



Capital Metro

**Financial Status Report for
Period Ending September 30, 2011**

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**Capital Metropolitan Transportation Authority
Income Statement for Period Ending September 30, 2011**

| | Month to Date | | | | FY11 Year to Date | | | |
|--------------------------------|---------------------|---------------------|-------------------------|---------------------------|----------------------|----------------------|-------------------------|---------------------------|
| | Actual Sep-11 | Budget Sep-11 | Variance Fav/(Unfav) | Variance % Fav/(Unfav) | Actual Sep-11 | Budget Sep-11 | Variance Fav/(Unfav) | Variance % Fav/(Unfav) |
| Revenue | | | | | | | | |
| Sales Tax | \$ 15,562,356 | \$ 13,438,700 | \$ 2,123,656 | 15.8% | \$ 150,834,551 | \$ 144,216,000 | \$ 6,618,551 | 4.6% |
| Passenger Fares | 879,497 | 1,104,546 | (225,049) | (20.4%) | 10,511,035 | 12,225,208 | (1,714,173) | (14.0%) |
| Third Party Fares | 827,252 | 1,095,262 | (268,010) | (24.5%) | 7,109,495 | 7,831,305 | (721,810) | (9.2%) |
| Freight Rail Revenue | 396,380 | 869,751 | (473,371) | (54.4%) | 7,494,926 | 10,128,869 | (2,633,943) | (26.0%) |
| Investment Income | 2,973 | 17,917 | (14,944) | (83.4%) | 24,616 | 150,000 | (125,384) | (83.6%) |
| Grants - Operating | 3,355,505 | 1,363,875 | 1,991,630 | 146.0% | 10,782,895 | 18,360,000 | (7,577,105) | (41.3%) |
| Other | 113,329 | 155,981 | (42,652) | (27.3%) | 1,379,933 | 1,685,162 | (305,229) | (18.1%) |
| Total Revenue | 21,137,292 | 18,046,032 | 3,091,260 | 17.1% | 188,137,451 | 194,596,544 | (6,459,093) | (3.3%) |
| Expenses | | | | | | | | |
| Labor & Benefits | 6,691,131 | 6,555,617 | (135,514) | (2.1%) | 83,845,091 | 84,132,903 | 287,812 | 0.3% |
| Professional Services | 1,478,149 | 1,213,286 | (264,863) | (21.8%) | 13,633,598 | 16,538,646 | 2,905,048 | 17.6% |
| Freight Rail Contractor | 324,434 | 550,825 | 226,391 | 41.1% | 4,249,686 | 6,456,136 | 2,206,450 | 34.2% |
| Materials and Supplies | 794,962 | 762,065 | (32,897) | (4.3%) | 8,290,491 | 8,475,379 | 184,888 | 2.2% |
| Fuel & Fluids | 1,648,250 | 1,264,869 | (383,381) | (30.3%) | 16,268,226 | 14,466,559 | (1,801,667) | (12.5%) |
| Utilities | 213,437 | 185,840 | (27,597) | (14.8%) | 2,021,342 | 2,230,259 | 208,917 | 9.4% |
| Insurance | 148,201 | 37,500 | (110,701) | (295.2%) | 1,251,856 | 1,637,463 | 385,607 | 23.5% |
| Taxes | 92,042 | 89,477 | (2,565) | (2.9%) | 990,353 | 1,021,848 | 31,495 | 3.1% |
| Purchased Transp | 1,938,797 | 2,731,850 | 793,053 | 29.0% | 28,504,875 | 30,062,279 | 1,557,404 | 5.2% |
| Other | 36,075 | 87,332 | 51,257 | 58.7% | 1,155,245 | 1,276,927 | 121,682 | 9.5% |
| Interest Expense | 93,182 | 69,849 | (23,333) | (33.4%) | 975,403 | 1,006,742 | 31,339 | 3.1% |
| Lease/Rental | 102,919 | 41,560 | (61,359) | (147.6%) | 781,999 | 619,998 | (162,001) | (26.1%) |
| Total Expenses | 13,561,579 | 13,590,070 | 28,491 | 0.2% | 161,968,165 | 167,925,139 | 5,956,974 | 3.5% |
| Operating Income/(Loss) | \$ 7,575,713 | \$ 4,455,962 | \$ 3,119,751 | 70.0% | \$ 26,169,286 | \$ 26,671,405 | \$ (502,119) | (1.9%) |
| Capital Grant Revenue | 1,383,346 | 6,560,133 | (5,176,787) | (79%) | 9,252,305 | 34,104,349 | (24,852,044) | (72.9%) |

