



June 18, 2020

FY 2020 Financial Notes:
For the Month of April, 2020

Synopsis:

As we all know, the COVID-19 pandemic, CDC orders and Governor's orders took precedent over most of our daily lives in the month of April. As a result, service was reduced, ridership plummeted and revenue declined. **The COVID-19 pandemic had a devastating impact on CBITD's April and YTD financial position. It is expected that the impacts will continue into May and June, and that a portion of District losses will be mitigated by CARES Act Federal funding. While CBITD has every reason to believe that the funding will become available within weeks, the award agreement is not yet executed, so CBITD is unable to accrue grant revenue from this source, having an impact on surplus/loss for the month and YTD.**

April Revenues were \$98K and compared unfavorably to budget by 62.5% and were 71.5% unfavorable to 2019. Expenses were unfavorable to budget by 10.0% and were 0.5% higher than April of last year. Operating results were 78.3% favorable to budget at -\$499K, and were unfavorable to April of last year by 100.8%. **The result was a deep loss that was 173.2% worse than expected at -\$494K, and 774.3% unfavorable to April of last year. On YTD basis, Revenue was 2.9% worse than budget and 12.4% below last YTD, and expenses were 5.2% better than budget and 4.4% higher than last YTD.**

Revenue Assessment: Poor

Current Month:

April Operating Revenue of \$98K closed 62.5% under budgeted amounts and 71.5% below the same period last fiscal year.

- Scheduled passenger revenues of \$22K were 83.2% below budget and 85.0% below the same period last year.
 - Extending winter rates through early July has had an impact on revenues that compounds COVID-19 reduced ridership, due to reduced revenue and not experiencing typical pre-buys ahead of normal April rate increase.
- Vehicle revenues of \$25K closed 62.7% below budget and also 75.2% lower than the same period last year.
 - Winter rates also reduced vehicle revenues further.
- Freight revenues were \$49K and closed 13.0% above budget and 24.2% below the same period last year.
- Group sales closed 99.9% below projections and also 99.9% lower than the same month last year.
 - This is attributed to ceasing all tour and charter operations beginning in mid-March due to COVID-19.

Year to date (YTD):

YTD Operating Revenue was \$1.386M and was 2.9% behind budget and 12.4% below the same period last fiscal year.

- Scheduled passenger revenues of \$510K YTD were lower than budget by 22.0%, and were down 20.4% as compared to last fiscal year.

- Vehicle revenues YTD of \$356K are better than budget by 20.2% and are 1.2% behind FY19 YTD.
- Freight revenues YTD of \$349K were 20.2% above budgeted numbers and were 1.2% behind last fiscal YTD.
- Group sales YTD of \$137K closed 13.0% above budget and 0.7% behind of the same period last year.
 - This is attributed to ceasing all tour and charter operations beginning in mid-March due to COVID-19.

Expense Assessment: Good

Current Month:

March expenses of \$598K were 10.0% over budgeted amount and were 0.5% higher than April of last year.

- Personnel expenses were 1.5% under budget and 26.5% above last April.
 - Payroll continues to trend close to budget despite COVID-19, as CBITD has made the decision to avoid furloughs and layoffs as all staff is currently being paid for reserve duty.
 - April 2019 had 4 payrolls, while April 2020 had 5.
 - Direct Offset was -\$4.7K.
 - Employee insurances were under budget for the month, despite sharp increases in 2020.
- Vessel maintenance ended 52.1% over budget and 8.2% below April of last year. Much of this variance can be attributed to Maquoit drydock delay, which \$105K was recognized in April but budgeted in February and March.
 - Machigonne was under budget for April. The vessel required various general repairs and inspections totaling \$6.9K.
 - Maquoit was in drydock for the month of April and a total of \$238K has been recognized to date. It is expected that the final bills will be posted in June. Maquoit maintenance for the month totaled \$108K.
 - Wabanaki for the month included various small repairs as well as bilge pump out, engine diagnostics and additional crane work. Total expense was \$13.74K vs. a budget of \$7K.
 - Bay Mist and Aucocisco required various general repairs during the month.
 - Fuel was well under budget, as the District was running a reduced schedule for the entire month of April. CBL has locked fuel at the following prices, \$2.38; \$2.25 and \$1.85 per gallon.
 - Diving expense was accrued in April, due to a timing issue.
- Operations expense was 12.4% under budget and 52.6% lower than the same period last year.
 - Ops Misc. included many items and supplies to clean and sanitize vessels due to COVID-19.
 - Ops Misc. also includes production costs for signage in and around the terminal.
 - Credit card fees were over budget for the month, as the District is accepting credit card payments only at ticket and freight window.
 - Legal expense is high for the month as the District required legal effort to help understand and implement much of the legislation passed to confront the COVID-19 pandemic.

