

# FULTON COUNTY Q2 BRIEFING

## FY22 BUDGET

May 19, 2021



# FY22 Budget Premise

- \$ Support MARTA's Strategic Priorities
- \$ Support Updated Service Levels
- \$ Provide Financial Sustainability
- \$ Advance Capital Program
- \$ Deliver on 15<sup>th</sup> Amendment Obligations
- \$ Address State of Good Repair Needs

## FY22 Budget Development

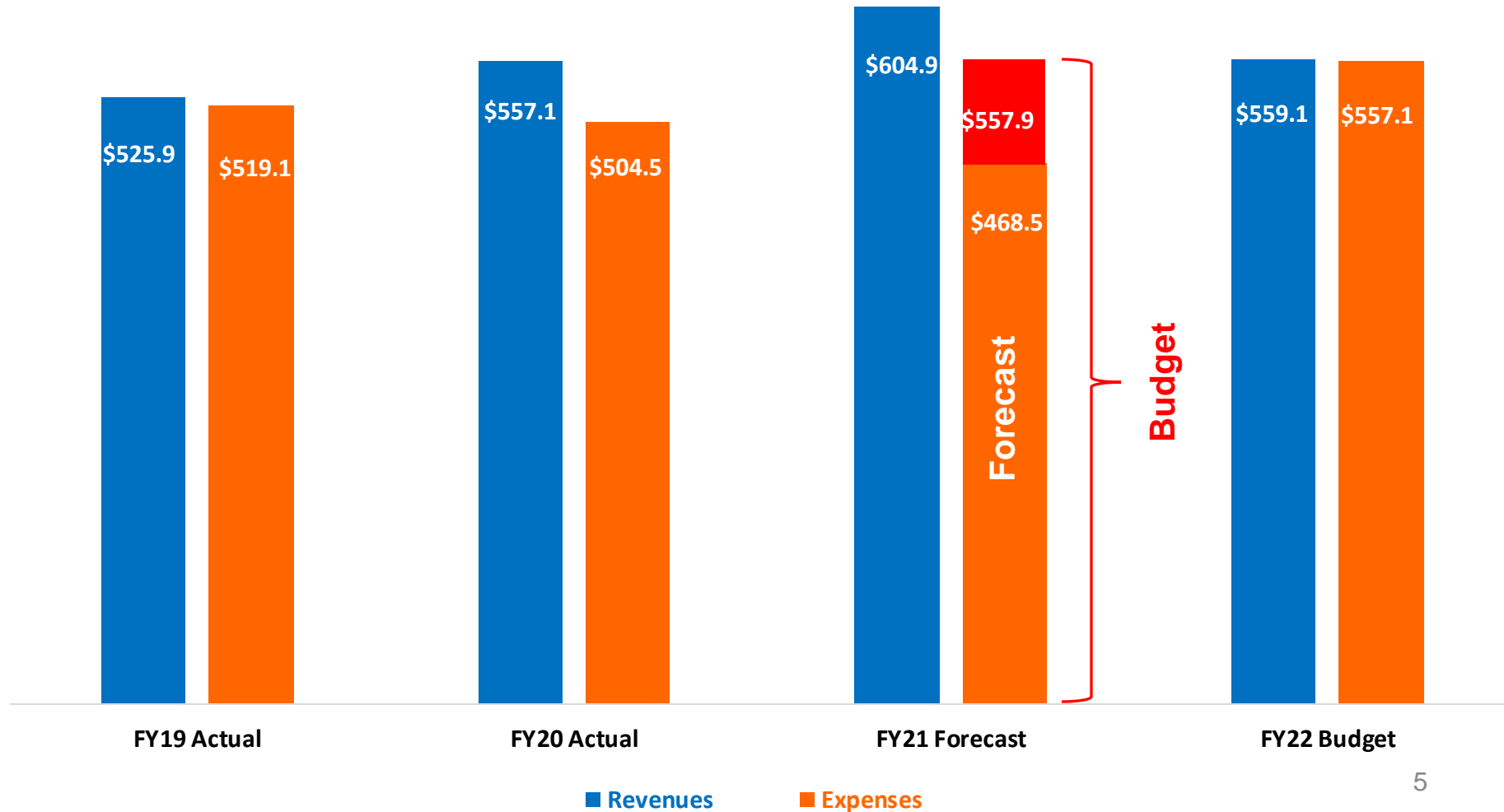
1. *Board briefing and feedback*
2. *Public hearings (May 10 & 11)*
3. *Proposed budgets provided to each jurisdiction*
4. *Board committee presentation (May 27)*
5. *Board vote to adopt (June 10)*