Budget Variance by Department Summary for Period Ending September 30, 2011

| | MONTH TO DATE | | | | FY11 YEAR TO DATE | | | |
|-------------------------------------|----------------------|----------------------|------------------|-------------|-----------------------|-----------------------|---------------------|-------------|
| | BUDGET | ACTUAL | \$ VAR | % VAR | BUDGET | ACTUAL | \$ VAR | % VAR |
| 100 NON-ALLOCATED BENEFITS | 1,222,646.00 | 1,124,314.00 | 98,332.00 | 8.04 | 16,984,513.00 | 16,452,937.00 | 531,575.00 | 3.13 |
| 102 WELLNESS CENTER | 29,622.00 | 43,911.00 | (14,289.00) | (48.24) | 361,014.00 | 324,616.00 | 36,398.00 | 10.08 |
| 103 CHILD CARE CENTER | 53,768.00 | 52,129.00 | 1,639.00 | 3.05 | 634,673.00 | 632,515.00 | 2,158.00 | 0.34 |
| 105 BUSINESS CENTER | 25,358.00 | 10,939.00 | 14,419.00 | 56.86 | 304,300.00 | 297,252.00 | 7,048.00 | 2.32 |
| 110 GENERAL MANAGERS | 119,517.00 | 39,760.00 | 79,757.00 | 66.73 | 1,737,969.00 | 1,415,166.00 | 322,802.00 | 18.57 |
| 115 COMMUNICATIONS | 25,427.00 | 25,854.00 | (427.00) | (1.68) | 314,586.00 | 315,285.00 | (699.00) | (0.22) |
| 125 INTERNAL AUDIT | 27,566.00 | 32,124.00 | (4,557.00) | (16.53) | 285,005.00 | 285,078.00 | (73.00) | (0.03) |
| 130 OPERATIONS | 21,917.00 | 17,770.00 | 4,147.00 | 18.92 | 242,572.00 | 332,597.00 | (90,025.00) | (37.11) |
| 135 STRATEGIC MANAGEMENT | 18,440.00 | 18,775.00 | (335.00) | (1.82) | 272,526.00 | 226,775.00 | 45,751.00 | 16.79 |
| 140 SAFETY & SECURITY | 15,344.00 | 19,282.00 | (3,938.00) | (25.66) | 187,239.00 | 178,725.00 | 8,514.00 | 4.55 |
| 141 APD OFFICERS | 201,722.00 | 243,798.00 | (42,077.00) | (20.86) | 2,445,640.00 | 2,515,526.00 | (69,886.00) | (2.86) |
| 150 LEGAL | 178,256.00 | 75,965.00 | 102,291.00 | 57.38 | 2,136,112.00 | 842,694.00 | 1,293,418.00 | 60.55 |
| 160 LABOR RE-STRUCTURE | 0.00 | 135,984.00 | (135,984.00) | n/m | 0.00 | 349,296.00 | (349,296.00) | n/m |
| 220 FINANCE | 262,670.00 | 240,442.00 | 22,228.00 | 8.46 | 3,350,533.00 | 3,012,889.00 | 337,643.00 | 10.08 |
| 230 INFORMATION TECHNOLOGY | 275,357.00 | 271,330.00 | 4,028.00 | 1.46 | 3,505,253.00 | 3,371,169.00 | 134,084.00 | 3.83 |
| 250 PROCUREMENT | 78,141.00 | 77,610.00 | 531.00 | 0.68 | 948,074.00 | 910,155.00 | 37,919.00 | 4.00 |
| 270 CONTRACTED SERVICES | 2,157,310.00 | 1,744,756.00 | 412,554.00 | 19.12 | 22,628,699.00 | 20,677,786.00 | 1,950,914.00 | 8.62 |
| 275 RIDESHARE | 64,778.00 | 58,130.00 | 6,648.00 | 10.26 | 775,557.00 | 679,130.00 | 96,427.00 | 12.43 |
| 310 STARTRAN ADMINISTRATION | 13,494.00 | 6,234.00 | 7,260.00 | 53.80 | 168,646.00 | 79,704.00 | 88,941.00 | 52.74 |
| 320 PLANNING | 205,144.00 | 122,576.00 | 82,567.00 | 40.25 | 1,670,492.00 | 1,452,980.00 | 217,512.00 | 13.02 |
| 330 MARKETING | 197,441.00 | 129,253.00 | 68,188.00 | 34.54 | 1,557,217.00 | 1,351,193.00 | 206,023.00 | 13.23 |
