

CFO Report

Finance and Audit Committee

10/19/23



Why we are here

August YTD 2023 Discussion Items:

- Financial Performance Report
- Asset Liability Management Report

***August YTD 2023 Financial
Performance Report***

August YTD performance

Revenues & Other Financing (in thousands)	August 2023 YTD Budget	August 2023 YTD Actuals	Variance (\$) Under/(Over)	Actuals as % of Budget
Tax Revenues	\$ 1,475,456	\$ 1,510,070	\$ 34,614	102%
Other Revenues & Financing	\$ 251,598	\$ 1,301,660	\$ 1,050,062	517%
Total Revenues & Financing	\$ 1,727,054	\$ 2,811,730	\$ 1,084,676	163%

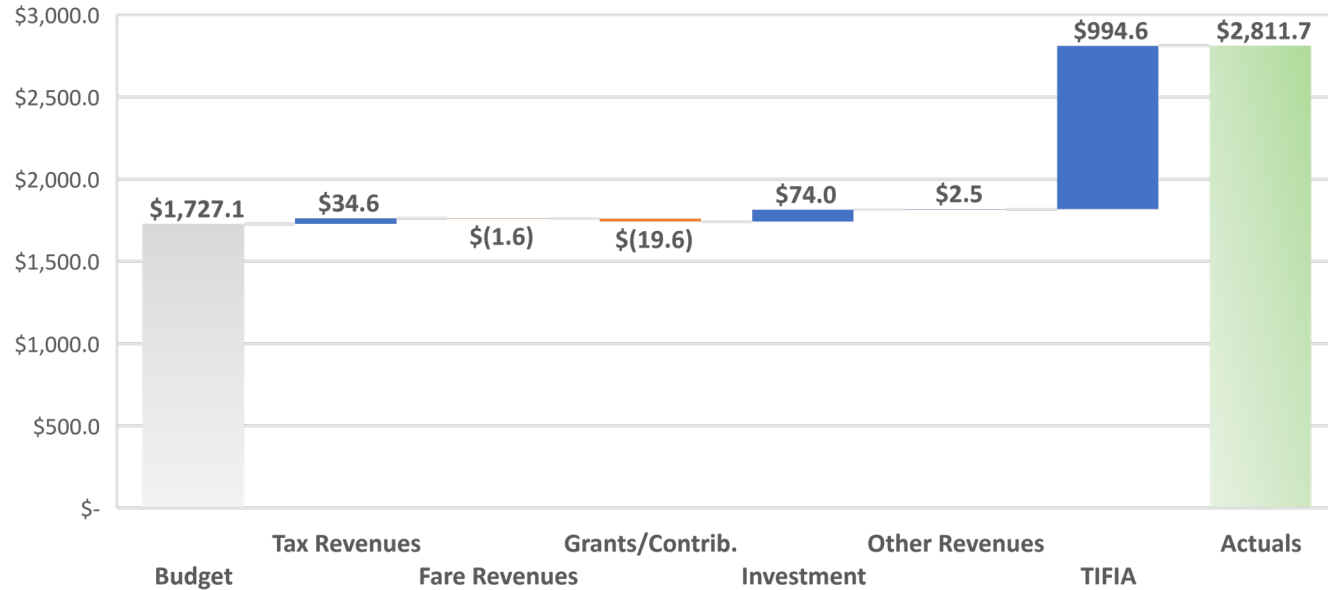
Expenditures (in thousands)	August 2023 YTD Budget	August 2023 YTD Actuals	Variance (\$) Under/(Over)	Actuals as % of Budget
Transit Operations	\$ 324,753	\$ 293,861	\$ 30,892	90%
System Expansion Projects	\$ 1,293,226	\$ 1,128,548	\$ 164,678	87%
Non-System Expansion Projects	\$ 153,200	\$ 100,974	\$ 52,226	66%
Debt Service	\$ 91,913	\$ 90,195	\$ 1,718	98%
Other Expenses	\$ 32,418	\$ 24,390	\$ 8,028	75%
Total Expenses	\$ 1,895,509	\$ 1,637,967	\$ 257,542	86%

Aug YTD revenue and other financing

Actuals were \$1.1B higher than planned

- Federal grants
(11% unfavorable)
- Link ridership / fares
(4% unfavorable)
- Tax revenues
(2% favorable)
- Investment income
(256% favorable)
- TIFIA
Not budgeted

