PROPOSED

FY2027 Operating & Capital Budget

& 5-Year Capital Improvement Plan

Capital Metropolitan Transportation Authority | Austin, Texas

CapMetro

GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished Budget Presentation Award

PRESENTED TO

Capital Metropolitan Transportation Authority
Texas

For the Fiscal Year Beginning

October 01, 2025

Christopher P. Morrill

Executive Director

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Organization of the Budget Document

This document is the annual budget for Capital Metropolitan Transportation Authority (CapMetro or the Authority) for the period October 1, 2026 - September 30, 2027. A budget is a formal plan of action, expressed in monetary terms, for a specified period of time. This document details CapMetro's plan for Fiscal Year (FY) 2027.

Major Sections

CapMetro's budget document is divided into nine sections: Introduction and Overview, Financial Policies, Financial and Service Summary, Capital Budget, Long-Range Financial Plan, Operating Detail by Department, Glossary, Index and Appendices. Each section contains information on the process for budget approval.

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Introduction and Overview

CapMetro

To our CapMetro Board of Directors, staff, customers, partners and communities of Central Texas,

I'm pleased to share with you CapMetro's proposed FY2027 budget, along with my deep appreciation for everyone who contributed to this year's budget process. Our budget reflects our values, priorities, and steadfast commitment to our customers, community, and staff—while maintaining the financial discipline required to ensure our long-term sustainability.

Building on the difficult, necessary choices we made last year, our FY2027 budget turns toward investment—expanding the service, safety presence, and infrastructure our growing region needs, while continuing to operate debt-free and within our means.

Strategic Plan 2030: Our Roadmap Forward

Strategic Plan 2030 remains CapMetro's organizational blueprint for the next five years and our internal roadmap for how we build and sustain the capacity to deliver excellence. This budget directly supports its four Critical Results: Reliable and Secure Service, Increased Ridership, Fiscal Responsibility, and Regional Significance, and continues to advance the bold actions outlined in the plan across our Customer, Community, Workforce, and Organizational Effectiveness goals.

Customer

Strengthening Public Safety – This budget grows our Transit Police Department from 20 Officers and two Sergeants to 27 Officers and two Sergeants, a seven-officer expansion. This investment builds on our comprehensive, three-pronged approach to improving public safety alongside our Public Safety Ambassadors and Community Intervention Specialists, and directly advances our commitment to a secure, welcoming transit environment for every rider and team member.

Sustaining Full Rapid Service – This budget funds a full year of increased 10-minute frequency on the Rapid 800 Pleasant Valley and Rapid 837 Expo Center lines, compared to just three months of that service level in FY2026. This is a significant and necessary investment in reliability for two of our newest, fastest-growing routes.

Improving Wayfinding and Real-Time Information – We're investing in dynamic message signage and accessible wayfinding tools that make transit easier to navigate, with particular attention to improving accessibility for customers who are blind or have low vision. These investments help ensure transit is intuitive and inclusive, removing barriers to access and giving riders the confidence to plan their trips.

Safer Stops and Connected Sidewalks – Through continued partnership with the City of Austin, we're delivering coordinated improvements to transit stops alongside surrounding sidewalks, ramps, and bike connections. ADA-compliant boarding areas, repaired and improved sidewalks, new shelters, and upgraded lighting and cameras will make our stops safer and easier to access while creating a more connected transportation network for the entire community.

Community

Supporting Regional Microtransit Service – Our Pickup on-demand microtransit service continues to grow across Austin, Leander, Lago Vista, and Manor, with average weekday boardings up again in FY2025 as demand increases across our 12 existing zones. We're maintaining our CARTS partnership to sustain Pickup Manor operations, ensuring residents in our growing northeastern communities have reliable access to flexible, shared-ride transit.

Strengthening Demand Response Reliability – This budget incorporates a new overflow service designed to contain costs and improve service reliability for Access and Pickup operations. The budget also includes investment in the infrastructure necessary to support our demand response services with the continued construction of our North Base Demand Response Facility and site development for our South Base Demand Response Facility.

Advancing Project Connect – We continue our essential commitments to expanding regional transit, funding the operations of our Rapid service, including our two newest lines, Rapid 800 Pleasant Valley and Rapid 837 Expo Center, bringing our total Rapid network to four lines, along with our Pickup Zones, as our team continues to prepare CapMetro to integrate and ultimately operate light rail service alongside our existing network.

Continuing Transit Plan 2035 – We continue our work on the phased implementation of this critical long-term planning initiative, our master plan for network updates and service optimization over the next decade. Through our routine service change process, we will ensure route and service decisions are driven by community input, changing travel patterns, and fiscal constraint necessary to continue sound operations of the agency.

Workforce

Job Protection and Growth – I'm proud that this budget continues to protect the jobs of our existing team members while growing our workforce to meet rising service demands. This budget adds 93.5 full-time positions compared to FY2026, driven largely by bringing commuter rail operations in-house and continued growth in our Transit Police Department, reflecting our commitment to improving safety on our services.

Investing in Our People – The budget includes funding for a performance-based salary increase for CapMetro staff, along with continued investment in employee health and wellness programs to help manage rising healthcare costs while supporting our team's wellbeing. This budget also includes funding necessary to ensure competitive wages for our commuter rail staff and continued funding in support of the agreed upon pay increases for the frontline employees of our bus and demand response service partners.

Organizational Effectiveness

Financial Discipline – This budget reflects a strong cross-organizational effort to align our operating costs with revenue realities, including softer-than-desired sales tax growth, while protecting service delivery. Fiscal responsibility remains a core tenet of Strategic Plan 2030, and through careful review of our operations and strategic reallocation of resources, we're building a more sustainable path forward despite a more constrained revenue environment.

Bringing Rail Operations In-House – We are bringing most functions of commuter rail, including dispatch, rail operations, and vehicle maintenance, in-house starting in FY2027. This transition will bring 88 positions in-house as full-time CapMetro direct employees and position CapMetro for greater long-term control over commuter rail service quality and reliability.

Strategic Resource Allocation – Every dollar in this budget is tied to our strategic priorities, ensuring we maximize the impact of the public funds entrusted to us. This budget advances our reliability strategies, strengthens security, and streamlines business processes—laying the groundwork for future success.

Fare Realignment – This budget proposes CapMetro's first fare adjustment in over a decade, reflecting our commitment to a sustainable, long-term funding model that keeps pace with rising operating costs while preserving our position as one of the most affordable transit systems in the country. As our region grows, this realignment allows us to reinvest in the services our riders depend on, while protecting the reduced fare program that ensures transit remains accessible to those who need it most. This measured approach strengthens our financial foundation today so we can continue improving service, reliability, and connectivity across Central Texas for years to come.

The proposed budget will be shared with the community over the coming weeks, before a public hearing and adoption by the CapMetro Board in September. The budget goes into effect on October 1, 2026.

I want to thank every member of the CapMetro team for your continued dedication to our mission. This budget reflects not only careful stewardship, but real investment in the safety, reliability, and connectivity our community depends on. I'm proud of what we're building together for the decades ahead.

Sincerely,

Dottie L. Watkins

Dottie L. Watkins

President & CEO

Austin Area Information, History and Economy

CapMetro is the regional public transportation provider for Central Texas. The Central Texas region continues to be one of the fastest-growing areas in the country and mobility and traffic congestion remain top concerns. CapMetro was created in 1985 in accordance with Chapter 451 of the Texas Transportation Code and was established by a voter referendum on January 19, 1985, to provide mass transportation services to the metropolitan area and is funded in part by a 1% sales tax levied by its service area members.

Since 2010, the Austin metropolitan area has gained about 905,000 residents, a 53% population growth, according to the latest U.S. Census Bureau figures. According to the Capital Area Metropolitan Planning Organization (CAMPO) 2045 Regional Transportation Plan, the total population in the six-county Central Texas region of Bastrop, Burnet, Caldwell, Hays, Travis and Williamson Counties is projected to continue to increase, growing from 1.7 million in 2010 to nearly 4.7 million in 2045.

The Austin area is host to six universities, a robust community college system and numerous other institutions of higher learning. Austin is the number 7 most educated city in the U.S. and The University of Texas at Austin (UT), a world-class center of education and research, is in the top 10 of the largest public universities in the U.S. in terms of undergraduate enrollment.

Austin is nationally recognized as a great place to live due in part to its eclectic population, as well as an environment that allows a year-round outdoor active lifestyle. Austin's quality of life has become its most significant economic development engine and the city's diverse demographics serve to support and enrich its quality of life

History

Starting as a small town to be called Waterloo, Austin was selected to be the capital of the Republic of Texas in 1839 and then renamed after Stephen F. Austin. By using the electricity generated by the Great Granite Dam, manufacturers utilized a well-established power grid to assist the U.S. in the war effort during World War II and pulled itself out of the Great Depression as much of the rest of the country had. After that, several research laboratories and high-tech companies were brought to the area by the stable power and established educational base in the area, a growth that continues to this day. Population growth and creative cultural waves continued from the 1960s to the current day and a musical boom drew national attention to the city because of artists such as Stevie Ray Vaughan and Willie Nelson. Music festivals such as Austin City Limits (ACL) and art/culture/technology conventions such as South by Southwest (SXSW) continue to make the Greater Austin Area a destination for tourism as well as an excellent place to live, creating a fertile environment for various forms of transit.

Economy

The overall economic activity of the Austin-Round Rock metropolitan statistical area (MSA) grew at a rate of 4.35% in 2025 per the Business Cycle Index by the Federal Reserve Bank of Dallas and continues to grow in 2026 with a 2.98% increase in the index through April compared to the same period the previous year.

In 2025, the Texas real gross domestic product (GDP) grew 2.5% compared to 2024, higher than the 2.1% increase in the U.S. annual growth rate.

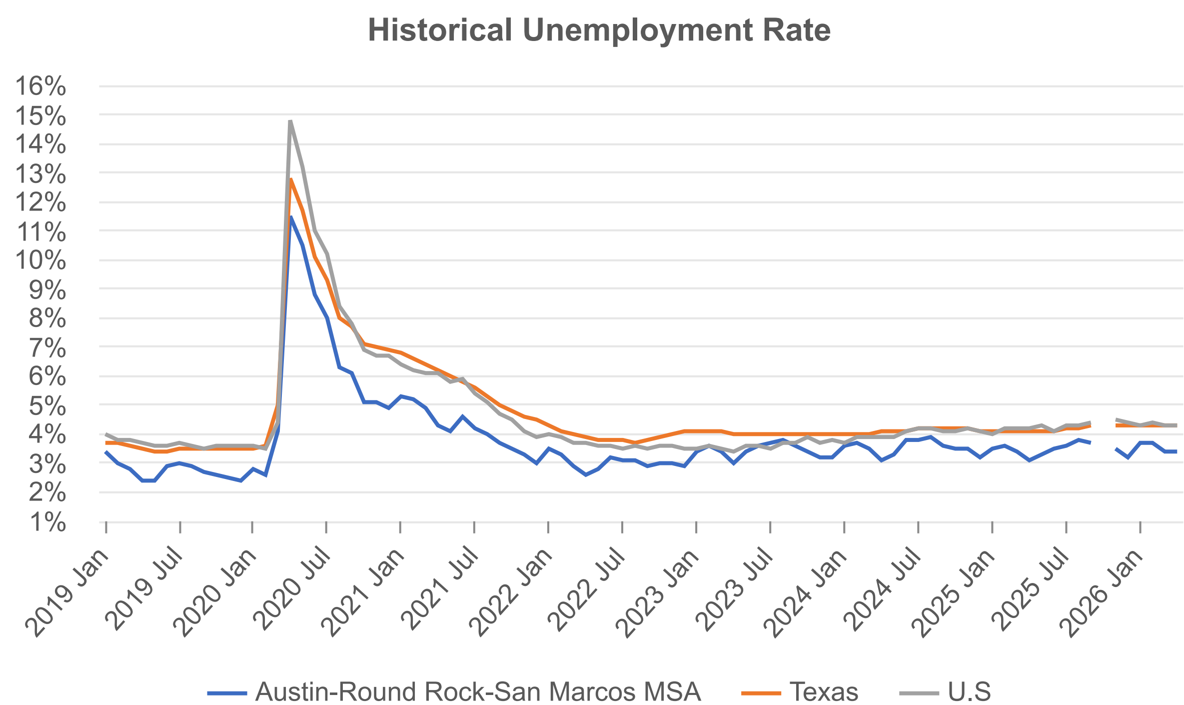
Employment

The statewide unemployment rate increased to 4.3% in 2025 from 4.1% in 2024, remaining higher than the record low of 3.5% in 2019. Texas gained nearly 1.8 million new nonfarm jobs in 2025.

Austin has a high demand for skilled workers, as seen in the manufacturing sector, which continues to move from traditional to advanced manufacturing, requiring specific, highly technical skills. High-tech companies, including Apple, Amazon, Tesla, Oracle, Alphabet, Meta, Dell and Indeed, have a large presence in the Austin area.

The Austin area had a 2.0% increase in employment in 2025, gaining 327,000 net new nonfarm jobs in the calendar year. Job growth in the Austin-Round Rock-San Marcos MSA from April 2025 to April 2026 was ranked 9th among the largest 55 metropolitan areas per the U.S. Bureau of Labor Statistics.

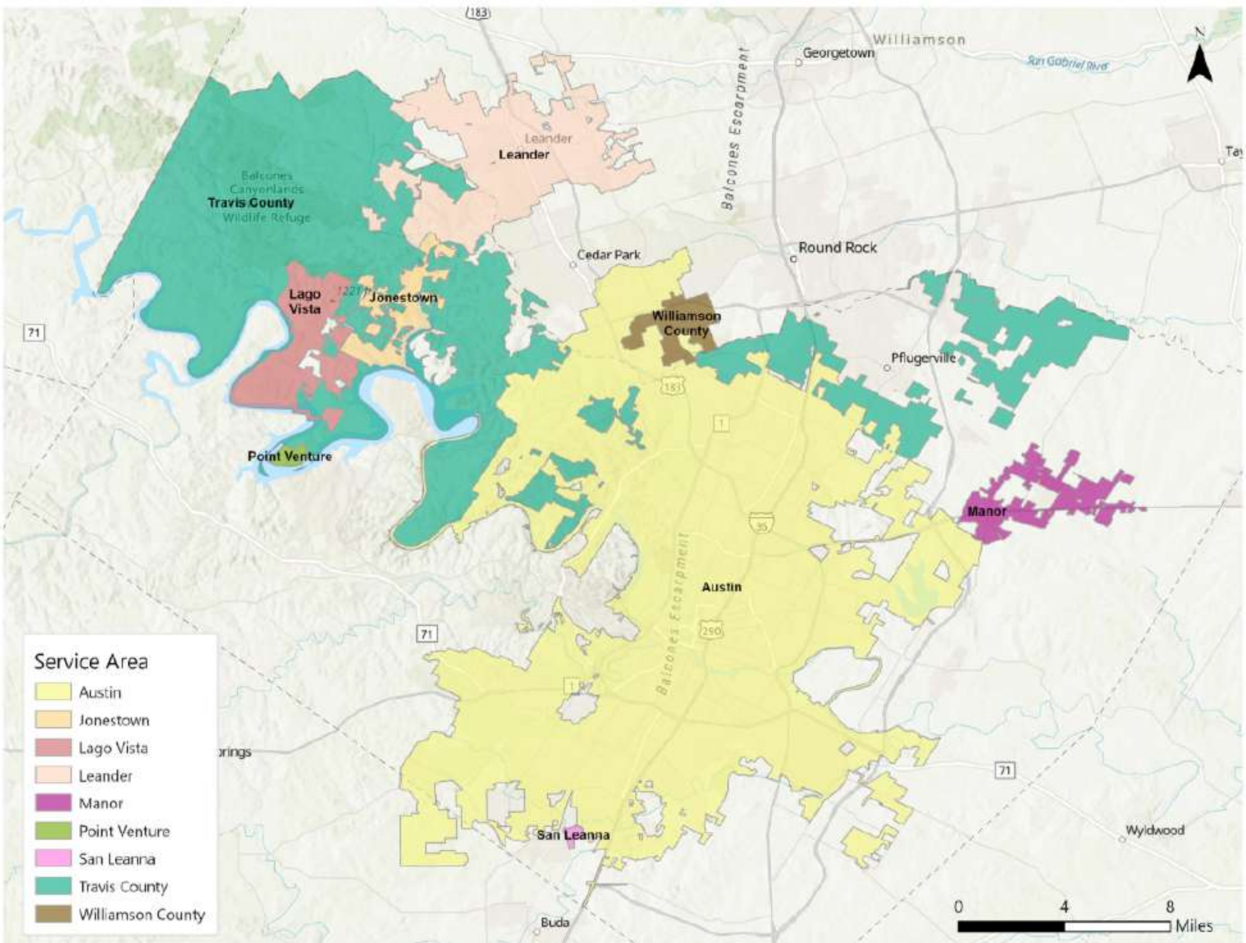
The Austin-Round Rock-San Marcos area unemployment rate of 3.2% in December 2025 was well below the state and national unemployment rates of 4.3% and 4.4%, respectively. The area's largest employers are the State of Texas, the University of Texas, the City of Austin and many technology companies, such as Apple, Alphabet, IBM, Amazon, Samsung, Dell, NVIDIA and Tesla.



Source: Bureau of Labor Statistics and Texas Workforce Commission

Service Area Member Cities and Communities

The CapMetro service area extends across approximately 549 square miles and includes more than 1.3 million residents. The following map shows the CapMetro service area. The areas that participate in the agency include Austin, Jonestown, Lago Vista, Leander, Manor, Point Venture, San Leanna and Precinct Two of Travis County and the Anderson Mill area of Williamson County.



This information is to be used for reference purposes only. CapMetro does not guarantee the accuracy of this material and is not responsible for any misuse or misrepresentation of this information.

CapMetro System Map

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Community Information and CapMetro Engagement

CapMetro is invested in the Central Texas community and has adopted a Community Engagement Policy to ensure the community is part of its decision-making process. CapMetro works with three citizen advisory committees appointed by the board of directors, which provide recommendations and feedback on planning, operations and services: the Customer Satisfaction Advisory Committee (CSAC), the Access Advisory Committee (AAC) and the Public Safety Advisory Committee (PSAC). In addition, the agency is a partner with dozens of stakeholder organizations throughout the region to ensure their voices are considered.

CapMetro partners with various nonprofit, cultural, business and social service organizations to serve the community. In FY2026, the agency continued our partnerships with organizations like the Creative Action, Foundation Communities, Dove Springs Proud, Austin NAACP, Con Mi Madre, AVANCE, AGE of Central Texas, ATX KIDS CLUB, Todos Juntos Learning Center, Austin Lighthouse, iMOMS, Más Cultura, The New Philanthropist, El Buen Samaritano, Communities in Schools, DAWA, Sustain the Mag and Big Brothers Big Sisters and forged new ones with groups like EGBI, Seedling, Manor ISD The Whole Child, AISD Family Engagement, and Leander ISD.

Over the past year, CapMetro has collaborated closely with the Transit Empowerment Fund (TEF) and the community to improve the program. This fund was established in 2011 through a partnership between CapMetro and One Voice Central Texas, a coalition of more than 100 health and human service nonprofit organizations. It is designed to increase access to transportation for underserved communities and fund innovative projects that address transportation challenges and engage community members in finding solutions. The fund also operates a Transit Pass Program, providing discounted and no-cost transit passes to nonprofit organizations and governmental entities to support low-income clients. Since its launch, the program has provided more than 10 million rides.

In FY2024, CapMetro introduced a new transit pass for people experiencing homelessness, further expanding the work achieved through our partnership with TEF and other fare programs. Looking ahead to FY2027, CapMetro continues to grow this initiative, partnering with over 30 social service providers to enhance access to transit.

CapMetro supports emergency response operations, both within and outside of the service area, by sending buses to support first responders and community members during floods, fires and other emergencies. In addition, when temperatures fall below 32 degrees, CapMetro sends “cold weather buses” for Austin-area residents experiencing homelessness, transporting them to local emergency shelters in cooperation with the City of Austin’s Office of Emergency Management. The agency has provided similar support when the city has issued extreme heat warnings to transport people to cooling centers.

CapMetro’s engagement team continues to use a hybrid approach to public involvement, engaging with the community both in person and virtually. Many of the FY2026 key projects for Community Engagement will continue through FY2027 for public involvement and outreach, including:

- **Project Connect**: Coordinating with the Austin Transit Partnership to support engineering, design and implementation efforts.
- **Service Planning**: Partnering with CapMetro’s Planning Department on three service changes per year, including Transit Plan 2035 service packages.
- **Fares Program**: Developing a community involvement plan to support the agency-wide proposed fares program. In FY2026, there was a farebox update and it will be a continued process.
- **Demand Response**: Collaborating with CapMetro’s Demand Response team on Pickup dispatch platform education.
- **Capital Projects**: Engaging with the community on rail double tracking service impacts, new facilities projects and Truss Bridge.

- **Budget Engagement**: Partnering with the Finance team to gather public comment.
- **Public Safety**: Supporting community engagement of the CapMetro Public Safety Departments.

Additionally, CapMetro's Art Program offers the Art on the Bus initiative in partnership with Creative Action. This program collaborates with the marketing team and involves students from Austin, Leander, Manor and Del Valle school districts. Student artwork is featured on four vehicle wraps, reinforcing themes of sustainability and the value of transit. The CapMetro Cares program amplifies local nonprofits by providing a limited opportunity to use available space on CapMetro vehicles for promotion. Finally, CapMetro's Sponsorship Program, led by the engagement team, partners with over 60 local organizations to support community initiatives.

Benefits of Public Transportation

Saves Money

Riding transit is an affordable option. CapMetro has some of the lowest fares in the nation. For a calendar month, local services cost our customers just $41.25.

Protects the Environment and Improves Air Quality

Switching to riding public transportation is one of the most effective actions individuals can take to reduce their carbon footprint. Each year since 2019, CapMetro has engaged the community and children in this conversation through the Art on the Bus contest to raise awareness of the benefits of electric buses.

Improves Health

Riding CapMetro is a healthy choice. Studies have shown that regular transit riders tend to be healthier because of the exercise they get walking to and from bus stops, train stations and their homes or workplaces. Additionally, those who drive less frequently tend to have lower levels of stress. Reduced stress levels can decrease the risk of cardiovascular disease and improve mental health. Riding transit also increases the opportunity for social connections. Stronger social networks within a community have been shown to have positive correlations with physical and mental well-being.

Manages Traffic Congestion

Drivers in the region are wasting millions of hours annually stuck in traffic. Transit agencies play an important role in reducing congestion by providing transportation alternatives and supporting land use patterns that reduce vehicle travel. During rush hour, a full 40-foot bus can take 35 cars off the road and a full train more than 100 cars. Drivers in the region are wasting millions of hours annually stuck in traffic. Transit agencies play an important role in reducing congestion by providing transportation alternatives and supporting land use patterns that reduce vehicle travel.

Strengthens the Economy

Public transit strengthens the economy by expanding access to workforce training, education, and employment, while connecting workers to local employers. Transit also creates direct jobs and drives infrastructure investment, supporting employment in construction, operations, and maintenance. By providing an affordable alternative to car ownership, public transit allows people to access jobs beyond their immediate neighborhoods, helping employers reach a broader and more diverse talent pool.

Governance

An eight-member board of directors has governance responsibilities over CapMetro. The composition of the CapMetro board is shown below:

- Three members appointed by CAMPO, of whom
  - One must be an elected official.
  - One must have at least 10 years of experience in a financial or accounting position.
  - One must have at least 10 years of experience in an executive-level position.
- Two members appointed by the city of Austin, of whom
  - One must be an elected official.
- One member appointed by Travis County Commissioners.
- One member appointed by Williamson County Commissioners.
- One member, who must be an elected official, appointed by the suburban city mayors (excludes city of Austin).

BOARD MEMBER	APPOINTING BODY	TERM EXPIRES
Jeffrey Travillion, Chair	Travis County	June 1, 2027
Paige Ellis, Vice Chair	City of Austin	June 1, 2028
Becki Ross, Secretary	Williamson County	June 1, 2029
Stephen Chang	Suburban Cities	June 1, 2027
Zohaib "Zo" Qadri	Capital Area Metropolitan Planning Organization	June 1, 2028
Diane Bangle	Capital Area Metropolitan Planning Organization	June 1, 2029
Jose "Chito" Vela	City of Austin	June 1, 2028
Matt Harriss	Capital Area Metropolitan Planning Organization	June 1, 2027

Management

CapMetro's executive management team has diverse experience and the skills to lead the organization into the future.

Executive Management Team	
President and Chief Executive Officer	Dottie Watkins
Deputy Chief Executive Officer	Kerri Butcher
Executive Vice President, Chief Financial Officer	Kevin Conlan
Executive Vice President, Chief Operating Officer	Andy Skabowski
Executive Vice President, Chief Engagement and Experience Officer	Samantha Baez
Executive Vice President, Chief Strategic Planning and Development Officer	Sharmila Mukherjee
Executive Vice President, Chief Administrative Officer & EEO Officer	Donna Simmons
Executive Vice President, Systemwide Accessibility and Chief Safety Officer	Gardner Tabon
Executive Vice President, Capital Construction, Engineering & Design	Vacant
Senior Vice President, Chief Information Officer	Tanya Acevedo
Vice President, Procurement and Chief Contracting Officer	Muhammad Abdullah
Vice President, Government Affairs	Zane Barnes
Vice President, Chief of Police	RenEarl Bowie
Vice President, Chief Counsel	Brad Bowman
Vice President, Facility Management and Capital Construction	Ken Cartwright
Vice President, Rail Operations	Kenny Day
Vice President, Organizational Strategy and Projects	Ashley Erickson
Vice President, Chief Audit Executive	Terry Follmer
Vice President, Facility Management	Jeff Hill
Vice President, Demand Response and Innovative Mobility	Art Jackson
Vice President, Chief Information Security Officer Technology	John Kiczek
Vice President, Rolling Stock and Support Equipment	Rahul Nair
Vice President, Chief People Officer	JP Pecora
Vice President, Systems Engineering and Design	Juan Rincon
Vice President, Bus Operations	Michele Stiehler

System Facility and Fleet Characteristics

CapMetro Facilities

Administration Building
3100 E. Fifth Street, Austin, Texas 78702
182,716 square feet, 2023

North Operations Facility
9315 McNeil Road, Austin, Texas 78758
136,827 square feet, 2008

Administrative Annex/Childcare Facility
624 N. Pleasant Valley, Austin, Texas 78702
25,500 square feet, 2006

Paratransit Eligibility
209 W. Ninth Street, Travis Building, First Floor
Austin, Texas 78701
7,052 square feet, 2013

Central Warehouse
9715-A Burnet Road, Suite 450
Austin, Texas 78758
20,822 square feet, 2023

South Operations and Maintenance Facility
2910 E. Fifth Street, Austin, Texas 78702
Administration: 42,840 square feet, 1986
Maintenance: 116,495 square feet, 1986

Demand Response Services Facility
509 Thompson Lane, Austin, Texas 78742
24,821 square feet, 2000

Transit Police Station
8200 Cameron Road, Building A, Ste. 186
Austin, Texas 78754
9,246 square feet, 2023

North Base Demand Response Facility
817 West Howard Lane, Buildings B and A200
Austin, Texas 78728
32,000 square feet

Transit Store
1705 Guadalupe Street, Ground Floor Unit
Austin, Texas 78701
7,749 square feet, 2023

Future North Base Demand Response Facility
10805 Cameron Road, Austin, Texas 78754
25 acres of land, 2022

Future South Base Demand Response Facility
5315 E. Ben White Blvd.
Austin, Texas 78741
10,090 square feet, 2024

Park & Ride Facilities

Austin

ACC Pinnacle Park & Ride

Delco Center Park & Ride

Expo Center Park & Ride

Goodnight Ranch Park & Ride

Great Hills Park & Ride

Howard Station Park & Ride

Lakeline Station Park & Ride

New Life Church Park & Ride

North Lamar Transit Center

Norwood Transit Center

Pavilion Park & Ride

South Congress Transit Center

South Park Meadows Park & Ride

Tech Ridge Park & Ride

Triangle Park & Ride

Westgate Transit Center

Jonestown

Jonestown Park & Ride

Lago Vista

Lago Vista Park & Ride

Leander

Leander Station Park & Ride

Manor

Manor Park & Ride

Rail Stations

Crestview Station

Downtown Station

Highland Station

Howard Station and Park & Ride

Kramer Station

Leander Station and Park & Ride

Lakeline Station and Park & Ride

McKalla Station

MLK Jr. Station

Plaza Saltillo Station

Fleet Description

Diesel buses: 372

Electric buses: 104

Demand Response Cut Away: 145

Demand Response Mid Size: 121

Demand Response Minivan: 5

Rail vehicles: 10

Business Planning and Budget Process

Chapter 451 of the Texas Transportation Code provides requirements of CapMetro related to strategic planning, budget planning and capital planning.

Business Planning and Adoption Process

State law requires that CapMetro's Board adopt an annual operating and capital budget of all major expenditures by type and amount. The budget must be adopted before the beginning of each fiscal year (October 1) and before CapMetro conducts any business in the new fiscal year.

CapMetro initiated the budget process with requests for departments to submit preliminary budget requests in September 2025 for capital and February 2026 for operating. The budget was then calibrated to ensure alignment with revenue and projected spending for the remainder of fiscal year 2026 and extensively reviewed by agency management and leadership.

The budget adoption timeline was presented to the Board in June 2026, and a draft proposed budget was presented to the Board in July 2026.

Public engagement on the budget kicked off in July 2026 and included meetings with CapMetro's existing board-appointed advisory committees, a public hearing held in September 2026 and general engagement opportunities through online engagement platforms.

Budget Amendment Process

A budget amendment should demonstrate such strategic or operational necessity that it cannot or should not wait until the next annual budget process. CapMetro will first determine that existing budgeted funds within the scope of CapMetro's total operating budget or capital budget are not available to fund the budget amendment request. In no case will the amount of any budget amendment result in an increase in the total budget that exceeds the amount of revenue available to support total budgeted expenditures without the availability of reserves or fund balance sufficient to cover the amount of the budget amendment and without the approval of the Board. The Board may authorize the use of reserves when necessary through the budget or budget amendment process in compliance with its Reserves and Contingencies Policy. Under state law, the Board may amend the annual budget by order after public notice and a hearing. No budget amendment shall put the overall financial health of CapMetro at financial risk.

Capital Plan Requirement

Chapter 451 of the Texas Transportation Code requires the Board to adopt a five-year plan for capital improvements that support strategic goals as outlined in the strategic plan. The capital improvement plan must describe the projects, prioritize them and establish funding and policy guidelines. More details can be found in the **Capital Budget** and **Appendix B: Five-Year Capital Improvement Plan** sections of this budget document.

Strategic Plan Requirement

Chapter 451 of the Texas Transportation Code requires the CapMetro Board to adopt a strategic plan that establishes the authority's mission and goals and summarizes planned activities to achieve the mission and goals.

The CapMetro Board of Directors adopted Strategic Plan 2030 in May 2025 to guide the agency's priorities, actions, and investments through Fiscal Year 2030. Strategic Plan 2030 will drive transformative outcomes and enable the agency to fulfill its mission to empower, enhance, and serve the region and its communities through the responsible delivery of high-quality public transportation. This plan will guide what CapMetro does through Fiscal Year 2030. It ensures the organization focuses its efforts, prioritizes resources, and maintains accountability for delivering results that make transit a go-to travel option for more of our region's residents and visitors. CapMetro developed Strategic Plan 2030 between September 2024 and April 2025 through a collaborative process that included engagement with board members, stakeholders, and staff.

Delivering Critical Results

To provide a clear framework for achieving its mission and goals, Strategic Plan 2030 establishes action items and milestones that support four critical results: Reliable and Secure Service, Increased Ridership, Fiscal Responsibility, and Regional Significance. Together, these critical results help guide decision-making and align efforts across the agency.

Action Items and Departmental Activities in support of Strategic Goals

As shown in Appendix **A: Action Item Milestones, Grouped by Strategic Goal**, Strategic Plan 2030 established eighteen action items in support of CapMetro's four Strategic Goals: Customer, Community, Workforce, and Organizational Effectiveness. Delivery of the Strategic Plan 2030 action items is a cross-functional endeavor that involves multiple departments across the agency. Additional departmental-specific activities that support Strategic Plan 2030 goals and critical results are documented in the **Operating Detail by Department** section of this budget document.

Performance Reporting in support of Strategic Plan 2030 Critical Results

As shown in the **Performance Measures** section of this budget document, Strategic Plan 2030 established specific performance measures for each critical result. CapMetro reports on these performance measures quarterly to the Board of Directors and will publish an annual Strategic Plan 2030 progress report in November 2026. This report will include progress on these key performance indicators and FY2026 action item milestones.

CapMetro Strategic Plan 2030

What is Strategic Plan 2030?

Strategic Plan 2030 is CapMetro's organizational blueprint for the next five years. **It outlines the Critical Results we plan to achieve, the actions we'll take, and methods we'll use to ensure accountability in what we have achieved.**

Our Mission

To empower, enhance, and serve the region and its communities through the responsible delivery of high-quality public transportation.

Our Vision

CapMetro is integral to the region and its communities, providing connectivity, fostering economic activity, and ensuring safe, environmentally sustainable, and equitable access to opportunity.

Critical Results

These four Critical Results are meant to guide the actions of all CapMetro team members

Reliable and Secure Service
Enhance service quality through reliability and security improvements.

Increased Ridership
Grow transit ridership in the region.

Regional Significance
Make CapMetro a significant and integral component of transportation in the region.

Fiscal Responsibility
Ensure fiscal responsibility guides all the organization's activities.

Strategic Actions

CapMetro will undertake 18 actions to achieve our Critical Results. Key actions include:

- → Implementing a comprehensive reliability strategy
- → Enhancing security measures
- → Advancing digital transformation
- → Optimizing service through Transit Plan 2035
- → Leading regional transit governance updates
- → Preparing for light rail operations

... and more!

Learn more about Strategic Plan 2030 here!