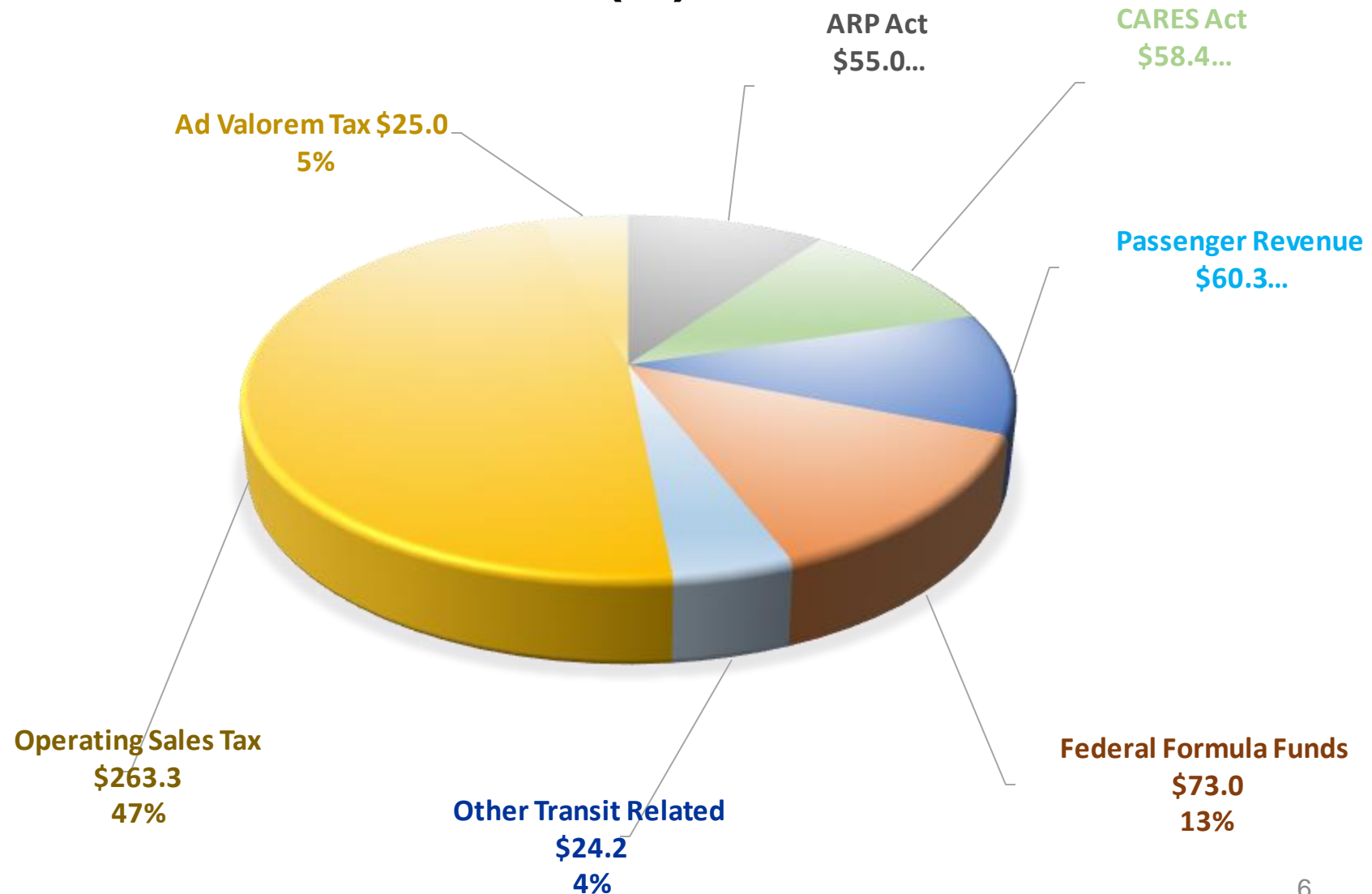
# PROPOSED FY2022 OPERATING BUDGET



# FY19 – 22 Operating Revenues vs. Expenses (M)



# FY22 Projected Operating Revenues \$559.1(M)



# Sales & Ad Valorem Tax Revenues

Fiscal Year	FY2020 Actual	Forecast			
		FY2021	FY2022	FY2023	FY2024
Growth Rate	-2.7%	3.0%	3.2%	7.8%	5.0%