| 331 BUSINESS & COMMUNITY DEVELOPMEN | 108,282.00 | 340,032.00 | (231,750.00) | (214.03) | 1,342,475.00 | 1,153,454.00 | 189,022.00 | 14.08 |
| 332 CUSTOMER SERVICE | 73,844.00 | 71,875.00 | 1,969.00 | 2.67 | 888,219.00 | 859,002.00 | 29,218.00 | 3.29 |
| 340 HUMAN RESOURCES | 107,054.00 | 57,319.00 | 49,735.00 | 46.46 | 1,528,924.00 | 1,501,115.00 | 27,809.00 | 1.82 |
| 420 RISK MANAGEMENT | 145,823.00 | 263,657.00 | (117,834.00) | (80.81) | 3,153,830.00 | 2,622,194.00 | 531,636.00 | 16.86 |
| 430 METROACCESS | 934,578.00 | 607,054.00 | 327,525.00 | 35.05 | 12,815,656.00 | 13,007,288.00 | (191,632.00) | (1.50) |
| 440 OPERATIONS TRAINING | 47,772.00 | 97,811.00 | (50,040.00) | (104.75) | 654,922.00 | 661,800.00 | (6,878.00) | (1.05) |
| 441 FIXED ROUTE | 2,168,908.00 | 2,330,654.00 | (161,746.00) | (7.46) | 27,350,773.00 | 28,432,127.00 | (1,081,354.00) | (3.95) |
| 442 RUNNING REPAIR | 1,235,659.00 | 1,289,082.00 | (53,422.00) | (4.32) | 15,448,425.00 | 15,432,706.00 | 15,720.00 | 0.10 |
| 443 SERVICE ISLAND | 1,314,700.00 | 1,850,221.00 | (535,521.00) | (40.73) | 15,207,168.00 | 18,050,505.00 | (2,843,337.00) | (18.70) |
| 451 VEHICLE MAINTENANCE - ADMIN. | 126,021.00 | 133,705.00 | (7,684.00) | (6.10) | 1,792,768.00 | 1,433,445.00 | 359,323.00 | 20.04 |
| 456 STORES | 58,347.00 | 55,670.00 | 2,677.00 | 4.59 | 709,889.00 | 724,885.00 | (14,996.00) | (2.11) |
| 457 PUBLIC FACILITIES | 125,018.00 | 189,392.00 | (64,374.00) | (51.49) | 1,500,554.00 | 1,421,650.00 | 78,904.00 | 5.26 |
| 458 BUILDING MAINTENANCE | 334,318.00 | 272,043.00 | 62,274.00 | 18.63 | 4,028,227.00 | 3,603,229.00 | 424,998.00 | 10.55 |
| 530 ENGINEERING & CONSTRUCTION | 38,379.00 | 17,326.00 | 21,053.00 | 54.85 | 487,402.00 | 374,270.00 | 113,132.00 | 23.21 |
| 540 PROPERTY MANAGEMENT | 102,124.00 | 283,793.00 | (181,670.00) | (177.89) | 1,577,626.00 | 1,587,256.00 | (9,629.00) | (0.61) |
| 542 FREIGHT RAIL MANAGEMENT | 756,932.00 | 468,215.00 | 288,717.00 | 38.14 | 8,998,619.00 | 5,986,037.00 | 3,012,582.00 | 33.48 |
| 544 COMMUTER RAIL AND RAILROAD MANA | 701,089.00 | 679,323.00 | 21,767.00 | 3.10 | 9,529,590.00 | 9,134,106.00 | 395,483.00 | 4.15 |
| 560 TRANSIT ORIENTED DEVELOPMENT | 17,305.00 | 28,206.00 | (10,901.00) | (62.99) | 399,453.00 | 244,363.00 | 155,090.00 | 38.83 |
| 600 BUS AND PARATRANSIT CONTRACT OP | 0.00 | 26,121.00 | (26,121.00) | n/m | 0.00 | 26,121.00 | (26,121.00) | n/m |
| 620 PARATRANSIT CONTRACT OPERATIONS | 0.00 | (489.00) | 489.00 | n/m | 0.00 | (489.00) | 489.00 | n/m |
| 630 METROACCESS ADMINISTRATION | 0.00 | 9,632.00 | (9,632.00) | n/m | 0.00 | 9,632.00 | (9,632.00) | n/m |
| TOTALS | 13,590,070.00 | 13,561,578.00 | 28,491.00 | 0.21 | 167,925,139.00 | 161,968,164.00 | 5,956,975.00 | 3.55 |

