# Monthly Performance Report

October FY 2019
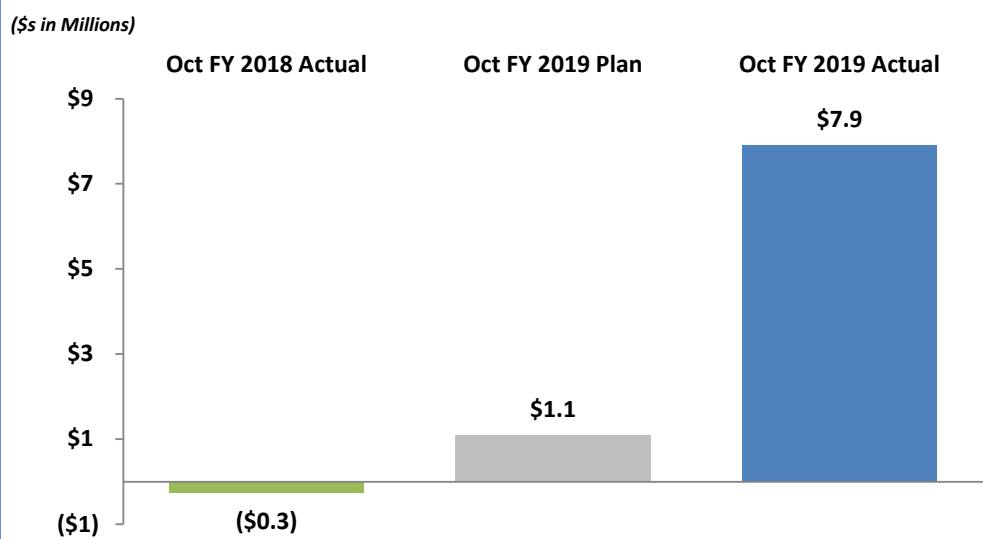
November 30, 2018

# Financial Summary
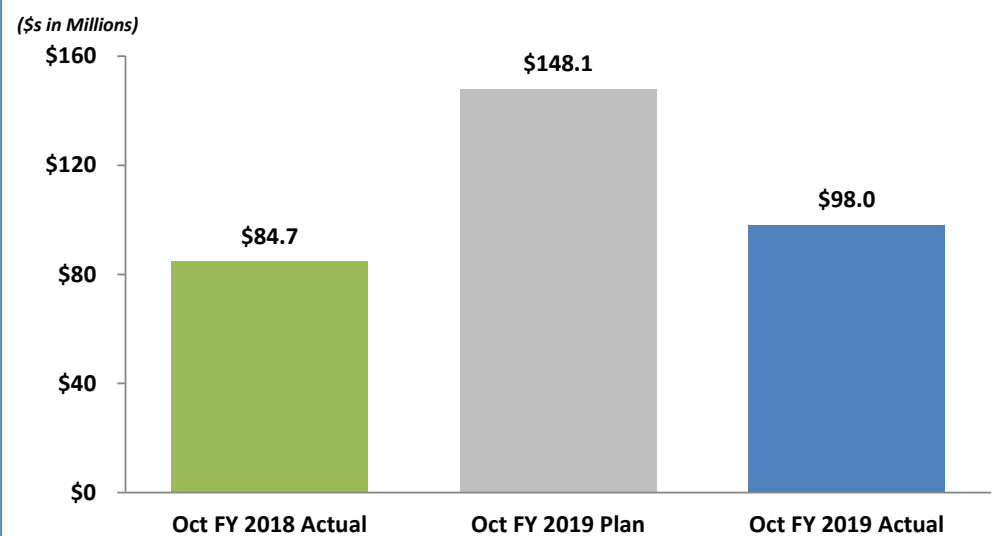
**Operating:** Adjusted Operating Earnings of **$7.9 million** for October FY 2019 are $6.8 million favorable to Plan and an increase of $8.2 million over the prior year. The favorability of $11.9 million in total expenses was able to offset a challenging month for revenue as total revenue was unfavorable by $5.1 million. Key drivers for favorable total expenses include benefits; professional fees and data processing expenses; and facility, communication, and office expenses.

**Capital:** Capital spend of **$98 million** for October FY 2019 is, $50.1 million to Plan with underspend across all areas. The Capital spend is a $13.3 million increase over the prior year and primarily driven by increased spending in Infrastructure and Acela 21.



