



# DEKALB COUNTY Q2 BRIEFING FY22 BUDGET May 18, 2021



# Introductions – MARTA Finance Leadership



**Raj Srinath**  
Chief Financial Officer



**Kevin Hurley**  
Deputy Chief Financial Officer

## 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

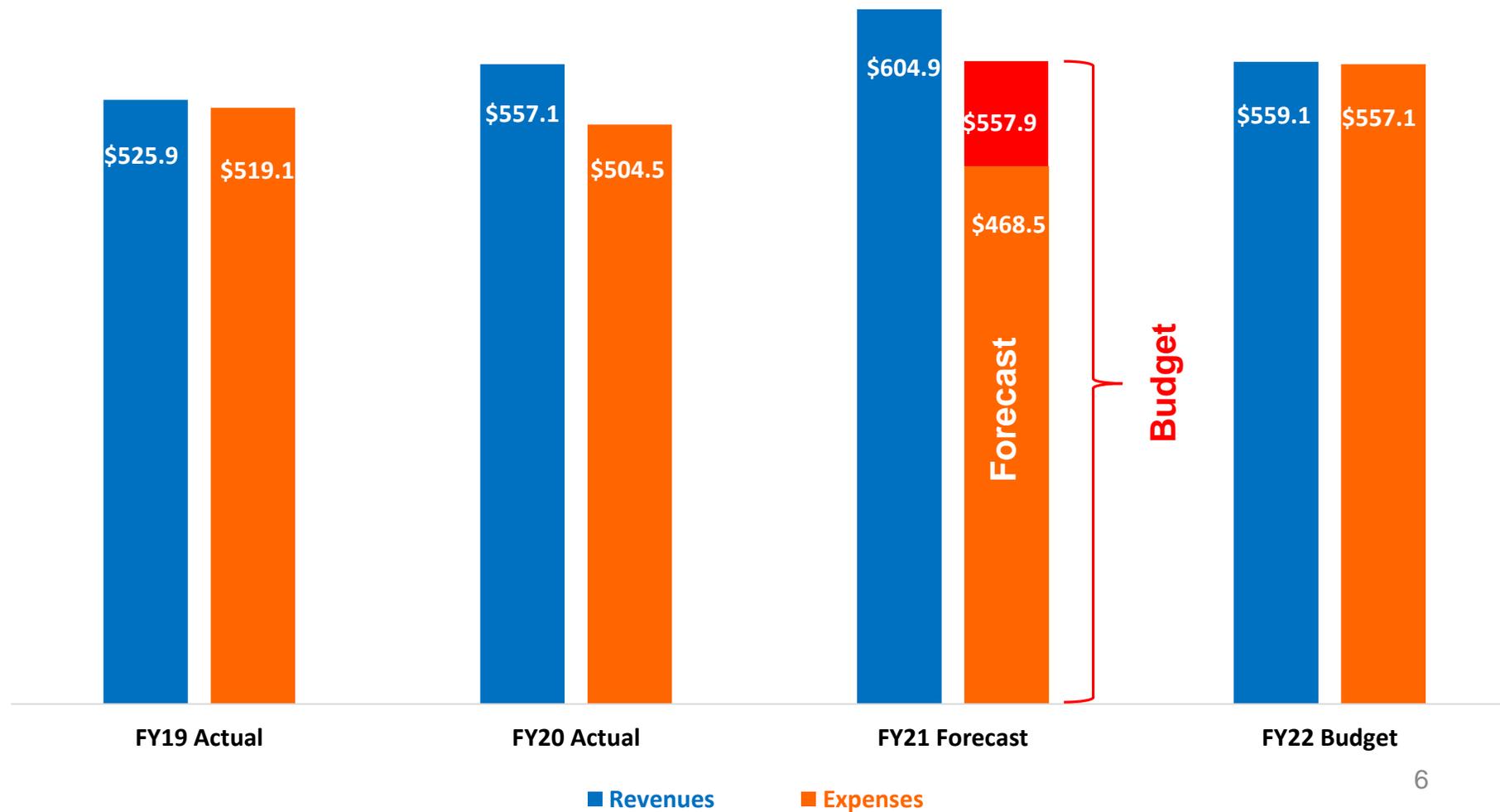
1. *Board briefing and feedback*
2. *Public hearings (May 10 & 11)*
3. *Proposed budgets provided to each jurisdiction*
4. *Board committee presentation (May 27)*
5. *Board vote to adopt (June 10)*