**Capital Metropolitan Transportation Authority
Operating Statement for period ending September 30, 2011**

Revenues

Overall operating revenues Fiscal Year 2011 year to date thru September 2011 were \$188.1 million and were lower than budget by \$6.5 million or 3.3%. The largest contributing factor in the revenue variance remains the result of a lag in federal funds due to a timing issue resulting in a 41.3% variance in federal operating grants and a 72.9% variance in federal capital grants.

- ◆ Sales tax year to date was \$150.8 million, 4.6% above budget for the fiscal year. Collections for the fiscal year are up 21.93% from the same period last year.

Fare revenues overall were 13.8% below estimate. We believe fares were over-estimated in the budget document.

- ◆ Passenger Fare revenues were below budget by 14.0%.
- ◆ Third Party Revenues were below budget by 9.2%.
- ◆ Capital Grant Revenues are under budget because there were changes in some planned capital expenditures – namely bus replacement and MetroRapid – as the program plan has been refined. This does not negatively impact the budget since the Federal funds are expected to be available when the projects resume. The issue is timing in funding reimbursement.
- ◆ Freight Rail Revenue actuals are lower than budget due to the new agreement with WATCO which is expected to produce estimated net revenue of \$1.1 million in FY 2011.

Investment income was lower because the balances available to invest were lower than last year.

Grants-Operating were down from forecast due to the timing of drawing down grant revenue from the Federal Transit Administration