Adjusted Operating Earnings ($s in Millions): Oct FY 2018 Actual ($0.3); Oct FY 2019 Plan $1.1; Oct FY 2019 Actual $7.9



Capital Spend ($s in Millions): Oct FY 2018 Actual $84.7; Oct FY 2019 Plan $148.1; Oct FY 2019 Actual $98.0

# Operating Results

| ($s in Millions) | FY 2019 Actual vs Prior Year | | | | FY 2019 Actual vs Plan | | | |
|---|---|---|---|---|---|---|---|---|
| | Prior Year Oct FY 2018 | Actual Oct FY 2019 | Y/Y Growth $ | Y/Y Growth % | Plan Oct FY 2019 | Actual Oct FY 2019 | Fav/(Unfav) vs Plan $ | Fav/(Unfav) vs Plan % |
| Ticket Revenue (Adjusted) | $ 199.7 | $ 197.1 | $ (2.6) | (1.3%) | $ 204.2 | $ 197.1 | $ (7.1) | (3.5%) |
| Food & Beverage | 11.0 | 13.9 | 2.9 | 26.6% | 10.4 | 13.9 | 3.5 | 34.0% |
| State Supported Train Revenue | 16.8 | 18.2 | 1.4 | 8.4% | 18.6 | 18.2 | (0.4) | (2.0%) |
| **Subtotal Passenger Related Revenue** | **227.5** | **229.2** | **1.7** | **0.7%** | **233.2** | **229.2** | **(4.0)** | **(1.7%)** |
| Other Core Revenue | 20.4 | 22.9 | 2.5 | 12.2% | 24.1 | 22.9 | (1.2) | (5.1%) |
| Ancillary Revenue | 26.2 | 27.7 | 1.5 | 5.8% | 27.6 | 27.7 | 0.1 | 0.5% |
| **Total Revenue** | **274.1** | **279.8** | **5.7** | **2.1%** | **284.9** | **279.8** | **(5.1)** | **(1.8%)** |
| Salaries, Wages & Benefits | 179.2 | 174.5 | (4.6) | (2.6%) | 175.5 | 174.5 | 0.9 | 0.5% |
| Train Operations | 24.8 | 25.4 | 0.6 | 2.4% | 26.2 | 25.4 | 0.8 | 2.9% |
| Fuel, Power & Utilities | 20.6 | 22.4 | 1.9 | 9.1% | 23.0 | 22.4 | 0.6 | 2.4% |
| Materials | 10.7 | 12.8 | 2.1 | 19.9% | 13.1 | 12.8 | 0.3 | 2.2% |
| Facility, Communication & Office | 13.3 | 13.6 | 0.2 | 1.8% | 15.3 | 13.6 | 1.7 | 11.0% |
| Advertising and Sales | 8.1 | 8.4 | 0.2 | 3.0% | 8.2 | 8.4 | (0.2) | (2.5%) |
| Casualty and Other Claims | 5.4 | 5.1 | (0.3) | (5.0%) | 5.8 | 5.1 | 0.7 | 12.3% |
| Professional Fees & Data Processing | 17.3 | 15.7 | (1.6) | (9.1%) | 19.7 | 15.7 | 4.0 | 20.3% |
| All Other Expense | 12.4 | 11.9 | (0.5) | (3.9%) | 14.0 | 11.9 | 2.0 | 14.4% |
| Transfer to Capital & Ancillary | (17.4) | (18.0) | (0.6) | (3.3%) | (16.8) | (18.0) | 1.2 | 6.9% |
| **Total Expense** | **274.4** | **271.9** | **(2.4)** | **(0.9%)** | **283.8** | **271.9** | **11.9** | **4.2%** |
| **Adjusted Operating Earnings** | **$ (0.3)** | **$ 7.9** | **$ 8.2** | **N/A** | **$ 1.1** | **$ 7.9** | **$ 6.8** | **621.5%** |
| OPEB's and Pension | 11.8 | 4.7 | (7.2) | (60.5%) | 4.0 | 4.7 | 0.6 | 15.4% |
| Project Related Revenue & Expense | (12.4) | (10.0) | 2.3 | 19.0% | (20.9) | (10.0) | 10.9 | 52.0% |
| Superstorm Sandy Insurance Proceeds | - | 1.0 | 1.0 | N/A | - | 1.0 | 1.0 | N/A |
| Depreciation | (64.8) | (70.3) | (5.5) | (8.5%) | (68.3) | (70.3) | (2.0) | (2.9%) |
| Office of Inspector General | (1.4) | (1.8) | (0.4) | (32.7%) | (1.9) | (1.8) | 0.1 | 6.2% |
| State Capital Payment Amortization | 7.6 | 9.0 | 1.4 | 18.2% | 10.0 | 9.0 | (1.0) | (10.0%) |
| Non-Operating Inc/(Exp) | (2.9) | (0.3) | 2.5 | 88.6% | (1.4) | (0.3) | 1.1 | 77.2% |
| **Net Income/(Loss)** | **$ (62.1)** | **$ (59.8)** | **$ 2.3** | **3.8%** | **$ (77.4)** | **$ (59.8)** | **$ 17.6** | **22.7%** |