- Crew meals are high due to purchasing meals for extended crew schedules necessitated by COVID-19.
- Terminal expense was 63.6% over budget and 27.1% above April of last year.
 - Terminal Misc. included various small repairs and supply as well as items and supplies to clean and sanitize terminal areas due to COVID-19.
 - Fire Alarms included a terminal fire system inspection and service.
- Sales expense was under budget and closed 39.3% under projections and 71.1% lower than the same period last year.
 - Marketing included COVID-19 communications consulting and related services for the month.
 - Website included updates and configuration changes for COVID-19 related communication purposes.

Year to date (YTD):

YTD Expenses were 5.2% under budget and were 4.4% higher than last YTD.

- Personnel expenses YTD were 1.7% favorable to budget and 7.1% above last YTD.
 - Employee insurance, medical coverage experienced sharp increases of 26.0% from calendar 2019 to calendar 2020, due to state legislation changes for groups CBITD's size.
 - COVID-19 related personnel savings are minimal, as CBITD is maintaining full staffing through pandemic. These costs will be offset by operating assistance provided through CARES Act funding.
- Vessel maintenance is 9.1% under budget and 7.3% higher than last fiscal YTD.
 - Wabanaki drydock expense was recognized in December and final cost was \$175K against \$150K budgeted.
 - Maquoit was in drydock for the month of April and a total of \$238K has been recognized to date and it is expected that the final bills will be posted in June. The budget for Maquoit drydock was \$320K.
- Operations expense was 13.8% better than budget and 11.8% below last YTD.
- Terminal expense was 10.3% unfavorable to budget and 0.8% below last YTD.
 - COVID-19 has added expense to this category, with necessary cleaning, signage and pandemic response supplies.
- Sales expense YTD was 19.5% below budget and 12.0% below last YTD.
 - COVID-19 communications expense has taken over as the primary expense line item in this category.
 - Most marketing and advertising has been postponed due to COVID-19.

Operating Surplus/Loss: Poor

Current Month:

Operating result of -\$499K was 78.3% worse than budget and 100.8% worse than the same period last year.

Year to date (YTD):

YTD operating result of \$-2.372M was 5.5% better than budget and 17.6% unfavorable to last YTD where the result was \$-2.016M.

Grant Revenues: Pending

Current Month:

CBITD decided to suspend all current non-capital grant drawdowns in light of the coming CARES Act funding. All of the projects normally associated with grant draws are eligible for the new funding, as are many activities that were not previously available for reimbursement. Once the new grant is available, retroactive draws will be entered and grant revenue posted. The anticipated funding from CARES Act to CBITD is approximately \$3.3M.

Year to date (YTD):

Grant revenue YTD of \$645K is 42.2% under budget, and 30.8% below last YTD. CARES funding in near term will change this number dramatically.

Surplus/Loss: Pending

Current Month:

Final result of \$-494K was 173.2% below projections and were 774.3% lower than April of last year, where the result was a surplus of \$73K.

Year to date (YTD):

Our current YTD result is -\$1.726M, which is 21.6% worse than budget and 81.1% unfavorable to last YTD, where the result was -\$949K. CARES funding in near term will change this number dramatically.

Line of Credit Balance: Currently \$0 with an available credit balance of \$2,000,000