Annual Calendar	Month
Management team develops objectives and strategies to achieve organizational goals.	February
Budget development begins.	February
Department managers develop business plans that support achievement of objectives.	April
Board reviews proposed budget. Staff provides budget updates to the Access Advisory Committee, the Customer Satisfaction Advisory Committee and the Public Safety Advisory Committee. Staff hold meetings with stakeholders.	July/August
Proposed budget document is posted online for public review.	August
Staff conduct budget outreach across service area for public input.	Late August
Board holds public hearing on proposed budget.	Mid-September
Board is scheduled to adopt budget.	Late September
Approved budget document is published.	October

Basis of Budget and Basis of Accounting

CapMetro accounts for its operations as a proprietary (enterprise) fund. Proprietary funds are used to account for operations that: (a) are financed and operated in a similar manner to private business where the intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenue earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

As a proprietary fund, the budget is prepared on a full-accrual basis of accounting. This means that expenses are recognized as they are incurred and revenues are recognized when earned. Accounting records and financial statements are developed and maintained on a full-accrual basis in accordance with generally accepted accounting principles (GAAP).

To prepare the budget, CapMetro uses a zero-based budgeting concept. Each year, expenses must be justified to the president and Chief Executive Officer, the deputy Chief Executive Officer, the Chief Financial Officer, the Executive Team and Budget staff. Revenue projections are developed based on service levels, ridership estimates and the economic outlook. CapMetro’s policy is to prepare a structurally balanced budget such that estimated ongoing revenue is sufficient to fund ongoing operating expenses and to use the accumulated fund balance prudently for capital investment or one-time needs.

Budget Assumptions

Service Area
It is assumed that the service area will sustain minimal changes.

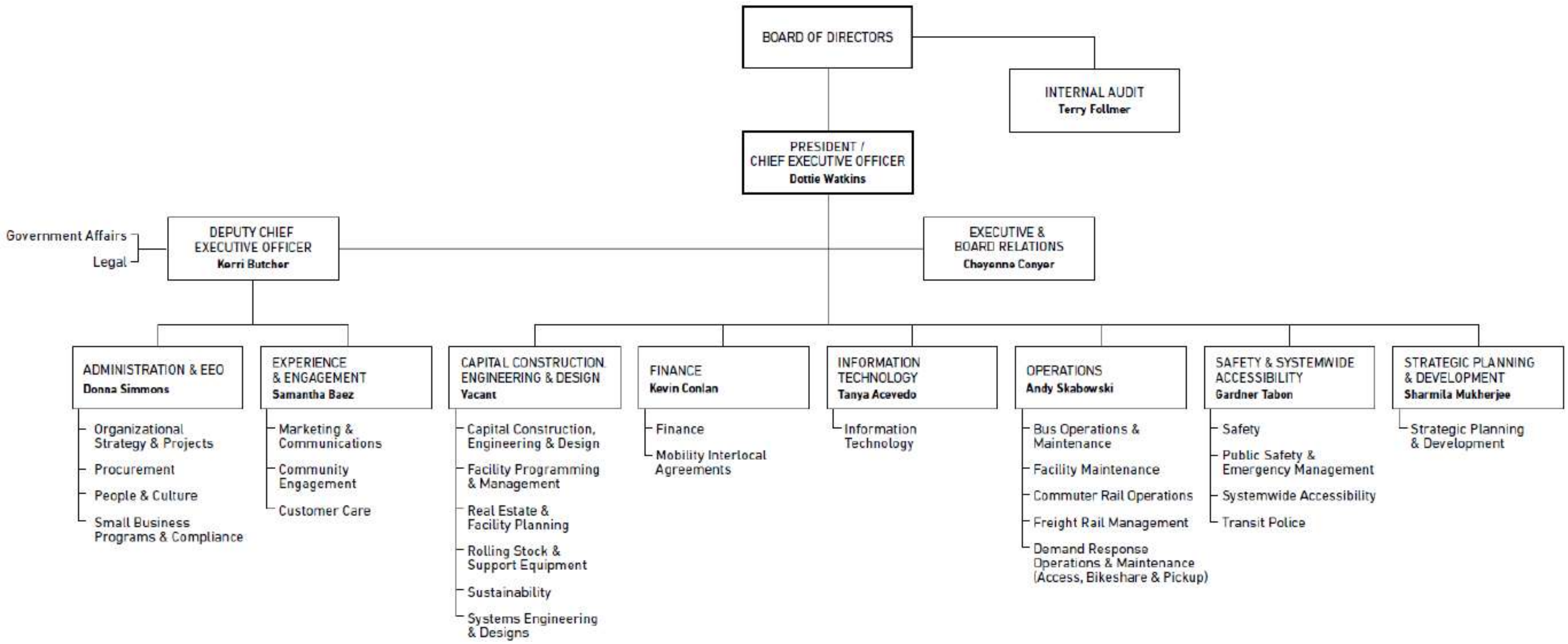
Sales Tax Rate
The sales tax rate is anticipated to remain at 1%.

Service Levels
It is assumed that bus and rail service miles and hours traveled will be funded at budgeted levels.

Further details are available in the Financial and Service Summary section.

Staffing Levels
The Full-Time Equivalent (FTE) Staffing Chart shows the staffing levels by department increasing by a combined 93.5 FTEs in FY2026 and FY2027.

Organizational Chart



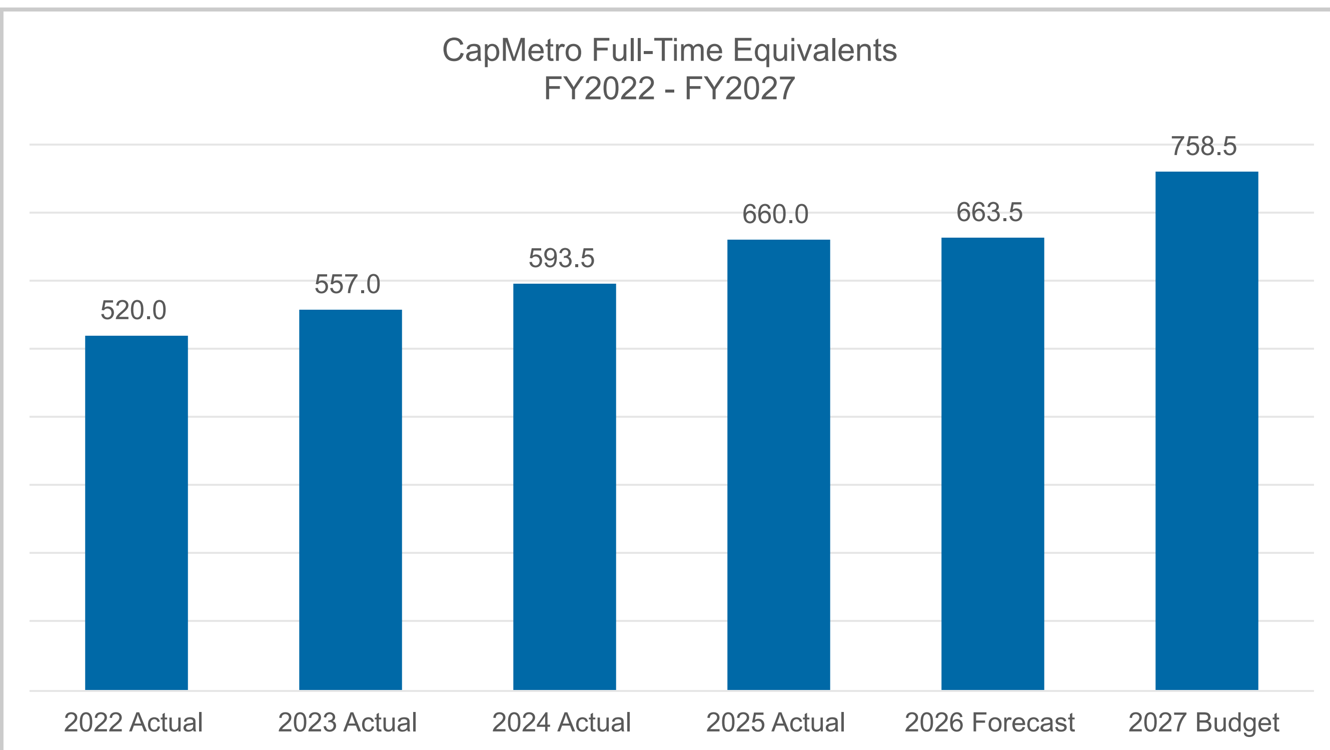
Full-Time Equivalent Staffing Chart

Division / Department	FY2025 Actual	FY2026 Budget	FY2026 Staffing Changes	FY2027 Staffing Changes	FY2027 Budget
Administration					
Business Center	—	—	—	—	—
Child Care and Learning Center	—	—	—	—	—
Executive and Board Relations	9.0	9.0	—	—	9.0
Government Affairs	4.5	4.5	—	—	4.5
Legal	7.5	7.5	—	—	7.5
Non-Allocated Benefits	—	—	—	—	—
Organizational Strategy and Projects	12.0	12.0	—	—	12.0
People and Culture	31.5	31.5	1.0	1.0	33.5
Procurement	23.0	23.0	—	1.0	24.0
Small Business Programs and Compliance	6.0	4.0	—	—	4.0
Wellness and Fitness Centers	—	—	—	—	—
Capital Construction, Engineering & Design					
Capital Construction, Engineering and Design	1.0	1.0	—	—	1.0
Capital Construction and Facility Management	9.0	9.0	—	—	9.0
Capital Design and Construction	9.0	9.0	—	—	9.0
Facility Design and Construction	3.0	3.0	—	—	3.0
Facility Programming and Management	11.5	10.5	(3.0)	—	7.5
Power Systems and Sustainability	2.0	2.0	—	—	2.0
Real Estate	5.0	5.0	—	—	5.0
Rolling Stock and Support Equipment	4.0	4.0	—	—	4.0
Systems Engineering and Designs	1.0	1.0	—	—	1.0
Experience & Engagement					
Community Engagement	6.5	6.5	—	—	6.5
Customer Care	17.5	18.5	3.0	—	21.5
Marketing and Communications	27.0	26.0	1.0	—	27.0
Finance					
Finance	35.0	35.0	(8.0)	—	27.0
Information Technology					
Information Technology	65.5	65.5	(1.0)	—	64.5
Internal Audit					
Internal Audit	6.0	6.0	—	—	6.0
Operations					
Bikeshare	13.0	13.0	—	—	13.0
Bus OCC and Training	—	—		62.0	62.0
Bus Transportation	126.0	124.0	1.0	(90.0)	35.0
Bus Vehicle Maintenance	—	—	—	28.0	28.0
Demand Response Control and Call Center	41.0	41.0	—	—	41.0
Demand Response Oversight	13.0	13.0	—	—	13.0
Facilities Maintenance	27.0	26.0	5.0	—	31.0
Microtransit	2.0	2.0	(1.0)	—	1.0

Division / Department	FY2025 Actual	FY2026 Budget	FY2026 Staffing Changes	FY2027 Staffing Changes	FY2027 Budget
Paratransit Eligibility	15.0	15.0	2.0	—	17.0
Rail Commuter Operations	11.0	12.0	(1.0)	86.0	97.0
Rail Freight Management	1.0	1.0	—	—	1.0
Vanpool	—	—	—	—	—
Safety and Systemwide Accessibility					
Public Safety and Emergency Management	38.5	39.5	(0.5)	—	39.0
Safety	15.0	15.0	—	—	15.0
Systemwide Accessibility	2.0	2.0	—	—	2.0
Transit Police	28.0	38.0	—	7.0	45.0
Strategic Planning and Development					
Strategic Planning and Development	31.0	30.0	—	—	30.0
Total CapMetro FTEs	**660.0**	**665.0**	**(1.5)**	**95.0**	**758.5**

The FY2027 budget includes a net addition of 93.5 FTE positions compared to the FY2026 budget: 1.5 were reduced during FY2026 and 95.0 are planned to be added in FY2027 as a result of the addition of 7 new transit police officers and the majority of commuter rail operations coming in-house to CapMetro, including dispatch, rail operations, and vehicle maintenance.

The following chart shows full-time equivalents for CapMetro from FY2022 to FY2027.



2

Financial Policies

CapMetro

Summary of Financial Policies

CapMetro is not included in any other governmental “reporting entity” as defined in Section 2100, Codification of Governmental Accounting and Financial Reporting Standards. The appointed members of the board have the authority to make policy decisions for CapMetro and maintain primary accountability for fiscal matters. CapMetro is in compliance with its financial policies.

CapMetro’s primary financial goal focuses on providing effective and efficient transportation services and systems to the public while maintaining a balanced budget. The financial goals of CapMetro are to:

- Operate under a balanced budget.
- Safeguard and maximize resources.

The following guidance and policies are in place to achieve these goals:

- CapMetro operates under a balanced budget. CapMetro’s definition of a balanced budget is in accordance with the Texas Transportation Code, Section 451.103.
- CapMetro utilizes the zero-based budgeting concept.
- Capital assets are recorded at cost and are depreciated over their useful life using the straight-line method.
- Fixed assets for capitalization and financial reporting purposes are purchased items that have a useful life of more than one year, are of a tangible nature and have a value of $5,000 or more, net cost, not including trade-ins or any taxes or licenses.
- Sales tax revenue is accrued monthly based on the approved annual budget.
- CapMetro funds its capital improvements with sales taxes and grants, primarily from the Federal Transit Administration (FTA). Revenue is recognized when all eligibility requirements have been met. The grantor retains a reversionary interest in the capital asset over the estimated useful life of that asset.

Per policy, CapMetro will establish accounting practices that conform to Generally Accepted Accounting Principles as set forth by the authoritative standard-setting body.

An annual audit will be performed by an independent certified public accounting firm and an annual comprehensive financial report shall be issued no later than six months following the end of the fiscal year.

The independent certified accounting firm shall report the results of the annual audit to the board’s Finance, Audit and Administration Committee no later than 60 days after the issuance of the annual comprehensive financial report. The Chief Financial Officer shall be responsible for establishing processes to ensure timely resolution of audit recommendations, if applicable.

CapMetro shall provide its annual share of contributions to retirement plans in accordance with actuarial recommendations.

Investments shall be made prudently in conformance with CapMetro’s Investment Policy and state statute.

All grants and other federal and state funds shall be managed to comply with the laws, regulations and guidance of the grantor.

A five-year financial forecast shall be prepared annually, projecting revenue and expenditures. The forecast shall be used as a planning tool in developing the following year’s budget and five-year capital improvement plan.

A financial forecast that spans a longer planning horizon shall be prepared at least every five years, or more frequently if dictated by changing conditions or priorities. The long-range financial forecast shall be developed in conjunction with CapMetro's comprehensive service plan development to evaluate whether estimated funding sources are sufficient to address service priorities over the planning period.

The board shall adopt a budget for the coming fiscal year as required by Section 451.102 of the Code and a five-year capital improvement plan as required by Section 451.135, no later than its September board meeting. As required by statute, the proposed budget will be made available for public review at least 14 days prior to the board meeting.

Budget accountability rests primarily with individual departments. Department directors and the Finance Department review budget variances on a monthly basis. Significant budget variances will be further evaluated by the Finance Department, the respective department director and business unit vice president to determine whether remedial action is required. If remedial action is required, the Finance Department will make recommendations to the Chief Executive Officer, the Deputy Chief Executive Officer and the Chief Operating Officer to address the variance.

Section 451.103 of the Code states that an agency may not spend on operations in excess of the total amount specified for operating expenses in the annual operating budget. CapMetro maintains budget control at the departmental level for purposes of operational spending. Section 451.133 of the Code states that an agency may not spend for capital improvements in excess of the total amount allocated for major capital expenditures in the annual budget. CapMetro maintains budget control at the project level for capital expenditures.

CapMetro is in compliance with its financial policies.

Reserves and Contingencies Policy

CapMetro will maintain the following reserve and budgetary contingency accounts in addition to any cash balances that must be maintained to support current spending requirements. CapMetro management will report quarterly to the board of directors and annually as part of the budget development and long-range planning processes the reserve and budgetary contingency balances and any significant changes to the balances.

- A statutory operating reserve is maintained equal to at least two months of operating expenses. The prior fiscal year's actual audited operating expenses will be used when calculating the allocation. The statutory operating reserve is to be used at the discretion of the board only if the board considers the expenditure necessary to address circumstances that could not have been planned or anticipated. Expenditures from the reserve should provide temporary financing for emergencies or unforeseen extraordinary needs.
- A capital project contingency is maintained equal to at least 10% of the five-year annual average capital expenditure of the adopted Five-Year Capital Improvement Plan, but not less than $2 million. The capital reserve is to be used at the discretion of the board or the Chief Executive Officer for needed capital costs not already included in CapMetro's budget for a given year.
- A budgetary operating contingency account is maintained equal to 2% of the prior fiscal year's actual operating expenses, but not less than $1 million. The operating contingency account is to be used at the discretion of the board or the Chief Executive Officer to provide for unforeseen needs that arise during the year, including new service needs that are identified after the budget process. Transfers to and from the contingency account of $150,000 or more are to be reported to the board of directors quarterly.
- A self-insurance reserve is maintained equal to at least 25% of the prior fiscal year's actual claim payments. The self-insurance reserve is to be used at the discretion of the board only to fund claims not already included in CapMetro's budget for a given year.

- A budget stabilization reserve (“rainy day fund”) is maintained equal to one month of annual average operating expenses. The budget stabilization reserve is to be used at the discretion of the board of directors, in times of unexpected revenue shortfall caused by events such as significant economic downturns.
- The $10 million sustainability capital fund was established in FY2022 to support CapMetro's sustainability vision plan. These funds will be depleted by sustainability-related expenditures programmed in the FY2027-FY2031 Capital Improvement Plan and beyond.
- In March 2022, a regional partnership with suburban member cities and a one-time $10 million transit-supportive infrastructure fund was established. The estimated FY2027 ending fund balance is $3.3 million.
- A $30 million Project Connect dedicated fund was established in FY2024 from the remaining annual FY2023 CapMetro contribution to the Project Connect sequence plan and remaining unused annual contributions have been added to the fund since adding up to an estimated $32.4 million by the end of FY2026. These funds will be depleted by future expenditures to the program.
- Additional reserves may be created by the agency to set aside funds for specific future purposes. These reserves are to be used at the discretion of the Chief Executive Officer.

CapMetro is in compliance with its reserve and contingency policy.

Summary of Debt Policy

Debt: Section 451.352 of the Texas Transportation Code authorizes an authority to issue bonds at any time and for any amounts it considers necessary or appropriate for the acquisition, construction, repair, equipping, improvement or extension of its transit authority system with the following conditions:

- The board, by resolution, may authorize the issuance of bonds payable solely from revenue.
- Bonds, any portion of which is payable from taxes, may not be issued until authorized by a majority of the votes received in an election ordered and held for that purpose.
- CapMetro’s bonds may be sold at a public or private sale as determined by the board to be more advantageous.
- The board, by resolution, may issue short-term bonds secured from revenue or taxes received if the debt has a term not exceeding 12 months and the bond is payable with taxes or other revenue received on or after the date of issuance and before the end of the fiscal year following the fiscal year during which the bonds were issued.
- CapMetro may not issue short-term debt (less than 12 months in duration) or bonds secured by the revenue of the agency to finance the purchase, acquisition, construction, operation or maintenance of a fixed-rail transit system without a voter referendum.

Pension Obligation Bonds: Section 451.139 of the Transportation Code gives CapMetro the authority to issue bonds in the amounts necessary for managing or funding retiree pension benefit obligations for pension plans existing as of January 1, 2011, and that result from the competitive bidding of transit services required by Section 451.137. The use of this bonding authority is strictly limited, and it is the board’s policy to use the authority only in a manner that is consistent with the original intent of the law and only at such a time as it can be justified in terms of the long-term financial sustainability of CapMetro.

Contractual Obligations: Chapter 271, Subchapter A of the Local Government Code authorizes CapMetro to execute, perform and make payments under a contract with any person for the use or the purchase or other acquisition of personal property, or the financing thereof. This provision specifically applies to the purchase or lease of personal property or for financing the acquisition of personal property, such as vehicles. Projects involving purchases of real property or improvements to real property cannot be financed using contractual obligations under state law.

- The contract must (1) be on terms considered appropriate by the board, (2) be in the form of a lease, a lease with an option or options to purchase, an installment purchase or any other form considered appropriate by the board, including that of an instrument that would be required to be approved by the Texas Attorney General, provided that contracts in such form must be approved by the attorney general, (3) be for a term approved by the board and contain an option or options to renew or extend the term and (4) be made payable from a pledge of all or any part of any revenues, funds or taxes available to CapMetro for its public purposes.
- Subject only to applicable constitutional restrictions, the board may obligate taxes or revenues for the full term of a contract for the payment of the contract. The contract may be for any term not to exceed 25 years.

Lease Financing: Lease obligations may also be considered appropriate for financing capital. Lease financing should be considered when determined to be more beneficial, either economically or from a policy perspective. Factors to be considered and evaluated include the useful life of the capital, the terms and conditions of the lease, market convention and the impact on debt capacity and budget flexibility.

The primary goal of the board is to minimize the use of debt and to use debt financing prudently when it is utilized. CapMetro will keep outstanding debt within the limits prescribed by state law and at levels consistent with its creditworthiness objectives. CapMetro will maintain debt service coverage ratios consistent with the best practices for local government debt issuance. At a minimum, the debt service coverage ratio for financial planning purposes will be set at an average coverage ratio of two times net revenue over annual debt service costs. The debt-to-net-revenue coverage ratio will be calculated and presented to the board annually and included in CapMetro's annual comprehensive financial report.

CapMetro is in compliance with its debt policy and does not have outstanding debt.

Summary of Fare Policy

Purpose

The purpose of this policy is to establish goals, objectives and guidelines to assist the CapMetro Board of Directors and staff in making decisions regarding changes to transit fares. All such decisions will be made in accordance with CapMetro's enabling legislation, Texas Transportation Code Chapter 451, as amended and Federal Transit Administration (FTA) fare requirements, including 49 CFR Section 609 related to reduced fares for elderly and handicapped persons. When considering increasing or restructuring fares, CapMetro will conduct a comprehensive review of ways to reduce costs and increase ridership and the corresponding effects on fare box recovery, to minimize the effects of any fare changes on CapMetro's customers. CapMetro's fare recovery ratio remained relatively stable at close to 4% over the last three fiscal years.

Goal

The goal of this fare policy is to support CapMetro's overall strategic mission to provide quality public transportation choices for our community that meet the needs of our growing region. To accomplish this mission, CapMetro must develop and use its resources in a manner that ensures sustainable business growth.

Fare Policy Review

CapMetro will review its fare policy and pricing annually with the expectation that fares may need to be adjusted to keep pace with the increase in the cost of transit operations. Generally, fare changes will become effective in conjunction with service changes in January or August. Recommendations for fare adjustments will be developed in conjunction with the budget process for the following fiscal year.

CapMetro is in compliance with its fare policy.

Current Fare Structure

Fare Type	Local	Local Equifare	Local Reduced	Commuter	Commuter Equifare	Commuter Reduced	Access
Single Ride	$ 1.25	$ 1.00	$ 0.60	$ 3.50	$ 3.00	$ 1.75	$ 1.75
Day Cap	$ 2.50	$ 2.00	$ 1.25	$ 7.00	$ 6.00	$ 3.50	None
Month Cap	$ 41.25	$ 33.00	$ 20.60	$ 96.25	$ 77.00	$ 48.10	None

Additional Passes	
CapMetro Access 10-Ride Ticket Booklet	$ 17.50
CapMetro Access Monthly Pass	$ 46.50

Bikeshare				
Pay-as-you-Ride	1-Day Pass	31-Day Pass	Annual Pass	Student (18 & over) Annual Pass
$2.50 to unlock + $0.25/min	$10 (Unlimited 30-min trips within 24 hours)	$25 (Unlimited 30-min trips within 31 days)	$150 (Unlimited 30-min trips within 365 days)	$75 (50% Discount)

Local: CapMetro Bus, High-Frequency routes, UT Shuttle, Rapid and Pickup.

Commuter: CapMetro Rail and Express (Commuter passes are also valid on all Local services).

Discounted fares are available for qualifying riders with a CapMetro Reduced Fare ID: Reduced Fare (seniors, active and reserve military ID holders not in uniform and riders with disabilities or on Medicare) and Equifare (qualifying low-income riders). Seniors 65 and older, Medicare cardholders, active-duty military personnel and people with disabilities may obtain the ID for $3.00 from the CapMetro Transit Store and is valid for two years. Additionally, there are 86 agencies participate in the discounted fare program dedicated to ensure affordability for agencies that serve individuals who are 125% of the federal poverty level or below. This program allows agencies to provide discount transit access for those they serve.

Fare Capping: A pay-as-you-go system to reduce or "cap" customer spending on fares in a service day or calendar month to an amount equivalent to the published daily or monthly pass rates. Monthly cap is not offered on Pickup or Access services.

Kids 18 and younger and emergency or military personnel in uniform ride free on all CapMetro services.

CapMetro Access Monthly Passes are valid for all Local and Commuter services. Customers riding Local or Commuter services with a valid CapMetro Access Monthly Pass also need a valid CapMetro issued CapMetro Access ID.

CapMetro Access Single Ride and 10-Ride Ticket Booklets are valid only for CapMetro Access services. The tickets are not valid for Local or Commuter services.

CapMetro Bikeshare discounted memberships are provided for students in all colleges, trade schools, nursing schools and high schoolers who are 18 or older.

CapMetro Vanpool program provides eligible groups of four to 12 people with a month-to-month vanpool lease agreement including maintenance, insurance, 24-hour roadside assistance and an optional fuel purchasing program. The cost of a vanpool vehicle varies and is based on vehicle selection, commute distance and number of riders sharing the monthly vanpool lease, plus fuel and tolls. Groups must either start or end their trip within the CapMetro service area. CapMetro provides a subsidy of 50% of the monthly lease of the vanpool vehicle.

Expense Policies

Expenditure Accountability

All invoices are reviewed on multiple levels. Monthly and quarterly reports that provide operational accountability are provided to department directors, the executive team and the board. Capital project budgets and progress are monitored and reported to the department directors, the senior management team and the board at predetermined intervals. CapMetro has an Internal Audit Department that reports directly to the board and is an independent source of objective advice.

Income Taxes

CapMetro is a political subdivision of the state of Texas and is not subject to income taxation.

Procurement Policy and Procurement Methods

CapMetro's Procurement Department is responsible for purchasing all required goods and services in accordance with sound public contracting policies and procedures. These policies are designed to provide timely delivery of goods and services, quality customer service and savings through:

- Obtaining the most competitive market price to meet or exceed the agency's needs.
- Maintaining effective and user-friendly processes and systems.
- Building strategic partnerships with internal customers.
- Obtaining maximum value from supplier relationships.
- Providing education tools for procurement teams, customers and suppliers.

CapMetro is in compliance with its procurement policy, which is entitled "Acquisition Policy."

CapMetro uses a variety of procurement methods. Selecting the best method is dependent on several factors. One important factor is estimated price. Small purchases expected to cost less than $100,000 are purchased via CapMetro's "small purchases" method of procurement. Other infrequently used procurement methods include sole source, emergency procurements and statement of qualifications for statutory professional services that must comply with the Texas Professional Services Act.

Micro Purchases

Purchases less than $10,000 are micro-purchases and can be completed without securing competitive quotes if the price is fair and reasonable. Procurement and agency staff using purchasing cards for micro-purchases are required to equitably distribute the purchase of like goods and services among qualified suppliers. Micro-purchase procedures may not be used for construction contracts with a value of $2,000 or more.

Request for Quotes

A request for quotes (RFQ) is used when a good or service is expected to cost between $10,000 and $100,000. A brief description of the item is provided to vendors, who submit written quotes to CapMetro by an established deadline. Whenever possible, CapMetro distributes an RFQ through PlanetBids, a third-party solicitation distribution website. Vendors can register with PlanetBids and receive a free subscription. Registered vendors will automatically receive notification of CapMetro solicitations that match their profile.

Large Purchases

Purchases in excess of $100,000 require more comprehensive methods than those used for small purchases. These purchases are solicited using a full and open competitive process to allow all prospective bidders an opportunity to do business with CapMetro. Special efforts are made to make the vendor community aware of CapMetro's requirements. Solicitations are advertised in newspapers and transit industry publications and CapMetro distributes solicitation notifications to registered vendors on PlanetBids.

If it is deemed to be in the best interest of CapMetro, we may utilize state and local governmental cooperatives. These cooperatives use procurement methods that are in full compliance with all federal and state best practices for full and open competition.

The basic types of procurement methods used for large purchases are invitation for bids (IFB) and request for proposals (RFP). Generally, goods/commodities are procured via IFB and services through RFP. The solicitation includes a detailed purchase description and/or statement of work, contractual terms and conditions and instructions on how to submit an offer. Solicitations generally remain open for 30 days.

For IFBs, CapMetro awards contracts to the responsive and responsible bidder offering the lowest price. A bid is responsive if it meets all the material requirements of a solicitation. A bidder is responsible if it can demonstrate the capacity and willingness to meet the requirements (e.g., proper equipment, manpower, financial resources and technical expertise). An award is made to the “low bidder” only if the bidder meets both tests of responsiveness and responsibility.

For RFPs, awards are not based on price alone but include additional weighted factors of importance specified in the solicitation. An independent evaluation team reviews the proposals submitted and the vendor/contractor offering the best value to the Authority is selected.

For each solicitation, CapMetro assigns a contract administrator as the primary point of contact. In addition, a conference is generally scheduled well in advance of the bid/proposal submission deadline so vendors may obtain clarification. Information contained in the proposals or concerning the number or identity of offerors is unavailable to the public or CapMetro staff members who do not have a legitimate need to know prior to the recommendation of award of a contract. After evaluation of all offers, CapMetro awards a contract. Contracts in the amount of $250,000 and above require approval by CapMetro's Board of Directors.

3 Financial and Service Summary

CapMetro

Fund Balance, Reserves and Contingency Requirements

Sound governmental financial practices require the accumulation and maintenance of funds to help stabilize the budget when needed or to accumulate funds for future spending requirements. An entity's accumulated fund balance provides funds that may be needed to address shortfalls that can occur periodically, such as temporary cash flow shortages, emergencies, global pandemics or other unforeseen events. These balances also help provide funding for long-term capital needs. Through years of responsible budgeting and prudent fiscal management, CapMetro is in a strong financial position with fully funded reserves. These reserves will provide financial resiliency and the funding needed to deliver transit services to the community and ensure that a stable financial position is maintained.

Section 451.134 of the Transportation Code requires CapMetro to establish a reserve account in an amount equal to or greater than actual operating expenses for two months. The amount held in reserve shall be adjusted annually based on CapMetro's actual operating expenses for the 12 months immediately preceding the adjustment. This reserve account is referred to as the "statutory operating reserve."

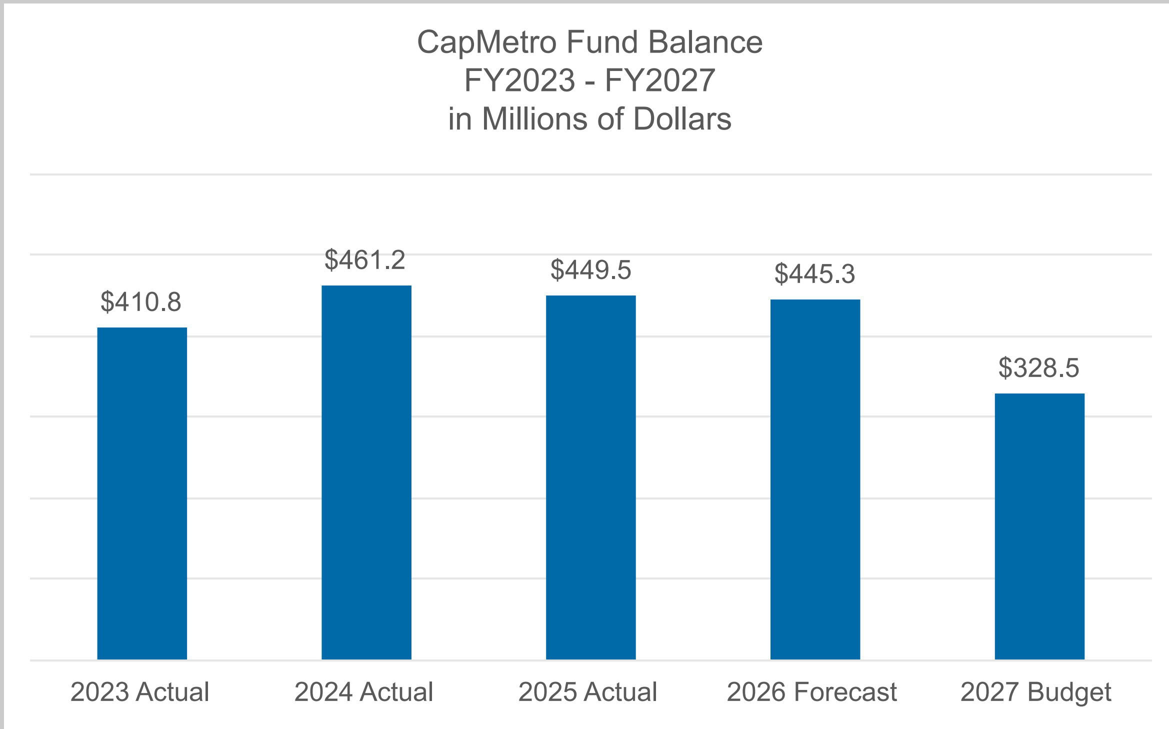
In FY2026, CapMetro's budget met the operating reserve requirements set forth by the Texas Legislature. The statutory operating reserve account is fully funded at $71.8 million based on the FY2025 Annual Comprehensive Financial Report and is expected to increase to approximately $81.9 million in FY2027 as depicted in the table that follows. CapMetro established the statutory operating reserve account on September 1, 2016. The reserve amount will be adjusted annually when audited financial information becomes available. In addition to the statutory operating reserve, the board approved an operating contingency account to be funded at a minimum of $1 million each year.

In accordance with the 2020 CapMetro Board Commitment to Voters Resolution related to Project Connect, CapMetro has budgeted additional amounts to dedicate toward the implementation of the Project Connect sequence plan of $21.9 million in FY2026 and $30.0 million in FY2027.

