

**Quarterly Financial Report  
Second Quarter  
Fiscal Year - 2019**

**Revenue**

- Avg weekday trips for the quarter were 405,321, 2.6% under budget and 2.1% below the same quarter last year. Total trips for the quarter were 4.0% under budget and 3.0% lower than FY18Q2, with weekend and holiday trips 9.8% under budget. Net passenger revenue was 3.8% under budget. November was affected by nearly two weeks of poor air quality from the northern California fires, and ridership was particularly low the week after Christmas.
- Parking revenue was \$0.1M unfavorable mainly due to under budget daily non-reserve program.
- Other operating revenue was \$0.9M favorable mainly due to over budget investment income.

**Expense**

- Labor was on budget. Savings from the Q2 vacancy rate of 12.8% was offset by unfavorable overtime (\$12.9M) and unfavorable temp help (\$0.2M).
- Power was \$1.9M favorable due to lower than expected transmission costs, and lower than expected power prices in the California energy market.
- Total other non-labor was \$4.6M favorable, mostly due to delays in work and invoice payments for professional services (\$2.9M); decreases in Clipper fees and bank rates (\$1.5M); and discount pricing on wheels (\$0.5M). These savings were offset by \$0.3M unfavorable Other Utilities due to service expansion and cost increases.

**Financial Assistance and Allocations**




- Sales tax for Q2 grew 24.8% over FY18Q2 and was \$13.5M favorable due to receipt of late payments from previous periods. The state changed their payment pattern and had problems with implementation of the new sales tax payment software. Expecting issue to be completely resolved in Q3.
- Property tax and other assistance was \$0.5M favorable due to over budget property tax payments and local financial assistance.
- STA was \$9.5M unfavorable due to timing, expected to be on budget at year end.
- Low Carbon Fuel Standard (LCFS) program revenue was \$4.0M favorable to budget due to higher than anticipated sale of credits generated as a result of strong market prices.
- Capital and other allocations were \$2.5M greater than budget primarily due to \$4.0M of increased LCFS revenue (allocated equally between sustainability and general operating fund per LCFS Policy), offset by \$1.1M under budget SFO Ext fare revenue and \$0.6M under budget incremental fare increase revenue.

**Net Operating Result**

- The net operating result for Q2 was \$8.6M favorable, mostly due to Sales Tax, Electric Power and Other Non-Labor savings. Favorable assistance and expenses are not expected to continue throughout FY19.

Current Quarter			Year to Date		
Budget	Actual	Var	Budget	Actual	Var
\$ 122.1	117.5	(3.8%)	\$ 246.9	242.5	(1.8%)
9.2	9.1	(1.1%)	18.3	18.4	0.5%
16.9	17.8	5.1%	24.0	25.4	5.7%
<b>148.2</b>	<b>144.3</b>	<b>(2.6%)</b>	<b>289.3</b>	<b>286.3</b>	<b>(1.0%)</b>
138.7	138.7	0.0%	279.7	279.8	0.0%
11.0	9.1	16.8%	21.9	19.6	10.7%
7.6	7.6	0.0%	15.1	15.2	(0.2%)
32.4	27.8	14.2%	62.6	52.2	16.7%
<b>189.7</b>	<b>183.2</b>	<b>3.4%</b>	<b>379.3</b>	<b>366.7</b>	<b>3.3%</b>
<b>(41.5)</b>	<b>(38.9)</b>	<b>6.3%</b>	<b>(90.1)</b>	<b>(80.3)</b>	<b>10.8%</b>
68.6	82.1	19.7%	129.1	142.2	10.1%
23.9	24.4	2.1%	26.4	27.6	4.5%
9.5	0.0	(100.0%)	9.5	0.0	(100.0%)
1.6	5.6	244.0%	3.3	9.2	183.9%
(11.7)	(11.7)	(0.1%)	(23.3)	(23.3)	(0.1%)
(32.1)	(34.6)	(7.8%)	(52.3)	(56.1)	(7.3%)
<b>59.8</b>	<b>\$ 65.8</b>	<b>10.0%</b>	<b>92.7</b>	<b>\$ 99.6</b>	<b>7.4%</b>
<b>18.3</b>	<b>\$ 26.9</b>	<b>\$ 8.6</b>	<b>2.7</b>	<b>\$ 19.3</b>	<b>\$ 16.6</b>
78.1%	78.8%	0.7%	76.3%	78.1%	1.8%
<b>0.405 ¢</b>	<b>0.403 ¢</b>	<b>0.4%</b>	<b>0.400 ¢</b>	<b>0.393 ¢</b>	<b>1.9%</b>

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

-  No Problem
-  Caution: Potential Problem/Problem Being Addressed
-  Significant Problem