**CBITD Revenues and Expenses
Overview**

	FY2020 BUDGET	APRIL				FISCAL YEAR TO DATE				PREVIOUS	FY20 vs
		PROJECTED	ACTUAL	VARIANCE	VARIANCE %	PROJECTED	ACTUAL	VARIANCE	VARIANCE %	YTD	FY19
REVENUES											
SCH SERVICE	\$4,507,620	\$243,617	\$97,165	-\$146,452	-60.1%	\$1,272,310	\$1,216,389	-\$55,921	-4.4%	\$1,409,380	-13.7%
GR SALES	\$1,033,577	\$15,690	\$19	-\$15,671	-99.9%	\$121,817	\$137,656	\$15,839	13.0%	\$138,595	-0.7%
MISC	\$56,340	\$4,455	\$1,627	-\$2,828	-63.5%	\$34,495	\$32,711	-\$1,784	-5.2%	\$34,207	-4.4%
TOTAL REVENUES	\$5,597,537	\$263,762	\$98,811	-\$164,951	-62.5%	\$1,428,622	\$1,386,756	-\$41,866	-2.9%	\$1,582,182	-12.4%
EXPENSES											
PERSONNEL	\$4,204,868	\$356,002	\$350,518	\$5,484	1.5%	\$2,211,313	\$2,144,149	\$67,164	3.0%	\$2,030,302	-5.6%
VESSELS	\$1,711,175	\$111,563	\$169,713	-\$58,150	-52.1%	\$1,103,690	\$1,003,174	\$100,516	9.1%	\$934,923	-7.3%
OPERATIONS	\$638,382	\$46,521	\$40,741	\$5,780	12.4%	\$343,789	\$297,782	\$46,007	13.4%	\$312,688	4.8%
TERMINAL	\$312,693	\$18,560	\$30,361	-\$11,801	-63.6%	\$179,075	\$198,174	-\$19,099	-10.7%	\$197,449	-0.4%
SALES	\$319,120	\$11,113	\$6,747	\$4,366	39.3%	\$105,903	\$85,278	\$20,625	19.5%	\$96,719	11.8%
DEBT SERVICE	\$0	\$0	\$0	\$0	0.0%	\$0	\$0	\$0	0.0%	\$0	0.0%
PROVISION FOR DEF RED	\$0	\$0	\$0	\$0	0.0%	\$0	\$0	\$0	0.0%	\$0	0.0%
TOTAL EXPENSES	\$7,186,238	\$543,759	\$598,080	-\$54,321	-10.0%	\$3,943,770	\$3,728,557	\$215,213	5.5%	\$3,572,081	-4.4%
OPERATING SURPLUS/LOSS	-\$1,588,701	-\$279,997	-\$499,268	-\$219,271	78.3%	-\$2,515,148	-\$2,341,801	\$173,347	6.9%	-\$1,989,899	-17.7%
OP GRANT REVENUES											
FTA PM REVENUE	\$1,145,214	\$57,971	\$4,854	-\$53,117	-91.6%	\$786,697	\$439,507	-\$347,190	-44.1%	\$608,983	-27.8%
FTA RURAL REVENUE	\$300,000	\$32,600	\$0	-\$32,600	-100.0%	\$261,900	\$165,188	-\$96,712	-36.9%	\$245,068	-32.6%
FTA OPERATING REVENUE	\$0	\$0	\$0	\$0	0.0%	\$0	\$0	\$0	0.0%	\$0	0.0%
STATE SUBSIDY REVENUE	\$68,444	\$8,444	\$0	-\$8,444	0.0%	\$68,444	\$68,444	\$0	0.0%	\$68,444	0.0%
TOTAL OP GRANT RESERVES	\$1,513,658	\$99,015	\$4,854	-\$94,161	-95.1%	\$1,117,041	\$673,139	-\$443,902	-39.7%	\$922,495	-27.0%
SURPLUS/LOSS	-\$75,043	-\$180,982	-\$494,414	-\$313,432	173.2%	-\$1,398,107	-\$1,668,662	-\$270,555	19.4%	-\$1,067,404	-56.3%