**Revenues:** Total revenue of **$279.8 million** for October FY 2019 is $5.1 million unfavorable to the Plan primarily driven by unfavorable variances for adjusted ticket revenue and other core revenue offset by a favorable variance for food and beverage. The increase of $5.7 million over the prior year is primarily driven by unfavorable adjusted ticket revenue offset by favorable variances across the other revenue categories.

**Expenses:** Total expenses of **$271.9 million** for October FY 2019 are favorable $11.9 million to the Plan primarily driven by favorable variances for benefits, professional fees and data processing, and other expenses. The decrease of $2.4 million from the prior year is primarily driven by favorable expenses in salaries, wages, benefits, and professional fees and data processing with a partial offset from increased fuel and materials expenses.

**Note:** Amtrak reports Adjusted Operating Earnings as the key financial measure to evaluate results, Net Income/(Loss) will continue to be reported for reference. Adjusted Operating earnings represents Amtrak's cash funding needs and is a reasonable proxy for Federal Operating Support needed in line with the appropriation. Route level results (reported on page 7) reflect the change to Adjusted Operating Earnings, in line with consolidated financials.

**Note:** Adjusted Operating Earnings is defined as GAAP Net Loss excluding: (1) certain non-cash items (depreciation, income tax expense, non-cash portion of pension and other post retirement employment benefits, and state capital payment amortization); and (2) GAAP income statement items reported with capital or debt results or other grants (project related revenue/costs reported with capital results, expense related to Inspector General's office, and interest expense, net).

# Capital Results

| ($s in Millions) | Prior Year Oct FY 2018 | Actual Oct FY 2019 | Y/Y Growth $ | Y/Y Growth % | Plan Oct FY 2019 | Actual Oct FY 2019 | Over/(Under) Plan $ | Over/(Under) Plan % |
|---|---|---|---|---|---|---|---|---|
| Infrastructure | $ 40.2 | $ 47.7 | $ 7.5 | 18.6% | $ 64.3 | $ 47.7 | $ (16.6) | (25.8%) |
| Stations & Real Estate | 6.5 | 7.3 | 0.8 | 12.9% | 11.8 | 7.3 | (4.5) | (38.1%) |
| Fleet | 24.1 | 21.9 | (2.1) | (8.8%) | 34.7 | 21.9 | (12.7) | (36.7%) |
| Information Technology | 5.7 | 7.1 | 1.4 | 24.3% | 9.7 | 7.1 | (2.6) | (27.1%) |
| ADA | 3.8 | 3.8 | 0.0 | 0.4% | 8.7 | 3.8 | (4.9) | (56.6%) |
| Support | 0.6 | 0.6 | (0.0) | (3.5%) | 0.9 | 0.6 | (0.2) | (27.4%) |
| Gateway | 1.9 | 1.6 | (0.3) | (14.3%) | 5.4 | 1.6 | (3.7) | (69.4%) |
| Acela 21 | 1.8 | 7.8 | 6.0 | 325.2% | 12.7 | 7.8 | (4.8) | (38.0%) |
| **Total Capital Spend Plan** | **$ 84.7** | **$ 98.0** | **$ 13.3** | **15.7%** | **$ 148.1** | **$ 98.0** | **$ (50.1)** | **(33.8%)** |

**FY 2019 vs. Plan**: October FY 2019 capital spend of **$98 million** is $50.1 million favorable to the Plan and primarily driven by lower spending related to Infrastructure (track activity and structures related projects), Fleet (timing of equipment purchases), ADA, and Acela 21 work.