While sales tax receipts were increasing, CapMetro began funding a budget stabilization reserve in FY2016. This reserve was approved by the board in 2010 and was established to set aside excess revenue for use in times of unexpected revenue shortfall caused by emergencies or economic downturns. The reserve was fully funded at the targeted one month of annual average operating expenses in FY2018. In FY2027, the budget stabilization reserve is expected to remain stable at approximately $41.0 million compared to a balance of $35.9 million in FY2026. Projections are depicted in the table that follows. The agency has $39.2 million of dedicated funds for the Project Connect sequence plan that has accumulated from required annual contributions. These funds are being depleted over time to cover revenue service. A sustainability capital fund of $10 million was created in FY2022 for the purpose of supporting the new CapMetro Sustainability Vision Plan and future projects that are developed from the plan. An estimated $273 thousand is forecast to be utilized by the end of FY2027, leaving a balance of $9.4 million for projects beyond FY2027. The budget also includes a self-insurance reserve of approximately $2.3 million, a reserve of $3.9 million to fund estimated commitments beyond FY2026 under interlocal agreements with the city of Austin for mobility programs. The operating budget includes $1 million in appropriations for potential billings from the City of Austin related to the Speed and Reliability ILA in FY2027. A Suburban Cities Transit Supportive Infrastructure Fund of $3.3 million has also been set aside.

FY2027 Projected Ending Fund Balance:	
Projected Beginning Balance	**$445,297,110**
FY2026 Projected Activity:	
+ Revenue	584,708,615
- Operating Expenses	491,480,372
- Interlocal Agreements	5,482,004
- Capital Projects	204,497,629
= Projected Ending Balance	**$328,545,720**
Breakdown of Ending Balance:	
Statutory Operating Reserve Requirement	81,913,396
Budget Stabilization Reserve	40,956,698
Project Connect - Dedicated Funds	39,222,066
Sustainability Capital Fund	9,435,440
Suburban Member Cities Transit Supportive Infrastructure Fund	3,322,739
City of Austin Mobility Programs	3,888,410
Self-Insurance Reserve	2,283,523
Funding for 5-Year Capital Improvement Plan	147,523,448
= Projected Ending Balance	**$328,545,720**

The following chart depicts the history and a projection of ending fund balance for five fiscal years.



Three-Year Consolidated Financial Schedules

The schedules below summarize revenues and other financing sources, expenditures and other financing uses for the prior year actual, the current year budget and forecasted current year actual, and the proposed budget year.

Revenues Schedule

	FY2025 ACTUAL	FY2026 BUDGET	FY2026 FORECAST	FY2027 BUDGET
Sales Tax	$393,856,757	$398,989,671	$410,356,963	$426,209,932
Passenger Revenue	15,425,981	18,876,278	16,658,591	16,069,116
Freight Railroad Revenue	6,860,738	6,932,445	6,848,252	6,762,931
Other Revenue	32,833,523	18,151,168	18,593,004	22,213,668
Operating Contributions and Grants	85,173,936	70,135,294	45,407,222	45,264,963
Capital Grants - Federal	41,594,844	31,082,990	12,820,197	66,938,005
Capital Grants - State	652,850	530,278	—	—
Other Capital Contributions	11,112,561	17,131,394	37,153,519	1,250,000
Total Revenues	**$587,511,190**	**$561,829,518**	**$547,837,748**	**$584,708,615**

Expenditures Schedule

	FY2025 ACTUAL	FY2026 BUDGET	FY2026 FORECAST	FY2027 BUDGET
Salaries and Benefits	$88,672,028	$94,101,860	$98,343,793	$105,868,085
Professional Services	47,708,587	51,881,126	38,216,009	57,771,074
Materials and Supplies	26,874,543	24,031,816	5,818,613	28,434,285
Fuel and Fluids	14,779,803	15,471,908	5,439,026	24,184,895
Utilities	5,377,666	6,991,183	5,639,881	6,579,531
Insurance	1,386,306	2,378,995	2,044,014	9,502,273
Purchased Transportation	239,722,298	233,698,241	265,019,483	246,014,688
Other Expenses	2,337,034	9,326,868	7,537,669	9,354,293
Interest Expense	797,641	388,598	788,832	570,066
Lease/Rentals	2,872,494	4,162,110	2,519,359	3,201,188
Interlocal Agreements	6,114,355	5,905,196	8,617,571	5,482,004
Total Operating Expenses	**436,642,755**	**448,337,901**	**439,984,250**	**496,962,382**
Capital Expenses	129,315,270	155,016,177	132,902,289	204,497,629
Total Expenses	**$565,958,025**	**$603,354,078**	**$572,886,539**	**$701,460,011**

Revenue by Category

The following schedule summarizes FY2027 revenue projections by category and shows the increase or decrease compared to the FY2026 budget. The schedule also depicts FY2025 actual revenue, as well as FY2026 forecast revenue. Sales tax revenue represents the primary source of revenue for CapMetro, contributing approximately 72.9% of the total revenue budget.

	FY2025 ACTUAL	FY2026 BUDGET	FY2026 FORECAST	FY2027 BUDGET	Var $ FY2027 vs. FY2026	Var % FY2027 vs. FY2026
Sales Tax	$393,856,757	$398,989,671	$410,356,963	$426,209,932	$27,220,261	6.8%
Passenger Revenue	15,425,981	18,876,278	16,658,591	16,069,116	(2,807,162)	(14.9%)
Freight Railroad Revenue	6,860,738	6,932,445	6,848,252	6,762,931	(169,514)	(2.4%)
Other Revenue	32,833,523	18,151,168	18,593,004	22,213,668	4,062,500	22.4%
Operating Contributions and Grants	85,173,936	70,135,294	45,407,222	45,264,963	(24,870,331)	(35.5%)
Capital Grants - Federal	41,594,844	31,082,990	12,820,197	66,938,005	35,855,015	115.4%
Capital Grants - State	652,850	530,278	—	—	(530,278)	(100.0%)
Other Capital Contributions	11,112,561	17,131,394	37,153,519	1,250,000	(15,881,394)	(92.7%)
Total Revenues	**$587,511,190**	**$561,829,518**	**$547,837,748**	**$584,708,615**	**$22,879,097**	**4.1 %**

Factors Affecting Revenue

Sales Tax Revenue

Sales tax represents the largest component of CapMetro's total revenue and can fluctuate significantly from year to year since collections are directly related to economic conditions. FY2026 is forecasted at $410.4 million, 2.8% more than originally budgeted. For FY2027, sales tax revenue is budgeted at $426.2 million, 3.9% above the forecasted FY2026 amount due to an uncertain short- to mid-term economic outlook.

Sales tax is levied on the sale, lease or rental of all taxable goods and services within the CapMetro service area. Certain foods and drugs as well as governmental purchases are exempt from sales tax.

Passenger Revenue

In total, $16.1 million is projected in passenger revenue with a continued decrease in ridership projected. Included in the passenger revenue category are payments from the University of Texas (UT) for select bus services and fares on the entire CapMetro system for their students, faculty and staff with revenue estimated at $7.8 million.

Revenue from CapMetro Vanpool is expected to continue growing with total revenue estimated at $2.0 million and 206 vanpools by the end of FY2027.

Freight Rail Revenue

In June 2015, the board approved a contract with Watco Companies, LLC, for freight operations and maintenance services on CapMetro's railroad. The contract provides for a base period of 20 years with six five-year options and Watco assumed complete operation of the assigned services on October 1, 2015. The contract includes a revenue-sharing component, under which CapMetro will receive 16.5% of gross revenue each year. In FY2027, CapMetro's share of gross revenue is expected to be approximately $5.3 million based on estimated shipping activity. As the owner of the railroad, CapMetro will continue to be responsible for certain capital investments, such as its bridge replacement program.

In January 2005, the United States Congress enacted the Railroad Track Maintenance Tax Credit — section 45G of the U.S. Tax Code. The 45G tax credit is a federal income tax credit for track maintenance conducted by short lines and regional railroads in the United States. The credit is equal to 40% of qualified track maintenance expenditures and other qualifying railroad infrastructure projects estimated at an annual amount of $544 thousand. This credit is taken by Watco and credited to CapMetro as revenue per terms of the contract.

The remainder of the freight rail revenue includes approximately $931 thousand related to licenses and fees associated with the use of CapMetro's railroad right-of-way.

Other Revenue

Revenue in this category includes $12.0 million in interest earnings, a $4.9 million accounting adjustment required for certain lease assets and liabilities per GASB 87, $2.7 million in purchased transportation agreement revenue (revenue CapMetro earns from regional partner agreements with communities outside of the service area) and $2.6 million projected in advertising revenue on CapMetro buses and trains.

Operating Contributions from Grants

Grants are typically the second largest component of CapMetro's total revenue. CapMetro uses its grant funding for eligible operating and capital activities. Most grant funding contributed to operating activities is provided through the Federal Transit Administration (FTA). CapMetro has projected $39.9 million of its Urbanized Area Formula (Section 5307) grant program funds for operating activities in FY2027. For public transit agencies that operate in urban areas with a population greater than 1 million, the use of Section 5307 grants for operations is restricted to specific categories of expenses, primarily related to service or maintenance, special services required by the Americans with Disabilities Act (ADA) and mobility management.

An additional $3.4 million in federal grant funds has been budgeted in FY2027 for reimbursement of operating expenses including Transit-Oriented Development planning activities and transportation services funded under EPA's Climate Pollution Reduction Program.

Capital Grants

CapMetro receives grant funding for various capital projects. These projects include new CapMetro Rapid lines, new buses, facilities and rail infrastructure improvements. Some of the federal grant funds are apportioned to CapMetro annually by the FTA under a prescribed formula. One example is the Grants for Buses and Bus Facilities Formula Program (Section 5339(a)). CapMetro programs its Section 5339(a) funds to replace buses that have exceeded their minimum useful life. The State of Good Repair Program (Section 5337) is another annual formula grant CapMetro receives. Those funds are programmed for rail maintenance and rehabilitation projects to maintain a state of good repair. In FY2027, CapMetro will also allocate Urbanized Area Formula (Section 5307) grant program funds toward revenue vehicle replacements.

Other grants have been awarded to CapMetro for specific capital projects at the discretion of the funding agency instead of by formula. Because many of these grant programs are highly competitive, capital grant projections only reflect discretionary grants for projects that have already been awarded or for project selections that have been announced. In FY2027, discretionary grants will provide revenue for various capital projects, including construction of the North Base Demand Response Facility, bus stop accessibility improvements, double tracking for commuter rail optimization in East Austin, and completion of the Pleasant Valley and Expo Center CapMetro Rapid lines.

Other Capital Contributions

Other capital contributions include $1.3 million from the Austin Transit Partnership for reimbursement of projects within the Project Connect program sequence plan.

CapMetro continues to pursue grant opportunities to maximize transit benefits available to the region. Because many of these grant programs are highly competitive, grant projections only reflect grants for projects that have already been awarded or for project selections that have been announced.

Types of Grants

Most of CapMetro's grants are provided through programs authorized in legislation and administered by the Federal Transit Administration (FTA), one of 10 modal administrations within the U.S. Department of Transportation. The FTA's most recent authorizing legislation is the Infrastructure Investment and Jobs Act (IIJA) (Pub. L. 117-58). It authorized federal public transportation program funding for FY2022 through FY2026. Congress is currently considering reauthorization. As of the adoption of this budget, a new multi-year surface transportation act has not been signed into law, however it is assumed that either a new act or a one-year extension of IIJA covering FY2027 will be enacted. CapMetro benefits from the following major programs authorized by IIJA.

Urbanized Area Formula Grant (Section 5307)

The Urbanized Area Formula Program (Section 5307) provides funding for public transportation in U.S. Census designated urbanized areas (UZAs). Funds can be spent on capital, planning, job access and reverse commute projects, and in some circumstances, operating expenses. These funds constitute a core investment in the enhancement and revitalization of public transportation systems in the nation's UZAs, which depend on public transportation to improve mobility and reduce congestion. This grant funding is apportioned using factors that are specified in the law. The Austin UZA was apportioned approximately $51.1 million in Section 5307 grant funds for FY2026. As the Designated Recipient of Section 5307 funds, CapMetro sub-allocated approximately $1.3 million to the city of Round Rock and appropriated the rest for CapMetro services and capital expenditures. CapMetro estimates $52.2 million will be apportioned to the Austin, TX UZA in FY2027 and it will sub-allocate $1.4 million to the city of Round Rock. These funds will be applied to eligible operating expenses, including but not limited to, preventive maintenance, special services required by the Americans with Disabilities Act, safety-related activities and capital outlays for revenue vehicle replacement.

Enhanced Mobility of Seniors and Individuals with Disabilities (Section 5310)

The Enhanced Mobility of Seniors and Individuals with Disabilities (Section 5310) program is intended to enhance mobility for seniors and persons with disabilities by providing funds for programs to serve their special needs. Since it became the Designated Recipient for this program in 2014, CapMetro has been responsible for administering Section 5310 funds apportioned to the Austin UZA. In FY2026, $2 million was apportioned to the Austin UZA, and CapMetro estimates a similar amount will be apportioned in FY2027. CapMetro has established a competitive project selection process to award grants for projects carried out by sub-recipients. Although most Section 5310 projects are awarded to local nonprofit agencies, CapMetro uses a portion of the funds for its own activities, including program administration and mobility management.

State of Good Repair Grants Program (Section 5337)

The State of Good Repair Grants Program (Section 5337) provides capital assistance for maintenance, replacement and rehabilitation projects for rail transit systems to help transit agencies maintain assets in a state of good repair. This grant funding is apportioned annually to states and urbanized areas with fixed guideways and high-intensity motorbus systems in service for at least seven years. The CapMetro Rail Red Line has been in service since FY2010, making it eligible for these funds. In FY2026, CapMetro was apportioned $5 million, and it estimates a similar amount will be apportioned for FY2027. The funds will be used for activities that maintain the Rail in a state of good repair.

Bus and Bus Facilities Formula and Discretionary Grants (Section 5339)

The Bus and Bus Facilities Formula (Section 5339a) program provides funding to replace, rehabilitate and purchase buses, related equipment and bus-related facilities. This grant funding is apportioned annually to states and urbanized areas using factors that are specified in the law. The Austin UZA was apportioned $3.3 million in Section 5339a grant funds for FY2026. As the Designated Recipient of Section 5339a funds, CapMetro sub-allocated $111,141 to the city of Round Rock and appropriated the rest for CapMetro revenue vehicle replacement. CapMetro estimates similar amounts will be apportioned to the Austin UZA and sub-allocated in FY2027.

In addition to the formula bus program, the IIJA reauthorized two programs, the Bus and Bus Facilities Competitive (Section 5339(b)) program and the Low or No Emission Vehicle (Section 5339(c)) program, for projects selected through an annual competitive process. Section 5339(b) grants may be awarded to states and transit agencies to replace, rehabilitate and purchase buses and related equipment and to construct bus-related facilities. The competitive allocation provides funding for major improvements to bus transit systems that would not be achievable through formula allocations. In FY2022, CapMetro was awarded $20 million for the construction of a new North Base Demand Response facility. Construction began in 2026 and will continue through FY2027.

Section 5339(c) includes grants awarded for the purchase or lease of zero-emission and low-emission transit buses as well as acquisition, construction and leasing of required supporting facilities. Under this program, CapMetro has been awarded $7.4 million in prior rounds to replace diesel buses. CapMetro will continue to pursue awards under this program to support its fleet plan.

Capital Investment Grant Program (CIG)

The Capital Investment Grant (CIG) Program is a discretionary funding program for the construction of new fixed-guideway public transportation systems and the expansion of existing systems. Eligible projects include transit rail, including subway/elevated rail (heavy rail), light rail and commuter rail, as well as bus rapid transit (BRT) and ferries. There are three categories of eligible projects under the CIG program: New Starts, Small Starts and Core Capacity. Federal transit law requires transit agencies seeking CIG funding to complete a series of steps over several years. The law requires projects to be rated by FTA at various points in the process according to statutory criteria evaluating project justification and local financial commitment. Project sponsors must successfully complete each step and receive a minimum evaluation rating before FTA commits federal funds for the projects. CapMetro has used Small Starts grants construction of its Rapid lines. It began full service on the most recent lines, Expo Center and Pleasant Valley, in 2026.

Better Utilizing Investments to Leverage Development Program (BUILD)

The Better Utilizing Investments to Leverage Development (BUILD) program provides a unique opportunity for the DOT to invest in road, rail, transit and port projects that promise to achieve national objectives. Previously known as the Rebuilding American Infrastructure with Sustainability and Equity (RAISE) program and Transportation Investment Generating Economic Recovery (TIGER) program, Congress has dedicated these funds for projects that have a significant local or regional impact since 2009.

The BUILD program enables DOT to examine projects on their merits to help ensure that taxpayers are getting the highest value for every dollar invested. The eligibility requirements of BUILD allow project sponsors at the State and local levels to obtain funding for multi-modal, multi-jurisdictional projects that are more difficult to support through traditional DOT programs. CapMetro was awarded $18 million in the 2023 round of funding to undertake a commuter rail optimization project. The award was for the design, engineering and construction of double tracks along the existing Red Line from Onion Street in the west to E. Timbes in the east. The project also includes a second station platform at Plaza Saltillo, signalization, positive train control (PTC) modifications, safer railroad crossings at five locations, construction of new active transportation infrastructure between Chicon and Pedernales and the reconfiguration of 5th Street.

Other Grants

CapMetro monitors and pursues other FTA grant opportunities to maximize transit benefits available to the region. Recent efforts have resulted in great success. CapMetro has been awarded $4.65 million for planning initiatives through the FTA's Pilot Program for Transit-Oriented Development (TOD) Planning grant program. The funds are used to conduct planning studies focused on maximizing land use and transportation development for various transit corridors. In FY2023, two CapMetro projects were selected for Community Projects/Congressionally Directed Spending funding. Appropriations included $4.169 million for electric vehicle charging infrastructure (Congressman Doggett) and $3.3 million for wheelchair-accessible vehicles at the North Austin ADA Paratransit Base (Congressman Sessions). Approximately $950,000 was awarded to CapMetro for a cooperative agreement with FTA to demonstrate vehicle automation technology through FTA's Automated Transit Bus Maintenance and Yard Operations Demonstration program.

Grants from other Federal agencies have also been critical to the successful implementation of CapMetro projects. The Federal Railroad Administration (FRA) awarded more than $2.3 million under the FRA's Consolidated Rail Infrastructure and Safety Improvements (CRISI) program to replace portions of the Walnut Creek Bridge on the East Subdivision of CapMetro's freight railroad. In FY2023, CapMetro executed an advanced funding agreement with the Texas Department of Transportation for $4.6 million in Federal Surface Transportation Program (Federal Highway Administration) funding for environmental studies and preliminary engineering design of a CapMetro Rail Red Line grade separation project at North Lamar and Airport Blvd. Also, the Federal Emergency Management Agency (FEMA) awarded $120,000 to CapMetro for cybersecurity and information infrastructure. In FY2024, CapMetro was awarded $1 million for an Innovative Finance and Asset Concession Grant Program (IFAC) cooperative agreement with the Department of Transportation Build America Bureau for technical assistance to prepare at least one CapMetro-owned candidate site for transit-oriented development through public-private partnerships. A second award of $1 million from the Build America Bureau was awarded in FY2026 to fund transit-oriented development (TOD) activities for one Transportation Infrastructure Finance and Innovation Act (TIFIA)-eligible existing asset.

Operating Expenses by Category

The following schedule summarizes FY2027 operating expenses projections by category and shows the increase or decrease compared to the FY2026 Budget. The schedule also depicts FY2025 actual expenses, as well as FY2026 forecast expenses. Purchased transportation services represent approximately 49.5% of the total operating budget.

	FY2025 ACTUAL	FY2026 BUDGET	FY2026 FORECAST	FY2027 BUDGET	Var $ FY2027 vs. FY2026	Var % FY2027 vs. FY2026
Salaries and Benefits	$88,672,028	$94,101,860	$98,343,793	$105,868,085	$11,766,225	12.5%
Professional Services	47,708,587	51,881,126	38,216,009	57,771,074	5,889,948	11.4%
Materials and Supplies	26,874,543	24,031,816	5,818,613	28,434,285	4,402,469	18.3%
Fuel and Fluids	14,779,803	15,471,908	5,439,026	24,184,895	8,712,987	56.3%
Utilities	5,377,666	6,991,183	5,639,881	6,579,531	(411,652)	(5.9%)
Insurance	1,386,306	2,378,995	2,044,014	9,502,273	7,123,278	299.4%
Purchased Transportation	239,722,298	233,698,241	265,019,483	246,014,688	12,316,447	5.3%
Other Expenses	2,337,034	9,326,868	7,537,669	9,354,293	27,425	0.3%
Interest Expense	797,641	388,598	788,832	570,066	181,468	46.7%
Lease/Rentals	2,872,494	4,162,110	2,519,359	3,201,188	(960,922)	(23.1%)
Interlocal Agreements	6,114,355	5,905,196	8,617,571	5,482,004	(423,192)	(7.2%)
Total Operating Expenses	**$436,642,755**	**$448,337,901**	**$439,984,250**	**$496,962,382**	**$48,624,481**	**10.8%**

Factors Affecting Operating Expenses

Salaries and Benefits

FY2027 salaries and benefits increase by $11.8 million, or 12.5% and include a net addition of 93.5 full-time equivalent positions, primarily due to commuter rail operations moving in-house and shifting expense from purchased transportation, as well as additional transit police officers. The budget also includes funding for performance-based salary increases for CapMetro staff, estimated at an average of 3.00%.

Funding for healthcare claims is projected based on current claims utilization, national medical trends and increases in eligible participants. CapMetro's overall benefits expense will increase by $4.2 million in FY2027 from FY2026, primarily due to the additional positions. CapMetro offers premium and cash incentives to help manage health care costs by encouraging employees and spouses to complete health risk assessments and biometric testing. The goal is to help participants identify any potential health issues proactively. The medical plan network discounts through United Healthcare (UHC) for in-network claims were 71.5% for the 12-month period ending March 31, 2026, which also contributes to controlling costs. In addition to these discounts, UHC offers wellness, health education and disease management programs for participants. CapMetro also has an on-site wellness and fitness program. Estimated employer costs related to two pension plans are included in this category.

Professional Services

External services are needed for various operational and planning purposes in FY2027. These services include planning studies, software and hardware contracts, security services, vehicle repair and maintenance, janitorial and landscaping services and building maintenance. In FY2027, budgeted costs will increase by approximately $5.9 million compared to the FY2026 Budget.

As a result of portions of rail operations moving to an in-house model, $15 million of expenses for maintenance of way and signals—previously recorded in purchased transportation—will be categorized as professional services. This amount includes approximately $4.5 million of one-time mobilization costs to transition to a new service provider.

When excluding the impact of the rail operations change, FY2027 sees a reduction of $9.1 million in consultation and other services, advertising, temporary help and custodial services.

Materials and Supplies

The budget is forecasted to increase by $4.4 million, primarily due to commuter rail vehicle maintenance operations moving to CapMetro starting in January 2027 that were previously captured in purchased transportation expense, as well as an overall increase in parts costs.

Fluids

The budget for fluids consists primarily of funding for diesel fuel but also includes gasoline and engine and transmission fluids. It is estimated to increase by approximately $8.7 million from the prior year, driven by a projected increase in fuel costs. Due to high diesel prices in 2026, FY2027 projected diesel consumption is not secured through our fuel hedging program as of July 2026. The budget includes a projected average cost per gallon with taxes of $3.90. During FY2026, CapMetro incurred average fuel prices closer to $2.45 per gallon for diesel, including taxes, in large part due to gains realized from our fuel hedging program for the fiscal year.

Purchased Transportation

Purchased transportation costs are expected to increase by approximately $12.3 million.

An increase of $22.8 million is projected for bus services driven by a full year of increased frequency from 20 to 10 minutes on the Pleasant Valley and Expo Center Rapid lines versus only three months in FY2026, a shortage of operators leading to significant overtime, as well as an underestimation of expenses in the FY2026 budget.

CapMetro Rail decreases by a net of $13.5 million compared to the FY2026 budget as a result of portions of rail operations moving to an in-house model, resulting in expenses previously recorded in purchased transportation moving to salaries and benefits, other operating expenses and professional services.

CapMetro Access is projected to increase by $3.6 million, driven by anticipated service growth required to meet federal obligations to provide all qualifying trips, increased employee benefits, and a greater service-hour-based fixed costs allocation from our service partner compared to Pickup.

Pickup has a planned decrease of $510 thousand driven by a smaller service-hour-based fixed costs allocation from our service partner compared to Access.

Other Operating Expense

The FY2027 other operating expense budget comprised of utilities, insurance, interest and other miscellaneous expenses is projected to increase by approximately $6.9 million driven by rail services insurance previously recorded in purchased transportation.

Lease and Rent

The lease and rent expense budget decreases by approximately $961 thousand as CapMetro continues to gradually transition from a mix of leased and owned facilities to primarily owned facilities. While CapMetro acquired property at several locations in recent years, staff will continue to occupy leased space until those facilities are renovated or constructed.

Interlocal Agreements

CapMetro entered into an interlocal agreement with the city of Austin, which was amended in April 2010, to pay the city its pro-rata share of 25% of CapMetro's one-cent sales tax from 2001 to 2004 in consideration for the city to carry out transportation mobility projects approved by CapMetro. The amount is payable annually based on eligible expenditures incurred during the previous fiscal year. The Austin City Council approved an allocation for priority project funding under this interlocal agreement. Accordingly, $500 thousand is budgeted in FY2027 for this mobility program, flat from the FY2026 Budget. CapMetro has also set aside estimated funding in a separate reserve account so that funds will be available beyond FY2027 as the city continues to work on these project priorities. This category also includes funding for the expanded Build Central Texas Program for transportation projects in suburban communities that support transit in the amount of $2.7 million.

Budget Summary

The table below summarizes CapMetro's structurally balanced budget for FY2027 and includes projected funding and expenses.

Budget Summary	
Funding	**FY2027**
Sales Tax	$426,209,932
Passenger Revenue	16,069,116
Freight Railroad Revenue	6,762,931
Miscellaneous Revenue	22,213,668
Operating Contributions and Grants	45,264,963
Capital Grants - Federal	66,938,005
Other Capital Contributions	1,250,000
Use of Fund Balance	116,751,390
Total Funding	**$701,460,005**

Expenses	FY2027
Operating Expenses	$491,480,372
Capital Project Expense	204,497,629
Interlocal Agreements	5,482,004
Total Expenses	**$701,460,005**

Debt Amortization

CapMetro paid off all outstanding debt in FY2018, accumulated no additional debt since then and has no borrowing projected in the FY2027 budget. As part of the planning effort for Project Connect funding sources, CapMetro obtained a credit rating in FY2019. S&P Global Ratings (“S&P”), a leading national rating agency, assigned an issuer credit rating of AA- to CapMetro with a stable outlook. In its report published January 28, 2019, S&P cited CapMetro’s “very strong management and governance” bolstered by “prudent financial policies,” “very strong liquidity position” and “extremely strong economic fundamentals” due to service area “population and employment growth” as key factors underpinning the strong credit rating.

In April 2020, S&P Global Ratings affirmed its AA- issuer credit rating on CapMetro with a negative outlook. In its report published April 29, 2020, S&P cited CapMetro's management's flexibility to adjust capital spending and operating expenses," "$147 million in unrestricted reserves as of March 2020, equal to 218 days' cash on hand, that we expect will be bolstered by an additional $102 million in federal stimulus aid received from the CARES ACT” and "no debt outstanding" as key factors for affirming its rating. S&P's negative outlook reflected an opinion that "the sudden drop in activity levels and sales tax revenues due to the COVID-19 pandemic will strain CapMetro's financial metrics over the next few months, followed by a potentially slow recovery as measures to control the outbreak become more effective and widespread, allowing for gradual improvements in overall mobility and consumer spending. In addition, a prolonged recession following the pandemic could also strain CapMetro's financial metrics over the longer term, depending on the severity of the recession."

In April 2021, S&P Global Ratings raised its issuer credit rating on CapMetro to AA from AA- with a stable outlook. In its report published April 1, 2021, S&P cited "the upgrade reflects our opinion of CapMetro's strong enterprise and financial risk profiles, as well as its significant tax support," and "the stable outlook reflects no current debt outstanding and our expectation for financial metrics to be maintained at levels consistent with the current rating" as key factors for the upgrade in its rating. The AA long-term rating with a stable outlook was reaffirmed by S&P in May 2025.

A credit rating is a measure of the risk associated with an agency's ability to repay its obligations. For transit agencies such as CapMetro, a credit rating is an independent assessment of overall financial performance and position, economic trends, ridership trends, management and governance and debt and pension liabilities. A high credit rating of AA will allow CapMetro to borrow at low interest rates.

A rating in the AA category puts CapMetro in the top tier of mass transit entities with credit ratings from S&P Global Ratings.

Service Overview

CapMetro Bus

CapMetro Bus service is a fixed-route service that includes the mainline service of CapMetro's transit system. CapMetro operates 54 CapMetro Bus routes, including high-frequency, local, feeder and cross-town routes. The transit authority operates approximately 11.95 million total bus miles over its CapMetro Bus system. The fleet of buses provided riders with an average of 57,500 weekday boardings in FY2025, a decrease over FY2024. CapMetro's over 400 buses operate seven days a week, providing service to more than 1.3 million residents of the service area.

CapMetro Express

CapMetro Express service is a limited-stop commuter service to and from the University of Texas, the Capitol Complex, downtown and Park & Rides. Four routes serve North and Northwest Austin and the city of Leander. One route serves Manor and Elgin in partnership with CARTS. Average weekday boardings were 593 in FY2025, an increase compared to FY2024.

CapMetro Rapid

CapMetro Rapid is a fixed-route service that offers faster, more convenient service for the community. Some of the features include frequent service, limited stops, unique and upgraded stops with real-time arrival information and vehicles equipped with signal priority technology. CapMetro operates four Rapid lines. Rapid 801 North Lamar/South Congress and Rapid 803 Burnet/South Lamar began service in 2014. CapMetro added two Rapid lines serving East Austin in early 2025 – Rapid 837 Expo Center and Rapid 800 Pleasant Valley. All Rapid lines received funds from the Federal Transit Administration's Small Starts Grant program. Average weekday boardings were 12,666 in FY2025, an increase compared to FY2024.

CapMetro Rail

The CapMetro Rail Red Line runs on 32 miles of tracks between downtown Austin and Leander. The Red Line serves 10 stations and provides convenient service for suburban and Central Austin residents. Service is typically provided six days per week with increased service levels for special events. Average weekday boardings were 1,896 in FY2025, an increase compared to FY2024.

CapMetro Access

The CapMetro Access paratransit program is for people who have a disability or medical condition that limits or prevents them from independently using accessible bus service some or all of the time as defined in the Americans with Disabilities Act. People certified by CapMetro under this program may ride CapMetro Access within three-quarters of a mile of CapMetro's non-commuter fixed-route bus service on the same days and during the same hours as the fixed-route service in their area. Average weekday boardings were 2,043 in FY2025.

Pickup

Pickup by CapMetro is an on-demand microtransit service that operates in several neighborhood zones in Austin, Leander, Lago Vista and Manor. This service takes multiple riders heading in the same direction and schedules them into a shared vehicle. There is no set route for the service, customers can be picked up and transported anywhere within a defined service zone and all vehicles are wheelchair accessible. Average weekday boardings were 2,006 in FY2025, an increase as ridership demand continued to grow in each of the 12 existing zones.

University of Texas Shuttle

Fixed route bus service for students, staff and faculty is provided in partnership with the University of Texas. Seven routes provide on-campus circulation and connections between housing and the campus. Average daily ridership for full class days was 6,861 at the end of FY2025.

CapMetro Vanpool

CapMetro Vanpool provides eligible groups of 4-12 people with a month-to-month lease agreement of a passenger van that includes insurance, maintenance, 24-hour roadside assistance, administrative support and an optional fleet card for fuel. The cost of a CapMetro vanpool varies based on van selection, commute distance and number of riders sharing the monthly fare, plus fuel and tolls. Average weekday boardings were 1,456 in FY2025, an increase over the previous year.

CapMetro Bikeshare

CapMetro Bikeshare is a dock-based bike sharing service operating in the downtown, central east and university campus regions of Austin. CapMetro currently operates 81 stations, including 600 electric pedal assist bicycles. Since its inception in 2013, the program has serviced over 3.1 million trips. The fleet of bicycles carried an average ridership of 1,000 trips per day in 2025. CapMetro's Bikeshare program operates seven days a week, providing service to more than 1.3 million residents in the service area.

Regional Service

The CapMetro Service Expansion Policy provides a process for distributing federal transit funding in the region (Section 5307 and 5339 Funds). This provides CapMetro the opportunity to work with jurisdictions outside the service area but within the urbanized area, including the cities of Round Rock, Pflugerville, Hutto, Buda and Travis County. The jurisdiction allocates local funding along with Section 5307 Funds to pay for services, such as developing a Transit Development Plan (TDP), which plans and develops transit services. CapMetro may partner with these jurisdictions to operate transit service through interlocal agreements (ILAs) where the cities/counties reimburse CapMetro directly for the cost of operating service within their communities. CapMetro operates bus transit service in Round Rock. Travis County receives fixed route and Pickup transit service from both CapMetro and CARTS in the urbanized, unincorporated portions of the county.

Ridership

The table below reflects ridership projections by mode of service and shows the increase or decrease compared to the FY2026 budget.

Mode of Service *	FY2025 Actual	FY2026 Budget	FY2026 Forecast **	FY2027 Budget	Var FY2027 vs. FY2026	Var % FY2027 vs. FY2026
CapMetro Bus(1)	18,969,976	20,642,494	17,242,677	15,885,608	(4,756,886)	(23.0%)
CapMetro Rapid(2)	4,202,957	5,731,438	4,574,954	4,772,989	(958,449)	(16.7%)
CapMetro Express(3)	148,850	151,075	151,053	152,988	1,913	1.3%
CapMetro Access(4)	615,810	666,667	649,700	685,433	18,766	2.8%
UT Shuttle(5)	1,140,315	1,343,534	1,066,741	1,026,390	(317,144)	(23.6%)
CapMetro Vanpool(6)	385,821	450,701	398,539	451,979	1,278	0.3%
CapMetro Rail(7)	608,523	781,001	648,597	614,478	(166,523)	(21.3%)
Pickup(8)	571,200	702,544	575,348	575,348	(127,196)	(18.1%)
Special Events	5,704	7,279	10,666	12,123	4,844	66.5%
Total	**26,649,156**	**30,476,733**	**25,318,275**	**24,177,336**	**(6,299,397)**	**(20.7%)**

* A portion of Express, Bus and Pickup service is provided by CARTS

** FY2026 Forecast completed in April 2026

(1) - No significant adjustments to service levels for bus are expected through FY2027, however ridership has been decreasing for the past year as reflected in the revised projections for FY2026 and FY2027. The proposed fare increase planned for January 2027 is anticipated to negatively impact ridership.