# Passenger Revenues

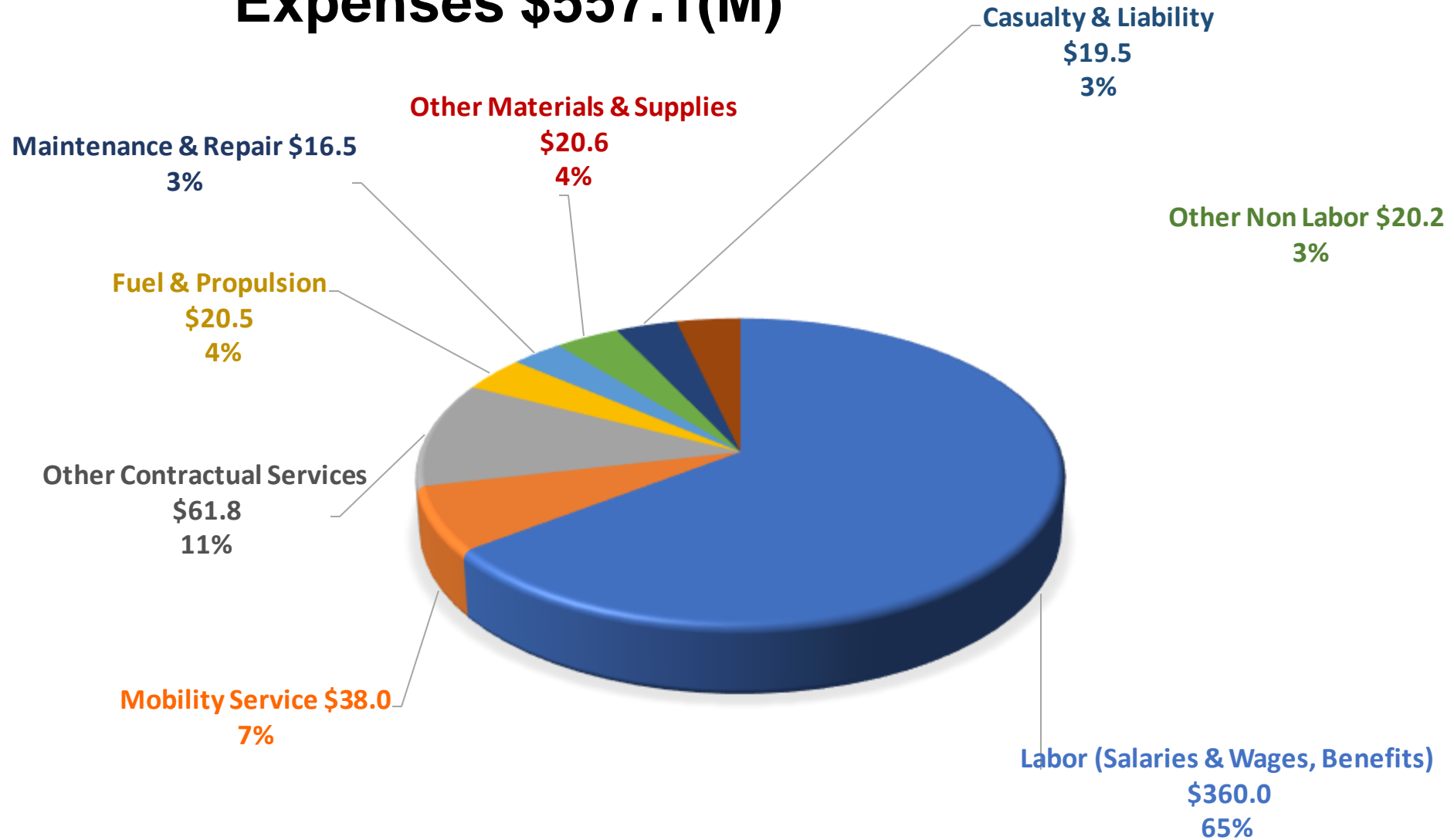
Fiscal Year	FY2019 * Actual	FY2020 Actual	Forecast			
			FY2021	FY2022	FY2023	FY2024
Passenger Revenue	\$130.2M	\$98.0M	\$44.1M	\$60.3M	\$110.2M	\$115.8M

\* FY2019 was the last completely pre-pandemic fiscal year

- ✓ Last fare increase was implemented in October 2011
- ✓ No change in the current fare structure is proposed



# FY22 Proposed Operating Expenses \$557.1(M)



# Authority-Wide Budget Comparison

<b>MARTA Financial Summary (\$M)</b>	<b>FY2020 Actual</b>	<b>FY2021 Forecast</b>	<b>FY2021 Budget</b>	<b>FY2022 Preliminary Budget</b>
<b>Operating Revenues</b>	<b>481.9</b>	<b>439.9</b>	<b>474.5</b>	<b>445.7</b>
<b>CARES Act Federal Funding</b>	<b>75.2</b>	<b>165.0</b>	<b>150.0</b>	<b>58.4</b>
<b>ARP Federal Funding</b>				<b>55.0</b>
<b>Adjusted Revenues</b>	<b>557.1</b>	<b>604.9</b>	<b>624.5</b>	<b>559.1</b>
<b>Net Operating Expense</b>	<b>504.5</b>	<b>488.5</b>	<b>557.9</b>	<b>557.1</b>
<b>Gain on Pension Investments</b>	<b>0.0</b>	<b>(20.0)</b>	<b>0.0</b>	<b>0.0</b>
<b>Net Adjusted Expenses</b>	<b>504.5</b>	<b>468.5</b>	<b>557.9</b>	<b>557.1</b>
<b>(Surplus)/Deficit</b>	<b>(52.6)</b>	<b>(136.4)</b>	<b>(66.6)</b>	<b>(2.0)</b>

## Operating Budget Risks

- \$ Pandemic's lingering impact
- \$ Transit ridership/Fare revenues
- \$ Economic uncertainty
  - ⚠ Sales tax revenue growth
  - ⚠ Fuel prices
  - ⚠ Healthcare costs
  - ⚠ Pension costs



# PROPOSED FY2022 CAPITAL BUDGET



# FY22 Capital Budget Highlights

## System-Wide

- ✓ New Rail Cars
- ✓ Traction Power Substation
- ✓ Track Replacement & Maintenance
- ✓ Elevator/Escalator Rehab