**Capital Metropolitan Transportation Authority
Operating Statement for period ending September 30, 2011**

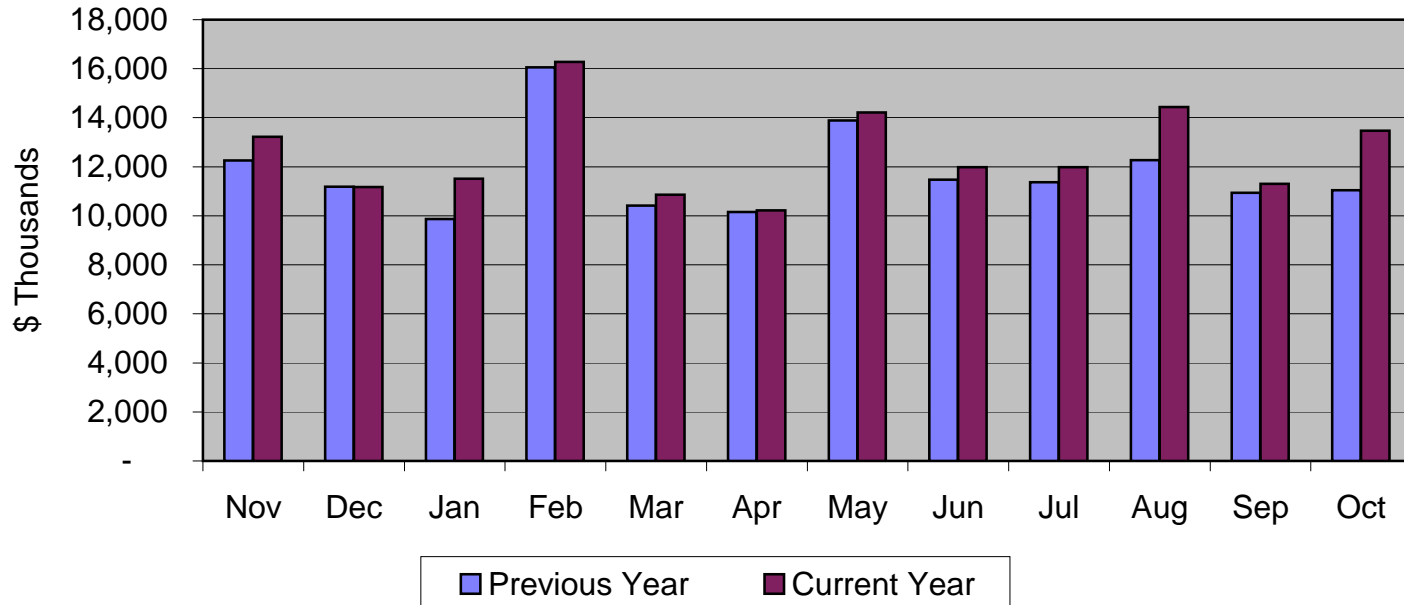
Expenses

- ◆ Overall year-to-date operating expenses were lower than budgeted amounts by \$5.9 million or 3.5%.
- ◆ By category, the areas with the largest budget deviations were Fluids and Lease/Rental
 - **Fluids** are over budget due to fuel prices.
 - **Lease/Rental** is over budget due to the 323 Congress avenue rental lease agreement extension not anticipated in FY11 budget.
- ◆ The departments that were over budget in excess of 5% included Operations (Chief Operating Officer) and Service Island.
 - **Operations/Chief Operating Officer Department** is over budget in salary related costs due to a budgeting error which reflects COO salary starting in January rather than October.
 - **Service Island** is over budget due to fuel prices.

Net Operating

- ◆ The net operating margin or the amount available for reserves, other commitments and capital investment year to date thru September 2011 is \$26.1 million compared to the budget of \$26.7 million.
- ◆ We have received capital grants of \$9.25 million year to date, which is 72.9% below the budget for this point in the fiscal year.
- ◆ Capital labor expenditures through September, 2011, are \$216,948 which is 43.6% of the capital labor budget amount. This is for salaries and benefits of budgeted FTEs attributed to capital projects.
- ◆ Capital project expenditures through September, 2011, are \$7.5 million representing 16.9% of the capital budget. These figures are under budget because there were changes in some planned capital expenditures – namely bus replacement and Metro Rapid, as the program plan has been refined. This does not negatively impact the budget since the Federal funds are expected to be available when the projects resume.

Sales Tax Collections Current Year Compared to Same Month in Previous Year



**Summary of
Capital & Other Commitments
for Period Ending September 30, 2011**

| | Year-to-Date Activity | Total FY11 Budget | % Spend vs. Budget |
|--|--------------------------|----------------------|-----------------------|
| Summary of Operations | | | |
| Revenues | 188,137,451 | \$194,596,543 | 96.7% |
| Operating Expenses | 161,968,164 | \$167,986,439 | 96.4% |
| Operating Profit/(Loss) | \$26,169,287 | \$26,610,104 | 98.3% |
| Capital Grants | \$9,252,305 | \$34,104,349 | 27.1% |
| Available for Capital/Financing Activities | \$35,421,592 | \$60,714,453 | 58.3% |
| Financing Activities | | | |
| #1 BCT & Regional Mobility Payments | \$8,798,945 | \$7,394,673 | 119.0% |
| Railcar Principal Payments & Loyola Property Note | \$8,398,120 | \$6,047,095 | 138.9% |
| Financing Activities | \$17,197,065 | \$13,441,768 | 127.9% |
| Capital Expenditures | | | |
| Projects | | | |
| MetroRapid | 249,108 | \$12,505,000 | 2.0% |
| IT | 1,336,531 | \$6,119,000 | 21.8% |
| Passenger Facilities | 572,822 | \$3,328,000 | 17.2% |
| Rail Infrastructure | 700,055 | \$2,480,000 | 28.2% |
| Rail Vehicles | - | \$771,300 | 0.0% |
| Security | 56,306 | \$120,000 | 46.9% |
| Trails | 144,064 | \$900,000 | 16.0% |
| Transit Oriented Development | - | \$100,000 | 0.0% |
| Office Relocation | - | \$165,000 | 0.0% |
| Alternatives Analysis | - | \$1,000,000 | 0.0% |
| Vehicles | 3,007,667 | \$16,357,429 | 18.4% |
| Facilities | 1,468,655 | \$823,000 | 178.5% |
| Capital Projects Expenditures | \$7,535,206 | \$44,668,729 | 16.9% |
| CMTA Labor Costs for Capital Projects | 216,948 | \$497,040 | 43.6% |
| Total Capital Expenditures | \$7,752,153 | \$45,165,769 | 17.2% |
| Financing Activity & Capital Expenditures | \$24,949,218 | \$58,607,537 | 42.6% |
| Operating/Capital Funds Net Increase/(Decrease) | \$10,472,374 | \$2,106,916 | 497.0% |

#1 BCT & Regional Mobility payments increase due to audit collection and prior period adjustments.