(2) - Ridership on Rapid service has increased in the past year at a modest rate which is reflected in the revised projections for FY2026 and FY2027. Revised projections for FY2026 also account for the implementation of full service on Rapid 800 and 837 starting in June 2026. The proposed fare increase planned for January 2027 is anticipated to negatively impact ridership.

(3) - Ridership on Express service has been increasing as more workers are returning to the office. Additional service hours will also be added to Express in FY2027 to support I-35 construction.

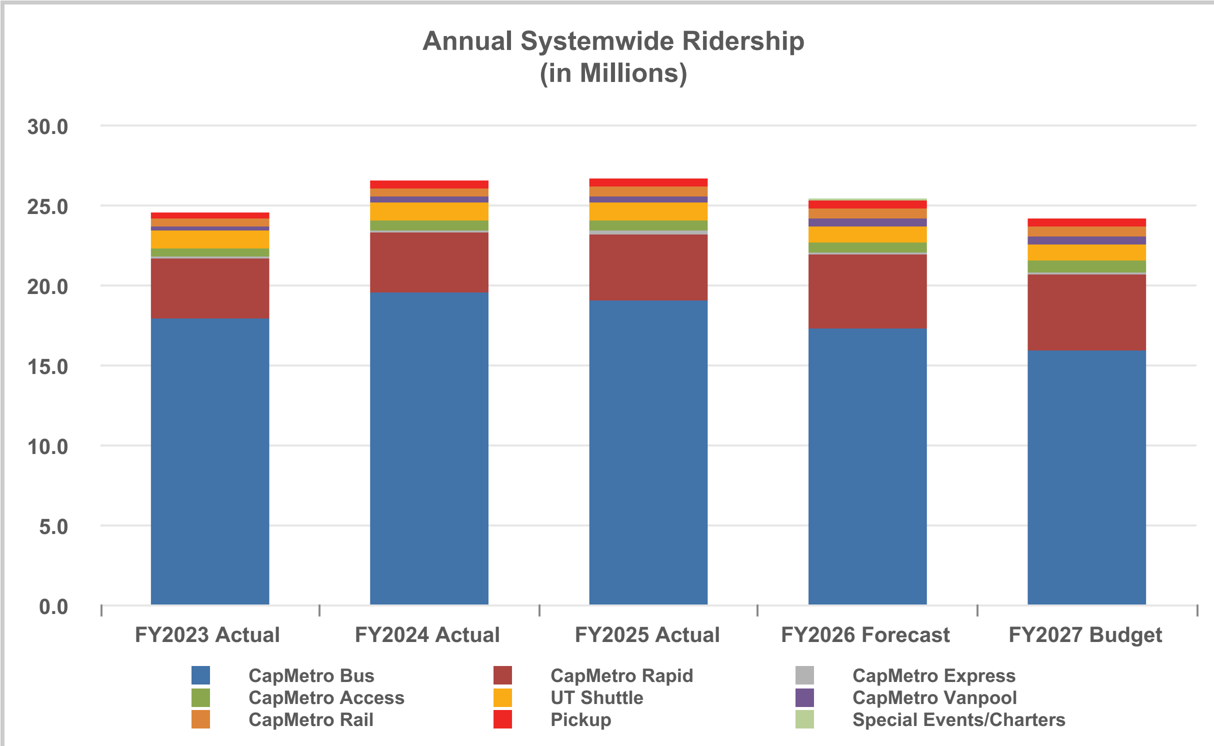
(4) - Experiencing high ridership growth in FY2026, slightly below original projections. High demand for the service is expected to continue in FY2027, with a slight softening in projected growth.

(5) - Ridership on UT shuttle service has been slightly lower in FY2026 compared to the prior year. This decrease in ridership is possibly a result of a growing concentration of students in the direct periphery of campus especially with the growth of on-campus and West Campus housing.

(6) - The vanpool program is forecasted to continue growing into FY2027.

(7) - Rail ridership is expected to decline in FY2027 due to anticipated impacts from the I-35 construction and the proposed fare increase planned for January 2027.

(8) - The new Decker and Dove Springs zones are reaching maturity in FY2026. Ridership in FY2026 is experiencing a slight rubber-banding effect due to mature zones reaching capacity and experiencing higher wait-times. Ridership growth is expected to slow through the end of FY2026 with only a slight increase in FY2027.


Annual Systemwide Ridership
(in Millions)
30.0
25.0
20.0
15.0
10.0
5.0
0.0
FY2023 Actual
FY2024 Actual
FY2025 Actual
FY2026 Forecast
FY2027 Budget
CapMetro Bus
CapMetro Rapid
CapMetro Express
CapMetro Access
UT Shuttle
CapMetro Vanpool
CapMetro Rail
Pickup
Special Events/Charters

Vehicle Hours of Service

The table below reflects vehicle hours of service by mode and shows the increase or decrease compared to the FY2026 budget.

Mode of Service *	FY2025 Actual	FY2026 Budget	FY2026 Forecast **	FY2027 Budget	Var FY2027 vs. FY2026	Var % FY2027 vs. FY2026
CapMetro Bus(1)	1,137,020	1,151,544	1,144,675	1,164,172	12,628	1.1%
CapMetro Rapid(2)	255,270	321,994	328,687	373,379	51,384	16.0%
CapMetro Express(3)	17,144	25,378	17,463	17,070	(8,308)	(32.7%)
CapMetro Access(4)	430,580	475,616	443,499	466,281	(9,335)	(2.0%)
UT Shuttle(5)	89,220	86,121	80,982	80,872	(5,249)	(6.1%)
CapMetro Vanpool(6)	75,001	83,808	81,609	84,046	238	0.3%
CapMetro Rail(7)	21,711	26,328	21,040	26,389	61	0.2%
Pickup(8)	152,178	159,956	154,443	154,752	(5,204)	(3.3%)
Special Events	2,219	936	3,300	778	(158)	(16.9%)
Total	**2,180,342**	**2,331,682**	**2,275,700**	**2,367,738**	**36,056**	**1.5%**

* A portion of Express, Bus and Pickup service is provided by CARTS

** FY2026 Forecast completed in May 2026

(1) - Slight increase for FY2027 versus FY2026 due to identified areas of runtime adjustment and lower than anticipated resource availability. Service levels are designed to ensure consistency in delivery, ensure coverage to essential services and activity centers, and maintain on-time performance. Some of the Bus service included is provided by CARTS.

(2) - Increase based on planned and committed increases on Rapid Expo and Pleasant Valley services with FY2027 being a full year with the implementation of higher-frequency and electric charging at end-of-line facilities as opposed to a partial year in FY2026.

(3) - Anticipated service increases were not implemented in FY2026 and FY2027 levels will remain at the FY2026 reforecast levels. Some of the Express service included is provided by CARTS.

(4) - FY2025 and FY2026 ridership growth has been significant, and CapMetro has been working to implement more service efficiencies managing that growth into FY2027, increasing our average ridership per hour and implementing other operational and scheduling strategies to make shorter trips more efficient in both Hours and Miles traveled.

(5) - FY2027 Decrease reflects a streamlining of service levels due to identified areas of efficiencies reflecting continued changes in student commuting patterns.

(6) - The vanpool program is forecasted to continue growing in FY2027.

(7) - Anticipated service levels to remain relatively unchanged through FY2027. Figures include potential minor adjustments to service levels for Weekdays and Saturdays that support travel needs.

(8) - The new Decker and Dove Springs zones are reaching maturity in FY2026. Ridership in FY2026 is experiencing a slight rubber-banding effect due to mature zones reaching capacity and experiencing higher wait-times. Ridership growth is expected to slow through the end of FY2026 with only a slight increase in FY2027. We are not projecting needing additional hours or vehicles to deliver the scheduled service.

Vehicle Miles of Service

The table below reflects vehicle miles of service by mode and shows the increase or decrease compared to the FY2026 budget.

Mode of Service*	FY2025 Actual	FY2026 Budget	FY2026 Forecast **	FY2027 Budget	Var FY2027 vs. FY2026	Var % FY2027 vs. FY2026
CapMetro Bus(1)	12,980,396	12,898,479	12,944,025	12,912,095	13,616	0.1%
CapMetro Rapid(2)	3,318,054	4,118,332	4,120,645	4,664,610	546,278	13.3%
CapMetro Express(3)	395,426	505,739	397,832	397,162	(108,577)	(21.5%)
CapMetro Access(4)	6,018,535	6,575,807	6,108,813	6,200,445	(375,362)	(5.7%)
UT Shuttle(5)	886,437	860,017	774,505	775,224	(84,793)	(9.9%)
CapMetro Vanpool(6)	3,822,538	3,605,606	4,046,274	3,615,828	10,222	0.3%
CapMetro Rail(7)	453,452	456,342	453,126	459,574	3,232	0.7%
Pickup(8)	1,699,251	1,558,769	1,581,888	1,581,888	23,119	1.5%
Special Events	15,849	8,312	22,786	12,272	3,960	47.6%
Total	**29,589,940**	**30,587,404**	**30,449,893**	**30,619,099**	**31,695**	**0.1%**

* A portion of Express, Bus and Pickup service is provided by CARTS

** FY2026 Forecast completed in May 2026

(1) - Holding steady for FY2027 versus FY2026. As mentioned, this is due to identified areas of runtime adjustment and lower than anticipated resource availability. Runtime adjustments can increase hours while keeping miles stable. Service levels are designed to ensure consistency in delivery, ensure coverage to essential services and activity centers, and maintain on-time performance. Some of the Bus service included is provided by CARTS.

(2) - Increase based on planned and committed increases on Rapid Expo and Pleasant Valley services with FY2027 being a full year with the implementation of higher-frequency and electric charging at end-of-line facilities as opposed to a partial year in FY2026.

(3) - Anticipated service increases were not implemented in FY2026 and FY2027 levels will remain at the FY2026 reforecast levels. Some of the Express service included is provided by CARTS.

(4) - FY2025 and FY2026 ridership growth has been significant, and CapMetro has been working to implement more service efficiencies managing that growth into FY2027, increasing our average ridership per hour and implementing other operational and scheduling strategies to make shorter trips more efficient in both Hours and Miles traveled.

(5) - FY2027 Decrease reflects a streamlining of service levels due to identified areas of efficiencies reflecting continued changes in student commuting patterns.

(6) - The vanpool program is forecasted to continue growing in FY2027.

(7) - Anticipated service levels to remain relatively unchanged through FY2027. Figures include potential minor adjustments to service levels for Weekdays and Saturdays that support travel needs.

(8) - The new Decker and Dove Springs zones are reaching maturity in FY2026. Ridership in FY2026 is experiencing a slight rubber-banding effect due to mature zones reaching capacity and experiencing higher wait-times. Ridership growth is expected to slow through the end of FY2026 with only a slight increase in FY2027. We are not projecting needing additional hours or vehicles to deliver the scheduled service.

Performance Measures

Key performance indicators are used by the board of directors to assess the agency and the Chief Executive Officer's annual performance as it relates to operating and financial performance measures. The Performance Scorecard reflects CapMetro's performance through Q3 FY2026**. The key performance indicators (KPIs) are aligned with the critical results in CapMetro's Strategic Plan 2030.

CRITICAL RESULT 1: ENHANCE SERVICE QUALITY THROUGH RELIABILITY AND SECURITY IMPROVEMENTS						
KPI	FYTD FY2025	FYTD FY2026	FYTD FY2026 Target	FYTD Status	FYTD YoY Change	FY2026 Target
On-Time Performance						
CapMetro Bus, Rapid, Express	78.3%	77.1%	≥ 80%	Not met	-2%	≥ 80%
CapMetro Rail	90.7%	92.2%	≥ 92%	Met	2%	≥ 92%
CapMetro Access	91.8%	92.5%	≥ 90%	Met	1%	≥ 90%
CapMetro Pickup	86.3%	86.7%	≥ 83%	Met	0.5%	≥ 83%
Lost Time						
CapMetro Bus, Rapid, Express	3.8%	3.6%	≤ 2.5%	Not met	-5%	≤ 2.5%
CapMetro Rail	0.4%	0.6%	≤ 3.0%	Met	50%	≤ 3.0%
Vehicle Collisions per 100,000 Miles						
CapMetro Bus, Rapid, Express	3.79	3.21	≤ 3.00	Not met	-5%	≤ 3.00
CapMetro Rail	1.18	0.00	≤ 1.04	Met	—%	≤ 1.04
CapMetro Access & Pickup	1.54	1.24	≤ 1.70	Met	-27%	≤ 1.70
Passenger Injuries per 100,000 Passengers						
CapMetro Bus, Rapid, Express	0.30	0.31	≤ 0.35	Not met	23%	≤ 0.35
CapMetro Rail	0.00	0.00	≤ 1.00	Met	—%	≤ 1.00
CapMetro Access & Pickup	1.93	1.28	≤ 2.00	Met	-24%	≤ 2.00
Security Call Rates per 100,000 Passengers						
CapMetro Bus, Rapid, Express	1.27	1.70	≤ 1.32	Not met	34%	≤ 1.32
CapMetro Rail	2.00	2.57	≤ 1.02	Not met	29%	≤ 1.02
CapMetro Access & Pickup	1.71	2.08	≤ 1.61	Not met	22%	≤ 1.61
Customer Satisfaction*						
Overall Satisfaction	71%	This metric is assessed annually.				≥ 75%
Reliability Satisfaction	52%	This metric is assessed annually.				≥ 70%
Security Satisfaction	52%	This metric is assessed annually.				≥ 65%

CRITICAL RESULT 2: INCREASE RIDERSHIP IN THE REGION						
KPI	FYTD FY2025	FYTD FY2026	FYTD FY2026 Target	FYTD Status	FYTD YoY Change	FY2026 Target
Ridership per Capita	19.0	This metric is assessed annually.				≥ 19.7
Total Ridership	**19,856,928**	**18,743,091**	**≥ 20,383,409**	**Not Met**	**-6%**	**≥ 27,823,384**
CapMetro Bus, Rapid, Express	18,530,429	17,368,764	≥ 18,927,080	Not met	-6%	≥ 25,848,991
CapMetro Rail	449,264	466,350	≥ 453,177	Met	4%	≥ 605,182
CapMetro Access	455,697	481,008	≥ 488,789	Not met	6%	≥ 666,667
CapMetro Pickup	421,538	426,969	≥ 514,363	Not met	1%	≥ 702,544

CRITICAL RESULT 3: ENSURE FISCAL RESPONSIBILITY GUIDES ALL THE ORGANIZATION'S ACTIVITIES						
KPI	FYTD FY2025	FYTD FY2026	FYTD FY2026 Target	FYTD Status	FYTD YoY Change	FY2026 Target
Operating Expenditures as % of Budget	70.4%	72.4%	76.3% (+/- 5%)	Met	3%	90%-100%
Capital Expenditures as % of Budget	36.8%	48.7%	80.1% (+/- 5%)	Not met	32%	90%-100%
Reserved Funds as % of Requirement	100%	100%	≥ 100%	Met	0%	≥ 100%
Cost per Passenger Trip						
CapMetro Bus, Rapid, Express	$11.97	$12.62	≤ $11.07	Not met	5%	≤ $11.07
CapMetro Rail	$56.32	$53.12	≤ $61.74	Met	4%	≤ $61.74
CapMetro Access	$105.20	$108.44	≤ $130.75	Met	3%	≤ $130.75
CapMetro Pickup	$32.18	$33.58	≤ $23.20	Not met	4%	≤ $23.20

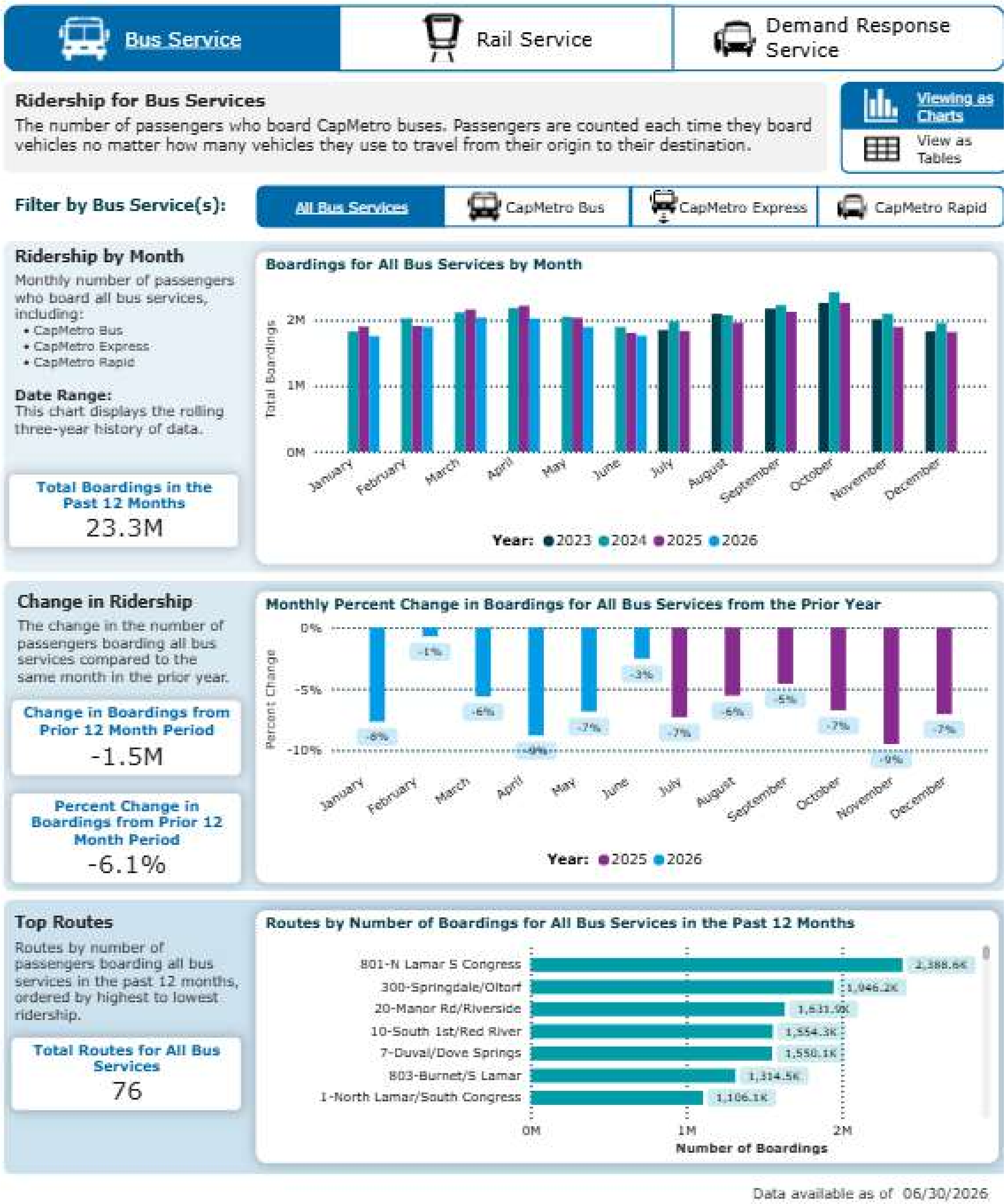
CRITICAL RESULT 4: WORK TO MAKE CAPMETRO A SIGNIFICANT AND INTEGRAL COMPONENT OF TRANSPORTATION IN THE REGION						
KPI	FYTD FY2025	FYTD FY2026	FYTD FY2026 Target	FYTD Status	FYTD YoY Change	FY2026 Target
Net Promoter Score	9	This metric is assessed annually.				≥ 30
Community Perception and Awareness*	Not available	This metric is assessed annually.				≥ 69%

*Favorable survey response rates

**Current year financial performance measures are based on unaudited preliminary numbers.

CapMetro utilizes performance dashboards to provide transparency of quarterly summary activity reported to the board of directors and the public in a more efficient manner. The dashboards track ridership, on-time performance or reliability, safety incidents reported to the National Transit Database (NTD) and financial revenue and expenses. Performance dashboards are updated each month and reside on the CapMetro website at capmetro.org/aboutus/performance-dashboard.

Ridership



Reliability

Bus Service | Rail Service | Demand Response Service

Reliability for Bus Services

CapMetro recognizes that reliability is key to providing an excellent customer experience. Primary components of reliability include timeliness and the reduction of mechanical failures that can take our vehicles out of service. On-Time Performance (OTP) is a measure of the timeliness of our service, and Mean Distance Between Failure (MDBF) measures how often a mechanical failure interrupts a scheduled trip.

Viewing as Charts | View as Tables

Filter by Bus Service(s): All Bus Services | CapMetro Bus | CapMetro Express | CapMetro Rapid

OTP by Month

OTP for all bus services by month, including:

- CapMetro Bus
- CapMetro Express
- CapMetro Rapid

Date Range:
This chart displays the rolling three-year history of data.

OTP in the Past 12 Months

77.3%

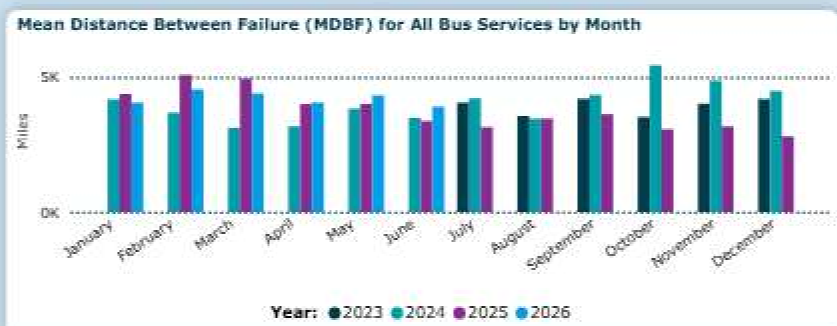
OTP by Route

OTP for all bus services by route in the past 12 months, ordered by route number.

Mean Distance Between Failure (MDBF) by Month

MDBF for all bus services by month. MDBF is a reliability metric that measures the mean number of miles traveled between the failure of a mechanical element that prevents the vehicle from completing a scheduled revenue trip or starting the next scheduled revenue trip.

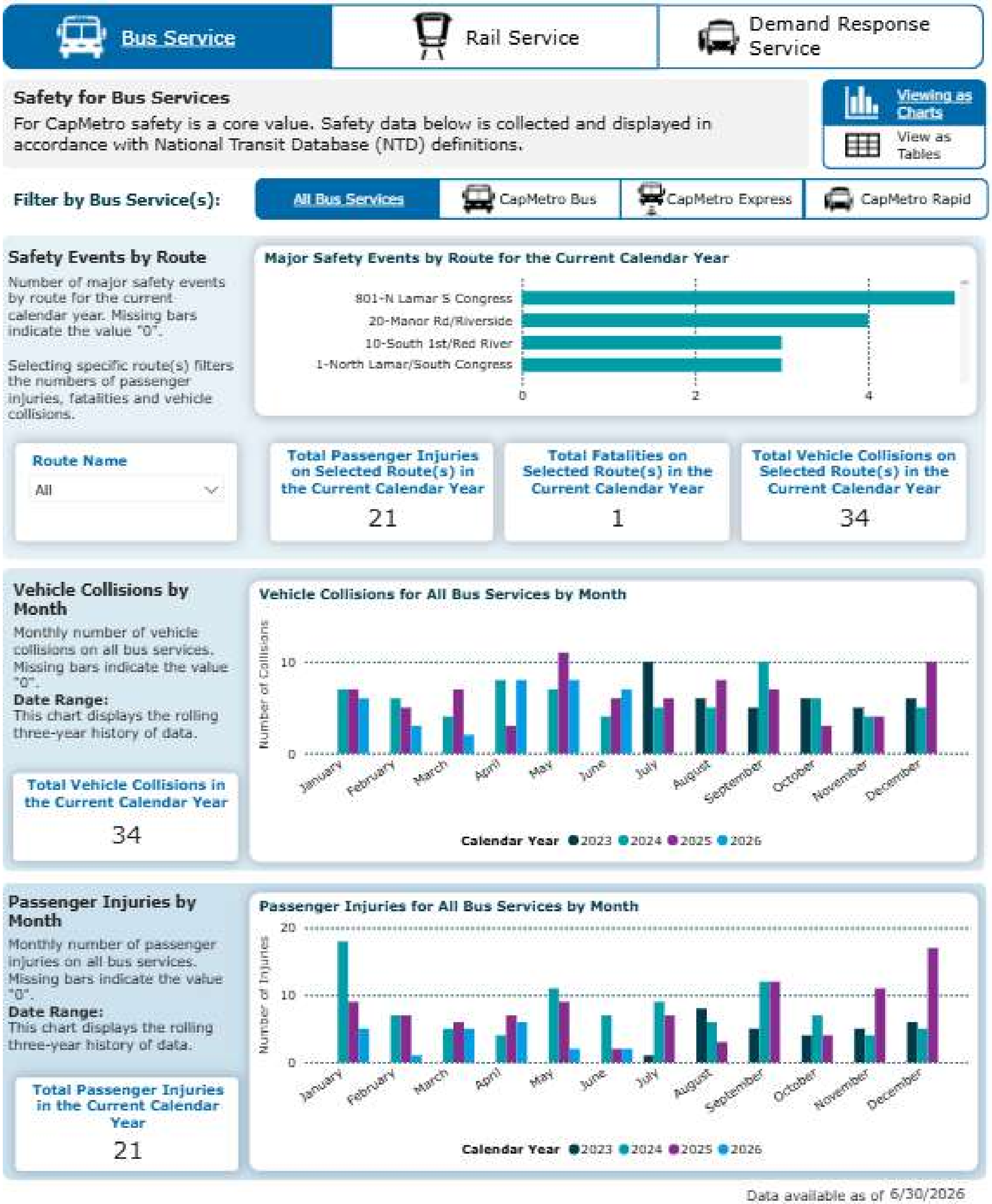
Date Range:
This chart displays the rolling three-year history of data.



Data available as of 06/30/2026

Safety

Safety is not only a priority but a core value at Cap Metro. We collect and closely analyze safety-related data that assists us in maintenance, facility repair, training, communication, change management and hazard mitigation decisions so that we can provide our customers with the safest possible ride.



Finance

Revenue

Revenue received from sales tax and passenger revenues, contributions and grants, freight revenues and other revenues.

Viewing as Charts | View as Tables

CapMetro's fiscal year (FY) runs from October through September. The date range displayed begins in October; the date selector sets the end period for the fiscal year.

Select End Period: June

Revenue | **Operating Expense** | **Capital Expense**

YTD revenue

Year-to-date (YTD) revenue compared to full year budgeted revenue.

Date Range:

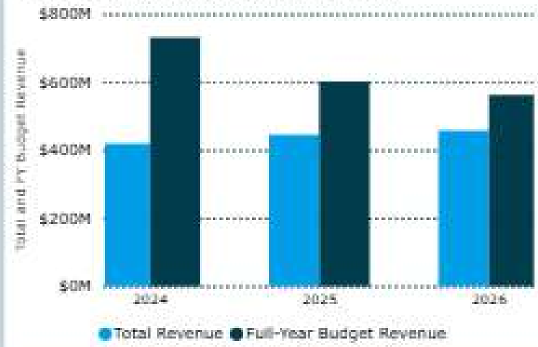
Chart displays financial data for respective fiscal years from October to June; budgets are for full Fiscal Year.

Collected vs. Budget in Fiscal Year

81.4%

YTD Revenue to Full-Year Budget of Current Fiscal Year

YTD Revenue to Full-Year Budget Trend



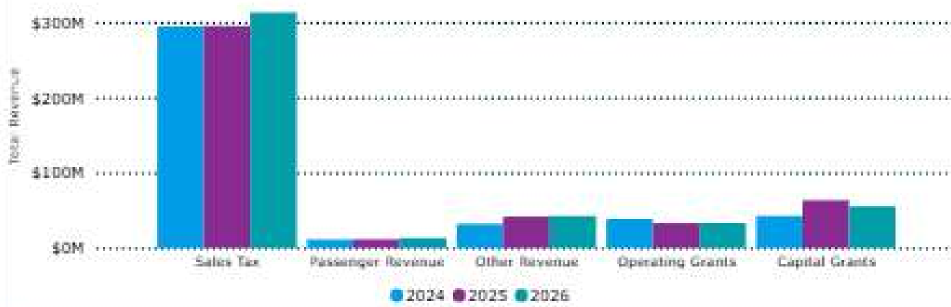
YTD Revenue by Category

YTD revenue trend segmented by account categories.

Date Range:

Chart displays financial data for respective fiscal years, October to June.

YTD Revenue Comparison by Category



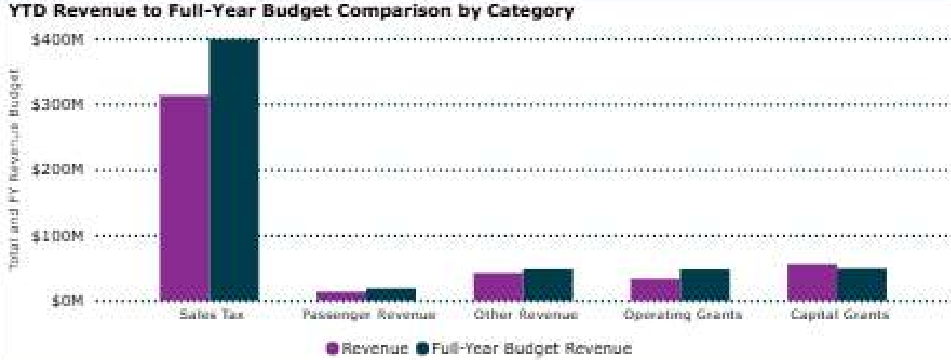
YTD Revenue to FY Budget

Total revenue segmented by categories.

Date Range:

Chart displays financial data for current fiscal year from October to June.

YTD Revenue to Full-Year Budget Comparison by Category



Data available as of 6/30/2026

Operating Expense

Expenditures incurred from the day-to-day business operations of providing public transportation service.

Viewing as Charts | View as Tables

CapMetro's fiscal year (FY) runs from October through September. The date range displayed begins in October; the date selector sets the end period for the fiscal year.

Select End Period: June

Revenue | **Operating Expense** | Capital Expense

YTD Operating Expense

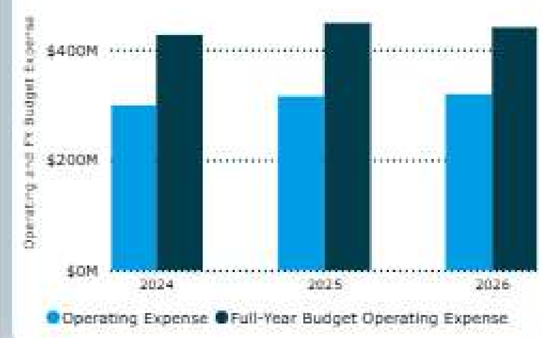
Year-to-date (YTD) operating expense compared to full year budgeted operating expense.

Date Range:
Chart displays financial data for respective fiscal years from October to June; budgets are for full Fiscal Year.

Budget Utilized in Fiscal Year
72.4%

YTD Operating Expense to Full-Year Budget of Current Fiscal Year

YTD Operating Expense to Full-Year Budget Trend

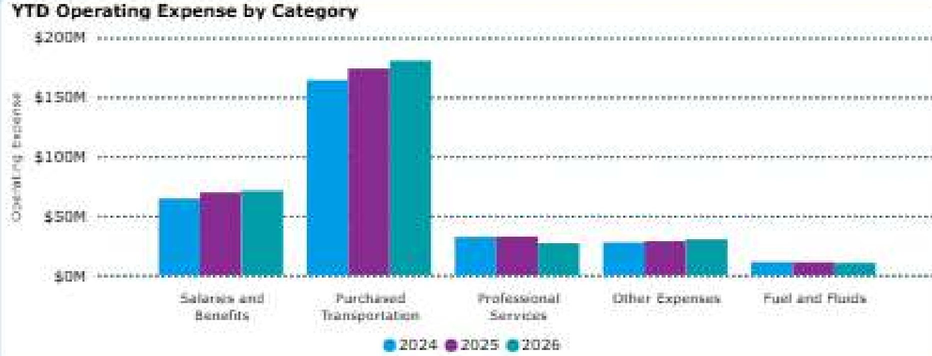


YTD Operating Expense by Category

YTD operating expense trend segmented by account categories.

Date Range:
Chart displays financial data for respective fiscal years, October to June.

YTD Operating Expense by Category

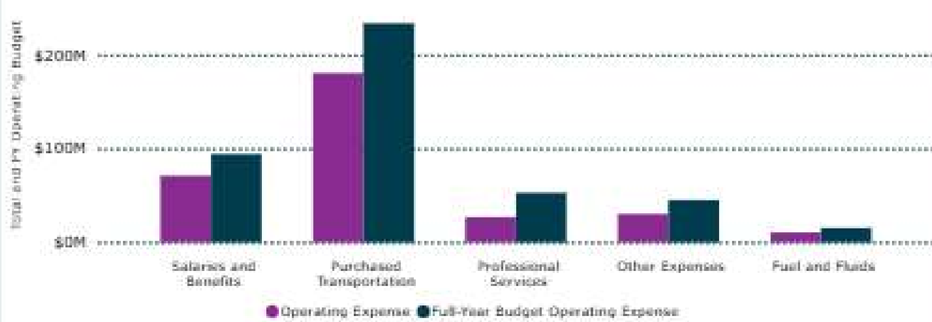


YTD Operating Expense to FY Budget

Total operating expense segmented by categories.

Date Range:
Chart displays financial data for current fiscal year from October to June.

YTD Operating Expense to Full-Year Budget Comparison by Category



Data available as of 6/30/2026

Capital Expense

Expenses related to purchasing a capital asset or making an improvement to a capital asset that materially increases its value or useful life.

Viewing as Charts

View as Tables

CapMetro's fiscal year (FY) runs from October through September. The date range displayed begins in October; the date selector sets the end period for the fiscal year.

Select End Period: June

Revenue | Operating Expense | Capital Expense

YTD Capital Expense

Year-to-date (YTD) capital expense compared to full year budgeted capital expense.