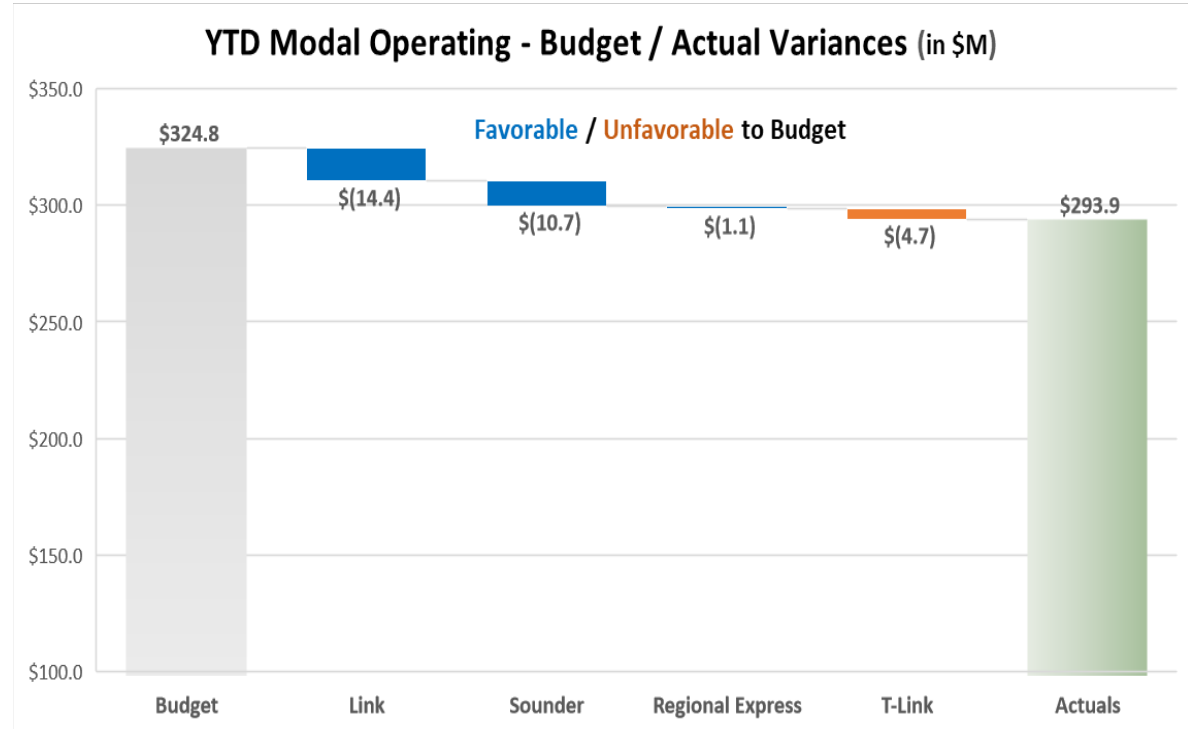
YTD Revenues - Budget / Actual Variances (in \$M)