**FY 2019 vs. Prior Year:** October FY 2019 capital spend of **$98 million** is a $13.3 million increase over the prior year primarily driven by higher spending in Infrastructure (track and communication and signal project work) and Acela 21.

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# Key Performance Indicators

| Key Performance Indicators | Prior Year Oct FY 2018 | Plan Oct FY 2019 | Actual Oct FY 2019 | Fav/(Unfav) vs Plan # | % | Y/Y Growth # | % |
|---|---|---|---|---|---|---|---|
| Ridership *(in thousands)*: | | | | | | | |
|   Northeast Corridor | 1,128.5 | 1,151.1 | 1,147.5 | (3.6) | (0.3%) | 19.0 | 1.7% |
|   State Supported | 1,284.8 | 1,343.2 | 1,311.0 | (32.2) | (2.4%) | 26.2 | 2.0% |
|   Long Distance | 371.9 | 349.4 | 351.3 | 1.9 | 0.6% | (20.6) | (5.5%) |
|   Total Ridership | 2,785.2 | 2,843.7 | 2,809.8 | (33.9) | (1.2%) | 24.6 | 0.9% |
| RASM *(in cents)* | 21.40 | 22.24 | 22.27 | 0.03 | 0.1% | 0.87 | 4.0% |
| CASM *(in cents)* | 21.13 | 21.65 | 20.98 | 0.67 | 3.1% | (0.15) | (0.7%) |
| Cost Recovery Ratio (NTS) | 101% | 103% | 106% | N/A | 3.4% | N/A | 4.9% |
| Customer Satisfaction Index (CSI) | 78.3 | 87.7 | 87.9 | 0.2 | 0.2% | N/A | N/A |
| *Other Indicators (in millions)* | | | | | | | |
| Seat Miles | 1,078.9 | 1,063.5 | 1,048.5 | (15.0) | (1.4%) | (30.4) | (2.8%) |
| Passenger Miles | 544.4 | 541.6 | 541.8 | 0.2 | 0.0% | (2.7) | (0.5%) |
| Train Miles | 3.2 | 3.6 | 3.3 | (0.3) | (8.8%) | 0.0 | 0.4% |