Date Range:

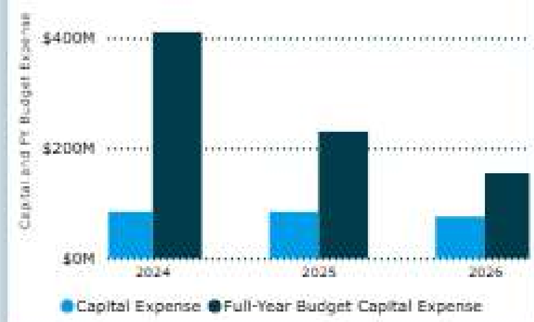
Chart displays financial data for respective fiscal years from October to June; budgets are for full Fiscal Year.

Budget Utilized in Fiscal Year

48.7%

YTD Capital Expense to Full-Year Budget of Current Fiscal Year

YTD Capital Expense to Full-Year Budget Trend



YTD Capital Expense by Category

YTD capital expense trend segmented by account categories.

Date Range:

Chart displays financial data for respective fiscal years, October to June.

YTD Capital Expense by Category

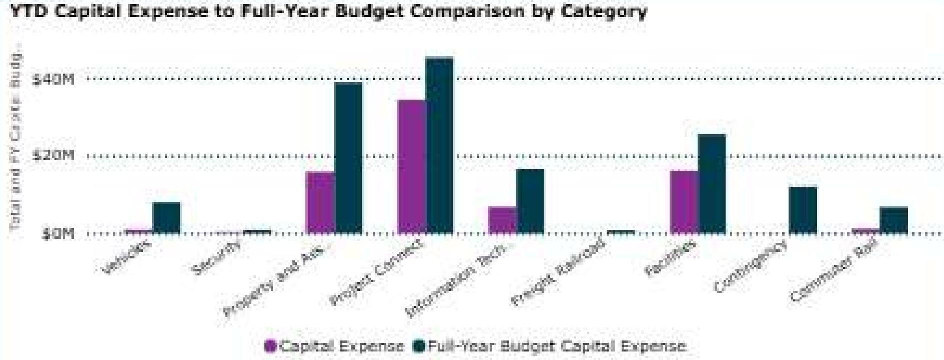
YTD Capital Expense to FY Budget

Total capital expense segmented by categories.

Date Range:

Chart displays financial data for current fiscal year from October to June.

YTD Capital Expense to Full-Year Budget Comparison by Category



Data available as of 6/30/2026

4

Capital Budget

CapMetro

Capital Budget

Consistent with Section 451.134 of the Transportation Code, CapMetro prepared a five-year Capital Improvement Plan (CIP) for capital projects that support its strategic goals. The CIP is updated annually and addresses replacement and expansionary requirements for public transportation service in Central Texas. The five-year CIP describes each planned project, including project type, estimated funding sources and anticipated impact on operational costs, ensuring alignment between capital investments and long-term service, financial sustainability, and value delivery.

CapMetro's Capital Improvement Program guides funding decisions during the budget review process and subsequent reporting of progress. The Capital Improvement Program approach addresses several areas, including project financing, project monitoring and prioritization of projects, supporting data-driven decision-making and effective portfolio management.

Capital acquisitions represent the purchase of equipment and other assets of $5,000 or more with a useful life greater than one year.

Capital projects typically include construction, fleet acquisition or technology projects that are developmental in nature and frequently span more than one fiscal year. Capital projects often involve two or more components of cost, e.g., equipment, labor and professional services.

CapMetro anticipates federal and state grant funding of $66.9 million in FY2027. Other capital contributions of $1.3 million are also anticipated for reimbursements from the Austin Transit Partnership for Project Connect related projects.

The proposed capital budget for FY2027 and the five-year CIP are included in **Appendix B: Five-Year Capital Improvement Plan**. Project summaries, funding sources, benefits and the applicable strategic goals and objectives for each capital project summary are provided. Operating expenses associated with capital investments are incorporated into the agency's operating budget.

Together, these practices ensure that capital investments are prioritized, funded, and delivered in a manner that sustains reliable service and maximizes long-term value for the community.

STRATEGIC ALIGNMENT

In support of CapMetro's mission and vision, projects in the FY2027 – FY2031 capital improvement plan support the following Strategic Plan 2030 elements:

- Goals: Customer; Community; Workforce, and Organizational Effectiveness.
- Critical Results: Reliable and Secure Service; Increased Ridership; Fiscal Responsibility; and Regional Significance.
- Action Items (these vary by project scope).

See the **Strategic Plan** and **Appendix B: Five-Year Capital Improvement Plan** sections for more detailed information.

OPERATING COST IMPACT

Operating impacts associated with capital investments are evaluated at the project initiation and incorporated into the agency's financial plan. Once assets are placed into service, ongoing costs—such as maintenance, utilities, and staffing—are included in future operating budgets. Investments in state of good repair are expected to reduce long-term operating maintenance costs and improve service reliability.

FY2027 Capital Projects

CAPITAL PROJECTS	FY2027 PLANNED
BUS	**$74,670,132**
Facilities	6,277,562
Fleet Vehicles	48,250,000
Hardware & Software	6,250,000
Stops, Stations, Park & Rides	13,892,570
ACCESS & PICKUP	**64,918,432**
Facilities	63,249,432
Fleet Vehicles	1,669,000
RAIL	**40,603,450**
Fleet Vehicles	1,807,330
Stations	19,145,701
Track & Signals	19,621,219
BIKESHARE	**814,000**
Facilities	564,000
Stations	250,000
PUBLIC SAFETY	**2,428,370**
Facilities	561,005
Fleet Vehicles	300,000
Hardware & Software	891,000
Track & Signals	676,365
SHARED AGENCY ASSETS	**21,063,245**
Contingency	10,000,000
Facilities	3,424,810
Fleet Vehicles	1,100,865
Hardware & Software	6,537,570
PROJECTS TOTAL	**$204,497,629**

FUNDING SOURCES	FY2027 PLANNED
CapMetro Local Funds	136,309,624
Grants	66,938,005
Project Connect Program Sequence Funds	1,250,000
FUNDING SOURCES TOTAL	**$204,497,629**

FY2027 Capital Plan Highlights

Investing In Our Bus Fleet

Replacing Aging Buses For Safe, Reliable And Financially Responsible Service

Aging vehicles are more prone to breakdowns, which can disrupt service, impact on-time performance, and increase maintenance costs. By proactively replacing these buses, CapMetro is protecting day-to-day reliability while creating a more comfortable and consistent experience for riders. These investments also support the transition to a cleaner, more efficient fleet by preparing the agency for expanded use of zero-emission vehicles.

Restoring Electric Buses To Service

The FY2027 Capital Improvement Plan includes targeted investments to bring a subset of our electric fleet that was previously deployed back into reliable service by addressing needed upgrades, infrastructure, and support gaps. These efforts maximize the value of existing assets while strengthening CapMetro's ability to operate and maintain an increasingly modern fleet.

Bus and electric charging infrastructure

Infrastructure And Equipment Investments

A set of smaller but essential investments supports the safe and reliable operation of bus service every day. These projects include upgrades to maintenance equipment that keep buses in service, improvements to bus yards that enhance safety and durability, and renovations to workspaces that help staff coordinate and operate more effectively.

While these projects may be less visible to customers day-to-day, together they play a critical role in maintaining a strong state of good repair, reducing service disruptions, and supporting a reliable experience for customers.

Strategic Plan 2030 Connection

Together, these investments deliver on Strategic Plan 2030 by strengthening service reliability, advancing state of good repair, and supporting a more resilient transit system for our community.

Improving The Transit Stop Experience

Making Transit Stops Safer And More Accessible

CapMetro transit stops

These coordinated transit-stop projects improve the physical condition and usability of stops and stations across the system. Upgrades include ADA-compliant boarding areas, improved sidewalks and repairs that make stops safer and easier to access. New and upgraded shelters provide protection from the elements while investments in lighting, cameras, and supporting technologies increase visibility, deter unsafe activity, and provide greater visibility across the system. Together, these improvements create a more consistent environment and support a better customer experience.

Improving Information And Wayfinding For A More Predictable Experience

Investments in real-time information and accessible wayfinding make transit easier to navigate. Dynamic message signage delivers live arrival times and service updates helping customers plan with confidence.

One area where CapMetro is seeking to improve accessibility for people with disabilities and particularly those who are blind or have low vision is “wayfinding”—the process by which customers navigate throughout the transit ecosystem. These tools help ensure that transit is intuitive and inclusive, removing barriers to access.

Partnering To Deliver Corridor Improvements

Through partnerships with the City of Austin, CapMetro is delivering coordinated improvements that integrate transit stops with surrounding infrastructure. These efforts include enhancements to sidewalks, ramps, and bike connections that improve how customers safely use transit.

By aligning transit investments with broader street and mobility improvements, this program creates a more connected transportation network to better support how people move.

Strategic Plan 2030 Connection

These projects support CapMetro’s strategic goals to ensure a safe and welcoming experience for customers and team members through the thoughtful deployment of transit stops and amenities, and by implementing a multi-phase security strategy.

Supporting Demand Response Service

Replacing Demand Response Vehicles And Technology

These projects support reliable demand response service by replacing vehicles and equipment before the end of their useful life to reduce breakdowns, control maintenance costs, and maintain fleet availability. The project's focus on maintaining a state of good repair through timely replacement of CapMetro Access vans, service and supervisor vehicles, along with vehicle tablets.

Keeping Existing Demand Response Facilities In A State Of Good Repair

These projects maintain safe and code-compliant operations for CapMetro Access while supporting dispatch and customer service functions. Our twenty-six-year-old primary dispatch center for CapMetro Access requires improvements to address ADA compliance requirements, roof replacement, and furniture, fixtures, and equipment updates.

Relocating The Eligibility Center

This project relocates the Access Eligibility Center from leased space into a CapMetro-owned facility, eliminating ongoing lease costs while maintaining customer certification services. The Eligibility Center is used to evaluate and certify individuals for Access services including in-person functional and/or cognitive assessments and the ability to navigate regular CapMetro fixed-route or rail services.

Designing And Constructing Demand Response Facilities

The North Base and South Base Demand Response Facilities projects will stage vehicles closer to riders, improve response times, reduce fuel and labor costs, and provide the capacity needed to support continued growth in Demand Response service.

The North Base and South Base facilities are being designed and constructed to efficiently serve the rapidly expanding community while replacing outgrown lease facilities.

Strategic Plan 2030 Connection

Together, these Demand Response capital projects support Strategic Plan 2030 by improving on-time performance, vehicle availability, dispatch coordination, maintenance reliability, and geographic coverage for safe and reliable service. The projects also support cost-efficient operations, future service growth, and integration with future Project Connect investments to enhance regional significance.

5 Long-Range Financial Plan

CapMetro

Long-Range Financial Plan

Fiscal Years 2027 to 2036

This section is under development and will be added at a later date.

6

Operating Detail by Department

CapMetro

Summary of Department Expenses

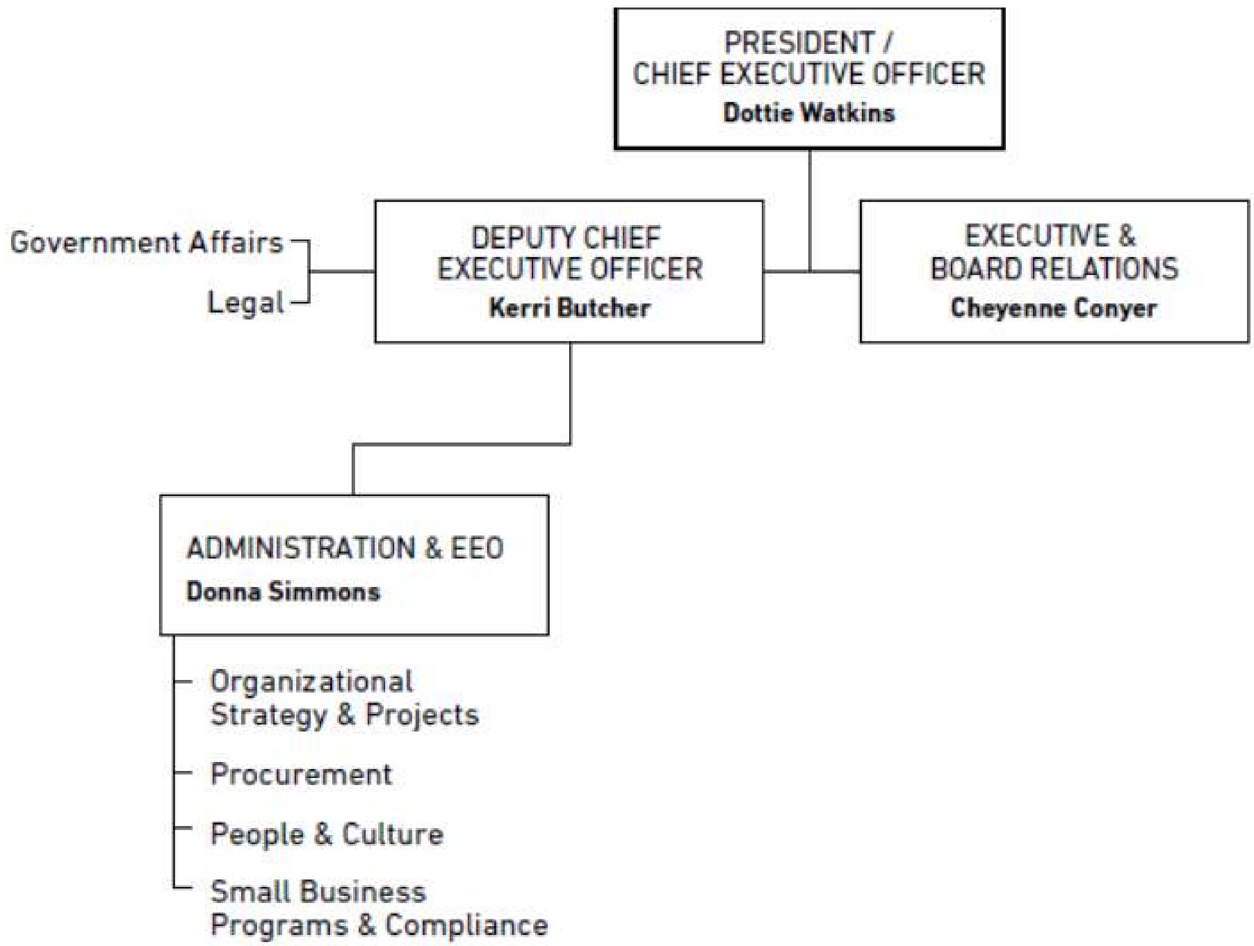
Division / Department	FY2025 ACTUAL	FY2026 BUDGET	FY2026 FORECAST	FY2027 BUDGET	FY2027 v. FY2026 ($)	FY2027 v. FY2026 (%)
Administration						
Business Center	$422,902	$413,942	$441,608	$530,813	$116,871	28.2 %
Child Care and Learning Center	291,428	323,370	292,331	282,100	(41,270)	(12.8)%
Executive and Board Relations	1,771,758	2,037,677	1,807,776	2,384,390	346,713	17.0 %
Government Affairs	1,073,096	960,058	976,254	998,780	38,722	4.0 %
Legal	1,180,786	1,617,710	1,541,235	1,475,278	(142,432)	(8.8)%
Non-Allocated Benefits	17,509,348	21,904,322	25,276,830	25,128,752	3,224,430	14.7 %
Organizational Strategy and Projects	2,363,742	1,625,215	1,623,096	1,667,293	42,078	2.6 %
People and Culture	5,495,815	5,052,159	4,874,902	4,931,994	(120,165)	(2.4)%
Procurement	2,909,713	2,707,115	2,709,115	2,792,052	84,937	3.1 %
Small Business Programs and Compliance	772,663	562,150	520,245	535,878	(26,272)	(4.7)%
Wellness and Fitness Centers	317,466	368,880	303,105	327,374	(41,506)	(11.3)%
Capital Construction, Engineering & Design						
Capital Construction, Engineering and Design	440,494	550,780	413,140	331,310	(219,470)	(39.8)%
Capital Construction and Facility Management	1,055,775	1,126,569	1,150,179	1,147,651	21,082	1.9 %
Capital Design and Construction	3,795,401	1,441,298	1,558,298	1,407,042	(34,256)	(2.4)%
Facility Design and Construction	545,776	496,061	2,587,859	512,507	16,446	3.3 %
Facility Programming and Management	6,723,594	4,551,991	3,992,690	3,876,063	(675,928)	(14.8)%
Power Systems and Sustainability	923,520	679,197	676,197	670,624	(8,573)	(1.3)%
Real Estate	2,192,994	3,687,302	2,957,716	2,062,707	(1,624,595)	(44.1)%
Rolling Stock and Support Equipment	615,898	694,585	688,585	746,702	52,117	7.5 %
Systems Engineering and Designs	296,849	317,920	311,430	256,930	(60,990)	(19.2)%
Experience & Engagement						
Community Engagement	1,210,158	1,557,297	1,404,892	1,465,162	(92,135)	(5.9)%
Customer Care	1,351,459	1,375,859	1,581,954	1,502,490	126,631	9.2 %
Marketing and Communications	6,333,531	6,414,455	5,822,677	6,342,507	(71,948)	(1.1)%
Finance						
Finance	9,122,864	15,213,209	13,680,924	21,465,809	6,252,600	41.1 %
Mobility Interlocal Agreements	3,079,002	4,955,204	5,576,465	4,512,000	(443,204)	(8.9)%
Information Technology						
Information Technology	3,079,002	27,702,617	24,621,909	25,460,374	(2,242,243)	(8.1)%
Internal Audit						
Internal Audit	906,257	710,180	707,366	655,053	(55,127)	(7.8)%

Division / Department	FY2025 ACTUAL	FY2026 BUDGET	FY2026 FORECAST	FY2027 BUDGET	FY2027 v. FY2026 ($)	FY2027 v. FY2026 (%)
Operations						
Bikeshare	1,949,281	1,304,827	1,464,985	1,408,602	103,775	8.0 %
Bus Operations Control Center and Training	—	—	—	5,719,078	5,719,078	N/A
Bus Transportation	206,175,459	186,099,433	183,665,462	176,951,649	(9,147,784)	(4.9)%
Bus Vehicle Maintenance	—	—	—	26,538,876	26,538,876	N/A
Demand Response Control and Call Center	2,929,420	2,975,850	2,975,850	3,136,686	160,836	5.4 %
Demand Response Oversight	46,504,323	52,807,753	51,569,104	55,027,194	2,219,441	4.2 %
Facilities Maintenance	4,953,359	11,956,656	9,168,702	11,421,865	(534,791)	(4.5)%
Microtransit	10,090,241	9,847,946	10,244,304	9,782,208	(65,738)	(0.7)%
Paratransit Eligibility	1,404,990	1,630,584	1,731,292	1,919,216	288,632	17.7 %
Project Connect	17,885,306	22,460,934	20,512,061	31,062,740	8,601,806	38.3 %
Rail Commuter Operations	24,732,443	24,289,071	24,477,651	35,418,877	11,129,806	45.8 %
Rail Freight Management	1,925,417	1,466,397	1,516,399	1,290,860	(175,537)	(12.0)%
Vanpool	3,471,377	3,648,486	3,934,058	3,483,081	(165,405)	(4.5)%
Safety and Systemwide Accessibility						
Public Safety and Emergency Management	8,100,888	7,946,460	7,938,276	7,678,272	(268,188)	(3.4)%
Safety	2,063,431	1,986,685	1,925,846	1,791,367	(195,318)	(9.8)%
Systemwide Accessibility	435,795	325,986	283,436	267,158	(58,828)	(18.0)%
Transit Police	2,607,436	3,696,446	3,748,853	4,401,003	704,557	19.1 %
Strategic Planning and Development						
Strategic Planning and Development	6,525,564	6,847,265	6,518,584	6,194,015	(653,250)	(9.5)%
Total	**$436,642,755**	**$448,337,901**	**$439,773,641**	**$496,962,382**	**$48,624,481**	**10.8 %**

Administration Division

The Administration Division provides core legal, strategic, operational and employee support services that enable CapMetro to function efficiently and ethically. It oversees key departments including Legal, Procurement, Organizational Strategy, People and Culture, Board Relations and Government Affairs. The division ensures both internal operations and external engagement align with the agency's mission.

Organization



Full-Time Equivalent Staffing Chart

Division / Department	FY2025 Actual	FY2026 Budget	FY2026 Staffing Changes	FY2027 Staffing Changes	FY2027 Budget
Administration					
Business Center	—	—	—	—	—
Child Care and Learning Center	—	—	—	—	—
Executive and Board Relations	9.0	9.0	—	—	9.0
Government Affairs	4.5	4.5	—	—	4.5
Legal	7.5	7.5	—	—	7.5
Non-Allocated Benefits	—	—	—	—	—
Organizational Strategy and Projects	12.0	12.0	—	—	12.0
People and Culture	31.5	31.5	1.0	1.0	33.5
Procurement	23.0	23.0	—	1.0	24.0
Small Business Programs and Compliance	6.0	4.0	—	—	4.0
Wellness and Fitness Centers	—	—	—	—	—
Total	**93.5**	**91.5**	**1.0**	**2.0**	**94.5**

Budget Changes

Division / Department	FY2025 ACTUAL	FY2026 BUDGET	FY2026 FORECAST	FY2027 BUDGET	FY2027 v. FY2026 ($)	FY2027 v. FY2026 (%)
Administration						
Business Center	$422,902	$413,942	$441,608	$530,813	$116,871	28.2 %
Child Care and Learning Center	291,428	323,370	292,331	282,100	(41,270)	(12.8)%
Executive and Board Relations	1,771,758	2,037,677	1,807,776	2,384,390	346,713	17.0 %
Government Affairs	1,073,096	960,058	976,254	998,780	38,722	4.0 %
Legal	1,180,786	1,617,710	1,541,235	1,475,278	(142,432)	(8.8)%
Non-Allocated Benefits	17,509,348	21,904,322	25,276,830	25,128,752	3,224,430	14.7 %
Organizational Strategy and Projects	2,363,742	1,625,215	1,623,096	1,667,293	42,078	2.6 %
People and Culture	5,495,815	5,052,159	4,874,902	4,931,994	(120,165)	(2.4)%
Procurement	2,909,713	2,707,115	2,709,115	2,792,052	84,937	3.1 %
Small Business Programs and Compliance	772,663	562,150	520,245	535,878	(26,272)	(4.7)%
Wellness and Fitness Centers	317,466	368,880	303,105	327,374	(41,506)	(11.3)%
Total	**$34,108,717**	**$37,572,598**	**$40,366,497**	**$41,054,704**	**$3,482,106**	**9.3 %**

Business Center

Functions and Responsibilities

The Business Center Department provides support services to CapMetro, including printing, copying and delivery of lost and found items to the Transit Store and mail and delivery services through a contracted solution.

FY2027 Budget Overview

Approximately $117 thousand in FY2027 funding supports enterprise printing, document production, mail distribution, and business support services across the agency. Funding supports print management technology, operational resources, and professional services that improve service efficiency, strengthen data-driven decision making, and promote responsible stewardship of agency resources.

Strategic Alignment

Goal Area

Organizational Effectiveness

Critical Result

Fiscal Responsibility

Focus Area 1

Improve efficiency and sustainability of agency printing services through standardized print management practices and increased use of digital solutions.

Objective 1

By F20Y27 year-end, reduce abandoned print-job waste through implementation of print management software functionality and standardized print practices.

Objective 2

By FY2027 year-end, establish department-level paper usage tracking and baseline metrics across 100% of office locations to identify opportunities to transition at least 25% of eligible print requests to digital or paperless distribution methods.

Objective #	Measure	FY2025 Actual	FY2026 Estimate	FY2027 Target
1	Abandoned print jobs	N/A	Establish baseline	Reduce from baseline
2	Percentage of office locations with paper usage tracking and baseline metrics established	N/A	Establish baseline	100%

Focus Area 2

Enhance operational decision-making through improved utilization of data and business service analytics.

Objective 3

By FY2027 year-end, implement and analyze job ticketing data to establish baseline metrics on print request types and costs that support future budgeting and service planning decisions.

Objective #	Measure	FY2025 Actual	FY2026 Estimate	FY2027 Target
3	Percentage of eligible print work completed in-house	N/A	Establish baseline	Increase from baseline
3	Percentage of print requests submitted through the print request portal	N/A	Establish baseline	Increase from baseline

Budget Changes

Other Expenses

Increase of $116,871 driven by $130,448 increase in Professional Services, $18,000 increase in Materials and Supplies, offset by $31,577 decrease in Lease/Rentals for printing equipment.

	FY2025 ACTUAL	FY2026 BUDGET	FY2026 FORECAST	FY2027 BUDGET	Var $ FY2027 vs. FY2026	Var % FY2027 vs. FY2026
Salaries and Benefits	$—	$—	$—	$—	$—	N/A
TOTAL SALARIES & BENEFITS	**—**	**—**	**—**	**—**	**—**	**N/A**
Professional Services	228,576	267,600	264,075	398,048	130,448	48.7 %
Fuel and Fluids	—	—	—	—	—	N/A
Materials and Supplies	58,705	—	31,219	18,000	18,000	N/A
Utilities	—	—	—	—	—	N/A
Insurance	—	—	—	—	—	N/A
Purchased Transportation	—	—	—	—	—	N/A
Other Expenses	2,761	458	450	458	—	— %
Interest Expense	—	—	—	—	—	N/A
Lease/Rentals	132,860	145,884	145,864	114,307	(31,577)	(21.6)%
Interlocal Agreements	—	—	—	—	—	N/A
TOTAL OTHER EXPENSES	**422,902**	**413,942**	**441,608**	**530,813**	**116,871**	**28.2 %**
TOTAL OPERATING EXPENSES	**$422,902**	**$413,942**	**$441,608**	**$530,813**	**$116,871**	**28.2 %**

Child Care and Learning Center

Functions and Responsibilities

The Childcare program is comprised of two components: A dependent care stipend program that is available to both CapMetro and operations service partner employees; and CapMetro's Child Care and Learning Center that opened July 31, 2006, and is operated by Bright Horizons Family Solutions.

Budget Changes

Salaries and Benefits

Net Increase of $6,232 in employee benefits compared to the FY2026 budget, with an overall anticipated increase in participation rates in the childcare program.

Other Expenses

Decrease of $47,502 primarily in Professional Services based on contracted usage.

	FY2025 ACTUAL	FY2026 BUDGET	FY2026 FORECAST	FY2027 BUDGET	Var $ FY2027 vs. FY2026	Var % FY2027 vs. FY2026
Salaries and Benefits	$61,853	$223,368	$217,331	$229,600	$6,232	2.8 %
TOTAL SALARIES & BENEFITS	**61,853**	**223,368**	**217,331**	**229,600**	**6,232**	**2.8 %**
Professional Services	229,575	100,002	75,000	52,500	(47,502)	(47.5)%
Fuel and Fluids	—	—	—	—	—	N/A
Materials and Supplies	—	—	—	—	—	N/A
Utilities	—	—	—	—	—	N/A
Insurance	—	—	—	—	—	N/A
Purchased Transportation	—	—	—	—	—	N/A
Other Expenses	—	—	—	—	—	N/A
Interest Expense	—	—	—	—	—	N/A
Lease/Rentals	—	—	—	—	—	N/A
Interlocal Agreements	—	—	—	—	—	N/A
TOTAL OTHER EXPENSES	**229,575**	**100,002**	**75,000**	**52,500**	**(47,502)**	**(47.5)%**
TOTAL OPERATING EXPENSES	**$291,428**	**$323,370**	**$292,331**	**$282,100**	**$(41,270)**	**(12.8)%**

Executive and Board Relations

Functions and Responsibilities

The Executive and Board Relations Department supports the Board of Directors, President & Chief Executive Officer, and Senior Management Team in advancing CapMetro's mission, strategic priorities, and organizational objectives. The department coordinates Board and committee meetings, work sessions, and governance activities; facilitates communication among the Board, agency leadership, staff, and the public; and works closely with Legal to support compliance with applicable statutory and open meetings requirements. The department also provides executive-level coordination, strategic planning support, policy guidance, and organizational prioritization to help ensure the successful delivery of agency programs, initiatives, projects, and services. Through its support of executive leadership and governance functions, the department helps align organizational resources and decision-making with CapMetro's strategic goals and regional transportation mission.

Budget Changes

Salaries and Benefits

Increase of $56,996 due to the proposed performance-based pay increase to become effective in January 2027.

Other Expenses

Increase of $289,717 primarily in Other Expenses is from a consolidation of all agency-wide seminars, conferences and travel expenses to this centralized department to increase efficiency, planning and controls.

	FY2025 ACTUAL	FY2026 BUDGET	FY2026 FORECAST	FY2027 BUDGET	Var $ FY2027 vs. FY2026	Var % FY2027 vs. FY2026
Salaries and Benefits	$1,577,808	$1,822,058	$1,667,499	$1,879,054	$56,996	3.1 %
TOTAL SALARIES & BENEFITS	**1,577,808**	**1,822,058**	**1,667,499**	**1,879,054**	**56,996**	**3.1 %**
Professional Services	13,757	19,550	—	19,550	—	— %
Fuel and Fluids	—	—	—	—	—	N/A
Materials and Supplies	1,316	5,240	2,400	4,940	(300)	(5.7)%
Utilities	3,116	3,360	2,880	3,360	—	— %
Insurance	—	—	—	—	—	N/A
Purchased Transportation	—	—	—	—	—	N/A
Other Expenses	175,761	187,469	134,997	477,486	290,017	154.7 %
Interest Expense	—	—	—	—	—	N/A
Lease/Rentals	—	—	—	—	—	N/A
Interlocal Agreements	—	—	—	—	—	N/A
TOTAL OTHER EXPENSES	**193,950**	**215,619**	**140,277**	**505,336**	**289,717**	**134.4 %**
TOTAL OPERATING EXPENSES	**$1,771,758**	**$2,037,677**	**$1,807,776**	**$2,384,390**	**$346,713**	**17.0 %**

Government Affairs

Functions and Responsibilities

The Government Affairs (GA) Department focuses attention on developing, strengthening and maintaining relationships on behalf of CapMetro with local, regional, state and federal elected/appointed officials and key intergovernmental and community leaders throughout Central Texas. Government Affairs provides research, analysis and strategic advice and acts as an internal and external partnership and relationship broker to the agency. This work is reinforced by implementing strategies and initiatives related to legislative policies, priorities and activities in support of CapMetro's mission and role as a regional transportation provider.

FY2027 Budget Overview

Approximately $999 thousand in FY2027 funding supports federal, state, and local consultant contracts, and dues and subscriptions for participation in industry coalitions, chambers, and regional partnerships. These resources support legislative advocacy, stakeholder engagement, regulatory affairs, and regional partnership activities across the department.

Strategic Plan Alignment

Goal Areas

Community   Organizational Effectiveness

Critical Results

Fiscal Responsibility   Regional Significance

Focus Area 1

Execute the CapMetro Government Affairs Strategy across local, regional, state, and federal levels. GA will implement the department's adopted GA Strategy, advancing CapMetro's positions on direct transit policy and on transit-adjacent issues, including economic development, housing, public safety, and sustainability and resiliency. This includes pursuing federal discretionary grants and Community Project Funding, monitoring and engagement in the upcoming surface transportation reauthorization bill, and participating in the Texas 90th Legislative Session and interim activities.

Objective1

By the end of FY2027, Government Affairs will (a) submit CapMetro's full slate of FY2028 Community Project Funding applications to the Central Texas congressional delegation, (b) deliver full Government Affairs support across the Texas 90th Legislative Session consistent with the GA Strategy, and (c) produce monthly Senior Executive Team Government Affairs Updates covering federal, state, and regional developments.

Focus Area 2

Maintain and strengthen the relationships with elected officials, governmental partners, industry coalitions, and regional stakeholders that support CapMetro's legislative, regulatory, and strategic priorities.

Objective2

Throughout FY2027, Government Affairs will sustain consistent, substantive engagement with CapMetro's federal delegation, Texas legislative delegation, CapMetro Member City elected officials, and key federal and state agency contacts, and will continue to represent the agency in priority regional, state, and national coalitions.

Focus Area 3

Lead regional engagement on the future of transit governance and funding in Central Texas. Government Affairs will serve as CapMetro's lead convener and policy interface with elected officials, member cities, county partners, and regional stakeholders to advance shared understanding of the limitations of the current governance and revenue framework and to identify viable alternatives.

Objective 3

By the end of FY2027, GA will continue to work with partners to proactively offer mobility solutions and planning assistance for the region and identify high-priority revenue sources to pursue, as well as a new revenue pursuit strategy. This work will lay the foundation for establishing a task force or coalition to study regional transportation options and alternative revenue streams.

Budget Changes

Salaries and Benefits

Increase of $33,202 from targeted market-rate alignments and the proposed performance-based pay increase to become effective in January 2027.

Other Expenses

Increase of $5,520 driven by a $31,980 increase in Professional Services for public relations and legislative contracts, offset by a $25,460 reduction in Other Expenses from a consolidation of all seminars, conferences and travel expenses to the Executive and Board Relations department.

	FY2025 ACTUAL	FY2026 BUDGET	FY2026 FORECAST	FY2027 BUDGET	Var $ FY2027 vs. FY2026	Var % FY2027 vs. FY2026
Salaries and Benefits	$554,958	$483,735	$483,735	$516,937	$33,202	6.9 %
TOTAL SALARIES & BENEFITS	**554,958**	**483,735**	**483,735**	**516,937**	**33,202**	**6.9 %**
Professional Services	408,543	367,500	385,496	399,480	31,980	8.7 %
Fuel and Fluids	—	—	—	—	—	N/A
Materials and Supplies	105	2,000	2,000	1,000	(1,000)	(50.0)%
Utilities	1,518	1,920	1,920	1,920	—	— %
Insurance	—	—	—	—	—	N/A
Purchased Transportation	—	—	—	—	—	N/A
Other Expenses	107,972	104,903	103,103	79,443	(25,460)	(24.3)%
Interest Expense	—	—	—	—	—	N/A
Lease/Rentals	—	—	—	—	—	N/A
Interlocal Agreements	—	—	—	—	—	N/A
TOTAL OTHER EXPENSES	**518,138**	**476,323**	**492,519**	**481,843**	**5,520**	**1.2 %**
TOTAL OPERATING EXPENSES	**$1,073,096**	**$960,058**	**$976,254**	**$998,780**	**$38,722**	**4.0 %**

Legal

Functions and Responsibilities

The Legal Department ensures that CapMetro conducts its activities ethically and consistently with federal and state laws, providing sound legal advice and reducing the risk of legal action. The Department provides legal support on applicable federal, state and local laws; ensures compliance with the Texas Public Information Act, Open Meetings Act, and state records retention laws; monitors and enhances CapMetro's ethics program to help ensure responsible stewardship of public funds; and manages outside legal services.