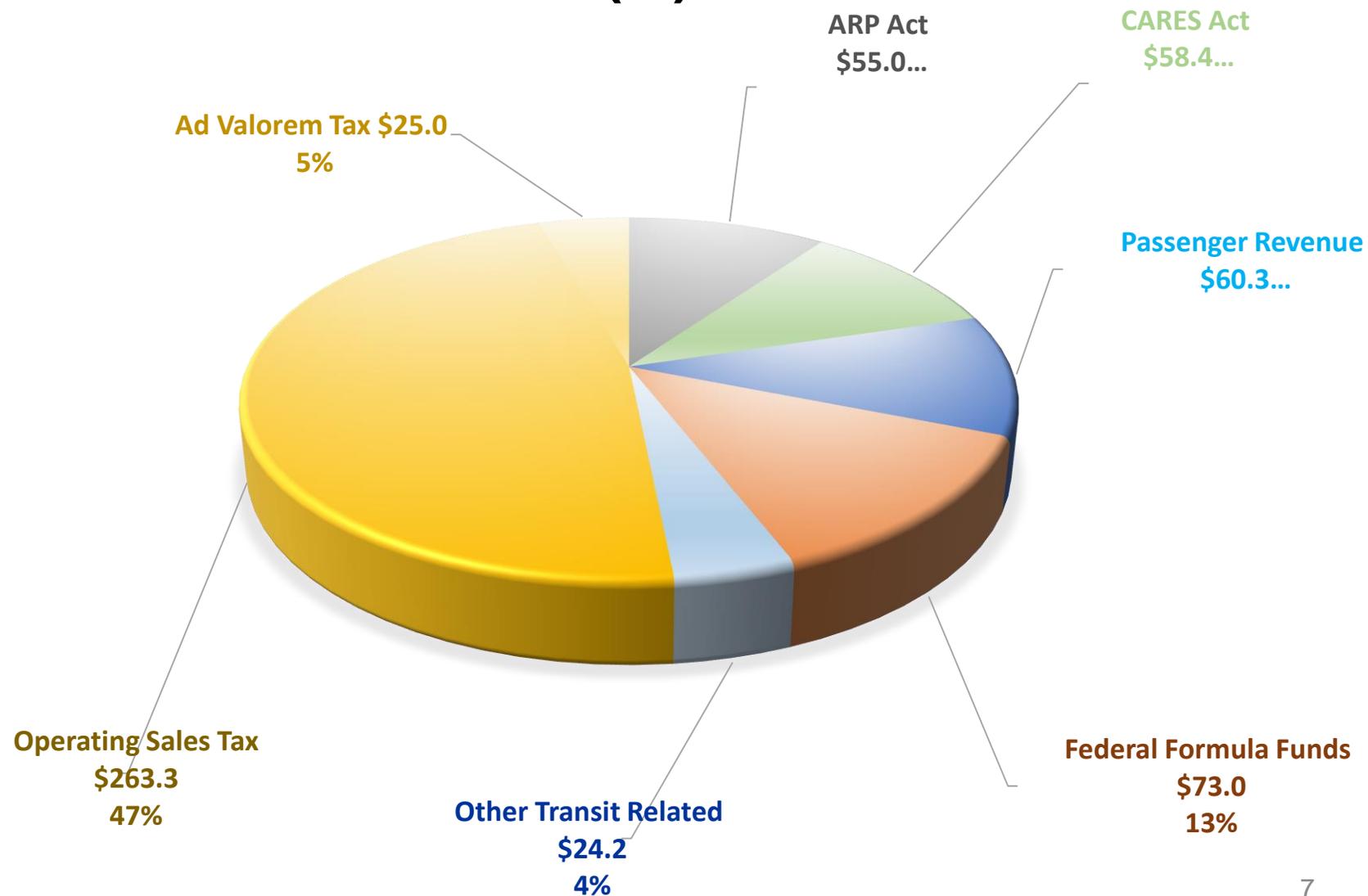
# PROPOSED FY2022 OPERATING BUDGET



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



# FY22 Projected Operating Revenues \$559.1(M)



# Sales & Ad Valorem Tax Revenues

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

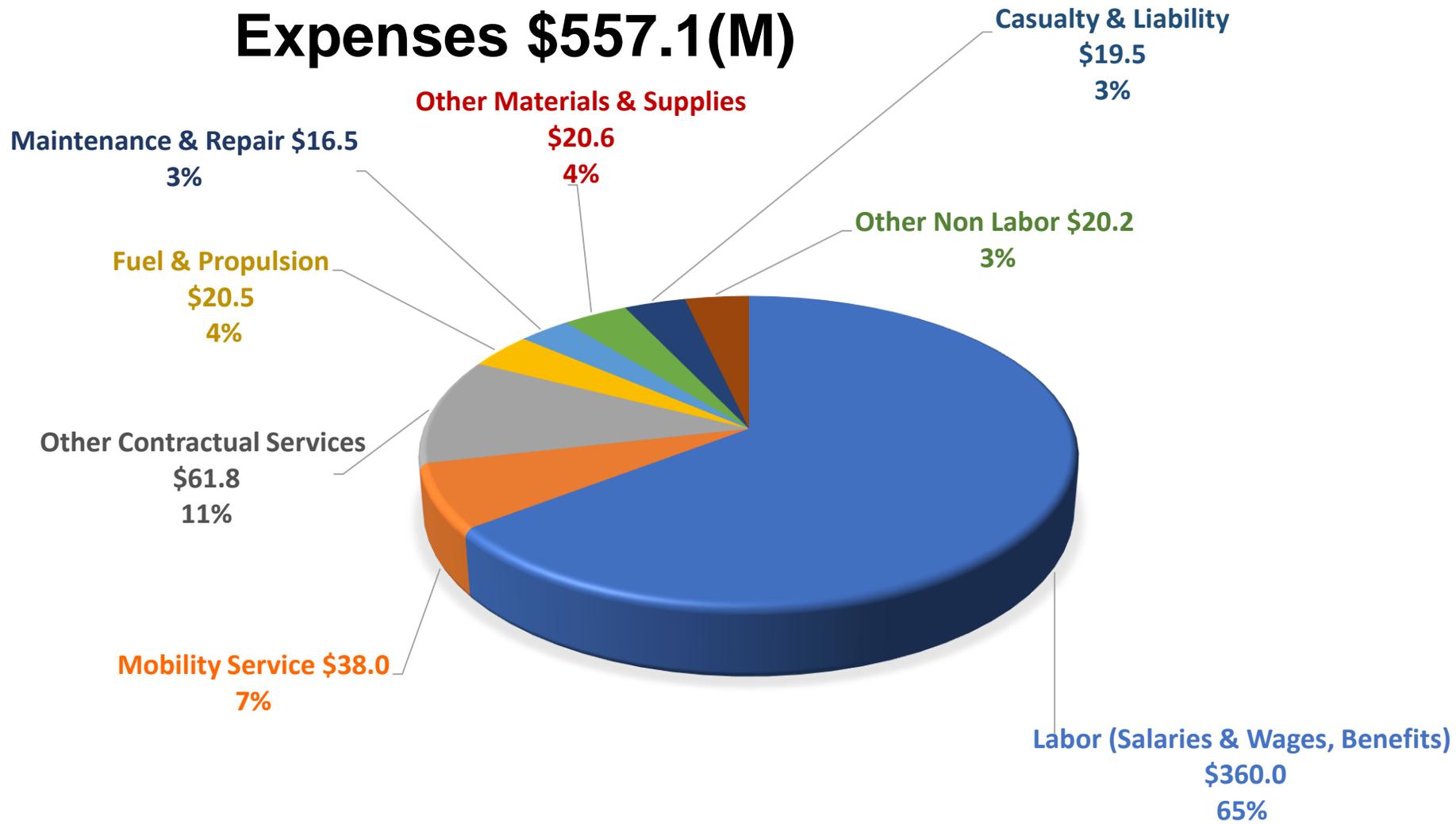
# Passenger Revenues

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

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