## Station Rehabilitation

- ✓ Indian Creek
- ✓ Five Points
- ✓ Airport
- ✓ College Park
- ✓ Bankhead

## New Facilities

- ✓ Clayton O&M
- ✓ South DeKalb Transit Hub
- ✓ Stonecrest Transit Hub

## Expansion Corridors

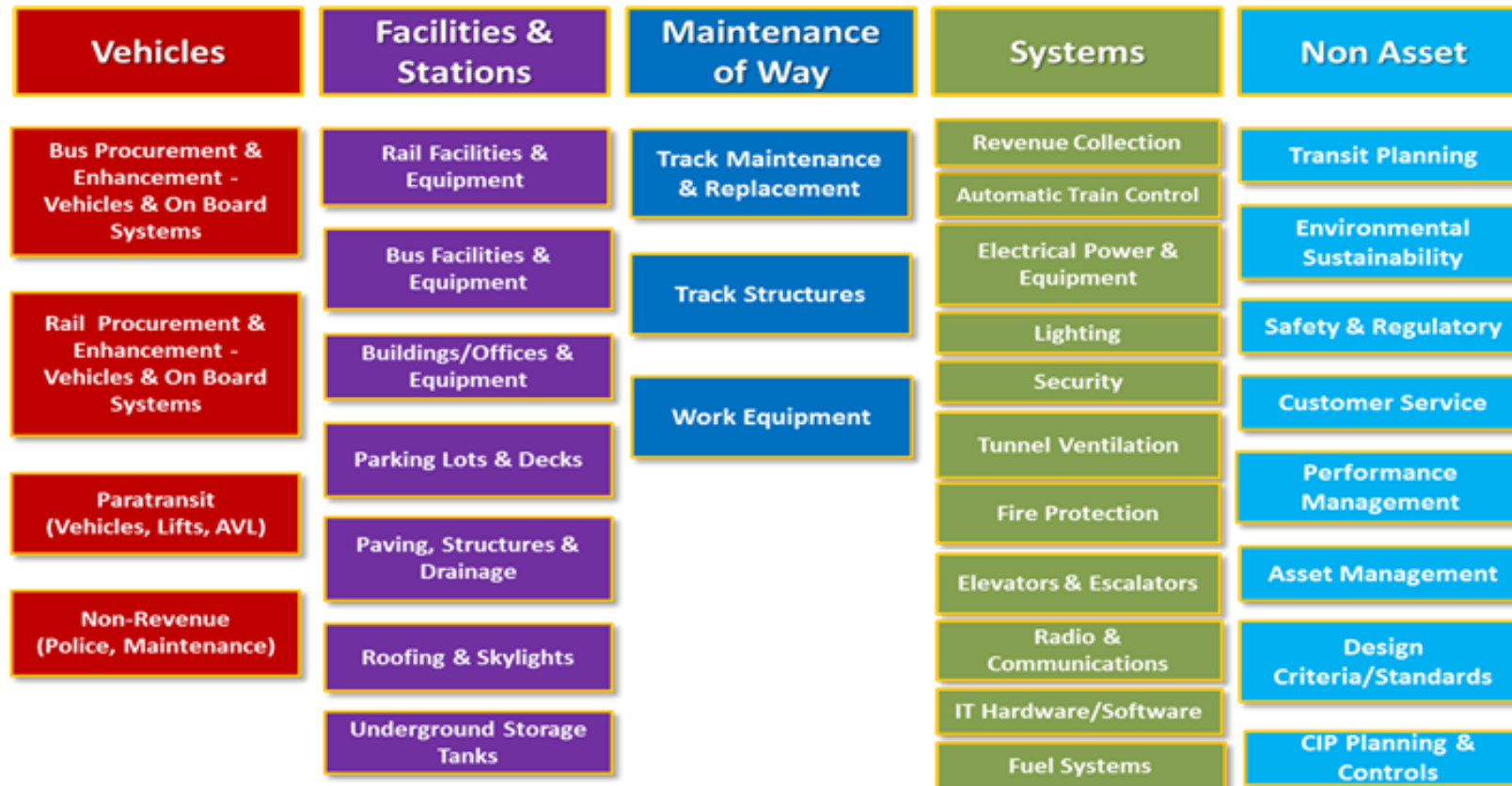
- ✓ Summerhill BRT
- ✓ NW Clayton/Riverdale BRT
- ✓ Campbellton Road HCT
- ✓ Streetcar Extension East

