operating revenue was \$0.9M favorable mainly due to over budget investment income.

Expense

- Labor was \$11.5M unfavorable in Q2, mostly due to overtime and unrecovered capital labor reimbursement.

- Power was \$1.0M favorable in Q2 due to reductions in transmission and distribution costs, a \$250K credit from the National California Power Agency and timing of invoice payments.

- Other non labor was \$1.7M favorable overall in Q2 due to \$3.2M under budget material usage spending and \$0.2M favorable interchange rates/fees and Clipper reimbursement. This was partially offset by \$0.7M above budget spending in other utilities, \$0.6M in professional fees, \$0.2M in repairs & maintenance and \$0.2M in travel & meetings.

Financial Assistance and Allocations

- Sales tax for Q2 was 19.4% below FY19Q2 and \$9.4M unfavorable due to timing of payments from prior quarters. Timing continues to be a problem, but payments are projected to be on budget by year-end.

- Property tax, other assistance was \$0.2M unfavorable due to under budget local financial assistance.

- State Transit Assistance (STA) was \$9.8M unfavorable due to timing, but is expected to be on budget at year-end.

- Low Carbon Transit Operations Program (LCTOP) revenue was \$2.4M favorable due to timing. MTC payments will be on budget at year-end.

- Low Carbon Fuel Standard (LCFS) Program revenue was \$2.4M favorable due to higher than anticipated sale of credits generated as a result of strong market prices.

- Debt service was \$0.3M favorable due to savings from refunding.

- Capital and other allocations were \$1.6M lower than budget primarily due to under budget incremental fare increase revenue, offset by increased LCFS revenue (allocated between Sustainability and general operating fund per LCFS Policy) and over budget SFO extension fare revenue.


Net Operating Result


- Net operating result for Q2 was \$20.8M under budget due to unfavorable overtime, capital labor reimbursements, sales tax revenues and unrealized State Transit Assistance (STA). YTD net operating result is \$11.7M under budget.

Quarterly Financial Report Second Quarter

Current Quarter			(\$ Millions)	Year to Date		
Budget	Actual	Var		Budget	Actual	Var
			Revenue			
115.1	114.6	-0.4%	Net Passenger Revenue	236.9	238.8	0.8%
8.7	8.9	1.4%	Parking Revenue	18.0	18.1	0.5%
7.4	8.3	12.0%	Other Operating Revenue	14.4	16.5	14.5%
131.3	131.8	0.4%	Total Net Operating Revenue	269.3	273.4	1.5%
			Expense			
145.8	157.3	-7.9%	Net Labor	294.8	311.9	-5.8%
11.4	10.4	8.7%	Electric Power	22.8	21.3	6.4%
7.9	7.8	1.3%	Purchased Transportation	15.8	15.7	0.7%
31.1	29.5	5.4%	Other Non Labor	60.6	55.2	8.9%
196.2	205.0	-4.5%	Total Operating Expense	394.0	404.2	-2.6%
(64.9)	(73.1)	-12.6%	Operating Result (Deficit)	(124.7)	(130.8)	-4.9%
			Taxes and Financial Assistance			
75.6	66.2	-12.4%	Sales Tax	141.9	141.0	-0.6%
27.3	27.1	-0.6%	Property Tax, Other Assistance	30.4	30.5	0.3%
9.8	0.0	-100.0%	State Transit Assistance (STA)	9.8	0.0	-100.0%
0.0	2.4	-	Low Carbon Transit Op Prog	8.4	5.7	-31.4%
3.5	5.9	67.5%	Low Carbon Fuel Std Prog	7.1	11.9	67.6%
(11.8)	(11.5)	2.7%	Debt Service	(23.6)	(23.3)	1.3%
(17.9)	(16.3)	9.1%	Capital and Other Allocations	(41.6)	(39.1)	6.0%
86.6	73.9	-14.6%	Net Financial Assistance	132.3	126.7	-4.2%
21.6	0.8	(20.8)	Net Operating Result	7.6	(4.1)	(11.7)
66.9%	64.3%	-2.6%	System Operating Ratio	68.3%	67.6%	-0.7%
0.436 ¢	0.460 ¢	-5.4%	Rail Cost / Passenger Mile	0.426 ¢	0.439 ¢	-3.1%

* Totals may not add due to rounding to the nearest million.

 No Problem

 Caution: Potential Problem/Problem Being Addressed

 Significant Problem