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

# 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	<b>\$1,162.5</b>
Facilities	\$111.9	\$97.4	\$58.7	\$45.2	\$44.2	\$44.2	\$44.2	\$44.2	\$44.2	\$44.2	<b>\$578.4</b>
MOW	\$21.5	\$32.5	\$17.0	\$17.0	\$17.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	<b>\$105.0</b>
Systems	\$144.0	\$88.5	\$57.0	\$49.9	\$51.1	\$30.1	\$30.1	\$44.1	\$44.1	\$44.1	<b>\$583.0</b>
Non-Asset	\$84.5	\$82.8	\$82.8	\$73.5	\$56.5	\$43.5	\$43.5	\$43.5	\$43.5	\$43.5	<b>\$597.6</b>
<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 (Forecasted)</b>	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>

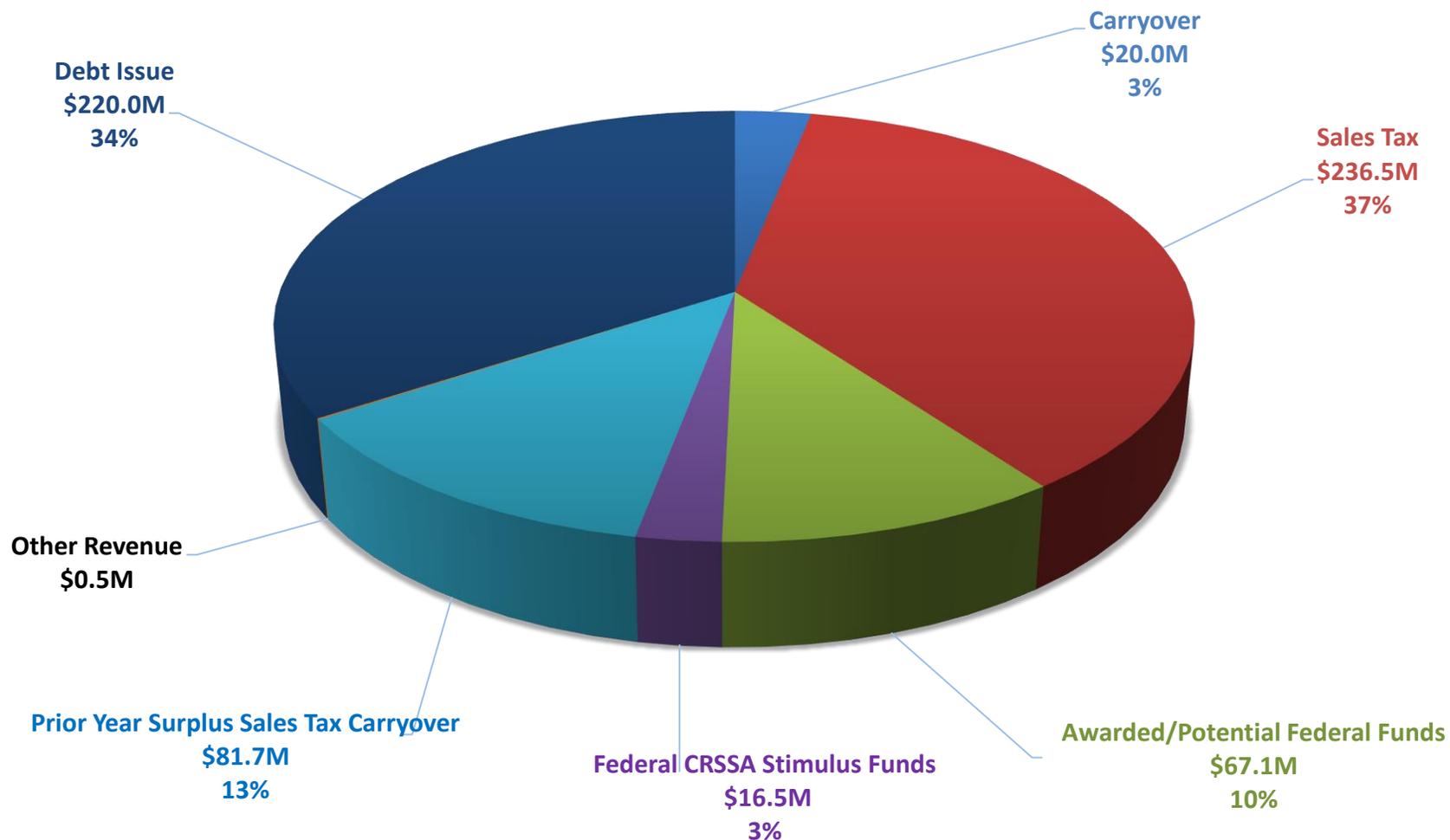
- Debt issuance timing and amount can vary depending on the final allocation of ARP Grant funds for Capital Program
- \$200 Million in anticipated ARP funds not shown allocated here.