## New Funding Sources

- ✓ MARTA Local
- ✓ State
- ✓ Federal

# FY22 Capital Improvement Program

## State of Good Repair Structure



# Ten-Year State of Good Repair Budget

Program Category	FY22	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31	Total 10 Year CIP
Vehicles	\$119.1	\$111.7	\$101.0	\$111.0	\$132.8	\$117.2	\$116.3	\$136.2	\$108.6	\$108.6	\$1,162.5
Facilities	\$111.9	\$97.4	\$58.7	\$45.2	\$44.2	\$44.2	\$44.2	\$44.2	\$44.2	\$44.2	\$578.4
MOW	\$21.5	\$32.5	\$17.0	\$17.0	\$17.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$105.0
Systems	\$144.0	\$88.5	\$57.0	\$49.9	\$51.1	\$30.1	\$30.1	\$44.1	\$44.1	\$44.1	\$583.0
Non-Asset	\$84.5	\$82.8	\$82.8	\$73.5	\$56.5	\$43.5	\$43.5	\$43.5	\$43.5	\$43.5	\$597.6
<b>Total Proposed</b>	<b>\$481.0</b>	<b>\$412.9</b>	<b>\$316.5</b>	<b>\$296.6</b>	<b>\$301.6</b>	<b>\$235.0</b>	<b>\$234.1</b>	<b>\$268.0</b>	<b>\$240.4</b>	<b>\$240.4</b>	<b>\$3,026.5</b>



# FY22 – FY31 Sources & Uses

## State of Good Repair (Core Penny)

	FY22	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31	Totals
<b>Beginning Balance</b> (Forecasted)	20.0										20.0
<b>Revenues</b>											
<b>Sales Tax</b>	236.5	255.1	267.8	277.6	287.8	298.2	308.3	320.2	332.3	346.1	2,929.8
<b>Awarded/Potential Federal Funds</b>	67.1	53.5	60.2	49.3	49.3	49.3	49.3	49.3	49.3	49.3	525.9
<b>Federal CRSSA Stimulus Funds</b>	16.5	17.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	33.5
<b>Prior Year Surplus Sales Tax Carryover</b>	81.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	81.7
<b>Other Revenue</b>	0.5	0.5	0.5	0.5	0.6	0.6	0.6	0.6	0.6	0.7	5.7
<b>Debt Issue *</b>	220.0	255.0	165.0	150.0	150.0	80.0	70.0	100.0	60.0	55.0	1,305.0
<b>Total Sources of Funds</b>	642.3	584.3	496.0	479.7	490.9	430.3	432.3	473.3	447.0	453.7	<b>4,901.7</b>
<b>Expenditures</b>											
<b>Capital Program Summary</b>	481.0	412.9	316.5	296.6	301.6	235.0	234.1	268.0	240.4	240.4	3,026.4
<b>Debt Service</b>	158.2	168.9	177.3	179.9	187.1	191.1	195.0	200.4	204.0	207.9	1,869.8
<b>Total Uses of Funds</b>	639.1	581.8	493.8	476.5	488.7	426.1	429.2	468.4	444.4	448.3	<b>4,896.2</b>

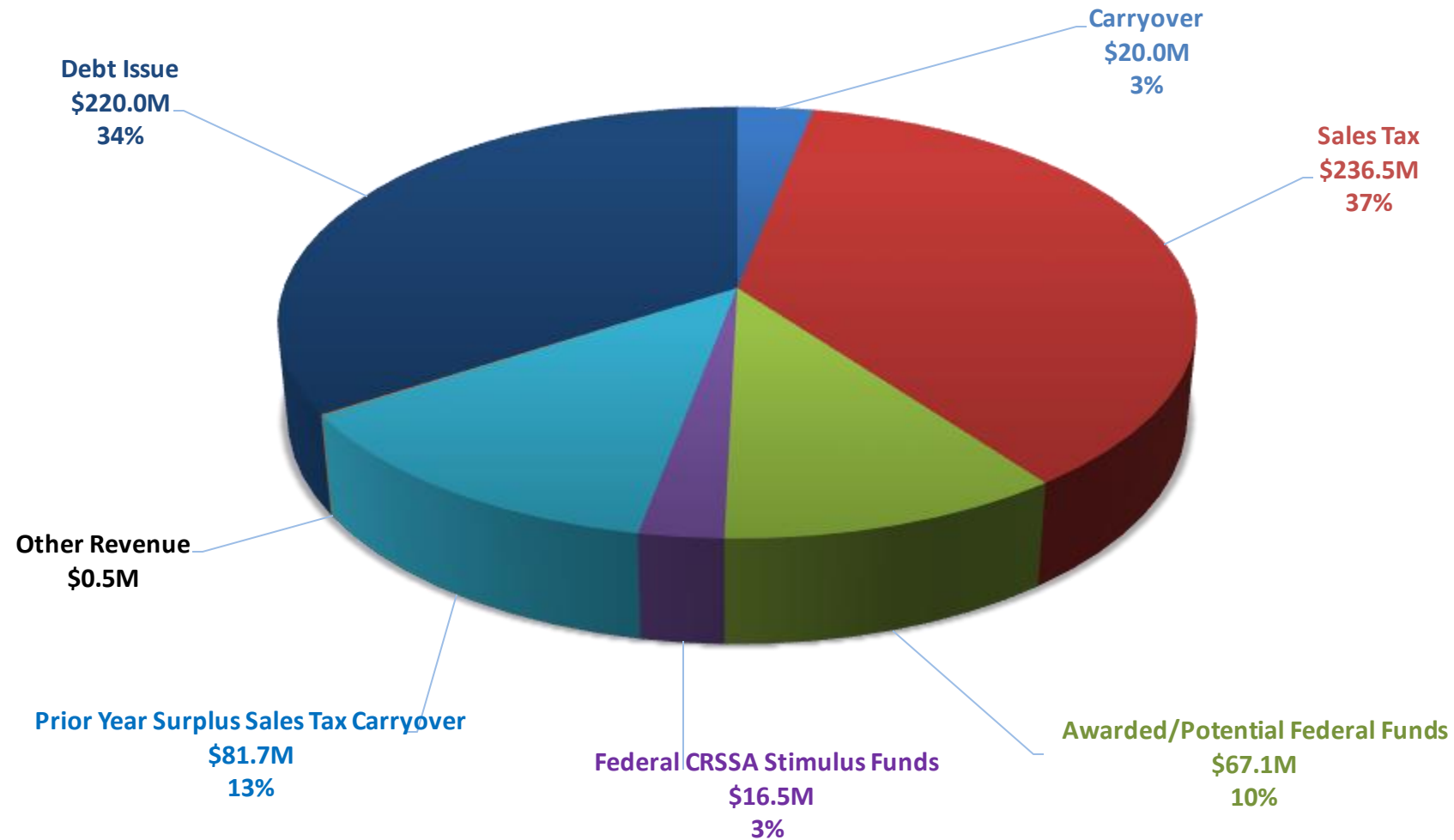
- Debt issuance timing and amount can vary depending on the final allocation of ARP Grant funds for Capital Program
- \$200 Million in anticipated ARP funds not shown allocated here.