**CBITD Revenues
Summary**

	FY2020 BUDGET	APRIL				FISCAL YEAR TO DATE				PREVIOUS	FY20 vs FY19
		PROJECTED	ACTUAL	VARIANCE	VARIANCE %	PROJECTED	ACTUAL	VARIANCE	VARIANCE %	YTD	
REVENUES											
PASSENGER	\$2,529,205	\$131,699	\$22,138	-\$109,561	-83.2%	\$654,757	\$510,905	-\$143,852	-22.0%	\$641,916	-20.4%
VEHICLE	1,059,460	67,962	25,349	-\$42,613	-62.7%	326,977	356,180	\$29,203	8.9%	413,790	-13.9%
FREIGHT	848,995	38,126	43,683	\$5,557	14.6%	249,766	306,481	\$56,715	22.7%	310,020	-1.1%
MAIL	69,960	5,830	5,997	\$167	2.9%	40,810	42,823	\$2,013	4.9%	43,654	-1.9%
TOTAL	\$4,507,620	\$243,617	\$97,165	-\$146,452	-60.1%	\$1,272,310	\$1,216,389	-\$55,921	-4.4%	\$1,409,380	-13.7%
GR SALES											
TOURS	\$599,351	\$9,462	\$0	-\$9,462	-100.0%	\$66,222	\$68,979	\$2,757	4.2%	\$77,848	-11.4%
CHARTERS	224,500	0	0	0	0.0%	22,500	33,092	10,592	47.1%	16,937	95.4%
CATERING	168,550	500	0	-500	0.0%	5,000	28,204	23,204	464.1%	30,107	-6.3%
VENDING	8,000	500	0	-500	-100.0%	3,750	1,698	-2,052	-54.7%	2,856	-40.5%
PROMOTIONAL	9,000	1,350	19	-1,331	0.0%	7,100	1,407	-5,693	-80.2%	1,655	0.0%
ADVERTISING	24,176	3,878	0	-3,878	-100.0%	17,245	4,275	-12,970	-75.2%	9,192	-53.5%
TOTAL	\$1,033,577	\$15,690	\$19	-\$15,671	-99.9%	\$121,817	\$137,656	\$15,839	13.0%	\$138,595	-0.7%
OTHER INCOME											
MISC	11,140	855	227	-\$628	-73.5%	6,795	7,591	\$796	11.7%	6,558	15.8%
INTEREST	45,200	3,600	1,401	-2,199	-61.1%	27,700	25,121	-2,579	-9.3%	27,649	-9.1%
TOTAL	\$56,340	\$4,455	\$1,627	-\$2,827	-63.5%	\$34,495	\$32,711	-\$1,783	-5.2%	\$34,207	-4.4%
TOTAL OP REVENUES	\$5,597,537	\$263,762	\$98,812	-\$164,950	-62.5%	\$1,428,622	\$1,386,756	-\$41,865	-2.9%	\$1,582,182	-12.4%

**CBITD Expenses
Summary**

	FY2020	APRIL				FISCAL YEAR TO DATE				PREVIOUS	FY20 vs FY19
		PROJECTED	ACTUAL	VARIANCE	VARIANCE %	PROJECTED	ACTUAL	VARIANCE	VARIANCE %	YTD	
EXPENSES											
PERSONNEL											
PAYROLL	\$3,151,946	\$266,419	\$263,858	\$2,561	1.0%	\$1,623,455	\$1,629,412	-\$5,957	-0.4%	\$1,501,925	-8.5%
TAXES	246,924	20,937	20,373	564	2.7%	127,548	123,967	3,581	2.8%	116,362	-6.5%
EMPLOYEE INSURANCE	415,160	36,384	34,358	2,026	5.6%	233,241	164,280	68,961	29.6%	179,721	8.6%
EMPLOYEE RELATED EXP	18,390	1,225	891	334	27.3%	9,810	8,777	1,033	10.5%	11,864	26.0%
PENSION	372,448	31,037	31,037	0	0.0%	217,259	217,712	-453	-0.2%	220,430	1.2%
TOTAL	\$4,204,868	\$356,002	\$350,518	\$5,484	1.5%	\$2,211,313	\$2,144,149	\$67,164	3.0%	\$2,030,302	-5.6%
VESSELS											
REPAIRS	\$954,350	\$40,450	\$139,649	-\$99,199	-245.2%	\$681,300	\$632,175	\$49,125	7.2%	\$507,285	-24.6%
FUEL	680,025	64,713	24,258	40,455	62.5%	377,590	330,352	47,238	12.5%	386,991	14.6%
INSURANCE	76,800	6,400	5,807	593	9.3%	44,800	40,647	4,153	9.3%	40,647	0.0%
TOTAL	\$1,711,175	\$111,563	\$169,713	-\$58,150	-52.1%	\$1,103,690	\$1,003,174	\$100,516	9.1%	\$934,923	-7.3%
OPERATIONS											
TELEPHONE	\$22,440	\$1,870	\$1,938	-\$68	-3.6%	\$13,090	\$13,462	-\$372	-2.8%	\$11,278	-19.4%
MAIL AGENT	11,220	935	935	0	0.0%	6,545	6,553	-8		6,545	-0.1%
OFFICE	228,882	21,461	23,659	-2,198	-10.2%	138,872	121,164	17,708	12.8%	111,443	-8.7%
CREDIT CARD	123,809	3,325	4,094	-769	-23.1%	44,807	53,179	-8,372	-18.7%	42,903	-24.0%
POSTAGE	3,360	280	0	280	100.0%	1,960	1,789	171	8.7%	1,619	-10.5%
TRAVEL	16,500	1,900	371	1,529	80.5%	13,900	9,465	4,435	31.9%	9,258	-2.2%
DAMAGES	22,950	0	605	-605	0.0%	9,450	4,486	4,964	52.5%	3,139	-42.9%
OTHER INSURANCES	29,880	2,490	2,708	-218	-8.8%	17,430	15,095	2,335	13.4%	17,689	14.7%
MISCELLANEOUS	16,076	405	88	317	78.3%	4,495	4,146	349	7.8%	5,127	19.1%
BARGE SUBCONTRACTING	8,500	0	0	0	0.0%	3,000	8,550	-5,550	-185.0%	39,900	0.0%
PROFESSIONAL	95,125	7,055	6,238	817	11.6%	59,630	40,807	18,823	0.0%	52,634	22.5%
DUE & PUC	20,975	725	0	725	0.0%	5,175	9,412	-4,237	0.0%	8,214	-14.6%
UNIFORMS	28,915	3,450	105	3,345	97.0%	17,935	9,673	8,262	46.1%	1,140	-748.5%
TRAINING	9,750	2,625	0	2,625	100.0%	7,500	0	7,500	100.0%	1,799	0.0%
TOTAL	\$638,382	\$46,521	\$40,741	\$5,780	12.4%	\$343,789	\$297,782	\$46,008	13.4%	\$312,688	4.8%

