



Ann Arbor Area Transportation Authority

Income Statement

For the Period Ended June 30, 2024

Q 3 Financial Statement

Revenue and Expense (Budget to Actual)

(\$ in thousands)

BLACK = FAVORABLE
RED = UNFAVORABLE

| REVENUES | Actual Quarter 1 | Actual Quarter 2 | Actual Quarter 3 | Actual Quarter 4 | Actual YTD | Budgeted YTD | Budget Variance | |
|---------------------------------|---------------------|---------------------|---------------------|---------------------|-----------------|-----------------|-----------------|--------------|
| | | | | | | | \$ | % |
| Fares and Contracts | \$1,961 | \$2,135 | \$1,953 | \$ - | \$6,049 | \$4,768 | \$1,281 | 26.9% |
| Local Property Taxes | 5,413 | 5,413 | 5,414 | - | 16,240 | 15,017 | \$1,223 | 8.1% |
| State Operating Assistance | 5,451 | 4,899 | 4,267 | - | 14,617 | 15,649 | -\$1,032 | -6.6% |
| Federal Operating Assistance | 688 | 868 | 734 | - | 2,290 | 5,164 | -\$2,874 | -55.6% |
| Federal Pandemic Relief | 2,300 | 2,250 | 2,250 | - | 6,800 | 6,787 | \$13 | 0.2% |
| Other Revenues | 883 | 744 | 556 | - | 2,183 | 330 | \$1,853 | 100.0% |
| Total Operating Revenues | \$16,696 | \$16,309 | \$15,173 | \$ - | \$48,178 | \$47,715 | \$464 | 1.0% |
| EXPENSES | | | | | | | | |
| Salaries, Wages, Benefits | \$6,691 | \$7,130 | \$7,473 | \$ - | \$21,294 | \$25,177 | \$3,883 | 15.4% |
| Purchased Transportation | 3,535 | 2,947 | 3,724 | - | 10,206 | 9,754 | (452) | -4.6% |
| Fuel, Material, Supplies | 1,252 | 1,341 | 1,452 | - | 4,045 | 5,132 | 1,087 | 21.2% |
| Purchased Services | 781 | 958 | 945 | - | 2,684 | 2,861 | 177 | 6.2% |
| Other Expenses | 888 | 485 | 595 | - | 1,968 | 3,093 | 1,125 | 36.4% |
| Total Operating Expenses | \$13,147 | \$12,861 | \$14,189 | \$ - | \$40,197 | \$46,018 | \$5,820 | 12.6% |
| Surplus (Deficit) | \$3,549 | \$3,448 | \$984 | \$ - | \$7,981 | \$1,697 | \$6,284 | |
| Capital Reserve Transfer | - | - | - | - | - | - | - | - |
| Operating Reserve Transfer | - | - | - | - | - | - | - | - |
| OPERATING BALANCE | \$3,549 | \$3,448 | \$984 | \$ - | \$7,981 | \$1,697 | | |

TheRide had a \$7,981,000 surplus at the end of the third quarter.

Revenues were higher than budgeted by **\$464,000**. Timing of mRide revenue is causing the variance to budget in fares and contracts. Federal operating assistance is expected to return to budget by fiscal year end. Other revenues are dramatically overperforming to budget almost exclusively due to the effect of high interest rates on investment income.

Expenses were **\$5,820,000** lower than budgeted through this quarter due to unfilled staff positions, along with the timing of fuel and insurance expenditures.

Federal Pandemic Relief Utilization
Expenditures from \$58.7 million in Federal Pandemic Relief funding as of **June 30, 2024**, for eligible COVID-19-related costs:

| | | |
|---------------------------|-----------|-------------------|
| Operating Expenditures | \$ | 58,744,987 |
| Capital Expenditures | \$ | - |
| TOTAL EXPENDITURES | \$ | 58,744,987 |