FY2027 Budget Overview

Approximately $1.5 million in FY2027 funding supports legal advisory services, contract review, governance support, risk management activities, legal operations, and outside counsel resources that help ensure compliance, manage organizational risk, and support the timely delivery of agency priorities and projects.

Strategic Plan Alignment

Goal Areas

Customer Organizational Effectiveness

Critical Results

Reliable & Secure Service

Focus Area 1

Provide timely, responsive, and effective legal support across the agency through legal advisory services, contract review, policy guidance, risk management activities, and governance support.

Objective 1

By FY2027 year-end, improve internal client responsiveness through implementation of the Legal Department customer feedback system including tracking response times for legal service requests. Work with client departments to obtain sufficient survey responses to establish a baseline for comparison in future years for client satisfaction.

Objective #	Measure	FY2025 Actual	FY2026 Estimate	FY2027 Target
1	Internal customer satisfaction survey results	N/A	5	25

Focus Area 2

Strengthen legal operations by improving average turnaround time for legal requests from clients to support CapMetro's mission and timely delivery of projects.

Objective 2

By FY2027 year-end, implement standardized tracking and monitoring practices for legal requests to improve turnaround time for clients to achieve an average turnaround time of 14 business days.

Objective #	Measure	FY2025 Actual	FY2026 Estimate	FY2027 Target
2	Average response time for legal intake requests	16 days	16 days	14 days

Budget Changes

Salaries and Benefits

Decrease of $110,866 due to budgeted vacancy savings, partially offset by the proposed performance-based pay increase to become effective in January 2027.

Other Expenses

Decrease of $31,566 primarily in Professional Services from reduced reliance on outsourced legal support and handling more work internally. This shift helps manage costs more effectively while leveraging in-house expertise. A $5,310 decrease in Other Expenses from a consolidation of all seminars, conferences and travel expenses to the Executive and Board Relations department.

	FY2025 ACTUAL	FY2026 BUDGET	FY2026 FORECAST	FY2027 BUDGET	Var $ FY2027 vs. FY2026	Var % FY2027 vs. FY2026
Salaries and Benefits	$1,036,084	$1,074,770	$1,074,770	$963,904	$(110,866)	(10.3)%
TOTAL SALARIES & BENEFITS	**1,036,084**	**1,074,770**	**1,074,770**	**963,904**	**(110,866)**	**(10.3)%**
Professional Services	116,903	518,000	442,572	491,896	(26,104)	(5.0)%
Fuel and Fluids	—	—	—	—	—	N/A
Materials and Supplies	477	752	500	600	(152)	(20.2)%
Utilities	1,220	2,880	2,880	2,880	—	— %
Insurance	—	—	—	—	—	N/A
Purchased Transportation	—	—	—	—	—	N/A
Other Expenses	26,102	21,308	20,513	15,998	(5,310)	(24.9)%
Interest Expense	—	—	—	—	—	N/A
Lease/Rentals	—	—	—	—	—	N/A
Interlocal Agreements	—	—	—	—	—	N/A
TOTAL OTHER EXPENSES	**144,702**	**542,940**	**466,465**	**511,374**	**(31,566)**	**(5.8)%**
TOTAL OPERATING EXPENSES	**$1,180,786**	**$1,617,710**	**$1,541,235**	**$1,475,278**	**$(142,432)**	**(8.8)%**

Non-Allocated Employee Benefits

Functions and Responsibilities

The Non-Allocated Employee Benefits Department provides health and welfare benefits that are attractive, affordable, flexible and competitive. Our employee benefits package allows us to attract and retain talent and serves as a differentiation factor when deciding on whether or not the job is a good fit.

FY2027 Budget Overview

Approximately $25.1 million in FY2027 funding supports healthcare, retirement, life insurance, retirement plans and other employee benefit programs that promote workforce wellbeing and support the agency's ability to attract and retain employees. Funding also supports benefit provider contracts and oversight activities that help ensure effective service delivery, regulatory compliance, and responsible management of benefit resources.

Strategic Plan Alignment

Goal Areas

Workforce   Organizational Effectiveness

Critical Results

Reliable & Secure Service   Fiscal Responsibility

Focus Area 1

Manage total benefit cost and trend for financial sustainability.

Objective 1

By FY2027 year-end, track year-over-year cost trend against per-employee-per-year (PEPY) benefits cost, using finance and vendor reporting data, with a target of aligning at or below industry benchmarks as external market data becomes available.

Objective #	Measure	FY2025 Actual	FY2026 Estimate	FY2027 Target
1	Cost per employee	N/A	N/A	Baseline FY2027
1	Healthcare cost trend	N/A	N/A	At or below benchmark trend

Focus Area 2

Strengthen vendor performance and contract value across benefits programs.

Objective 3

By FY2027 year-end, ensure 100% of benefits vendors (healthcare, retirement, insurance) meet defined service level agreements (SLAs), measured through quarterly vendor performance scorecards (accuracy, timeliness, issue resolution).

Objective #	Measure	FY2025 Actual	FY2026 Estimate	FY2027 Target
3	Vendor SLA compliance (%)	N/A	N/A	100%

Focus Area 3

Improve transparency and governance of benefits programs.

Objective 4

By FY2027 year-end, establish standardized reporting and performance monitoring for all major benefits programs, including healthcare, retirement, and insurance, with a regular reporting cadence in place.

Objective #	Measure	FY2025 Actual	FY2026 Estimate	FY2027 Target
4	Reporting cadence coverage (%)	N/A	N/A	100%

Budget Changes

Salaries and Benefits

Increase of $3,463,009 primarily due to increases in health, dental, and pension plan expenses as a result of the commuter rail dispatch, operations and vehicle maintenance functions coming in-house in January 2027, resulting in a conversion of 88 FTEs, as well as 7 new transit police officer positions.

Other Expenses

Decrease of $238,579 driven by $122,856 in Professional Services due to a new lower cost contract for Family Medical Leave Act (FMLA) and Americans with Disabilities Act Administration (ADAA) contracts, as well as a $115,723 expense transfer to the Project Connect Department for fringe benefits for two new Light Rail Transit (LRT) positions funded by the Austin Transit Partnership.

	FY2025 ACTUAL	FY2026 BUDGET	FY2026 FORECAST	FY2027 BUDGET	Var $ FY2027 vs. FY2026	Var % FY2027 vs. FY2026
Salaries and Benefits	$17,509,348	$21,748,766	$24,810,830	$25,211,775	$3,463,009	15.9 %
TOTAL SALARIES & BENEFITS	**17,509,348**	**21,748,766**	**24,810,830**	**25,211,775**	**3,463,009**	**15.9 %**
Professional Services	—	155,556	466,000	32,700	(122,856)	(79.0)%
Fuel and Fluids	—	—	—	—	—	N/A
Materials and Supplies	—	—	—	—	—	N/A
Utilities	—	—	—	—	—	N/A
Insurance	—	—	—	—	—	N/A
Purchased Transportation	—	—	—	—	—	N/A
Other Expenses	—	—	—	(115,723)	(115,723)	N/A
Interest Expense	—	—	—	—	—	N/A
Lease/Rentals	—	—	—	—	—	N/A
Interlocal Agreements	—	—	—	—	—	N/A
TOTAL OTHER EXPENSES	**—**	**155,556**	**466,000**	**(83,023)**	**(238,579)**	**(153.4)%**
TOTAL OPERATING EXPENSES	**$17,509,348**	**$21,904,322**	**$25,276,830**	**$25,128,752**	**$3,224,430**	**14.7 %**

Organizational Strategy and Projects

Functions and Responsibilities

The Organizational Strategy and Projects Department is responsible for the development and implementation of CapMetro's agency-wide strategic plan, Strategic Plan 2030, which was implemented in FY2026. The team also leads the enterprise project portfolio management process.

FY2027 Budget Overview

Approximately $1.7 million in FY2027 funding supports Strategic Plan 2030 implementation, agency-wide performance reporting, enterprise project portfolio management and capital program coordination, and risk management. These resources help strengthen organizational alignment, improve visibility into strategic and capital initiatives, and support informed decision-making across the agency.

Strategic Plan Alignment

Goal Areas

Workforce Organizational Effectiveness Customer Community

Critical Results

Reliable & Secure Service Fiscal Responsibility Increased Ridership Regional Significance

Focus Area 1

In FY2027, Organizational Strategy and Projects will strengthen execution of Strategic Plan 2030 by improving coordination of cross-functional action items and reinforcing consistent reporting practices, resulting in increased organizational alignment and awareness of strategic priorities.

Objective 1

By FY2027 year-end, maintain a standardized reporting cadence of Strategic Plan 2030 action items and milestones to senior leadership and the Board of Directors.

Focus Area 2

In FY2027, Organizational Strategy and Projects will strengthen capital planning and portfolio oversight by improving alignment between planning, budgeting, and delivery, resulting in more predictable and financially sustainable capital program execution.

Objective 2

By FY2027 year-end, maintain coordination and monitoring of the capital program to support alignment between capital planning, budgeting, and delivery.

Agency-level performance outcomes are reported in the Performance Measures and Capital Improvement Plan sections of this document. This department supports those outcomes through coordination, monitoring, and reporting.

Budget Changes

Salaries and Benefits

Increase of $62,178 due to the proposed performance-based pay increase to become effective in January 2027.

Other Expenses

Decrease of $20,100 driven by a decrease in Professional Services for consultation services from completed projects and a $9,800 reduction in Other Expenses from a consolidation of all seminars, conferences and travel expenses to the Executive and Board Relations department.

	FY2025 ACTUAL	FY2026 BUDGET	FY2026 FORECAST	FY2027 BUDGET	Var $ FY2027 vs. FY2026	Var % FY2027 vs. FY2026
Salaries and Benefits	$1,834,128	$1,570,335	$1,570,335	$1,632,513	$62,178	4.0 %
TOTAL SALARIES & BENEFITS	**1,834,128**	**1,570,335**	**1,570,335**	**1,632,513**	**62,178**	**4.0 %**
Professional Services	484,609	10,000	8,000	—	(10,000)	(100.0)%
Fuel and Fluids	—	—	—	—	—	N/A
Materials and Supplies	2,638	600	300	300	(300)	(50.0)%
Utilities	662	—	—	—	—	N/A
Insurance	—	—	—	—	—	N/A
Purchased Transportation	—	—	—	—	—	N/A
Other Expenses	41,705	44,280	44,461	34,480	(9,800)	(22.1)%
Interest Expense	—	—	—	—	—	N/A
Lease/Rentals	—	—	—	—	—	N/A
Interlocal Agreements	—	—	—	—	—	N/A
TOTAL OTHER EXPENSES	**529,614**	**54,880**	**52,761**	**34,780**	**(20,100)**	**(36.6)%**
TOTAL OPERATING EXPENSES	**$2,363,742**	**$1,625,215**	**$1,623,096**	**$1,667,293**	**$42,078**	**2.6 %**

People and Culture

Functions and Responsibilities

The mission of the People and Culture (P&C) Department is to cultivate a high-performing workforce by engaging in activities such as attracting, recruiting, developing, motivating, rewarding and retaining staff. People and Culture empowers the organization by providing essential tools and resources to enhance the capabilities of the workforce, resulting in better performance and successful outcomes. This is achieved through the design and implementation of training programs that improve staff skills and knowledge. The department also fosters professional growth and development within the organization, ensuring that staff can thrive and advance in their careers. People and Culture plays a vital role in supporting organizational design, culture transformation, positive employee experience and effectively managing the entire staff lifecycle to meet the needs of the agency.

FY2027 Budget Overview

Approximately $4.9 million in FY2027 funding supports talent acquisition, leadership development, workforce planning, employee engagement, recognition programs, training, succession planning, and other workforce support services. These resources help strengthen leadership capability, enhance employee engagement and workplace culture, and support recruitment operations that meet the agency's current and future workforce needs.

Strategic Plan Alignment

Goal Areas

Workforce Organizational Effectiveness

Critical Results

Fiscal Responsibility

Focus Area 1

Strengthen leadership capability and workforce development through targeted training, mentorship, coaching, and succession planning initiatives.

Objective 1

By FY2027 year-end, launch and implement a structured leadership development program for entry and mid-level leaders, achieving at least 50% completion rate across enrolled participants.

Objective 2

By FY2027 year-end, increase participation of high-potential employees in mentorship and coaching programs from the FY2026 baseline to FY2027 target levels, using succession planning and talent review data.

Objective #	Measure	FY2025 Actual	FY2026 Estimate	FY2027 Target
1	Leadership Development Program Completion Rate (% of enrolled participants completing program milestones)	N/A	Program launching in late FY2026.	50% completion baseline rate.
1	Leadership Development Program Participant Satisfaction Score	N/A	Establish baseline	Average participant satisfaction score of 4/5 or greater
2	High-Potential Employee Participation in Mentorship and Coaching Programs	N/A	N/A	Establish baseline

Focus Area 2

Enhance employee engagement and workplace culture through employee recognition, retention, and workforce experience initiatives.

Objective 3

By FY2027 year-end, increase utilization of the employee merit award program as measured by the percentage of eligible employees receiving at least one recognition award through the vendor platform.

Objective 4

By FY2027 year-end, increase manager participation in the employee recognition program as measured by total awards issued through the vendor platform.

Objective #	Measure	FY2025 Actual	FY2026 Estimate	FY2027 Target
3	% of eligible employees receiving a merit award in FY2027	N/A	Establish baseline	Increase utilization over FY2026 baseline
4	Total merit awards issued in FY2027 from managers	N/A	Establish baseline	Increase utilization over FY2026 baseline

Focus Area 3

Strengthen recruitment operations, talent pipeline development, and compliant hiring practices to support workforce readiness and organizational needs.

Objective 5

By FY2027 year-end, reduce average time-to-fill for open requisitions compared to the FY2026 baseline.

Objective 6

By FY2027 year-end, strengthen recruitment pipeline effectiveness through expanded candidate outreach efforts by leveraging community partnerships.

Objective #	Measure	FY2025 Actual	FY2026 Estimate	FY2027 Target
5	Time to Fill (average days to fill open requisitions)	N/A	76.9 Days	Improve by 10%
6	Active community partnerships to support role vacancies	15	30	30

Budget Changes

Salaries and Benefits

Increase of $65,192 due to the proposed performance-based pay increase to become effective in January 2027.

Other Expenses

Decrease of $185,357 driven by $121,499 reduction in Professional Services for recruitment marketing campaigns, employee engagement survey, and temp staffing, in addition to $57,528 decrease in Other Expenses from a consolidation of all seminars, conferences and travel expenses to the Executive and Board Relations department.

	FY2025 ACTUAL	FY2026 BUDGET	FY2026 FORECAST	FY2027 BUDGET	Var $ FY2027 vs. FY2026	Var % FY2027 vs. FY2026
Salaries and Benefits	$4,125,230	$3,848,329	$3,848,329	$3,913,521	$65,192	1.7 %
TOTAL SALARIES & BENEFITS	**4,125,230**	**3,848,329**	**3,848,329**	**3,913,521**	**65,192**	**1.7 %**
Professional Services	1,080,637	721,556	530,488	600,057	(121,499)	(16.8)%
Fuel and Fluids	—	—	—	—	—	N/A
Materials and Supplies	8,508	8,100	8,100	4,500	(3,600)	(44.4)%
Utilities	938	960	500	480	(480)	(50.0)%
Insurance	—	—	—	—	—	N/A
Purchased Transportation	—	—	—	—	—	N/A
Other Expenses	285,068	470,964	487,485	413,436	(57,528)	(12.2)%
Interest Expense	—	—	—	—	—	N/A
Lease/Rentals	(4,566)	2,250	—	—	(2,250)	(100.0)%
Interlocal Agreements	—	—	—	—	—	N/A
TOTAL OTHER EXPENSES	**1,370,585**	**1,203,830**	**1,026,573**	**1,018,473**	**(185,357)**	**(15.4)%**
TOTAL OPERATING EXPENSES	**$5,495,815**	**$5,052,159**	**$4,874,902**	**$4,931,994**	**$(120,165)**	**(2.4)%**

Procurement

Functions and Responsibilities

The Procurement Department purchases all required goods and services in accordance with sound public contracting policies and procedures. The department aims to deliver effective, transparent and efficient procurement operations to support CapMetro's Vision of providing connectivity, fostering economic activity and ensuring safe, environmentally sustainable and equitable access to opportunity.

FY2027 Budget Overview

Approximately $2.8 million in FY2027 funding supports procurement operations, solicitation and contract administration, purchasing activities, and procurement systems. These resources help ensure compliant and transparent procurement practices, strengthen organizational effectiveness, and improve visibility into the agency's procurement pipeline and contracting opportunities.

Strategic Plan Alignment

Goal Areas

Workforce Organizational Effectiveness

Critical Results

Fiscal Responsibility

Focus Area 1

Strengthen organizational effectiveness and efficiency by reviewing documents, controls and standard processes for compliance. A focus group will be involved in FY2027 in this work.

Objective 1

By FY2027 year-end, all boilerplate documentation is reviewed and available on SharePoint with opportunities for ongoing feedback to improve accuracy and related internal controls.

Objective 2

By FY2027 year-end, 75% of new solicitations will utilize the updated templates.

Objective 3

By FY2027 year-end, maintain efficient solicitation processes and achieve average turnaround times of 90 days for Invitation for Bids (IFB) and 120 days for Request for Proposals (RFP) and Statement Of Qualifications (SOQ).

Objective #	Measure	FY2025 Actual	FY2026 Estimate	FY2027 Target
3	Average turnaround time for solicitations	IFB: 92 days RFP/SOQ: 124 days	IFB: 85 days RFP/SOQ: 125 days	IFB: 90 days RFP/SOQ: 120 days

Focus Area 2

Increase visibility into the procurement pipeline, solicitation status, and upcoming contracting opportunities across the agency.

Objective 4

By FY2027 year-end, agency users of the Procurement portal will have access to project information including Project Manager, anticipated Board approval dates, estimated budget and current status.

Budget Changes

Salaries and Benefits

Increase of $107,584 due to 1 new FTE needed to support increased contract administration and purchasing activities related to commuter rail operations moving in house and the proposed performance-based pay increase to become effective in January 2027.

Other Expenses

Decrease of $22,647 driven by Other Expenses from a consolidation of all seminars, conferences and travel expenses to the Executive and Board Relations department.

	FY2025 ACTUAL	FY2026 BUDGET	FY2026 FORECAST	FY2027 BUDGET	Var $ FY2027 vs. FY2026	Var % FY2027 vs. FY2026
Salaries and Benefits	$2,838,129	$2,646,288	$2,646,288	$2,753,872	$107,584	4.1 %
TOTAL SALARIES & BENEFITS	**2,838,129**	**2,646,288**	**2,646,288**	**2,753,872**	**107,584**	**4.1 %**
Professional Services	51,563	19,000	21,000	19,000	—	— %
Fuel and Fluids	—	—	—	—	—	N/A
Materials and Supplies	2,386	7,320	7,320	7,320	—	— %
Utilities	—	—	—	—	—	N/A
Insurance	—	—	—	—	—	N/A
Purchased Transportation	—	—	—	—	—	N/A
Other Expenses	17,635	34,507	34,507	11,860	(22,647)	(65.6)%
Interest Expense	—	—	—	—	—	N/A
Lease/Rentals	—	—	—	—	—	N/A
Interlocal Agreements	—	—	—	—	—	N/A
TOTAL OTHER EXPENSES	**71,584**	**60,827**	**62,827**	**38,180**	**(22,647)**	**(37.2)%**
TOTAL OPERATING EXPENSES	**$2,909,713**	**$2,707,115**	**$2,709,115**	**$2,792,052**	**$84,937**	**3.1 %**

Small Business Programs and Compliance

Functions and Responsibilities

The Small Business Programs and Compliance Department (SBPC) is responsible for managing programs to encourage and promote opportunities for small businesses to participate in CapMetro contracting opportunities and ensuring compliance with disadvantaged business enterprise (DBE) and small business enterprise (SBE) programs. In addition, the department coordinates and monitors CapMetro compliance with Title VI of the Civil Rights Act provisions to ensure the level and quality of public transportation service is provided in a nondiscriminatory manner.

FY2027 Budget Overview

Approximately $536 thousand in FY2027 funding supports small business outreach, vendor development, industry partnerships, and engagement initiatives designed to increase participation by small, disadvantaged, and underutilized businesses in CapMetro procurements. Resources support business development programs, partnerships such as the University of Texas IC² Program, industry memberships, networking activities, and other efforts that expand awareness of contracting opportunities and strengthen the pool of qualified vendors.

Strategic Plan Alignment

Goal Areas

- Organizational Effectiveness

Critical Results

- Regional Significance

Focus Area 1

Engage in partnership with the University of Texas IC² Program designed to support business development and enhance small business participation in federally and locally funded contracts and procurements. SBPC's participation in the program will support equitable opportunities for all disadvantaged and small businesses to compete for CapMetro procurement opportunities, whether as a prime contractor or a subcontractor.

Objective 1

By FY2027 year-end, participate in two training sessions and four collaboration meetings.

Objective 2

By FY2027 year-end, collect vendor feedback through the IC² program by achieving a 30% survey response rate and conducting one-on-one meetings with 80% of survey respondents.

Objective #	Measure	FY2025 Actual	FY2026 Estimate	FY2027 Target
1	Reporting data and counts submitted by IC²	Training Sessions: 3 Collaboration Meetings: 4	Training Sessions: 2 Collaboration Meetings: 4	Training Sessions: 2 Collaboration Meetings: 4
2	Vendor survey response rate and one-on-one meeting completion rate with survey respondents	N/A	Surveys: 30% 1x1s: 70%	Surveys: 30% 1x1s: 70%

Focus Area 2

Expand awareness of CapMetro contracting opportunities and broaden the pool of qualified vendors through targeted outreach, networking events, and engagement with small business organizations and trade associations.

Objective 3

By FY2027 year-end, participate in external forums through partnerships with small business organizations and trade associations to expand awareness of CapMetro's procurement opportunities.

Objective 4

By FY2027 year-end, aim to increase vendor engagement through surveys and one-on-one meetings designed to help prospective vendors understand the process of conducting business with CapMetro.

Objective #	Measure	FY2025 Actual	FY2026 Estimate	FY2027 Target
3	Participation rate in planned external forums	100%	100%	100%
4	Survey data and counts collected and 1x1 data and counts gathered through 1x1 scheduling portal	N/A	Surveys: 20 1x1: 70%	Surveys: 20 1x1s: 70%

Focus Area 3

Leverage strategic membership and industry partnerships to strengthen engagement with small businesses and promote awareness of CapMetro contracting opportunities.

Objective 5

By FY2027 year-end, participate in member forums and disseminate targeted communications through industry organizations to increase awareness of contracting opportunities and SBPC initiatives.

Objective 6

By FY2027 year-end, SBPC aims to increase engagement with prospective vendors through surveys and one-on-one meetings following membership-based outreach and communication efforts.

Objective #	Measure	FY2025 Actual	FY2026 Estimate	FY2027 Target
5	External member forums will be based on the number of events tracked and counted within our SharePoint database	External Forums: N/A	External Forums: N/A	External Forums: 3
5	Count of content messaging will be based on the number of communications delivered to partners and responses indicating communications have been delivered to members	Content Messages: N/A	Content Messages: N/A	Content Messages: 5
6	Based on survey data and counts collected and 1x1 data and counts gathered through 1x1 scheduling portal	N/A	N/A	Surveys: 10 1x1s: 80%

Budget Changes

Salaries and Benefits

Increase of $29,618 due to targeted market-rate alignments and the proposed performance-based pay increase to become effective in January 2027.

Other Expenses

Decrease of $55,890 driven by $55,470 decrease in Professional Services related to reduced consultation and advertising fees.

	FY2025 ACTUAL	FY2026 BUDGET	FY2026 FORECAST	FY2027 BUDGET	Var $ FY2027 vs. FY2026	Var % FY2027 vs. FY2026
Salaries and Benefits	$540,465	$381,315	$381,315	$410,933	$29,618	7.8 %
TOTAL SALARIES & BENEFITS	**540,465**	**381,315**	**381,315**	**410,933**	**29,618**	**7.8 %**
Professional Services	206,537	165,070	123,265	109,600	(55,470)	(33.6)%
Fuel and Fluids	—	—	—	—	—	N/A
Materials and Supplies	195	—	—	—	—	N/A
Utilities	506	—	—	—	—	N/A
Insurance	—	—	—	—	—	N/A
Purchased Transportation	—	—	—	—	—	N/A
Other Expenses	24,960	15,765	15,665	15,345	(420)	(2.7)%
Lease/Rentals	—	—	—	—	—	N/A
Other Reconciling Items	—	—	—	—	—	N/A
Interlocal Agreements	—	—	—	—	—	N/A
TOTAL OTHER EXPENSES	**232,198**	**180,835**	**138,930**	**124,945**	**(55,890)**	**(30.9)%**
TOTAL OPERATING EXPENSES	**$772,663**	**$562,150**	**$520,245**	**$535,878**	**$(26,272)**	**(4.7)%**

Wellness and Fitness Center

Functions and Responsibilities

The Wellness and Fitness Center Department's mission is to partner with our employees and contractors to improve and maintain healthy long-term lifestyle habits and to create a healthier and safer workforce that fulfills CapMetro's mission. The department's primary responsibilities are to develop innovative health programs, create opportunities to change behaviors and develop healthy habits, reduce costs and improve morale, coordinate wellness initiatives and manage CapMetro's fitness centers.

FY2027 Budget Overview

Approximately $327 thousand in FY2027 funding supports wellness and fitness center operations, employee wellness initiatives, employee assistance resources, and related vendor services. These resources help improve program utilization, promote workforce well-being, and support the efficient delivery of wellness programs and services to employees.

Strategic Plan Alignment

Goal Areas

- Organizational Effectiveness
- Workforce

Critical Results

- Reliable & Secure Service
- Fiscal Responsibility

Focus Area 1

Improve cost efficiency of fitness and wellness programs.

Objective 1

By FY2027 year-end, track wellness program per-employee-per-year (PEPY) cost annually as a monitoring metric, using finance and vendor reporting data. At this time, the intent is to build an internal cost trend line and revisit benchmarking once reliable market data is identified.

Objective #	Measure	FY2025 Actual	FY2026 Estimate	FY2027 Target
1	Cost per active participant	N/A	N/A	Establish baseline

Focus Area 2

Improve program utilization to support cost effectiveness.

Objective 3

By FY2027 year-end, increase active participation rate in fitness and wellness programs by 5%, measured by unique participants relative to the eligible population using vendor utilization reports.

Objective 4

By FY2027 year-end, increase active participation rate in the Employee Assistance Program (EAP) program by 3%, measured by unique participants relative to the eligible population using vendor utilization reports.

Objective #	Measure	FY2025 Actual	FY2026 Estimate	FY2027 Target
3	Fitness and Wellness Program participation rate	N/A	Establish baseline	+5%
4	EAP Participation rate	N/A	Establish baseline	+3%

Budget Changes

Other Expenses

Decrease of $41,506 driven by $27,152 decrease in Professional Services for the new Wellness Center contract becoming fully effective in FY2027 and $15,250 decrease in Other Expenses for the removal of recognition program expenses.

	FY2025 ACTUAL	FY2026 BUDGET	FY2026 FORECAST	FY2027 BUDGET	Var $ FY2027 vs. FY2026	Var % FY2027 vs. FY2026
Salaries and Benefits	$1,915	$0	$0	$0	$0	N/A
TOTAL SALARIES & BENEFITS	**1,915**	**—**	**—**	**—**	**—**	**N/A**
Professional Services	315,828	346,376	300,855	319,224	(27,152)	(7.8)%
Fuel and Fluids	—	—	—	—	—	N/A
Materials and Supplies	(277)	7,104	2,000	8,000	896	12.6 %
Utilities	—	—	—	—	—	N/A
Insurance	—	—	—	—	—	N/A
Purchased Transportation	—	—	—	—	—	N/A
Other Expenses	—	15,400	250	150	(15,250)	(99.0)%
Interest Expense	—	—	—	—	—	N/A
Lease/Rentals	—	—	—	—	—	N/A
Interlocal Agreements	—	—	—	—	—	N/A
TOTAL OTHER EXPENSES	**315,551**	**368,880**	**303,105**	**327,374**	**(41,506)**	**(11.3)%**
TOTAL OPERATING EXPENSES	**$317,466**	**$368,880**	**$303,105**	**$327,374**	**$(41,506)**	**(11.3)%**

Capital Construction, Engineering & Design Division

The Capital Construction, Engineering & Design Division (CCED) leads the planning, design, engineering and construction of CapMetro's infrastructure projects, including bus, rail and facility systems. It oversees departments responsible for capital delivery, electrification, real estate, systems integration and sustainability. This division ensures projects are delivered safely, efficiently and in alignment with long-term transit goals.

Organization

CAPITAL CONSTRUCTION, ENGINEERING & DESIGN
Vacant

- Capital Construction, Engineering & Design
- Facility Programming & Management
- Real Estate & Facility Planning
- Rolling Stock & Support Equipment
- Sustainability
- Systems Engineering & Designs

Full-Time Equivalent Staffing Chart

Division / Department	FY2025 Actual	FY2026 Budget	FY2026 Staffing Changes	FY2027 Staffing Changes	FY2027 Budget
Capital Construction, Engineering & Design					
Capital Construction, Engineering and Design	1.0	1.0	—	—	1.0
Capital Construction and Facility Management	9.0	9.0	—	—	9.0
Capital Design and Construction	9.0	9.0	—	—	9.0
Facility Design and Construction	3.0	3.0	—	—	3.0
Facility Programming and Management	11.5	10.5	(3.0)	—	7.5
Power Systems and Sustainability	2.0	2.0	—	—	2.0
Real Estate	5.0	5.0	—	—	5.0
Rolling Stock and Support Equipment	4.0	4.0	—	—	4.0
Systems Engineering and Designs	1.0	1.0	—	—	1.0
Total	**45.5**	**44.5**	**(3.0)**	**—**	**41.5**

Budget Changes

Division / Department	FY2025 ACTUAL	FY2026 BUDGET	FY2026 FORECAST	FY2027 BUDGET	FY2027 v. FY2026 ($)	FY2027 v. FY2026 (%)
Capital Construction, Engineering & Design						
Capital Construction, Engineering and Design	$440,494	$550,780	$413,140	$331,310	$(219,470)	(39.8)%
Capital Construction and Facility	1,055,775	1,126,569	1,150,179	1,147,651	21,082	1.9 %
Capital Design and Construction	3,795,401	1,441,298	1,558,298	1,407,042	(34,256)	(2.4)%
Facility Design and Construction	545,776	496,061	2,587,859	512,507	16,446	3.3 %
Facility Programming and Management	6,723,594	4,551,991	3,992,690	3,876,063	(675,928)	(14.8)%
Power Systems and Sustainability	923,520	679,197	676,197	670,624	(8,573)	(1.3)%
Real Estate	2,192,994	3,687,302	2,957,716	2,062,707	(1,624,595)	(44.1)%
Rolling Stock and Support Equipment	615,898	694,585	688,585	746,702	52,117	7.5 %
Systems Engineering and Designs	296,849	317,920	311,430	256,930	(60,990)	(19.2)%
Total	**$16,590,301**	**$13,545,703**	**$14,336,094**	**$11,011,536**	**$(2,534,167)**	**(18.7)%**

Capital Construction, Engineering and Design

Functions and Responsibilities

The Capital Construction, Engineering and Design (CCED) Department, led by the Executive Vice President of CCED, provides strategic leadership and oversight for the division's eight departments responsible for planning, designing, constructing, and maintaining CapMetro's capital assets and infrastructure. The department collaborates with CapMetro leadership, regional stakeholders, local governments, utilities, state agencies, and federal partners to advance capital programs, support regulatory compliance, and deliver infrastructure investments that enhance mobility and service reliability across the region.

FY2027 Budget Overview

Approximately $331 thousand in FY2027 funding supports engineering coordination, project development, capital program oversight, grant compliance, and project delivery activities that advance Project Connect and other transit infrastructure initiatives. These resources help ensure the successful planning, development, and implementation of federally and locally funded capital investments that improve mobility, support operational needs, and enhance the region's transportation network.

Strategic Plan Alignment

Goal Areas

Organizational Effectiveness Community

Critical Results

Fiscal Responsibility Reliable & Secure Service Regional Significance

Focus Area 1

Advance Project Connect and transit infrastructure initiatives through planning, engineering coordination, project development, and operational support for light rail transit and South Base demand response.

Objective 1

By FY2027 year-end, continue advancement of light rail transit project coordination, planning, and development activities supporting Project Connect implementation efforts.

Objective 2

By FY2027 year-end, support advancement of South Base demand response infrastructure and related project coordination activities.

Focus Area 2

Deliver federally and locally funded capital infrastructure projects through engineering coordination, construction oversight, and compliance with federal grant requirements.

Objective 3

By FY2027 year-end, continue advancement of federally and locally funded capital projects through ongoing contract coordination, engineering support, FTA compliance activities, and required monthly and quarterly reporting deliverables.

Budget Changes

Salaries and Benefits

Increase of $9,560 due to the proposed performance-based pay increase to become effective in January 2027.

Other Expenses

Decrease of $229,030 driven by lower Professional Services related to software controls for electrification. Decrease of $12,390 in Other Expenses from a consolidation of all seminars, conferences and travel expenses to the Executive and Board Relations department.