**Note:** CSI methodology changed in FY 2019 (not comparable to FY 2018)
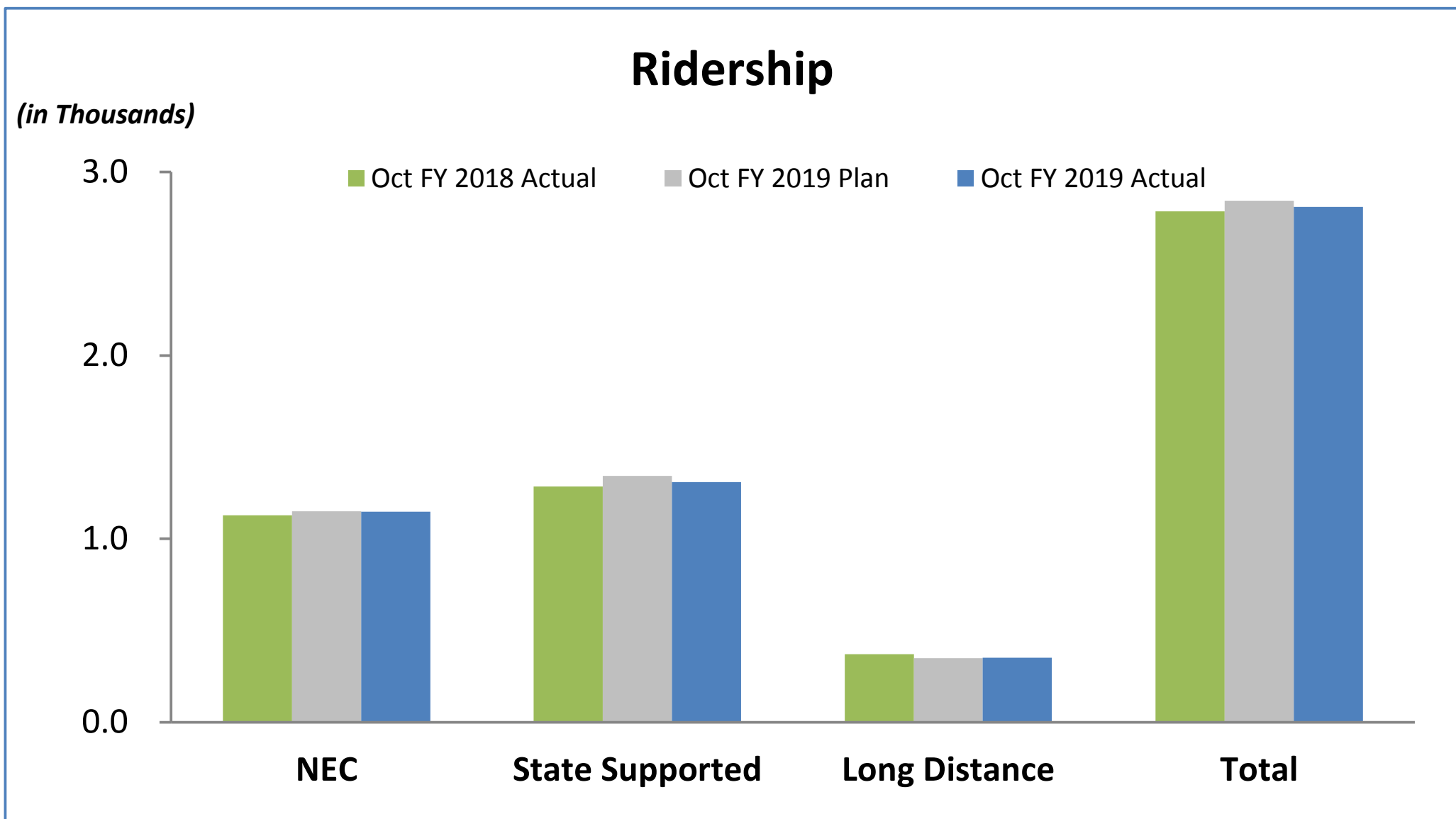


**Ridership:** Ridership of **2.81 million** for October FY 2019 is relatively flat to both the Plan and prior year as there were no significant variances across all the service lines

**Note:** Key Performance Indicators and Other Indicators are representative of National Train Service (NTS) (NEC, State Supported, and Long Distance) results

RASM is defined as NTS (NEC, State Supported, and Long Distance) operating revenue divided by seat miles.

CASM is defined as NTS (NEC, State Supported, and Long Distance) operating expenses divided by seat miles.

Cost Recovery Ratio is defined as NTS (NEC, state supported, long distance) operating revenue divided by operating expenses

# Sources and Uses Account (Level 1)

| October FY 2019 | Northeast Corridor Account | National Network Account | Total |
|---|---:|---:|---:|
| **Financial Sources** | | | |
| Operating Sources (A) | 160,450 | 119,362 | 279,812 |
| Capital Sources | 20,513 | 11,066 | 31,579 |
| Federal Grants to Amtrak | 1,099 | 2,475 | 3,574 |
| **Total Operating and Capital Sources** | **182,062** | **132,903** | **314,965** |
| | | | |
| **Financial Uses (Operating):** | | | |
| Operating Uses (B) | 103,601 | 168,314 | 271,916 |
| | | | |
| **Operating Surplus/Deficit (A-B)** *(Operating Sources - Operating Uses)* | **56,849** | **(48,952)** | **7,896** |
| | | | |
| **Financial Uses (Debt Service Payments):** | | | |
| Debt Service Payments | 268 | - | 268 |
| | | | |
| **Available for Capital Uses** *(Operating Surplus/Deficit - Debt Service Payments + Capital Sources + Federal Grants to Amtrak)* | **78,192** | **(35,411)** | **42,781** |
| | | | |
| **Financial Uses (Capital):** | | | |
| Capital Expenditures | 57,754 | 40,242 | 97,996 |
| Legacy Debt Repayments | 8,444 | 54 | 8,498 |
| | | | |
| **Remaining Carryover Balance** | $ 11,993 | $ (75,707) | $ (63,714) |

FY 2019 Net change in Cash Flows of ($63.7 million) for Consolidated Amtrak, NEC of $12.0 million and National Network ($75.7 million) is primarily due to spending assumptions for prior year capital (FY 2017 and FY 2018 grants) as the FY 2019 annual grant (CR1 through December 7th) has not been awarded.