Federal Pandemic Funds Remaining to Draw: \$ -

YTD Revenue and Expense By Mode

(\$ in thousands)

| | Fixed Route | Demand Response | Other Demand Response | Non-Urban | D2A2 | VanRide | TOTAL |
|-----------------------------------|------------------------|--------------------|--|------------------------------|------------------------|------------------------------|-------------------|
| | <i>Fixed Route Bus</i> | <i>A-Ride</i> | <i>FlexRide, GoldRide, NightRide</i> | <i>WAVE, Peoples Express</i> | <i>Detroit Shuttle</i> | <i>VanRide, Ride Sharing</i> | |
| DIRECT REVENUE | | | | | | | |
| Fare Revenue | \$3,236 | \$171 | \$98 | \$159 | \$150 | - | \$3,815 |
| Contract Revenues | 1,053 | - | - | 1,074 | 107 | - | 2,234 |
| Advertising, Interest, Other | 2,183 | - | - | - | - | - | 2,183 |
| Federal Operating | - | 1,345 | 399 | 372 | - | 175 | 2,290 |
| State Operating | 11,565 | 1,547 | 509 | 813 | - | 183 | 14,617 |
| Total Direct Revenue | \$18,037 | \$3,063 | \$1,006 | \$2,418 | \$257 | \$358 | \$25,139 |
| TOTAL EXPENSE | | | | | | | |
| Salaries, Wages, Benefits | \$20,164 | \$870 | \$79 | \$124 | \$0 | \$58 | \$21,294 |
| Purchased Transportation | 55 | 3,993 | 1,649 | 2,178 | 1,766 | 566 | 10,206 |
| Fuel, Materials, Supplies | 3,570 | 475 | - | - | - | - | 4,045 |
| Contracted Services | 2,548 | 96 | - | 40 | - | - | 2,684 |
| Other Expenses | 1,775 | 43 | 23 | 28 | 96 | 4 | 1,968 |
| Total Operating Expense | \$28,112 | \$5,477 | \$1,750 | \$2,369 | \$1,862 | \$627 | \$40,197 |
| Surplus (Deficit) from OPS | (\$10,074) | (\$2,414) | (\$744) | \$49 | (\$1,604) | (\$270) | (\$15,058) |
| ALLOCATED REVENUE | | | | | | | |
| Local Property Taxes | \$16,240 | - | - | - | - | - | \$16,240 |
| Federal Pandemic Relief Funds | 1,692 | 2,480 | 749 | - | 1,604 | 273 | 6,800 |
| SURPLUS (DEFICIT): | \$7,858 | 66,184.00 | 4,971.00 | \$49 | - | 3,653.00 | \$7,981 |

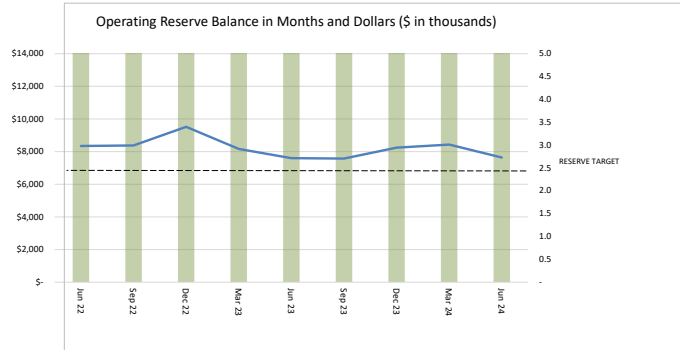
Balance Sheet

For the Period Ended June 30, 2024

Balance Sheet and Reserve

\$ in thousands, with Prior Year comparison.

| | Q3 2023 | Q2 2024 | Q3 2024 |
|------------------------------------|------------------|------------------|------------------|
| | 6/30/2023 | 3/31/2024 | 6/30/2024 |
| ASSETS | | | |
| Cash | \$21,884 | \$32,110 | \$29,848 |
| Investments | 19,653 | 18,417 | 18,588 |
| Other Current Assets | 25,670 | 19,124 | 23,933 |
| Capital Assets | 42,470 | 38,355 | 37,280 |
| Total Assets | 109,677 | 108,006 | 109,649 |
| LIABILITIES | 8,919 | 3,561 | 4,221 |
| TOTAL NET POSITION | \$100,758 | \$104,445 | \$105,428 |
| RESERVES: | Balances | | |
| Capital | \$32,400 | \$33,184 | \$34,168 |
| Insurance | \$500 | \$500 | \$500 |
| Operating | \$12,905 | \$12,905 | \$12,905 |
| Months in Operating Reserve | 2.7 | 3.0 | 2.7 |