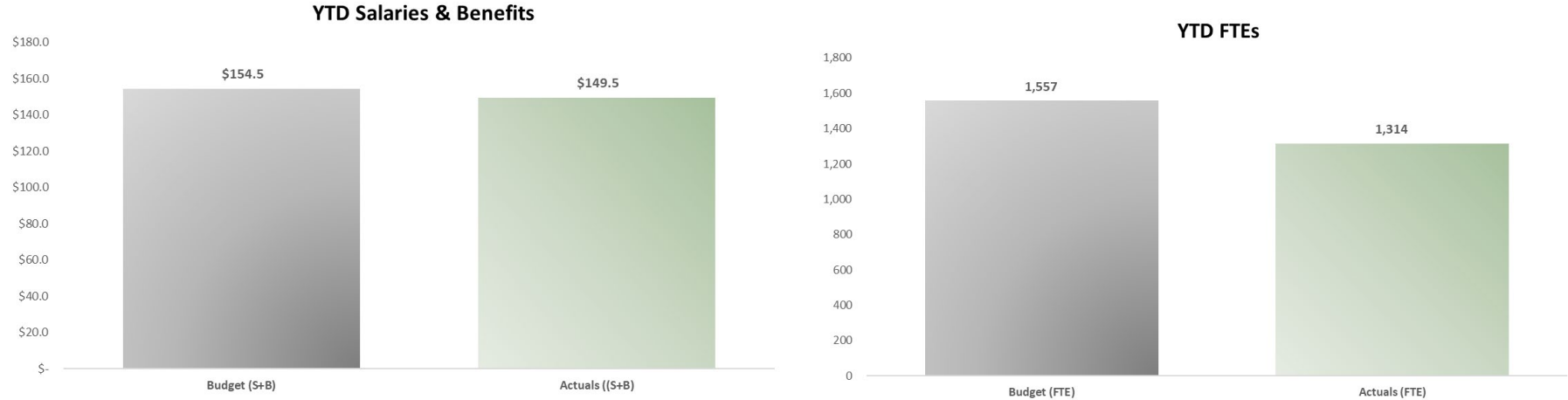
August YTD transit operations

Actuals were \$31M or 10% lower than planned

- Timing of services, vehicle, and facility maintenance
- Maintenance projects delays until later this year or next year
- Agency administration driven by FTE vacancies
- Lower insurance premiums



August YTD agency labor costs and FTEs



3.2% S&B underspend is driven by higher than budgeted vacancies partially offset by accounting adjustment for benefits accrual.

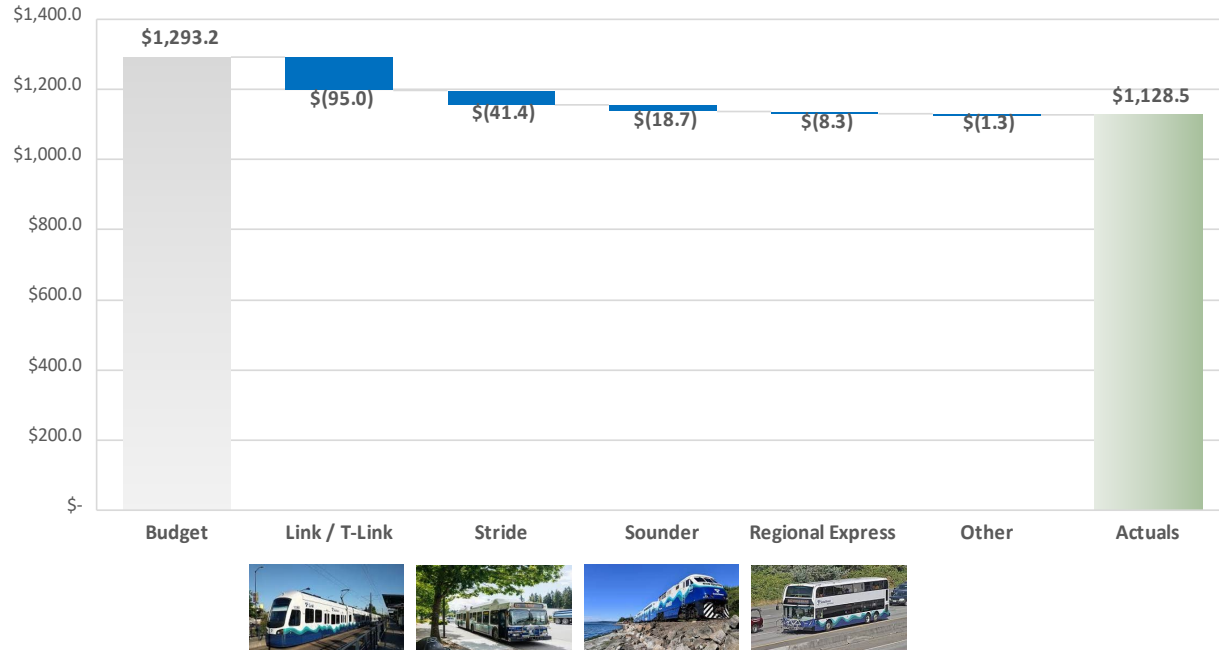
- Vacancy budgeted at 8%, YTD average at 13.6%
- Updated GASB rule for volunteer time accrual

Aug YTD system expansion projects

Actuals were \$165M or 13% lower than planned

- Link – LLE, LRV Fleet Expansion, DRLE, & TDLE
- Stride – I-405 BRT
- Sounder – Sumner, Kent and Auburn
- Regional Express – RapidRide C and D
- Other – Innovation and Tech.