CAPITAL METROPOLITAN TRANSPORTATION AUTHORITY
Statements of Net Assets
September 30, 2011 and August 31, 2011
UNAUDITED -- SOFT CLOSE

| | September 30, 2011 | August 31, 2011 |
|---|-----------------------|-----------------------|
| Assets | | |
| Current assets: | | |
| Cash and cash equivalents | \$ 19,925,921 | \$ 28,207,773 |
| Investments | | |
| Receivables | | |
| Sales and use tax | 29,906,065 | 22,645,600 |
| Federal | 4,704,489 | 302,126 |
| Interest | - | - |
| Notes receivables | - | - |
| Other, net | 2,466,112 | 2,209,335 |
| Total receivables | 37,076,666 | 25,157,061 |
| Inventory | 5,732,079 | 6,164,206 |
| Other current assets | 1,547,189 | 1,599,786 |
| Total current assets | 64,281,855 | 61,128,826 |
| Non-current assets: | | |
| Capital assets, net | 311,114,657 | 323,893,308 |
| Other assets | 3,506,918 | 3,244,656 |
| Total non-current assets | 314,621,575 | 327,137,964 |
| Total assets | 378,903,430 | 388,266,790 |
| Liabilities | | |
| Current liabilities: | | |
| Accounts and retainage payable | 18,510,123 | 24,987,687 |
| Accrued expenses | 4,509,556 | 5,507,509 |
| Interest payable | 158,652 | 65,470 |
| Master lease purchase financing agreement | 3,699,337 | 3,699,337 |
| Notes payable | - | - |
| City of Austin Interlocal Agreement | - | - |
| Total current liabilities | 26,877,668 | 34,260,003 |
| Long term liabilities: | | |
| Accrued expenses | 3,691,803 | 3,691,803 |
| City of Austin Interlocal Agreement | 12,237,686 | 11,705,461 |
| Master lease purchase financing agreement | 16,268,897 | 16,268,897 |
| Note payable | - | - |
| Deferred rent | 306,470 | 250,406 |
| Total long term liabilities | 32,504,856 | 31,916,567 |
| Total liabilities | 59,382,524 | 66,176,570 |
| Net assets: | | |
| Invested in capital assets, net of related debt | 291,146,423 | 303,925,074 |
| Unrestricted | 28,374,483 | 18,165,146 |
| Total net assets | \$ 319,520,906 | \$ 322,090,220 |

Transportation By Mode
Year to Date Comparison With Prior Fiscal Year (1)

| Service Type ----- | <i>YTD-Actual</i> <i>Sep-10</i> ----- | <i>YTD-Actual</i> <i>Sep-11</i> ----- | <i>Variance \$</i> <i>Sep-11</i> ----- | <i>Variance %</i> <i>Sep-11</i> ----- |
|---|---|---|--|---|
| Fixed Route - Directly Operated | 46,937,173 | 51,193,968 | (4,256,796) | (9.07) |
| MetroAccess | 12,151,198 | 12,931,912 | (780,714) | (6.42) |
| Rideshare | 647,525 | 669,414 | (21,889) | (3.38) |
| (2) Fixed Route including UT - Purchased Transportation | 23,067,386 | 24,787,797 | (1,720,412) | (7.46) |
| (3) Commuter Rail | 9,994,182 | 7,318,001 | 2,676,181 | 26.78 |
| (4) Rural Demand Response - Purchased Transportation | 47,922 | 16,442 | 31,480 | 65.69 |
| (4) Rural Fixed Route - Purchased Transportation | 470,898 | 715,441 | (244,544) | (51.93) |
| (4) Paratransit - Purchased Transportation | 3,435,210 | 3,381,642 | 53,568 | 1.56 |
| All Unallocated Service Codes | 68,312,160 | 61,019,167 | 7,292,993 | 10.68 |

Notes:

- (1) Table includes direct costs only.
- (2) Higher expense due to fuel price increases and more routes being provided by third party contractors.
- (3) The period to period costs are not comparable because last year's expense included start-up costs relating to right of way preparation prior to mid-year.
- (4) Cost shown for these modes only includes the provider/contractor expense.