# FY22 State of Good Repair Sources & Uses (Core Penny)

MARTA CAPITAL IMPROVEMENT PROGRAM STATE OF GOOD REPAIR [\$ in Millions]		
<b><u>RESERVES</u></b>		
FY21 Carry-Over		20.0
General Fund	20.0	
<b><u>FUNDING SOURCES</u></b>		
FY22 Sources		622.3
Sales Tax (Capital Allocation)	236.5	
Awarded/Potential Federal Funds	67.1	
Federal CRSSA Stimulus Funds	16.5	
Prior Year Surplus Sales Tax Carryover	81.7	
Interest Income	0.5	
Debt Issuance - Bonds	220.0	
<b>Total Capital Funds</b>		<b>642.3</b>
<b><u>PROJECT USES</u></b>		
FY22 CIP		481.0
Debt Service		158.2
<b>Total Capital Expenditures</b>		<b>639.2</b>
<b><u>FY22 Year Ending Balance</u></b>		<b>3.1</b>

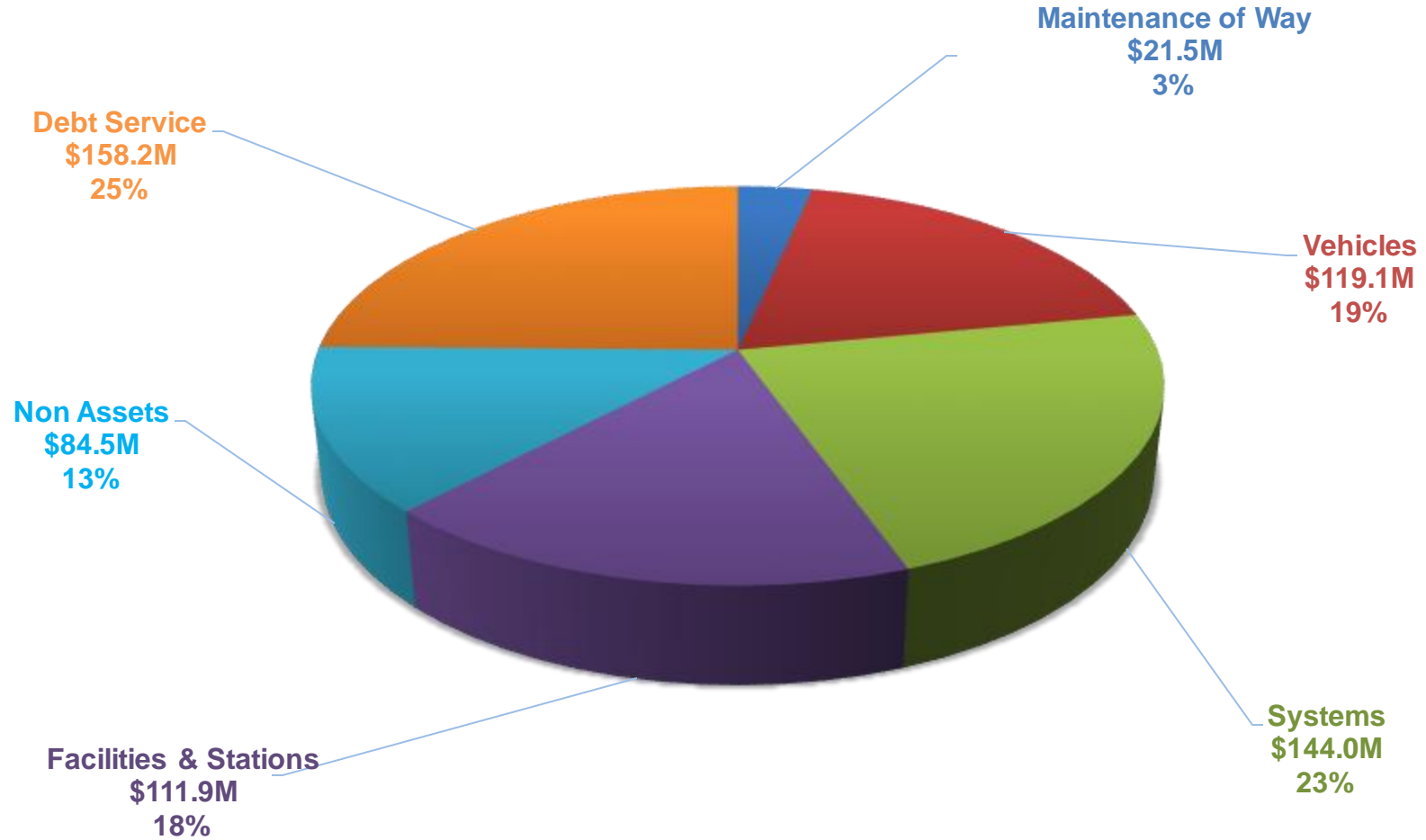
# FY22 Capital Budget Funding Sources

## Total of \$642.3M



# FY22 Capital Budget Expenditures

## Total of \$ (\$639.2M)



# Fulton Capital Budget Highlights

Station Rehabilitation	Est Start Year	Est Construction Cost	FY22 Proposed Budget*
College Park	2022	\$8M	\$5.2
East Point	2022	\$8M	\$1M
Sandy Springs	2027	\$8M	0
Medical Center	2028	\$8M	0
No. Springs	2029	\$8M	0
<b>TOTAL</b>			<b>\$6.2M*</b>

\* Included in FY22 Station Rehabilitation \$45M Budget

	FY2021 Spent-to-Date As of 4/2021	FY2022 Proposed
Fulton (Planning) – GA 400 BRT	\$489,188	\$667,768
Fulton (Planning) – So. Fulton Roosevelt BRT	\$170,848	\$1M
TOD Initiatives	\$40,000	\$865,000
Bus Stop Amenities	\$825,000	\$1.4M
SGR Projects (TR-IV, TPSS, TVS, Elev./Escal., Rail Car Procurement)	\$31.47M	\$41.23M
<b>TOTAL</b>		<b>\$45.16M</b>

**FY 2022 TOTAL = \$51.4M**



Thank You



## Service Levels – New Transit Service Plan

Authorized Operators	FY2019	FY2020	FY2021	FY2022