	FY2025 ACTUAL	FY2026 BUDGET	FY2026 FORECAST	FY2027 BUDGET	Var $ FY2027 vs. FY2026	Var % FY2027 vs. FY2026
Salaries and Benefits	$322,206	$308,750	$308,750	$318,310	$9,560	3.1 %
TOTAL SALARIES & BENEFITS	**322,206**	**308,750**	**308,750**	**318,310**	**9,560**	**3.1 %**
Professional Services	107,631	220,640	83,000	3,000	(217,640)	(98.6)%
Fuel and Fluids	—	—	—	—	—	N/A
Materials and Supplies	2,905	—	—	1,000	1,000	N/A
Utilities	—	—	—	—	—	N/A
Insurance	—	—	—	—	—	N/A
Purchased Transportation	—	—	—	—	—	N/A
Other Expenses	7,752	21,390	21,390	9,000	(12,390)	(57.9)%
Interest Expense	—	—	—	—	—	N/A
Lease/Rentals	—	—	—	—	—	N/A
Interlocal Agreements	—	—	—	—	—	N/A
TOTAL OTHER EXPENSES	**118,288**	**242,030**	**104,390**	**13,000**	**(229,030)**	**(94.6)%**
TOTAL OPERATING EXPENSES	**$440,494**	**$550,780**	**$413,140**	**$331,310**	**$(219,470)**	**(39.8)%**

Capital Construction and Facility Management

Functions and Responsibilities

Capital Construction and Facility Management provides project controls support for the scope, schedule, budget and change management activities related to the implementation of capital projects, including the federal requirements associated with federally funded grant projects. It also provides Transit Asset Management and executive staff support.

FY2027 Budget Overview

Approximately $1.1 million in FY2027 funding supports project controls, transit asset management, facility management, and capital program support, which strengthen capital project delivery, asset stewardship, and long-term capital planning.

Strategic Plan Alignment

Goal Areas

Organizational Effectiveness　Customer　Community

Critical Results

Fiscal Responsibility　Reliable & Secure Service　Regional Significance

Focus Area 1

In FY2027, strengthen project controls, document management, scheduling, and federal reporting practices across capital construction projects to improve efficiency and transparency.

Objective 1

By FY2027 year-end, implement standardized document management and project control practices to improve consistency, reporting, transparency, and efficiency across capital construction projects.

Focus Area 2

Transit Asset Management Program.

Objective 2

By FY2027 year-end, update the Transit Asset Management (TAM) Plan from the 2022–2026 horizon period to the 2026–2030 horizon period, and conduct Facility Condition Assessments (FCA) for priority facilities to support State of Good Repair (SOGR) and asset lifecycle planning. This work will be informed using validated condition data, updated asset inventories, and integration with the TAM Plan and Capital Improvement Program (CIP).

Focus Area 3

Strengthen state of good repair planning and asset investment prioritization to support long-term asset performance, safety, and service reliability.

Objective 3

By FY2027 year-end, implement State of Good Repair prioritization methodology and utilize the prioritization methodology process to guide budget planning and decision making for the subsequent fiscal year.

Budget Changes

Salaries and Benefits

Increase of $37,155 due to the proposed performance-based pay increase to become effective in January 2027.

Other Expenses

Decrease of 16,073 primarily in Other Expenses from a consolidation of all seminars, conferences and travel expenses to the Executive and Board Relations department.

	FY2025 ACTUAL	FY2026 BUDGET	FY2026 FORECAST	FY2027 BUDGET	Var $ FY2027 vs. FY2026	Var % FY2027 vs. FY2026
Salaries and Benefits	$1,044,337	$1,105,127	$1,105,127	$1,142,282	$37,155	3.4 %
TOTAL SALARIES & BENEFITS	**1,044,337**	**1,105,127**	**1,105,127**	**1,142,282**	**37,155**	**3.4 %**
Professional Services	3,864	—	25,000	—	—	N/A
Fuel and Fluids	—	—	—	—	—	N/A
Materials and Supplies	335	500	300	—	(500)	(100.0)%
Utilities	528	3,060	1,920	1,920	(1,140)	(37.3)%
Insurance	—	—	—	—	—	N/A
Purchased Transportation	—	—	—	—	—	N/A
Other Expenses	6,711	17,882	17,832	3,449	(14,433)	(80.7)%
Interest Expense	—	—	—	—	—	N/A
Lease/Rentals	—	—	—	—	—	N/A
Interlocal Agreements	—	—	—	—	—	N/A
TOTAL OTHER EXPENSES	**11,438**	**21,442**	**45,052**	**5,369**	**(16,073)**	**(75.0)%**
TOTAL OPERATING EXPENSES	**$1,055,775**	**$1,126,569**	**$1,150,179**	**$1,147,651**	**$21,082**	**1.9 %**

Capital Design and Construction

Functions and Responsibilities

The Capital Design & Construction (CD&C) Department oversees and manages environmental due diligence, preliminary engineering, final engineering design, procurement process based on chosen project delivery method, project construction management activities related to the implementation of capital construction projects, including the federal requirements associated with federally funded grant projects. The CD&C Department manages the scope, schedule and budget, risks on the project and quality assurance and quality control on the infrastructure projects.

FY2027 Budget Overview

Approximately $1.4 million in FY2027 funding supports engineering, project management, construction oversight, utility coordination, and capital project delivery activities that advance transit infrastructure investments across the region. Resources support federally funded rail and transit projects, grant compliance requirements, and customer-facing improvements that enhance accessibility, safety, mobility, and the overall transit experience.

Strategic Plan Alignment

Goal Areas

- Organizational Effectiveness
- Community
- Customer

Critical Results

- Fiscal Responsibility
- Reliable & Secure Service
- Increased Ridership

Focus Area 1

Strengthen delivery of federally funded rail and transit infrastructure projects through effective project management, utility coordination, construction oversight, and compliance with federal grant requirements.

Objective 1

By FY2027 year-end, advance utility relocation and support infrastructure improvements associated with the double-track rail project between Navasota and Austin Wye.

Objective 2

By FY2027 year-end, complete the Robinson Crossover project to support improved rail operational efficiency and infrastructure reliability.

Focus Area 2

Improve customer-facing transit infrastructure through bus stop enhancements, accessibility improvements, amenities, and bicycle infrastructure coordination.

Objective 3

By FY2027 year-end, advance bus stop, amenity, and bicycle infrastructure improvements through coordination with internal teams, local contractors, and external agency partners.

Budget Changes

Salaries and Benefits

Increase of $37,164 due to the proposed performance-based pay increase to become effective in January 2027.

Other Expenses

Decrease of $71,420 primarily in Material and Supplies reflects improved budgeting practices and stronger alignment with historical spending trends.

	FY2025 ACTUAL	FY2026 BUDGET	FY2026 FORECAST	FY2027 BUDGET	Var $ FY2027 vs. FY2026	Var % FY2027 vs. FY2026
Salaries and Benefits	$1,381,419	$1,291,018	$1,291,018	$1,328,182	$37,164	2.9 %
TOTAL SALARIES & BENEFITS	**1,381,419**	**1,291,018**	**1,291,018**	**1,328,182**	**37,164**	**2.9 %**
Professional Services	51,040	58,400	175,400	63,380	4,980	8.5 %
Fuel and Fluids	—	—	—	—	—	N/A
Materials and Supplies	8,203	76,810	76,810	6,000	(70,810)	(92.2)%
Utilities	2,024	2,880	2,880	2,880	—	— %
Insurance	—	—	—	—	—	N/A
Purchased Transportation	—	—	—	—	—	N/A
Other Expenses	25,239	12,190	12,190	6,600	(5,590)	(45.9)%
Interest Expense	—	—	—	—	—	N/A
Lease/Rentals	—	—	—	—	—	N/A
Interlocal Agreements	2,327,476	—	—	—	—	N/A
TOTAL OTHER EXPENSES	**2,413,982**	**150,280**	**267,280**	**78,860**	**(71,420)**	**(47.5)%**
TOTAL OPERATING EXPENSES	**$3,795,401**	**$1,441,298**	**$1,558,298**	**$1,407,042**	**$(34,256)**	**(2.4)%**

Facility Design and Construction

Functions and Responsibilities

The Facility Design & Construction Department oversees and manages the design and construction of major facility projects under the Capital Improvement Plan (CIP) approved by the Board. Project management focuses on scope, schedule and budget, risks on the project and quality assurance. Other activities and functions include managing the architectural design, engineering, permitting, bidding, construction management, environmental clearance, plus compliance with federally funded grant projects. Project types include administrative facilities, operations and maintenance facilities, warehouses, and customer-facing facilities for bus, rail, and demand response services.

FY2027 Budget Overview

Approximately $513 thousand in FY2027 funding supports project management, facility planning, design oversight, construction management, permitting, and stakeholder coordination activities that advance major facility capital projects and transit infrastructure initiatives. These resources help deliver facilities that support transit operations, service expansion, organizational effectiveness, and long-term regional transportation investments.

Strategic Plan Alignment

Goal Areas

Organizational Effectiveness Workforce Customer

Critical Results

Fiscal Responsibility Reliable & Secure Service Increased Ridership

Focus Area 1

Manage the design and construction of major federally and locally funded facility projects that support transit operations, service expansion, and organizational effectiveness.

Objective 1

By FY2027 year-end, Phase 1 of the new Demand Response North Base located at 10805 Cameron Road will be completed and Phase 2 construction will be underway, supporting increased transit service for Paratransit and Pickup customers while reducing lease costs at other properties.

Objective 2

By FY2027 year-end, advance design and engineering activities for the Demand Response South Base located at 5315 E. Ben White Blvd., supporting increased transit service and improved operational space efficiencies, contingent upon approved staffing resources.

Objective 3

By FY2027 year-end, complete the construction of the new Demand Response Customer Eligibility Center relocated to 624 Pleasant Valley. This location will reduce lease costs at other properties and provide enhanced operational coordination and customer service.

Objective 4

By FY2027 year-end, complete construction of and support staff move-in to the new administrative headquarters building located at 3100 E. 5th Street.

Focus Area 2

Provide facility planning, design review, and stakeholder coordination support for major transit infrastructure initiatives, including supporting LRT and the Austin Transit Partnership.

Objective 5

By FY2027 year-end, the department will provide design reviews and stakeholder input for the Light Rail Transit (LRT) facilities and the Operations & Maintenance Facility (OMF).

Budget Changes

Salaries and Benefits

Increase of $22,046 due to the proposed performance-based pay increase to become effective in January 2027.

Other Expenses

Decrease of $5,600 mainly in Other Expenses from a consolidation of all seminars, conferences and travel expenses to the Executive and Board Relations department.

	FY2025 ACTUAL	FY2026 BUDGET	FY2026 FORECAST	FY2027 BUDGET	Var $ FY2027 vs. FY2026	Var % FY2027 vs. FY2026
Salaries and Benefits	$512,557	$485,861	$485,861	$507,907	$22,046	4.5 %
TOTAL SALARIES & BENEFITS	**512,557**	**485,861**	**485,861**	**507,907**	**22,046**	**4.5 %**
Professional Services	19,282	600	4,504	—	(600)	(100.0)%
Fuel and Fluids	—	—	—	—	—	N/A
Materials and Supplies	4,103	1,300	300	—	(1,300)	(100.0)%
Utilities	—	—	—	—	—	N/A
Insurance	—	—	—	—	—	N/A
Purchased Transportation	—	—	—	—	—	N/A
Other Expenses	9,834	8,300	6,084	4,600	(3,700)	(44.6)%
Interest Expense	—	—	—	—	—	N/A
Lease/Rentals	—	—	—	—	—	N/A
Interlocal Agreements	—	—	2,091,110	—	—	N/A
TOTAL OTHER EXPENSES	**33,219**	**10,200**	**2,101,998**	**4,600**	**(5,600)**	**(54.9)%**
TOTAL OPERATING EXPENSES	**$545,776**	**$496,061**	**$2,587,859**	**$512,507**	**$16,446**	**3.3 %**

Facility Programming and Management

Functions and Responsibilities

The Facilities Programming and Management Department is responsible for facility planning and programming; developing and maintaining facility strategies, workplace standards and design guidelines; updating the Facility Master Plan as a living document; managing the design and execution of the State of Good Repair program; serving as the liaison with property landlords and lessors; providing quality assurance for leased facility management and facilities design; and overseeing staff relocations, including furniture coordination, space use and move management.

FY2027 Budget Overview

Approximately $3.9 million in FY2027 funding supports facility planning, project delivery, facility improvement projects, workplace standards, move management, asset management, and facility condition assessment activities. These resources support the effective operation and long-term stewardship of CapMetro facilities, enhance workplace functionality, and inform future facility investment and planning decisions.

Strategic Plan Alignment

Goal Areas

Organizational Effectiveness Workforce Customer

Critical Results

Fiscal Responsibility Reliable & Secure Service Regional Significance

Focus Area 1

Support facility planning, workplace standards, move management, and project delivery activities that enhance agency workspaces and operational facilities.

Objective 1

By FY2027 year-end, successfully support major facility projects through workplace standards implementation, furniture procurement and installation, move coordination, and occupancy readiness activities.

Focus Area 2

Manage facility improvement projects and facility support initiatives that enhance operational effectiveness, workplace functionality, and long-term effective use of CapMetro facilities.

Objective 2

By FY2027 year-end, complete projects within budget and schedule per expected CapMetro quality that will directly improve the functions of administrative staff, transit technology and IT, operators, vehicle maintenance personnel, trainers, rail staff, and service providers.

Focus Area 3

Support facility condition assessments and asset management activities to maintain compliance and inform long-term facility planning.

Objective 3

By FY2027 year-end, complete required public facility condition assessments and update the Enterprise Asset Management system for submission of required data into the National Transit Database.

Budget Changes

Salaries and Benefits

Decrease of $274,430 due to the transfer of three positions to the Facilities Maintenance department, partially offset by the proposed performance-based pay increase to become effective in January 2027.

Other Expenses

Decrease of $401,498 primarily in Professional Services of $352,492 for completion of prior year projects. A $25,736 reduction in Materials and Supplies is driven by current spending trends. Utilities are also trending lower than initially budgeted and a more realistic increase is expected for FY2027; however, it remains lower than the FY2026 budget by $22,267.

	FY2025 ACTUAL	FY2026 BUDGET	FY2026 FORECAST	FY2027 BUDGET	Var $ FY2027 vs. FY2026	Var % FY2027 vs. FY2026
Salaries and Benefits	$921,314	$983,220	$865,395	$708,790	$(274,430)	(27.9)%
TOTAL SALARIES & BENEFITS	**921,314**	**983,220**	**865,395**	**708,790**	**(274,430)**	**(27.9)%**
Professional Services	2,684,042	702,492	512,465	350,000	(352,492)	(50.2)%
Fuel and Fluids	—	—	—	—	—	N/A
Materials and Supplies	417,858	82,266	182,823	56,530	(25,736)	(31.3)%
Utilities	2,695,946	2,783,010	2,432,007	2,760,743	(22,267)	(0.8)%
Insurance	—	—	—	—	—	N/A
Purchased Transportation	—	—	—	—	—	N/A
Other Expenses	4,434	1,003	—	—	(1,003)	(100.0)%
Interest Expense	—	—	—	—	—	N/A
Lease/Rentals	—	—	—	—	—	N/A
Interlocal Agreements	—	—	—	—	—	N/A
TOTAL OTHER EXPENSES	**5,802,280**	**3,568,771**	**3,127,295**	**3,167,273**	**(401,498)**	**(11.3)%**
TOTAL OPERATING EXPENSES	**$6,723,594**	**$4,551,991**	**$3,992,690**	**$3,876,063**	**$(675,928)**	**(14.8)%**

Power Systems & Sustainability

Functions and Responsibilities

The Power Systems & Sustainability Department supports and implements the CapMetro Sustainability Vision Plan and the Sustainability Action Plan. This department leads CapMetro's clean energy planning and conservation initiatives, oversees environmental regulatory compliance and environmental management system implementation. The department supports energy systems and infrastructure for new services being implemented, legacy electrical systems being upgraded, renewable and green energy choices, and works with regional utility providers on rates and services that help support regional public transit implementation. Our environmental management support focuses on permitting, compliance, education, best practices and employee engagement for awareness. Sustainability is integrated into capital project initiatives including infrastructure and facilities, and service delivery and related assets. Through the lens of Strategic Plan 2030,CapMetro maintains a focus on sustainability while taking a long term, multi-year approach to remain aligned with industry standards and regional stakeholder priorities.

FY2027 Budget Overview

Approximately $671 thousand in FY2027 funding supports utility planning, energy management, environmental compliance, sustainability initiatives, permitting coordination, employee training, and emergency preparedness activities. These resources support reliable transit operations, responsible environmental stewardship, regulatory compliance, and long-term planning for the agency's facilities and infrastructure

Strategic Plan Alignment

Goal Areas

Organizational Effectiveness Workforce Customer Community

Critical Results

Fiscal Responsibility Regional Significance

Focus Area 1

Optimize electrical utility planning, rate management, and long-term energy cost strategies to support transit operations and infrastructure growth

Objective 1

By FY2027 year-end, support cost-effective utility rate strategies through participation in utility rate negotiations, cost modeling, and regional stakeholder coordination activities.

Focus Area 2

Strengthen environmental management and regulatory compliance across CapMetro facilities, infrastructure, and operations.

Objective 2

By FY2027 year-end, maintain compliance with applicable environmental permits and regulatory requirements through timely reporting, inspections, monitoring, and corrective action activities.

Focus Area 3

Strengthen employee environmental awareness, emergency response readiness, and field support capabilities.

Objective 3

By FY2027 year-end, improve employee preparedness for environmental incidents through training and awareness initiatives.

Budget Changes

Salaries and Benefits

Increase of $7,082 due to the proposed performance-based pay increase to become effective in January 2027.

Other Expenses

Decrease of $15,655 driven by $15,000 in Professional Services by bringing compliance-required training in-house. Decrease of $10,550 in Other Expenses from a consolidation of all seminars, conferences and travel expenses to the Executive and Board Relations department.

	FY2025 ACTUAL	FY2026 BUDGET	FY2026 FORECAST	FY2027 BUDGET	Var $ FY2027 vs. FY2026	Var % FY2027 vs. FY2026
Salaries and Benefits	$215,976	$228,918	$228,918	$236,000	$7,082	3.1 %
TOTAL SALARIES & BENEFITS	**215,976**	**228,918**	**228,918**	**236,000**	**7,082**	**3.1 %**
Professional Services	540,628	131,500	131,500	116,500	(15,000)	(11.4)%
Fuel and Fluids	—	—	—	—	—	N/A
Materials and Supplies	159,448	—	—	5,000	5,000	N/A
Utilities	506	280,729	280,729	285,624	4,895	1.7 %
Insurance	—	—	—	—	—	N/A
Purchased Transportation	—	—	—	—	—	N/A
Other Expenses	6,962	38,050	35,050	27,500	(10,550)	(27.7)%
Interest Expense	—	—	—	—	—	N/A
Lease/Rentals	—	—	—	—	—	N/A
Interlocal Agreements	—	—	—	—	—	N/A
TOTAL OTHER EXPENSES	**707,544**	**450,279**	**447,279**	**434,624**	**(15,655)**	**(3.5)%**
TOTAL OPERATING EXPENSES	**$923,520**	**$679,197**	**$676,197**	**$670,624**	**$(8,573)**	**(1.3)%**

Real Estate

Functions and Responsibilities

The Real Estate Department is responsible for the acquisition, management, and disposition of real estate assets owned or leased by CapMetro. This includes operational, administrative, and passenger facilities for all modes of transportation. Its responsibility also includes 162 miles of commuter and freight railroad right-of-way for which the department manages over 1,300 right-of-way licenses, on behalf of the agency.

FY2027 Budget Overview

Approximately $2.1 million in FY2027 funding supports lease administration, right-of-way management, licensing and permitting activities, property inspections, corridor planning, real estate research, and asset management initiatives. These resources help protect and manage CapMetro's real property interests, modernize business processes, improve data management and customer service, and support strategic initiatives such as the Giddings-Llano Line Deed Research Project.

Strategic Plan Alignment

Goal Areas

- Organizational Effectiveness
- Customer

Critical Results

- Fiscal Responsibility
- Reliable & Secure Service
- Increased Ridership

Focus Area 1

Modernize right-of-way licensing, permitting, property inspections, and asset tracking processes to improve operational efficiency, customer service, and data management.

Objective 1

By FY2027 year-end, implement department’s railroad right-of-way applications portal and asset management system in accordance with the recommendations outlined in Internal Audit’s “24-8 CLS Order System Report ROW Audit 2025”. The upgraded platform will integrate with CapMetro’s existing systems to enable greater automation, cross-departmental collaboration, and real-time data access.

Objective 2

By FY2027 year-end, support implementation of a new customer-facing interface for the collection of licenses and permitting fees and fully implement the enterprise licensing and permitting system to support fee collection and revenue capture.

Budget Changes

Salaries and Benefits

Decrease of $132,634 due to budgeted vacancy savings, partially offset by the proposed performance-based pay increase to become effective in January 2027.

Other Expenses

Decrease of $1,491,961 is primarily driven by $1,531,582 in Lease and Rental expenses for parking facilities, yard storage for amenities replacements, and administrative facilities. Of this total, $1,299,294 is attributable to administrative facility contractual changes and relocations to owned properties. Additionally, interest expense increased by $71,402 in accordance with GASB 87 classification.

	FY2025 ACTUAL	FY2026 BUDGET	FY2026 FORECAST	FY2027 BUDGET	Var $ FY2027 vs. FY2026	Var % FY2027 vs. FY2026
Salaries and Benefits	$677,529	$698,859	$698,859	$566,225	$(132,634)	(19.0)%
TOTAL SALARIES & BENEFITS	**677,529**	**698,859**	**698,859**	**566,225**	**(132,634)**	**(19.0)%**
Professional Services	186,650	90,025	107,201	71,661	(18,364)	(20.4)%
Fuel and Fluids	—	—	—	—	—	N/A
Materials and Supplies	646	1,500	1,500	450	(1,050)	(70.0)%
Utilities	506	480	480	480	—	— %
Insurance	—	—	—	—	—	N/A
Purchased Transportation	—	—	—	—	—	N/A
Other Expenses	76,441	95,277	94,972	82,910	(12,367)	(13.0)%
Interest Expense	—	103,012	214,916	174,414	71,402	69.3 %
Lease/Rentals	1,251,222	2,698,149	1,839,788	1,166,567	(1,531,582)	(56.8)%
Interlocal Agreements	—	—	—	—	—	N/A
TOTAL OTHER EXPENSES	**1,515,465**	**2,988,443**	**2,258,857**	**1,496,482**	**(1,491,961)**	**(49.9)%**
TOTAL OPERATING EXPENSES	**$2,192,994**	**$3,687,302**	**$2,957,716**	**$2,062,707**	**$(1,624,595)**	**(44.1)%**

Rolling Stock and Support Equipment

Functions and Responsibilities

The Rolling Stock and Support Equipment (RSSE) group leads CapMetro's vehicle procurement and engineering efforts, overseeing the design, acquisition, and implementation of rail, bus, demand response, specialty, and non-revenue vehicles. The team enhances fleet reliability, performance, and lifecycle management while addressing vehicle obsolescence. RSSE also collaborates across departments to deliver key infrastructure projects, including solar energy systems, battery-electric bus charging, and microgrids. In partnership with planning teams and the Austin Transit Partnership, RSSE helps align future vehicle needs with transit demand and supports the development of the region's new Light Rail system to maximize community value.

FY2027 Budget Overview

Approximately $747 thousand in FY2027 funding supports fleet planning, vehicle engineering, asset lifecycle management, procurement support, sustainability initiatives, and technical oversight activities. These resources support reliable transit operations, informed fleet investment decisions, emerging technology evaluation, and long-term planning efforts that strengthen system resiliency, operational effectiveness, and regional transit growth.

Strategic Plan Alignment

Goal Areas

- Organizational Effectiveness
- Customer
- Community

Critical Results

- Fiscal Responsibility
- Reliable & Secure Service
- Increased Rider
- Regional Significance

Focus Area 1

Support fleet reliability, operational readiness, and asset lifecycle management activities.

Objective 1

By the end of FY2027, proactively address asset lifecycle and replacement needs to support reliable transit service and long-term fleet performance.

Focus Area 2

Advance sustainable transit infrastructure and future mobility initiatives that support system resiliency, operational efficiency, and long-term regional transit growth.

Objective 2

By FY2027 year-end, support sustainable fleet and infrastructure initiatives through technology evaluation and fleet planning.

Budget Changes

Salaries and Benefits

Increase of $83,887 due to vacancies filled at a higher rate than budgeted, and the proposed performance-based pay increase to become effective in January 2027.

Other Expenses

Decrease of $31,770 driven by Other Expenses from a consolidation of all seminars, conferences and travel expenses to the Executive and Board Relations department.

	FY2025 ACTUAL	FY2026 BUDGET	FY2026 FORECAST	FY2027 BUDGET	Var $ FY2027 vs. FY2026	Var % FY2027 vs. FY2026
Salaries and Benefits	$605,656	$657,315	$657,315	$741,202	$83,887	12.8 %
TOTAL SALARIES & BENEFITS	**605,656**	**657,315**	**657,315**	**741,202**	**83,887**	**12.8 %**
Professional Services	18	—	—	—	—	N/A
Fuel and Fluids	—	—	—	—	—	N/A
Materials and Supplies	—	10,000	4,000	5,500	(4,500)	(45.0)%
Utilities	—	—	—	—	—	N/A
Insurance	—	—	—	—	—	N/A
Purchased Transportation	—	—	—	—	—	N/A
Other Expenses	10,224	27,270	27,270	—	(27,270)	(100.0)%
Interest Expense	—	—	—	—	—	N/A
Lease/Rentals	—	—	—	—	—	N/A
Interlocal Agreements	—	—	—	—	—	N/A
TOTAL OTHER EXPENSES	**10,242**	**37,270**	**31,270**	**5,500**	**(31,770)**	**(85.2)%**
TOTAL OPERATING EXPENSES	**$615,898**	**$694,585**	**$688,585**	**$746,702**	**$52,117**	**7.5 %**

Systems Engineering and Design

Functions and Responsibilities

The Systems Engineering and Design department is responsible for engineering and design of all major systems and major disciplines that support Light Rail, Commuter Rail, Rapid Bus rolling stock (vehicles) and interface with a variety of signaling systems including traffic and require specialized and vital communication networks with redundancy integration.

FY2027 Budget Overview

Approximately $257 thousand in FY2027 funding supports engineering review, systems integration, technical oversight, consulting support, and project coordination activities across CapMetro's major transit infrastructure programs. These resources help ensure infrastructure systems are designed, integrated, and implemented in a manner that supports safe, reliable, and efficient transit operations.

Strategic Plan Alignment

Goal Areas

Organizational Effectiveness   Community

Critical Results

Regional Significance

Focus Area 1

Support engineering review, systems integration, and technical oversight activities for Light Rail, Commuter Rail, and Rapid Bus development and construction.

Objective 1

By FY2027 year-end, provide engineering review and technical recommendations for Light Rail, Commuter Rail, and Rapid Bus design and construction activities to support operations, maintenance, safety, and systems integration requirements across multiple project contracts.

Budget Changes

Salaries and Benefits

Increase of $7,760 due to the proposed performance-based pay increases to become effective in January 2027.

Other Expenses

Decrease of $68,750 primarily driven by reduced Professional Services associated with lower consulting support for the traffic signal priority project. Other Expenses decreased $8,750 from a consolidation of all seminars, conferences and travel expenses to the Executive and Board Relations department.

	FY2025 ACTUAL	FY2026 BUDGET	FY2026 FORECAST	FY2027 BUDGET	Var $ FY2027 vs. FY2026	Var % FY2027 vs. FY2026
Salaries and Benefits	$260,928	$248,930	$248,930	$256,690	$7,760	3.1 %
TOTAL SALARIES & BENEFITS	**260,928**	**248,930**	**248,930**	**256,690**	**7,760**	**3.1 %**
Professional Services	28,406	60,000	60,000	—	(60,000)	(100.0)%
Fuel and Fluids	—	—	—	—	—	N/A
Materials and Supplies	—	—	—	—	—	N/A
Utilities	—	—	—	—	—	N/A
Insurance	—	—	—	—	—	N/A
Purchased Transportation	—	—	—	—	—	N/A
Other Expenses	7,515	8,990	2,500	240	(8,750)	(97.3)%
Interest Expense	—	—	—	—	—	N/A
Lease/Rentals	—	—	—	—	—	N/A
Interlocal Agreements	—	—	—	—	—	N/A
TOTAL OTHER EXPENSES	**35,921**	**68,990**	**62,500**	**240**	**(68,750)**	**(99.7)%**
TOTAL OPERATING EXPENSES	**$296,849**	**$317,920**	**$311,430**	**$256,930**	**$(60,990)**	**(19.2)%**

Experience and Engagement Division

The Experience & Engagement Division strengthens CapMetro's connection with riders and the public through marketing, communications, community outreach and customer care. It promotes services, manages public information channels and handles feedback to improve rider experience. The division plays a key role in building trust and increasing transit use.

Organization

Full-Time Equivalent Staffing Chart

Division / Department	FY2025 Actual	FY2026 Budget	FY2026 Staffing Changes	FY2027 Staffing Changes	FY2027 Budget
Experience & Engagement					
Community Engagement	6.5	6.5	—	—	6.5
Customer Care	17.5	18.5	3.0	—	21.5
Marketing and Communications	27.0	26.0	1.0	—	27.0
Total	**51.0**	**51.0**	**4.0**	**—**	**55.0**

Budget Changes

Division / Department	FY2025 ACTUAL	FY2026 BUDGET	FY2026 FORECAST	FY2027 BUDGET	FY2027 v. FY2026 ($)	FY2027 v. FY2026 (%)
Experience & Engagement						
Community Engagement	$1,210,158	$1,557,297	$1,404,892	$1,465,162	($92,135)	(5.9)%
Customer Care	1,351,459	1,375,859	1,581,954	1,502,490	126,631	9.2 %
Marketing and Communications	6,333,531	6,414,455	5,822,677	6,342,507	(71,948)	(1.1)%
Total	**$8,895,148**	**$9,347,611**	**$8,809,523**	**$9,310,159**	**$(37,452)**	**(0.4)%**

Community Engagement

Functions and Responsibilities

The Community Engagement Department builds trust through meaningful involvement of the community in decision-making, acts as CapMetro's main liaison with community groups and organizations and oversees programs that foster public engagement and goodwill.

FY2027 Budget Overview

Approximately $1.5 million in FY2027 funding supports community engagement, sponsorships, stakeholder outreach, partnership development, event participation, and engagement planning activities. These resources help strengthen strategic community partnerships, expand regional engagement efforts, and support data-informed outreach strategies that connect CapMetro with the communities it serves.

Strategic Plan Alignment

Goal Areas

- Organizational Effectiveness
- Community
- Customer
- Workforce

Critical Results

- Regional Significance
- Reliable & Secure Service
- Fiscal Responsibility
- Increased Ridership

Focus Area 1

Strengthen strategic community partnerships through targeted sponsorship investments, relationship management, and regional engagement efforts.

Objective 1

By FY2027 year-end, reduce sponsorship spending by 5% while maintaining key partnerships that support regional engagement and ridership goals.

Objective 2

By FY2027 year-end, maintain at least a 95% retention rate among sponsored partners through proactive engagement efforts

Objective #	Measure	FY2025 Actual	FY2026 Estimate	FY2027 Target
1	Reduce community sponsorship budget line by 5%	$220,000.00	$200,000.00	$190,000.00
2	Sponsored partner retention rate	95%	95%	95%

Focus Area 2

Optimize community engagement efforts through strategic event participation, outreach coordination, and data-informed planning.

Objective 3

By FY2027 year-end, implement a data-informed event selection process to prioritize high-impact community engagement opportunities based on audience reach, engagement outcomes, and efficient use of outreach resources.

Objective #	Measure	FY2025 Actual	FY2026 Estimate	FY2027 Target
3	% of community events tracked for engagement outcomes	N/A	Baseline tracking	100%

Budget Changes

Salaries and Benefits

Increase of $33,618 due to the proposed performance-based pay increase to become effective in January 2027.

Other Expenses

Decrease of $125,753 driven by a decrease in Professional Services of $93,496 primarily due to the completion of the community survey. In addition, a decrease in Other Expenses of $32,705 for a reduction in sponsorships and from a consolidation of all seminars, conferences and travel expenses to the Executive and Board Relations department.

	FY2025 ACTUAL	FY2026 BUDGET	FY2026 FORECAST	FY2027 BUDGET	Var $ FY2027 vs. FY2026	Var % FY2027 vs. FY2026
Salaries and Benefits	$602,809	$665,196	$665,196	$698,814	$33,618	5.1 %
TOTAL SALARIES & BENEFITS	**602,809**	**665,196**	**665,196**	**698,814**	**33,618**	**5.1 %**
Professional Services	503,240	587,924	447,600	494,428	(93,496)	(15.9)%
Fuel and Fluids	—	—	—	—	—	N/A
Materials and Supplies	23,573	11,996	12,000	12,000	4	— %
Utilities	506	5,280	500	5,280	—	— %
Insurance	—	—	—	—	—	N/A
Purchased Transportation	—	—	—	—	—	N/A
Other Expenses	76,628	284,165	276,860	251,460	(32,705)	(11.5)%
Interest Expense	—	—	—	—	—	N/A
Lease/Rentals	3,402	2,736	2,736	3,180	444	16.2 %
Interlocal Agreements	—	—	—	—	—	N/A
TOTAL OTHER EXPENSES	**607,349**	**892,101**	**739,696**	**766,348**	**(125,753)**	**(14.1)%**
TOTAL OPERATING EXPENSES	**$1,210,158**	**$1,557,297**	**$1,404,892**	**$1,465,162**	**$(92,135)**	**(5.9)%**

Customer Care

Functions and Responsibilities

The Customer Care Department's goal is to enhance the customers' experience by assisting with trip planning, fares, riding rules, lost-and-found, Bikeshare, mobile app concerns, answering general questions; along with responding to comments, complaints, compliments, and requests. Customer Care is available seven days a week by telephone, email, social media, and web-based correspondence, while the Transit Store is available Monday-Friday 8am-5pm.

FY2027 Budget Overview

Approximately $1.5 million in FY2027 funding supports customer support operations, customer communications, Customer Relationship Management (CRM) administration, reporting, and lost-and-found services. These resources help provide responsive customer service, improve visibility into customer interactions and service trends, enhance operational efficiency, and support a positive customer experience across CapMetro services.

Strategic Plan Alignment

Goal Areas

Organizational Effectiveness Customer

Critical Results

Fiscal Responsibility Reliable & Secure Service

Focus Area 1

Maintain responsive and effective customer support operations while managing increased customer contact volume and service demands.

Objective 1

By FY2027 year-end, maintain an industry-standard monthly average phone service level of at least 80% while managing increased customer demand resulting from service changes through enhanced phone system reporting tools and existing staffing resources.