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

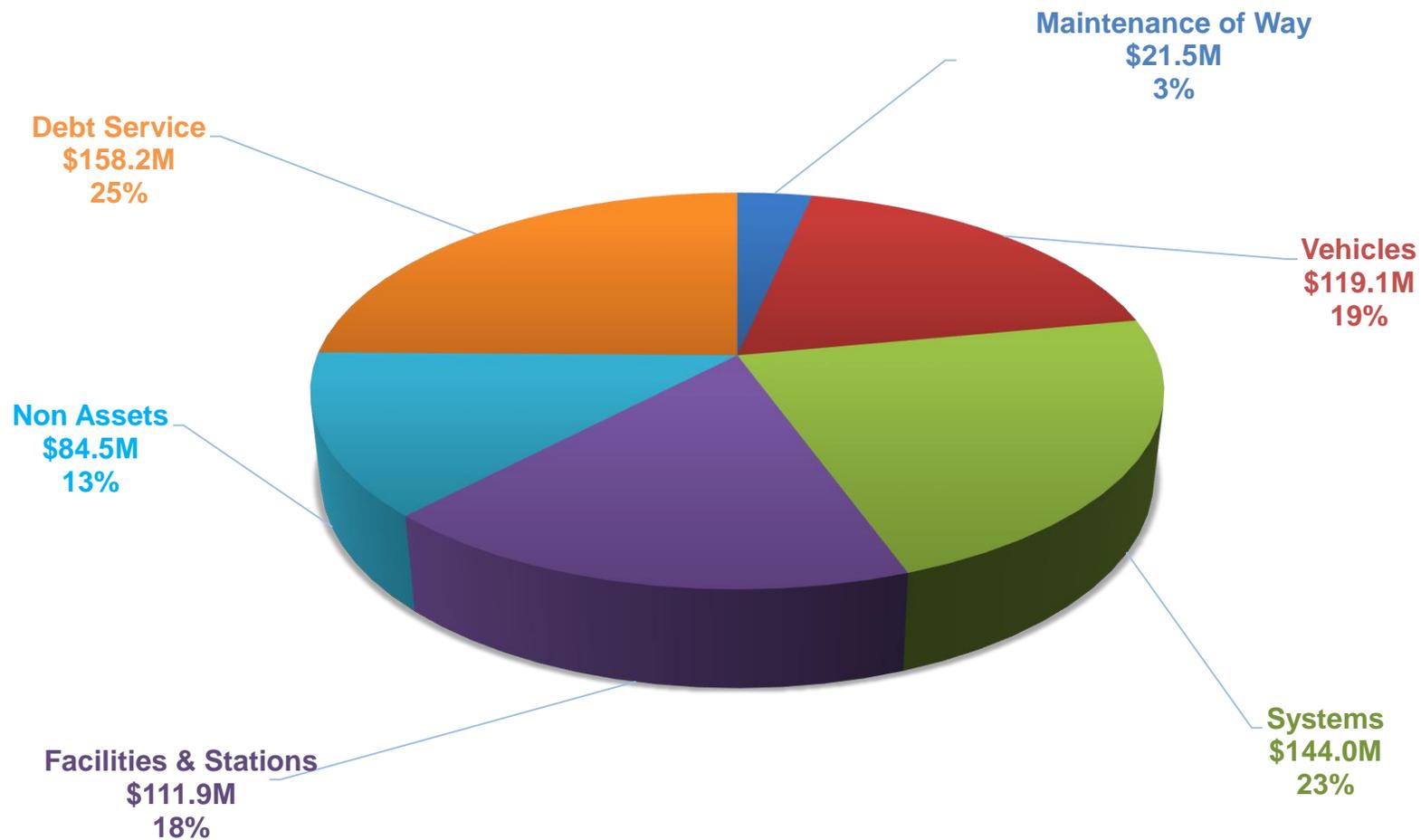
<b>MARTA CAPITAL IMPROVEMENT PROGRAM</b>		
<b>STATE OF GOOD REPAIR</b>		
[\$ in Millions]		
<b><u>RESERVES</u></b>		
FY21 Carry-Over		<b>20.0</b>
General Fund	20.0	
<b><u>FUNDING SOURCES</u></b>		
FY22 Sources		<b>622.3</b>
Sales Tax (Capital Allocation)	236.5	
Awarded/Potential Federal Funds	67.1	
Federal 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		<b>481.0</b>
Debt Service		<b>158.2</b>
<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)



# DeKalb Capital Budget Highlights

Station Rehabilitation	Est Start Year	Est Construction Cost	FY22 Proposed Budget*
Indian Creek	2021	\$10M	\$8M
Brookhaven	2022	\$8M	\$1.5M
Chamblee	2023	\$8M	0
Decatur	2025	\$8M	0
Avondale	2027	\$8M	0
Kensington	2028	\$8M	0
Doraville	2029	\$8M	0
Dunwoody	2029	\$8M	0
<b>TOTAL</b>			<b>\$9.5M*</b>

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

	FY2021 Spent-to-Date As of 3/2021	FY2022 Proposed
DeKalb (Planning) – I-20 East Transit Initiative	\$6,478	\$575,473
DeKalb (Planning) – I-285 East BRT Study	\$215,754	\$329,439
DeKalb (Planning) – Stonecrest Mobility Hub	\$12,470	\$2.6M
DeKalb (Planning) – South Dekalb Mobility Hub	\$162,506	\$2.09M
DeKalb (Planning) – Buford Hwy ART	\$0	\$1M
<i>SGR Projects (TR-IV, TPSS, TVS, Elev./Escal., Rail Car Procurement)</i>	<i>Data in progress</i>	\$41.23M
TOD Initiatives	\$45,000	\$865,000
Bus Stop Amenities	\$1.525M	\$1.96M
<b>TOTAL</b>		<b>\$50.65M</b>

**FY 2022 TOTAL = \$60.2M**



Thank You





# Indian Creek Station Rehab Update



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

# FY22 Sources & Uses

<b>More MARTA - City of Atlanta</b>		
[\$ 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

<b>More MARTA - Clayton County</b>		
[\$ 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>