Bus	1,452	1,452	1,476	1,476
Rail	153	153	153	153
Streetcar	12	12	12	12
<b>Total</b>	<b>1,617</b>	<b>1,617</b>	<b>1,641</b>	<b>1,641</b>

Revenue Miles	FY2019 Actual	FY2020 Actual	FY2021 Forecast	FY2022 Scheduled*
Bus	28,121,795	28,303,085	27,201,219	25,753,394
Rail	22,511,413	20,430,752	15,649,688	16,650,928
Mobility	7,273,741	6,965,088	6,412,800	5,328,423
Streetcar	60,510	56,422	50,907	75,000
<b>Total</b>	<b>57,967,459</b>	<b>55,755,347</b>	<b>49,314,614</b>	<b>47,807,745</b>

Revenue Hours	FY2019 Actual	FY2020 Actual	FY2021 Forecast	FY2022 Scheduled*
Bus	2,278,566	2,322,662	2,241,634	2,099,478
Rail	150,987	139,086	109,438	116,440
Mobility	461,382	480,144	400,800	351,355
Streetcar	12,005	11,586	10,164	15,750
<b>Total</b>	<b>2,902,940</b>	<b>2,953,478</b>	<b>2,762,036</b>	<b>2,583,023</b>

\* Does not include Run as Directed Service



# FY22 – FY31 More MARTA Sources & Uses – City of Atlanta

	FY22	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31	Totals FY22-FY31
Beginning Balance	118.4										118.4
Revenues											
Capital Sales Tax	29.6	31.9	33.5	34.7	28.8	26.1	27.0	24.0	24.9	26.0	286.4
Awarded Federal Funds	0.0	6.2	6.2	6.2	0.0	0.0	0.0	0.0	0.0	0.0	18.6
Anticipated Federal Funds	4.0	4.5	4.0	4.0	10.0	27.5	32.5	32.5	32.5	32.5	184.0
Debt Issue	0.0	0.0	0.0	0.0	20.0	23.0	19.0	21.0	22.0	22.0	127.0
Total Sources of Funds	151.9	144.5	118.2	93.1	76.8	77.7	79.7	79.6	80.7	81.7	734.3
Expenditures											
CIP More Marta COA	50.0	70.0	70.0	75.0	75.0	75.0	75.0	75.0	75.0	75.0	715.0
Debt Service	0.0	0.0	0.0	0.0	0.7	1.5	2.6	3.3	4.5	5.5	18.1
Total Uses of Funds	50.0	70.0	70.0	75.0	75.7	76.5	77.6	78.3	79.5	80.5	733.1