# Route Level Results

| ($s in Millions) | Operating Revenue | Operating Expense | Adjusted Operating Earnings | Ridership (in Thousands) | eCSI | Average Load Factor | OTP |
|---|---|---|---|---|---|---|---|
| | | | October FY 2019 | | | | |
| **NEC:** | | | | | | | |
| Acela | $ 62.9 | $ 28.6 | $ 34.4 | 338.2 | 83.6 | 66% | 84.1% |
| Regional | 62.6 | 37.1 | 25.5 | 809.4 | 86.9 | 61% | 84.4% |
| NEC Special Trains & Adjustments | 0.6 | 0.6 | 0.0 | 0.0 | N/A | N/A | N/A |
| **NEC** | $ 126.1 | $ 66.3 | $ 59.9 | 1,147.5 | 86.0 | 63% | 84.3% |
| | | | | | | | |
| **State Supported:** | | | | | | | |
| Ethan Allen Express | $ 0.5 | $ 0.5 | $ (0.0) | 4.1 | 87.7 | 43% | 73.1% |
| Vermonter | 1.1 | 0.8 | 0.3 | 9.5 | 90.6 | 50% | 69.7% |
| Maple Leaf | 2.5 | 2.7 | (0.3) | 31.3 | 94.8 | 45% | 71.3% |
| The Downeaster | 1.0 | 1.4 | (0.4) | 43.8 | 89.5 | 32% | 58.0% |
| New Haven - Springfield | 1.8 | 2.2 | (0.4) | 31.2 | 88.4 | 0% | N/A |
| Keystone Service | 5.0 | 4.5 | 0.5 | 143.6 | 92.5 | 41% | 88.8% |
| Empire Service | 5.0 | 5.0 | 0.0 | 109.7 | 90.5 | 51% | 75.6% |
| Chicago-St.Louis | 1.5 | 2.7 | (1.2) | 52.0 | 91.0 | 48% | 59.3% |
| Hiawathas | 2.1 | 1.9 | 0.1 | 77.2 | 85.9 | 42% | 91.0% |
| Wolverines | 2.7 | 2.6 | 0.1 | 41.1 | 88.2 | 55% | 53.4% |
| Illini | 0.6 | 1.3 | (0.7) | 22.7 | 88.4 | 46% | 22.4% |
| ILLINOIS Zephyr | 0.4 | 1.2 | (0.7) | 15.8 | 94.2 | 39% | 82.7% |
| Heartland Flyer | 0.6 | 0.6 | 0.0 | 5.5 | 91.6 | 44% | 37.1% |
| Pacific Surfliner | 8.9 | 10.8 | (1.9) | 222.8 | 88.7 | 28% | 68.3% |
| Cascades | 5.1 | 6.3 | (1.1) | 62.7 | 91.1 | 47% | 56.6% |
| Capitols | 5.9 | 5.9 | 0.0 | 162.5 | 93.4 | 36% | 90.7% |
| San Joaquins | 6.6 | 7.7 | (1.1) | 84.8 | 92.5 | 31% | 48.8% |
| Adirondack | 1.1 | 1.1 | 0.0 | 13.1 | 83.6 | 65% | 56.8% |
| Blue Water | 1.0 | 1.0 | 0.0 | 14.2 | 96.2 | 39% | 67.4% |
| Washington-Lynchburg | 1.3 | 0.8 | 0.4 | 19.6 | 91.2 | 0% | 70.8% |
| Washington - Newport News | 2.1 | 1.5 | 0.5 | 28.7 | 86.0 | 0% | 80.2% |
| Washington - Norfolk | 0.9 | 0.8 | 0.1 | 13.3 | 95.9 | 0% | 80.2% |
| Washington - Richmond | 0.9 | 0.8 | 0.1 | 14.3 | 88.9 | 0% | 80.2% |
| Hoosier State | 0.3 | 0.5 | (0.2) | 2.6 | 96.0 | 22% | 78.7% |
| Kansas City-St.Louis | 1.4 | 1.1 | 0.3 | 15.9 | 91.3 | 37% | 82.6% |
| Pennsylvanian | 1.1 | 1.4 | (0.2) | 18.8 | 92.4 | 54% | 64.6% |
| Pere Marquette | 0.6 | 0.6 | (0.0) | 7.0 | 93.6 | 46% | 60.8% |
| Carolinian | 1.8 | 1.5 | 0.3 | 22.7 | 91.8 | 46% | 60.0% |
| Piedmont | 0.9 | 0.8 | 0.1 | 20.5 | 95.9 | 40% | 55.6% |
| Non Nec Special Trains & Adjustments | (0.4) | 0.4 | (0.8) | 0.0 | N/A | N/A | N/A |
| **State Supported** | $ 64.3 | $ 70.5 | $ (6.1) | 1,311.0 | 90.9 | 41% | 73.2% |
| | | | | | | | |
| **Long Distance:** | | | | | | | |
| Silver Star | $ 2.3 | $ 4.9 | $ (2.5) | 26.8 | 86.0 | 59% | 43.3% |
| Cardinal | 0.5 | 1.8 | (1.3) | 8.2 | 87.6 | 51% | 58.3% |
| Silver Meteor | 3.0 | 6.2 | (3.3) | 25.2 | 83.7 | 65% | 68.6% |
| Empire Builder | 4.3 | 8.8 | (4.4) | 31.6 | 89.8 | 53% | 53.3% |
| Capitol Limited | 1.7 | 3.9 | (2.1) | 16.6 | 75.1 | 72% | 19.4% |
| California Zephyr | 4.7 | 8.9 | (4.2) | 30.9 | 88.9 | 65% | 43.1% |
| Southwest Chief | 4.1 | 8.4 | (4.2) | 26.0 | 85.8 | 67% | 36.3% |
| City of New Orleans | 1.6 | 3.4 | (1.7) | 20.1 | 85.9 | 56% | 76.2% |
| Texas Eagle | 2.1 | 4.4 | (2.3) | 25.4 | 81.4 | 55% | 18.5% |
| Sunset Limited | 1.1 | 3.8 | (2.7) | 7.8 | 85.9 | 44% | 25.5% |
| Coast Starlight | 3.7 | 7.6 | (3.9) | 32.9 | 86.3 | 58% | 57.8% |
| Lake Shore Limited | 2.8 | 5.4 | (2.6) | 29.5 | 78.5 | 50% | 40.5% |
| Palmetto | 2.4 | 2.8 | (0.5) | 30.4 | 86.1 | 41% | 77.9% |
| Crescent | 2.6 | 5.7 | (3.1) | 22.3 | 86.7 | 52% | 36.3% |
| Auto Train | 6.1 | 7.1 | (1.1) | 17.5 | 86.4 | 59% | 70.3% |
| Long Distance Adjustments | 0.0 | 0.1 | (0.1) | N/A | N/A | N/A | N/A |
| **Long Distance** | $ 43.0 | $ 83.2 | $ (40.2) | 351.3 | 85.2 | 57% | 50.5% |
| | | | | | | | |
| Ancillary | 27.3 | 25.1 | 2.2 | | | | |
| Infrastructure | 19.0 | 26.8 | (7.8) | | | | |
| | | | | | | | |
| **Amtrak** | $ 279.8 | $ 271.9 | $ 7.9 | 2,809.8 | 87.9 | 53% | 75.0% |