Statement of Cash Flows (\$ in thousands)

| Historical Cash Flows | FY 2022 | | | FY 2023 | | | | FY 2024 | | |
|----------------------------|------------------|-----------------|-----------------|-------------------|-----------------|-----------------|-----------------|------------------|------------------|------------------|
| | Quarter 2 | Quarter 3 | Quarter 4 | Quarter 1 | Quarter 2 | Quarter 3 | Quarter 4 | Quarter 1 | Quarter 2 | Quarter 3 |
| Beginning Balance: | \$32,606 | \$28,626 | \$29,403 | \$44,678 | \$34,082 | \$41,961 | \$41,537 | \$54,630 | \$51,875 | \$50,527 |
| Cash Flow from Operations | (3,775) | 573 | 25,604 | (5,186) | 3,153 | (205) | 12,832 | (3,045) | (2,402) | (2,444) |
| Cash Flow from Capital | (90) | 324 | (3,163) | (6) | 4,349 | (166) | 55 | 53 | 870 | 182 |
| Cash Flow from Investments | (115) | (120) | (7,166) | 100 | 377 | (53) | 206 | 237 | 184 | 171 |
| Cash Flow: | (\$3,980) | \$777 | \$15,275 | (\$10,596) | \$7,879 | (\$424) | \$13,093 | (\$2,755) | (\$1,348) | (\$2,090) |
| Ending Balance: | \$28,626 | \$29,403 | \$44,678 | \$34,082 | \$41,961 | \$41,537 | \$54,630 | \$51,875 | \$50,527 | \$48,437 |

Q3 cash flow was negative at \$2.1 million

The Statement of Cash Flows summarizes the amount of cash and cash equivalents entering and leaving AAATA during the reporting period. It measures how AAATA generates cash to fund its operating, capital, and investing needs. Typically negative cash flow is normal for all quarters except the 4th quarter, when property tax receipts generate positive cash flow.

Investments Summary

(\$ in thousands)

| Investment Instrument | Date of Maturity | Interest Rate | Value as of 03/31/2024 | Transactions | Value as of 06/30/2024 |
|---------------------------|------------------|---------------|------------------------|--------------|------------------------|
| U.S. Agency Bond | 4/8/2024 | 0.38% | \$1,000 | (\$1,000) | \$0 |
| U.S. Treasury Notes | 5/9/2024 | 4.86% | 1,800 | (1,800) | 0 |
| U.S. Treasury Notes | 6/30/2024 | 3.00% | 2,000 | 0 | 2,000 |
| U.S. Agency Bond | 9/15/2024 | 2.89% | 2,500 | 0 | 2,500 |
| U.S. Agency Bond | 9/23/2024 | 0.51% | 2,000 | 0 | 2,000 |
| U.S. Treasury Bills | 12/26/2024 | 5.23% | 0 | 2,000 | 2,000 |
| U.S. Treasury Bills | 2/20/2025 | 5.15% | 0 | 1,300 | 1,300 |
| U.S. Agency Bond | 2/24/2025 | 3.79% | 200 | 0 | 200 |
| U.S. Agency Bond | 3/28/2025 | 2.88% | 2,500 | 0 | 2,500 |
| U.S. Agency Bond | 3/28/2025 | 3.15% | 2,000 | 0 | 2,000 |
| U.S. Agency Bond | 6/27/2025 | 3.32% | 2,000 | 0 | 2,000 |
| U.S. Agency Bond | 8/8/2025 | 4.15% | 1,400 | 0 | 1,400 |
| U.S. Agency Bond | 1/22/2026 | 4.17% | 750 | 0 | 750 |
| Money Market Funds | N/A | 5.20% | 523 | (313) | 210 |
| Mark-to-Market Adjustment | | | (256) | (16) | (272) |
| Total Investments: | | | \$18,417 | \$171 | \$18,588 |

Q3 2024 Investment Gain (fiscal year to date) \$92,000

U.S. Treasury Bills, Notes, and Agency Bonds are short term bonds (several months to 10 years) backed by the Treasury Department of the U.S. Government. The rates shown for the current investments represent the gross yield-to-maturity rates (before the annual fee of .28%).

A FDIC-insured cash sweep account or accounts that have balances above the FDIC insurance threshold are used for day-to-day working capital.

Cash and Investments History

Total Cash and Investments by Month and Year (2020 to 2024 YTD)

(\$ in thousands)