# FY22 Sources & Uses

More MARTA - City of Atlanta		
[\$ in Millions]		
<b><u>RESERVES</u></b>		
Beginning Value FY21	97.3	
Sales Tax Contributions	36.7	
Project Deductions	(11.0)	
Streetcar Operations	(5.4)	
Investment Income	0.8	
<b>Ending Value - June 30 2021</b>		<b>118.4</b>
<b><u>FUNDING SOURCES</u></b>		
FY22 Sources		<b>33.6</b>
Sales Tax	29.6	
Potential Federal Funds	4.0	
<b>Total Capital Funds</b>		<b>152.0</b>
<b><u>PROJECT USES</u></b>		
FY22 CIP	50.0	
<b>Total Capital Expenditures</b>		<b>50.0</b>
<b><u>FY22 Year Ending Balance</u></b>		<b>102.0</b>

# FY22 More MARTA – City of Atlanta Uses of Funds

More MARTA - City of Atlanta	
Project Name	FY22
Capitol Ave./Summer Hill (BRT)	\$ 4,100,000
Campbellton (LRT)	\$ 6,787,091
Street Car East Ext. (LRT)	\$ 3,328,546
Street Car West Ext. (LRT)	\$ 193,385
Beltline Southwest (LRT)	\$ 143,826
Bankhead	\$ 1,908,703
Five Points Station Transformation	\$ 11,041,625
Greenbriar (TC)	\$ 384,273
Clifton Corridor (LRT)	\$ 10,072,439
Cleveland Ave. Route 578 (ART)	\$ 1,064,189
Metropolitan Pkwy Route 595 (ART)	\$ 814,619
North Avenue Phase 1 (BRT)	\$ 1,249,294
Planning CPMO Support	\$ 1,712,089
CPMO More Marta Atlanta (Communications)	\$ 1,345,272
CPMO More Marta Atlanta	\$ 2,500,000
Contingency Atlanta	\$ 3,354,649
<b>Total:</b>	<b>\$50,000,000</b>

# FY22 – FY31 More MARTA Sources & Uses – Clayton Co

	FY22	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31	Totals
<b>Beginning Balance</b>	148.3										148.3
<b>Revenues</b>											
<b>Capital Sales Tax</b>	28.4	30.7	32.2	33.4	34.6	28.7	26.0	23.1	20.0	20.8	277.9
<b>Awarded Federal Funds</b>	13.7	8.5	13.3	13.3	6.6	0.0	0.0	0.0	0.0	0.0	55.4
<b>Potential Federal Funds</b>	6.7	7.5	7.5	20.0	25.0	25.0	15.0	0.0	0.0	0.0	106.7
<b>Debt Issue</b>	0.0	0.0	0.0	0.0	0.0	0.0	23.0	67.0	71.0	75.0	236.0
<b>Total Sources of Funds</b>	197.2	183.8	176.8	158.5	139.7	108.4	87.4	91.7	93.8	97.5	<b>824.3</b>
<b>Expenditures</b>											
<b>CIP More Marta Clayton</b>	60.0	60.0	85.0	85.0	85.0	85.0	85.0	85.0	85.0	85.0	800.0
<b>Debt Service</b>	0.0	0.0	0.0	0.0	0.0	0.0	0.8	3.9	7.0	10.6	22.4
<b>Total Uses of Funds</b>	60.0	60.0	85.0	85.0	85.0	85.0	85.8	88.9	92.0	95.6	<b>822.4</b>

# FY22 Sources & Uses

More MARTA - Clayton County		
[\$ in Millions]		
<b><u>RESERVES</u></b>		
Beginning Value FY21	124.3	
FY21 Sales Tax Contributions	27.8	
FY21 Project Deductions	(4.8)	
FY21 Investment Income	1.0	
<b>Ending Value - June 30 2021</b>		<b>148.3</b>
<b><u>FUNDING SOURCES</u></b>		
FY22 Sources		<b>48.8</b>
Sales Tax	28.4	
Awarded Federal Funds	13.7	
Potential Federal Funds	6.7	
<b>Total Capital Funds</b>		<b>197.1</b>
<b><u>PROJECT USES</u></b>		
FY22 CIP	60.0	
<b>Total Capital Expenditures</b>		<b>60.0</b>
<b><u>FY22 Year Ending Balance</u></b>		<b>137.1</b>

# FY22 More MARTA – Clayton Co Uses of Funds

More MARTA - Clayton County	
Project Name	FY22
Clayton County HCT	\$ 1,845,037
Clayton Bus Facility Real Estate	\$ 31,796,427
Clayton County Maintenance Facility	\$ 2,573,049
Clayton County BRT (Riverdale) Justice Cntr	\$ 13,433,455
CPMO Clayton	\$ 2,500,000
Contingency Clayton County	\$ 7,852,032
<b>Total:</b>	<b>\$ 60,000,000</b>