**Note:** Amtrak reports Adjusted Operating Earnings as the key financial measure to evaluate results. Adjusted Operating earnings represents Amtrak's cash funding needs and is a reasonable proxy for Federal Operating Support needed in line with the appropriation. Route level Adjusted Operating Earnings will replace the previously reported "Fully Allocated Contribution/(Loss)" which was based on Net Income/(Loss)

Adjusted Operating Earnings is defined as GAAP Net Loss excluding: (1) certain non-cash items (depreciation, income tax expense, non-cash portion of pension and other post retirement employment benefits, and state capital payment amortization); and (2) GAAP income statement items reported with capital or debt results or other grants (project related revenue/costs reported with capital results, expense related to Inspector General's office, and interest expense, net).

Operating Revenue is defined as GAAP revenue excluding: 1) non-cash revenue items (state capital payment amortization); and (2) GAAP income statement items reported with capital results (project related revenue).

Gross Ticket Revenue is defined as unadjusted revenues from ticket purchases.

Special Trains & Adjustments ("NEC Special Trains & Adjustments", "Non NEC Special Trains & Adjustments", and "Long Distance Adjustments") include non-train revenue & expenses allocated across the National Train Service, these typically include items that cannot be allocated to a specific route but affect all routes in the National Train Service.

Due to the individual PRIIA Sec. 209 contract requirements, the State Supported route view will not match invoices to the states or agencies.