**CBITD Expenses
Summary**

	FY2020	APRIL				FISCAL YEAR TO DATE				PREVIOUS	FY20 vs FY19
		PROJECTED	ACTUAL	VARIANCE	VARIANCE %	PROJECTED	ACTUAL	VARIANCE	VARIANCE %	YTD	
EXPENSES											
TERMINAL											
UTILITIES	\$60,003	\$4,610	\$4,814	-\$204	-4.4%	\$39,970	\$38,542	\$1,428	3.6%	\$42,804	10.0%
JANITORIAL	\$72,540	\$5,890	\$8,317	-2,427	-41.2%	\$41,650	\$44,106	-2,456	-5.9%	\$46,297	4.7%
RENT	35,940	2,995	4,328	-1,333	-44.5%	20,965	19,305	1,660	7.9%	20,309	4.9%
MAINTENANCE	144,210	5,065	12,902	-7,837	-154.7%	76,490	96,221	-19,731	-25.8%	88,040	-9.3%
TOTAL	\$312,693	\$18,560	\$30,361	-\$11,801	-63.6%	\$179,075	\$198,174	-\$19,099	-10.7%	\$197,449	-0.4%
SALES											
ADVERTISING	\$172,565	\$9,863	\$6,747	\$3,116	31.6%	\$81,278	\$62,752	\$18,526	22.8%	\$76,774	18.3%
CATERING	146,555	1,250	0	1,250	100.0%	24,625	22,526	2,099	8.5%	19,945	-12.9%
TOTAL	\$319,120	\$11,113	\$6,747	\$4,366	39.3%	\$105,903	\$85,278	\$20,625	19.5%	\$96,719	11.8%
DEBT SERVICE											
TOTAL	\$0	\$0	\$0	\$0		\$0	\$0	\$0		\$0	
TOTAL EXPENSES	\$7,186,238	\$543,759	\$598,080	-\$54,321	-10.0%	\$3,943,770	\$3,728,557	\$215,213	5.5%	\$3,572,081	-4.4%
TOTAL OP REVENUES	\$5,597,537	\$263,762	\$98,812	-\$164,950	-62.5%	\$1,428,622	\$1,386,756	-\$41,865	-2.9%	\$1,582,182	-12.4%
OP SURPLUS/LOSS	-\$1,588,701	-\$279,997	-\$499,268	-\$219,271	-78.3%	-\$2,515,148	-\$2,341,801	\$173,347	6.9%	-\$1,989,899	-17.7%
OP GRANT REVENUES											
FTA PREVENTATIVE MAIN	\$1,145,214	\$57,971	\$4,854	-\$53,117	-91.6%	\$786,697	\$439,507	-\$347,190	-44.1%	\$608,983	-27.8%
FTA RURAL 5311	300,000	32,600	0	-32,600	0.0%	261,900	165,188	-96,712	-36.9%	245,068	-32.6%
STATE SUBSIDY	68,444	8,444	0	-8,444	0.0%	68,444	68,444	0	0.0%	68,444	0.0%
TOTAL	\$1,513,658	\$99,015	\$4,854	-\$94,161	-95.1%	\$1,117,041	\$673,139	-\$443,902	-39.7%	\$922,495	-27.0%
SURPLUS/LOSS	-\$75,043	-\$180,982	-\$494,414	-\$313,432	-173.2%	-\$1,398,107	-\$1,668,662	-\$270,555	-19.4%	-\$1,067,404	-56.3%