YTD System Expansion Projects - Budget / Actual Variances (in \$M)



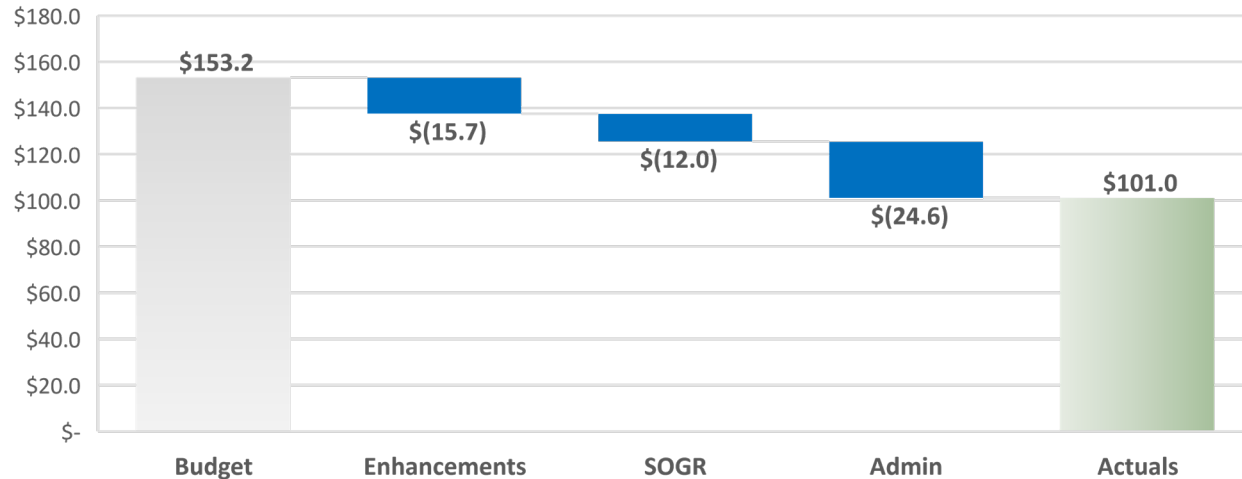
Aug YTD agency projects

(excluding system expansion)

Actuals were \$52M or 66% lower than planned

- Enhancements – Digital PIMS, PSO Programmatic Work and Data Mgmt.
- State of Good Repair –IT Network Redesign and Kinkisharyo.
- Administrative – Agency Admin Operating and IT Tech Program.

YTD Projects - Budget / Actual Variances (in \$M)



***Asset and Liability
Management Report***

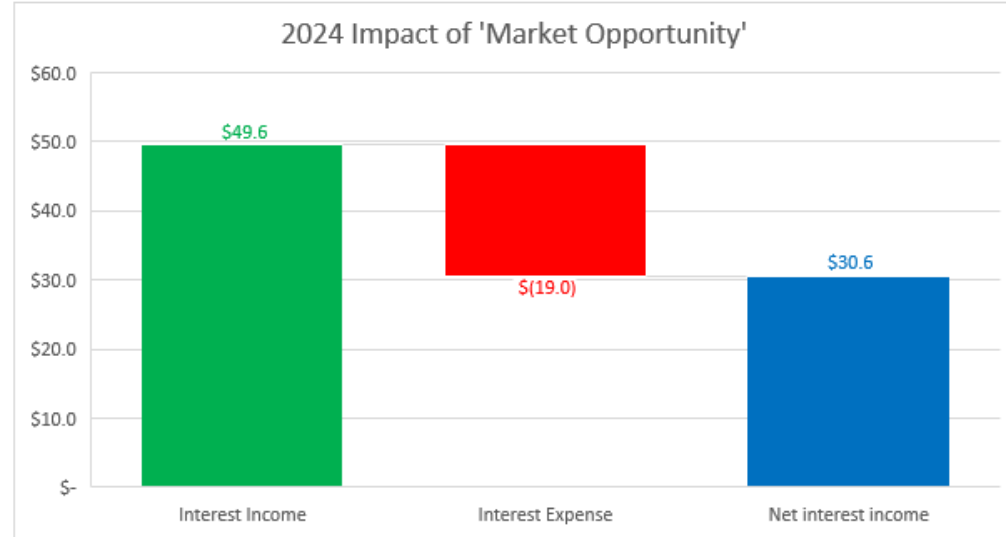
Portfolio Actions approved at July Meeting

UPDATE-Market Opportunity

- ~\$1B of TIFIA drawn on August 15th, interest rate 1.91%
- Funds have been invested at an average yield of 4.99%
- Action generates ~\$30 million of 2024 net interest income

UPDATE-Redemption of Floating Rate Notes

- Borrowers have been notified
- The notes will be redeemed on November 1st



Asset and Liability Management Highlights

- There is no market consensus on future Fed actions, however, staff is continually monitoring the market and appropriately adjusts the portfolio to minimize risk and maximize returns
- Investment balances remain favorable, no planned debt issues at this time

Thank you.



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