Objective #	Measure	FY2025 Actual	FY2026 Estimate	FY2027 Target
1	Phone Service Level	92%	95%	80% or higher

Focus Area 2

Strengthen customer communication tracking, reporting, and operational efficiency through expanded use of centralized customer relationship management tools and reporting capabilities.

Objective 2

By FY2027 year-end, consolidate all customer interaction data into a centralized CRM platform to improve data retention and operational visibility.

Objective 3

By FY2027 year-end, improve email handling efficiency by 25%, increasing average processing from 4 to 5 emails per hour using the CRM reporting tools.

Objective #	Measure	FY25 Actual	FY2026 Estimate	FY2027 Target
3	Email handling time efficiency	N/A	4 per hour	5 per hour

Focus Area 3

Improve lost-and-found tracking, reporting, and item resolution through enhanced dashboard reporting and operational visibility tools.

Objective 4

By FY2027 year-end, reduce landfill disposal of lost-and-found items by improving item tracking, return processing, donation coordination, and regulated disposal reporting through dashboards and reporting tools.

Objective #	Measure	FY2025 Actual	FY2026 Estimate	FY2027 Target
4	Lost and Found Waste Diversion Rate	N/A	N/A	80%

Budget Changes

Salaries and Benefits

Increase of $124,351 due to the addition of 4 FTEs for the Transit Store from the Finance department, the elimination of 1 FTE position and the proposed performance-based pay increase to become effective in January 2027.

Other Expenses

Increase of $2,280 mainly due to $1,800 Materials and Supplies increase for the Transit Store.

	FY2025 ACTUAL	FY2026 BUDGET	FY2026 FORECAST	FY2027 BUDGET	Var $ FY2027 vs. FY2026	Var % FY2027 vs. FY2026
Salaries and Benefits	$1,293,232	$1,358,599	$1,554,352	$1,482,950	$124,351	9.2 %
TOTAL SALARIES & BENEFITS	**1,293,232**	**1,358,599**	**1,554,352**	**1,482,950**	**124,351**	**9.2 %**
Professional Services	48,769	8,020	16,562	8,740	720	9.0 %
Fuel and Fluids	—	—	—	—	—	N/A
Materials and Supplies	1,862	1,200	3,000	3,000	1,800	150.0 %
Utilities	1,518	1,920	1,920	1,920	—	— %
Insurance	—	—	—	—	—	N/A
Purchased Transportation	—	—	—	—	—	N/A
Other Expenses	6,078	6,120	6,056	5,880	(240)	(3.9)%
Interest Expense	—	—	—	—	—	N/A
Lease/Rentals	—	—	64	—	—	N/A
Interlocal Agreements	—	—	—	—	—	N/A
TOTAL OTHER EXPENSES	**58,227**	**17,260**	**27,602**	**19,540**	**2,280**	**13.2 %**
TOTAL OPERATING EXPENSES	**$1,351,459**	**$1,375,859**	**$1,581,954**	**$1,502,490**	**$126,631**	**9.2 %**

Marketing and Communications

Functions and Responsibilities

The Marketing and Communication Department furthers CapMetro's mission through promoting transit use and value; developing and distributing all service-related materials, maps and wayfinding; public relations; business development; and internal communications. The department generates revenue through advertising sales on transit vehicles and through the development of programs designed to increase ridership in a collaborative effort with private and public entities. Major responsibilities include the promotion of routes and services, internal marketing, schedule and signage design, website management, brand development and fleet graphics. The department conducts market research to measure awareness and customer satisfaction levels. The department serves as the primary contact point for the news media. It provides communications strategy and creative support to other departments and the Board of Directors, allowing CapMetro to drive positive messages and enhance its position in the community. The department establishes and implements CapMetro's social media platforms by presenting user-friendly information through multiple channels for customers, stakeholders and employees.

FY2027 Budget Overview

Approximately $6.3 million in FY2027 funding supports marketing, communications, media relations, customer outreach, community engagement, and event activation activities. These resources support public communication efforts related to fare changes, safety awareness campaigns, facility activation initiatives, and other programs that strengthen customer engagement, enhance public confidence, and expand awareness of CapMetro services and opportunities.

Strategic Plan Alignment

Goal Areas

Workforce Customer Community

Critical Results

Fiscal Responsibility Reliable & Secure Service Increased Ridership

Focus Area 1

Launch and support the Facility Activation & Rentals Program to expand community use of CapMetro-owned spaces through community events and meetings while supporting non-fare revenue opportunities for the agency.

Objective 1

By FY2027 year-end, begin implementation of the Facility Activation & Rentals Program through external rentals, community events, and use tracking activities.

Objective 2

By FY2027 year-end, establish baseline reporting and performance tracking for facility rental demand, utilization, and revenue generation.

Objective #	Measure	FY2025 Actual	FY2026 Estimate	FY2027 Target
1	Number of hosted facility rentals and events	N/A	Baseline development	7
2	Quarterly reporting process established	N/A	Baseline development	Yes

Focus Area 2

Support implementation of CapMetro's fare change through coordinated public communication, media relations, customer outreach, and informational campaigns.

Objective 3

By FY2027 year-end, execute coordinated communication and outreach activities supporting public awareness and customer understanding of the proposed fare change implementation.

Objective #	Measure	FY2025 Actual	FY2026 Estimate	FY2027 Target
3	Completion of fare change communication and outreach activities	N/A	N/A	Fare change completed

Focus Area 3

Continue and expand customer and community-focused safety communication campaigns supporting public awareness, incident response communication, and confidence in system safety.

Objective 4

By FY2027 year-end, monitor safety campaign engagement, safety-related communications, and customer perception of safety through outreach metrics, customer feedback, surveys, and public sentiment indicators.

Objective #	Measure	FY2025 Actual	FY2026 Estimate	FY2027 Target
4	Safety communication campaign engagement metrics	N/A	Establish baseline	Increase engagement from FY2026 baseline

Budget Changes

Salaries and Benefits

Increase of $132,055 due to the addition of 1 FTE from the Finance department and the proposed performance-based pay increase to become effective in January 2027.

Other Expenses

Decrease of $204,003 due to a $135,245 reduction in Professional Services for the completion of the UMO implementation, a reduction in literature distribution and fall and spring projects, partially offset by an increase for the addition of Pickup and Access to the customer experience surveys called for by the Strategic Plan. A decrease of $26,600 in Materials and Supplies is a reduction in the service changes maps and schedules printing. The $35,318 decrease in Other Expenses is from a consolidation of all seminars, conferences and travel expenses to the Executive and Board Relations department. Lease/ Rentals decreased by the full amount of $6,360 as the need for storage space for promotional items is no longer necessary with the new administration building.

	FY2025 ACTUAL	FY2026 BUDGET	FY2026 FORECAST	FY2027 BUDGET	Var $ FY2027 vs. FY2026	Var % FY2027 vs. FY2026
Salaries and Benefits	$2,810,567	$2,774,655	$2,837,554	$2,906,710	$132,055	4.8 %
TOTAL SALARIES & BENEFITS	**2,810,567**	**2,774,655**	**2,837,554**	**2,906,710**	**132,055**	**4.8 %**
Professional Services	2,818,407	2,763,500	2,334,273	2,628,255	(135,245)	(4.9)%
Fuel and Fluids	—	—	—	—	—	N/A
Materials and Supplies	559,775	707,000	560,500	680,400	(26,600)	(3.8)%
Utilities	3,036	3,360	2,800	2,880	(480)	(14.3)%
Insurance	—	—	—	—	—	N/A
Purchased Transportation	—	—	—	—	—	N/A
Other Expenses	134,283	159,580	87,550	124,262	(35,318)	(22.1)%
Interest Expense	—	—	—	—	—	N/A
Lease/Rentals	7,463	6,360	—	—	(6,360)	(100.0)%
Interlocal Agreements	—	—	—	—	—	N/A
TOTAL OTHER EXPENSES	**3,522,964**	**3,639,800**	**2,985,123**	**3,435,797**	**(204,003)**	**(5.6)%**
TOTAL OPERATING EXPENSES	**$6,333,531**	**$6,414,455**	**$5,822,677**	**$6,342,507**	**$(71,948)**	**(1.1)%**

Finance Division

The Finance Division ensures CapMetro's financial sustainability and monitors the agency's financial performance, recommending effective allocation of resources, ensuring accurate and timely accounting and reporting, managing revenue and fare programs, processing timely payment of goods and services procured, developing and monitoring annual operating and capital budgets, administering federal and state grant programs, safeguarding assets and facilitating strategic financial planning and insurance.

Organization

Full-Time Equivalent Staffing Chart

Division / Department	FY2025 Actual	FY2026 Budget	FY2026 Staffing Changes	FY2027 Staffing Changes	FY2027 Budget
Finance					
Finance	35.0	35.0	(8.0)	—	27.0
Total	**35.0**	**35.0**	**(8.0)**	**—**	**27.0**

Budget Changes

Division / Department	FY2025 ACTUAL	FY2026 BUDGET	FY2026 FORECAST	FY2027 BUDGET	FY2027 v. FY2026 ($)	FY2027 v. FY2026 (%)
Finance						
Finance	$9,122,864	$15,213,209	$13,680,924	$21,465,809	$6,252,600	41.1 %
Total	**$9,122,864**	**$15,213,209**	**$13,680,924**	**$21,465,809**	**$6,252,600**	**41.1 %**

Finance

FY2027 Budget Overview

Approximately $21.5 million in FY2027 funding supports accounting operations, financial reporting, audit readiness, reconciliation governance, financial systems, enterprise financial oversight activities, and a financial contingency fund. These resources support compliance with accounting and reporting requirements, strengthen organizational accountability, enhance financial transparency, and provide decision-makers with accurate financial information to support agency operations and strategic priorities.

Strategic Plan Alignment

Goal Areas

Workforce   Organizational Effectiveness

Critical Results

Fiscal Responsibility   Reliable & Secure Service

Focus Area 1

Maintain excellence in financial reporting and audit performance through strong internal controls, accurate financial reporting, and continued audit readiness initiatives.

Objective 1

By FY2027 year end, continue maintaining high-quality financial reporting and strong internal controls to support receipt of the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting and achieve no material audit findings or repeat deficiencies related to Annual Comprehensive Financial Reporting (ACFR).

Objective #	Measure	FY2025 Actual	FY2026 Estimate	FY2027 Target
1	Receipt of GFOA Certificate of Achievement for Excellence in Financial Reporting	Achieved	Pending	Achieve
1	Number of material financial audit findings	0	0	0
1	Number of repeat financial audit findings or significant financial deficiencies	0	0	0

Focus Area 2

Strengthen reconciliation governance, financial close processes, and enterprise financial accountability through expanded utilization of internal auditing software functionality and enhanced cross-departmental coordination.

Objective 2

By FY2027 year-end, improve the quality, timeliness, and effectiveness of the reconciliation process through expanded utilization of internal auditing software functionality, reduction of aged reconciling items, enhanced procedures and monitoring practices, and increased cross-departmental collaboration to support accurate and timely financial reporting.

Objective #	Measure	FY2025 Actual	FY2026 Estimate	FY2027 Target
2	Reconciliations completed mid-month where operationally feasible	Baseline	Expanded Usage	Standard Practice
2	Reduction in aged reconciliation balances over 90 days	Baseline	75% Reduction	90% Reduction
2	Reconciliation procedures and documentation updated	Baseline	Enhanced Procedures	Standard Practice

Focus Area 3

Improve financial transparency and organizational accountability through enhanced reporting and cross-departmental financial monitoring.

Objective 3

By FY2027 year-end, improve enterprise visibility into financial operations through expanded leadership reporting related to accounts payable aging, accounts receivable aging, Construction in Progress aging, and other key financial activities to support proactive issue identification, timely resolution, and improved cross-departmental accountability.

Objective #	Measure	FY2025 Actual	FY2026 Estimate	FY2027 Target
3	Leadership financial monitoring reports distributed	Quarterly	Enhanced Reporting-Quarterly	Standard Practice

Budget Changes

Salaries and Benefits

Decrease of $740,950 due to the transfer of 7 FTEs to other departments and reduction of 1 FTE.

Other Expenses

Increase of $6,993,550 driven by $264,828 increase in Professional Services for audit and consultation fees, $7,144,543 increase in insurance premiums from the rail operations transition that was previously included in purchased transportation. Offset $364,800 decrease in Materials and Supplies for the Transit Store POS pass consumption and $47,961 decrease in Other Expenses for reduced bank services charges and from a consolidation of all seminars, conferences and travel expenses to the Executive and Board Relations department.

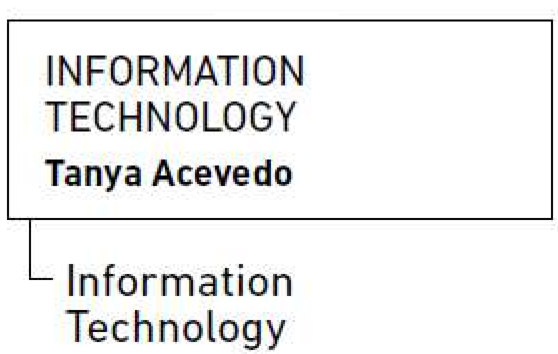
	FY2025 ACTUAL	FY2026 BUDGET	FY2026 FORECAST	FY2027 BUDGET	Var $ FY2027 vs. FY2026	Var % FY2027 vs. FY2026
Salaries and Benefits	$4,244,783	$4,276,270	$4,276,270	$3,535,320	$(740,950)	(17.3)%
TOTAL SALARIES & BENEFITS	**4,244,783**	**4,276,270**	**4,276,270**	**3,535,320**	**(740,950)**	**(17.3)%**
Professional Services	2,122,770	931,828	1,281,776	1,196,656	264,828	28.4 %
Fuel and Fluids	—	—	—	—	—	N/A
Materials and Supplies	199,642	479,200	303,200	114,400	(364,800)	(76.1)%
Utilities	3,880	4,500	4,500	1,440	(3,060)	(68.0)%
Insurance	1,386,306	2,357,730	2,044,014	9,502,273	7,144,543	303.0 %
Purchased Transportation	—	—	—	—	—	N/A
Other Expenses	384,397	7,163,681	5,771,164	7,115,720	(47,961)	(0.7)%
Interest Expense	797,641	—	—	—	—	N/A
Lease/Rentals	—	—	—	—	—	N/A
Interlocal Agreements	(16,555)	—	—	—	—	N/A
TOTAL OTHER EXPENSES	**4,878,081**	**10,936,939**	**9,404,654**	**17,930,489**	**6,993,550**	**63.9 %**
TOTAL OPERATING EXPENSES	**$9,122,864**	**$15,213,209**	**$13,680,924**	**$21,465,809**	**$6,252,600**	**41.1 %**

Information Technology Division

Functions and Responsibilities

The Information Technology (IT) Division delivers resilient technology systems in support of the agency's operational needs and in alignment with CapMetro's strategic plan. IT's core mission is to provide exceptional customer service and innovative transit technology solutions in support of the many customers and diverse technology needs that IT serves.

Organization



Full-Time Equivalent Staffing Chart

Division / Department	FY2025 Actual	FY2026 Budget	FY2026 Staffing Changes	FY2027 Staffing Changes	FY2027 Budget
Information Technology					
Information Technology	65.5	65.5	(1.0)	—	64.5
Total	**65.5**	**65.5**	**(1.0)**	**—**	**64.5**

Budget Changes

Division / Department	FY2025 ACTUAL	FY2026 BUDGET	FY2026 FORECAST	FY2027 BUDGET	FY2027 v. FY2026 ($)	FY2027 v. FY2026 (%)
Information Technology						
Information Technology	$3,079,002	$27,702,617	$24,621,909	$25,460,374	($2,242,243)	(8.1)%
Total	**$3,079,002**	**$27,702,617**	**$24,621,909**	**$25,460,374**	**$(2,242,243)**	**(8.1)%**

Information Technology

FY2027 Budget Overview

Approximately $25.5 million in FY2027 funding supports mission-critical transit technology systems, customer-facing digital platforms, enterprise applications, infrastructure services, cybersecurity, vendor support, and IT operations. These resources help ensure reliable transit technology operations, improve digital customer experiences, and provide the technology foundation necessary to support employee productivity, operational effectiveness, and responsible stewardship of technology investments.

Strategic Plan Alignment

Goal Areas

Customer   Organizational Effectiveness

Critical Results

Fiscal Responsibility   Reliable & Secure Service

Focus Area 1

Support the reliability and operational continuity of mission-critical transit technology systems through monitoring, lifecycle management, vendor oversight, and incident response capabilities.

Objective 1

By FY2027 year-end, improve the performance and reliability of mission-critical transit systems using system monitoring, lifecycle management, and vendor performance reporting.

Objective #	Measure	FY2025 Actual	FY2026 Estimate	FY2027 Target
1	Availability of mission-critical transit systems (%)	100%	100%	≥ 99.95% sustained
1	Mean time to restore service for critical technology incidents (P1/ P2, median hours)	19.5 hours	49.4 hours	49.4 hours

Focus Area 2

Support reliable and accessible digital customer services that improve trip planning, fare payment, rider communications, and customer self-service experiences.

Objective 2

By FY2027 year-end, improve the performance and reliability of customer technology services supporting trip planning, fare payment, and rider communications.

Objective #	Measure	FY2025 Actual	FY2026 Estimate	FY2027 Target
2	Successful completion rate of customer digital transactions (%)	97%	98%	≥ 98.50%
2	Utilization of automated/ self-service customer support channels (%)	N/A	Establish baseline	≥10%

Focus Area 3

Support reliable enterprise technology operations and employee productivity through enterprise platforms, service management practices, and operational support capabilities.

Objective 3

By FY2027 year-end, improve the reliability and support of enterprise technology platforms using monitoring, reporting, and service management practices.

Objective #	Measure	FY2025 Actual	FY2026 Estimate	FY2027 Target
3	Successful completion rate of core business transactions (%)	100%	100%	≥ 99.50%
3	Enterprise service requests resolved within established service targets (%)	93%	100%	≥ 95.00%

Budget Changes

Salaries and Benefits

Increase of $306,090 due to the proposed performance-based pay increase to become effective in January 2027.

Other Expenses

Decrease of $2,548,333 driven by a decrease of $3,019,905 in Professional Services related to Governmental Accounting Standards Board Statement No. 96 (GASB 96) for subscription-based software, slightly offset by an increase of $347,616 in Utilities for employee phones and cellular devices used for transit operations and monitoring, and $110,066 in Interest expenses in accordance with GASB 96 classification.

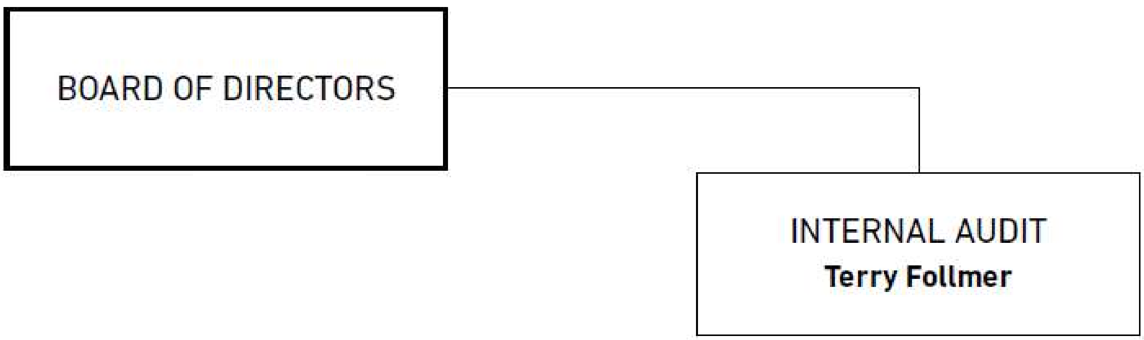
	FY2025 ACTUAL	FY2026 BUDGET	FY2026 FORECAST	FY2027 BUDGET	Var $ FY2027 vs. FY2026	Var % FY2027 vs. FY2026
Salaries and Benefits	$8,504,399	$8,483,525	$8,483,525	$8,789,615	$306,090	3.6 %
TOTAL SALARIES & BENEFITS	**8,504,399**	**8,483,525**	**8,483,525**	**8,789,615**	**306,090**	**3.6 %**
Professional Services	11,128,194	16,774,858	13,405,820	13,754,953	(3,019,905)	(18.0)%
Fuel and Fluids	—	—	—	—	—	N/A
Materials and Supplies	1,761	560	560	560	—	— %
Utilities	2,394,306	2,142,828	2,142,828	2,490,444	347,616	16.2 %
Insurance	—	—	—	—	—	N/A
Purchased Transportation	—	—	—	—	—	N/A
Other Expenses	157,076	15,260	15,260	29,150	13,890	91.0 %
Interest Expense	—	285,586	573,916	395,652	110,066	38.5 %
Lease/Rentals	—	—	—	—	—	N/A
Interlocal Agreements	—	—	—	—	—	N/A
TOTAL OTHER EXPENSES	**13,681,337**	**19,219,092**	**16,138,384**	**16,670,759**	**(2,548,333)**	**(13.3)%**
TOTAL OPERATING EXPENSES	**$22,185,736**	**$27,702,617**	**$24,621,909**	**$25,460,374**	**$(2,242,243)**	**(8.1)%**

Internal Audit Division

Functions and Responsibilities

The Internal Audit Division reports directly to the board of directors and is an independent and objective source of assurance and advisory services. The department provides assurance on CapMetro's governance, risk management and control processes to help the organization achieve its strategic, operational, financial and compliance objectives. In addition, the department is a catalyst for process improvement by providing insight and recommendations based on a systematic analysis and assessment of data and business processes. Internal Audit also shares best practices and suggests ways for reducing costs and enhancing revenues.

Organization



Full-Time Equivalent Staffing Chart

Division / Department	FY2025 Actual	FY2026 Budget	FY2026 Staffing Changes	FY2027 Staffing Changes	FY2027 Budget
Internal Audit					
Internal Audit	6.0	6.0	—	—	6.0
Total	**6.0**	**6.0**	**—**	**—**	**6.0**

Budget Changes

Division / Department	FY2025 ACTUAL	FY2026 BUDGET	FY2026 FORECAST	FY2027 BUDGET	FY2027 v. FY2026 ($)	FY2027 v. FY2026 (%)
Internal Audit						
Internal Audit	$906,257	$710,180	$707,366	$655,053	($55,127)	(7.8)%
Total	**$906,257**	**$710,180**	**$707,366**	**$655,053**	**$(55,127)**	**(7.8)%**

Internal Audit

FY2027 Budget Overview

Approximately $655 thousand in FY2027 funding supports audit services, internal control assessments, compliance reviews, financial oversight activities, and cybersecurity evaluations. These resources provide independent assurance and advisory services that strengthen governance, improve risk management practices, enhance operational performance, and promote accountability across the agency.

Strategic Plan Alignment

Goal Areas

Customer   Organizational Effectiveness

Critical Results

Fiscal Responsibility   Reliable & Secure Service

Focus Area 1

Strengthen organizational effectiveness and operational reliability through audits and assessments of vehicle maintenance controls and processes.

Objective 1

By FY2027 year-end, complete a review of vehicle maintenance records and controls to identify opportunities for improvement.

Focus Area 2

Enhance financial oversight and internal controls through ongoing monitoring and review of payroll pass through charges to improve accuracy and accountability.

Objective 2

By FY2027 year-end, complete bi-weekly reviews of payroll pass through charges and provide management with ongoing feedback to improve accuracy and related internal controls.

Focus Area 3

Strengthen cybersecurity risk management through internal and external assessments of information technology security controls.

Objective 3

By FY2027 year-end, complete internal and external assessments of IT security controls to identify and address cybersecurity risks.

Budget Changes

Salaries and Benefits

Decrease of $42,737 due to a reclassification of a management position to an auditor, partially offset by the proposed performance-based pay increase to become effective in January 2027.

Other Expenses

Decrease of $12,390 driven primarily from a consolidation of all seminars, conferences and travel expenses to the Executive and Board Relations department.

	FY2025 ACTUAL	FY2026 BUDGET	FY2026 FORECAST	FY2027 BUDGET	Var $ FY2027 vs. FY2026	Var % FY2027 vs. FY2026
Salaries and Benefits	$695,866	$692,427	$692,427	$649,690	$(42,737)	(6.2)%
TOTAL SALARIES & BENEFITS	**695,866**	**692,427**	**692,427**	**649,690**	**(42,737)**	**(6.2)%**
Professional Services	200,693	—	—	—	—	N/A
Fuel and Fluids	—	—	—	—	—	N/A
Materials and Supplies	—	480	100	480	—	— %
Utilities	1,952	2,400	2,400	2,400	—	— %
Insurance	—	—	—	—	—	N/A
Purchased Transportation	—	—	—	—	—	N/A
Other Expenses	7,746	14,873	12,439	2,483	(12,390)	(83.3)%
Interest Expense	—	—	—	—	—	N/A
Lease/Rentals	—	—	—	—	—	N/A
Interlocal Agreements	—	—	—	—	—	N/A
TOTAL OTHER EXPENSES	**210,391**	**17,753**	**14,939**	**5,363**	**(12,390)**	**(69.8)%**
TOTAL OPERATING EXPENSES	**$906,257**	**$710,180**	**$707,366**	**$655,053**	**$(55,127)**	**(7.8)%**

Operations Division

The Operations Division supports systemwide mobility with a focus on performance and customer satisfaction, managing the day-to-day delivery of transit services, including bus, rail, demand response, and vanpool. It ensures safe, reliable and efficient service through oversight of contractors, vehicle maintenance and customer eligibility and training programs.

The former Bus Operations and Maintenance department reorganized into three distinct departments: Bus Operations Control Center and Training, Bus Transportation, and Bus Vehicle Maintenance.

Organization

OPERATIONS
Andy Skabowski

- Bus Operations & Maintenance
- Facility Maintenance
- Commuter Rail Operations
- Freight Rail Management
- Demand Response Operations & Maintenance (Access, Bikeshare & Pickup)
- Vanpool

Full-Time Equivalent Staffing Chart

Division / Department	FY2025 Actual	FY2026 Budget	FY2026 Staffing Changes	FY2027 Staffing Changes	FY2027 Budget
Operations					
Bikeshare	13.0	13.0	—	—	13.0
Bus OCC and Training	—	—		62.0	62.0
Bus Transportation	126.0	124.0	1.0	(90.0)	35.0
Bus Vehicle Maintenance	—	—	—	28.0	28.0
Facilities Maintenance	27.0	26.0	5.0	—	31.0
Microtransit	2.0	2.0	(1.0)	—	1.0
Paratransit Eligibility	15.0	15.0	2.0	—	17.0
Project Connect	—	—	—	—	—
Rail Commuter Operations	11.0	12.0	(1.0)	86.0	97.0
Rail Freight Management	1.0	1.0	—	—	1.0
Vanpool	—	—	—	—	—
Total	**195.0**	**193.0**	**6.0**	**86.0**	**285.0**

Budget Changes

Division / Department	FY2025 ACTUAL	FY2026 BUDGET	FY2026 FORECAST	FY2027 BUDGET	FY2027 v. FY2026 ($)	FY2027 v. FY2026 (%)
Operations						
Bikeshare	$1,949,281	$1,304,827	$1,464,985	$1,408,602	$103,775	8.0 %
Bus Operations Control Center and Training	—	—	—	5,719,078	5,719,078	N/A
Bus Transportation	206,175,459	186,099,433	183,665,462	176,951,649	(9,147,784)	(4.9)%
Bus Vehicle Maintenance	—	—	—	26,538,876	26,538,876	N/A
Bus Transportation	2,929,420	2,975,850	2,975,850	3,136,686	160,836	5.4 %
Demand Response Oversight	46,504,323	52,807,753	51,569,104	55,027,194	2,219,441	4.2 %
Facilities Maintenance	4,953,359	11,956,656	9,168,702	11,421,865	(534,791)	(4.5)%
Microtransit	10,090,241	9,847,946	10,244,304	9,782,208	(65,738)	(0.7)%
Paratransit Eligibility	1,404,990	1,630,584	1,731,292	1,919,216	288,632	17.7 %
Project Connect	17,885,306	22,460,934	20,512,061	31,062,740	8,601,806	38.3 %
Rail Commuter Operations	24,732,443	24,289,071	24,477,651	35,418,877	11,129,806	45.8 %
Rail Freight Management	1,925,417	1,466,397	1,516,399	1,290,860	(175,537)	(12.0)%
Vanpool	3,471,377	3,648,486	3,934,058	3,483,081	(165,405)	(4.5)%
Total	**$322,021,616**	**$318,487,937**	**$311,259,868**	**$363,160,932**	**$44,672,995**	**14.0 %**

Bus Operations Control Center and Training

Functions and Responsibilities

The Bus Operations Control Center and Training Department supports the safe, reliable, and efficient delivery of transit service through operational control, workforce development, service monitoring & management, and system readiness initiatives. The department oversees the Operations Control Center (OCC), bus operations training programs, service impact coordination, and operational communications.

The department serves as a critical link between Operations, Vehicle Maintenance, Facilities, Safety, Planning, and service providers by coordinating real-time service management, employee readiness, emergency response, special events, and service recovery efforts. Through performance monitoring, training, and operational support, the department helps ensure consistent service delivery and continuous improvement across the transit network.

FY2027 Budget Overview

Approximately $5.7 million in FY2027 funding supports OCC operations, workforce training, service impact management, operational technology support, incident management, special event coordination, and service reliability initiatives. Investments focus on workforce readiness, operational resilience, customer service, safety, and continuous improvement efforts that support reliable transit operations.

Strategic Plan Alignment

Goal Areas

Customer Organizational Effectiveness Community Workforce

Critical Results

Fiscal Responsibility Reliable & Secure Service

Focus Area 1

Continue to align operational improvements with customer-facing reliability outcomes.

Objective 1

By FY2027 year-end, reduce lost time, improve on-time performance, minimize missed trips, support special events, improve detour execution, and ensure consistent field response to incidents that affect customers.

Objective #	Measure	FY2025 Actual	FY2026 Estimate	FY2027 Target
1	Lost Time	3%	4%	Not to exceed 2.5%

Focus Area 2

Support implementation planning for system modernization, Mobile Data Terminal/operator interface updates, and related vehicle technology changes.

Objective 2

The goal is to simplify operator interaction and reduce operational distractions with onboard systems, improve incident reporting, and support the code of conduct policy.

Objective #	Measure	FY2025 Actual	FY2026 Estimate	FY2027 Target
2	Reduction in onboard systems/actions required to report an incident	N/A	Baseline	Reduce by 25%

Focus Area 3

Bus Operations will continue supporting operator readiness through route familiarization, updating operating procedures, improving customer communications, safety refreshers, and remedial training.

Objective 3

FY2027 includes continued coordination with the service partner for driver awareness and training.

Objective #	Measure	FY2025 Actual	FY2026 Estimate	FY2027 Target
3	At least 300 Safety All-Calls/month	N/A	600/month	600/month

Budget Changes

Salaries and Benefits

$5,537,802 is budgeted for the salaries and benefits of Bus Operations Control Center and Training, which used to be part of the former Bus Operations and Maintenance Department, and the proposed performance-based pay increase to become effective in January 2027.

Other Expenses

$181,276 is budgeted for the other expenses of Bus Operations Control Center and Training, which used to be part of the former Bus Operations and Maintenance Department, primarily in Professional Services of $164,638 for diesel and electric bus maintenance training, and ambassador support at events and activations.

	FY2025 ACTUAL	FY2026 BUDGET	FY2026 FORECAST	FY2027 BUDGET	Var $ FY2027 vs. FY2026	Var % FY2027 vs. FY2026
Salaries and Benefits	$0	$0	$0	$5,537,802	$5,537,802	N/A
TOTAL SALARIES & BENEFITS	**—**	**—**	**—**	**5,537,802**	**5,537,802**	**N/A**
Professional Services	—	—	—	164,638	164,638	N/A
Fuel and Fluids	—	—	—	—	—	N/A
Materials and Supplies	—	—	—	14,028	14,028	N/A
Utilities	—	—	—	—	—	N/A
Insurance	—	—	—	—	—	N/A
Purchased Transportation	—	—	—	—	—	N/A
Other Expenses	—	—	—	2,610	2,610	N/A
Interest Expense	—	—	—	—	—	N/A
Lease/Rentals	—	—	—	—	—	N/A
Interlocal Agreements	—	—	—	—	—	N/A
TOTAL OTHER EXPENSES	**—**	**—**	**—**	**181,276**	**181,276**	**N/A**
TOTAL OPERATING EXPENSES	**$0**	**$0**	**$0**	**$5,719,078**	**$5,719,078**	**N/A**

Bus Transportation

Functions and Responsibilities

The Bus Transportation Department oversees contracted fixed-route bus transportation services and ensures the safe, reliable, and efficient delivery of transit service. The department coordinates daily service operations, special event transportation, service provider performance management, workforce communications, operational readiness, and customer service delivery.

Key responsibilities include performance monitoring, contract administration, service reliability management, operations analytics, workforce engagement, incident management, and coordination with internal departments and service partners. Through a structured, data-driven approach, the department drives continuous improvement, enhances accountability, and supports CapMetro's commitment to providing safe and dependable transit service.

FY2027 Budget Overview

Approximately $173 million in FY2027 funding supports operational oversight, workforce development, performance analytics, contract management, field operations, and service delivery activities. These resources help improve service reliability, strengthen employee communication and readiness, enhance contractor accountability, and support data-driven decisions that improve operational performance and the customer experience.

Strategic Plan Alignment

Goal Areas

Customer · Organizational Effectiveness · Workforce

Critical Results

Fiscal Responsibility · Reliable & Secure Service · Increased Ridership

Focus Area 1

Strengthen service reliability through enhanced operational oversight, performance monitoring, field management, and collaboration with service providers.

Objective 1

Improve service reliability through performance management, operational readiness, and targeted corrective action plans.

Objective #	Measure	FY2025 Actual	FY2026 Estimate	FY2027 Target
1	Conduct monthly route safety and performance inspections	43	60	100

Focus Area 2

Improve communication, training support, and workforce engagement to ensure employees have the tools, information, and resources necessary to deliver high-quality service.

Objective 2

Strengthen workforce communication and operational readiness through expanded engagement, training support, and collaborative problem solving.

Objective #	Measure	FY2025 Actual	FY2026 Estimate	FY2027 Target
2	Operational improvement initiatives generated through weekly Service Performance Reliability Working Groups	N/A	5	10

Focus Area 3

Enhance operational performance through workforce planning, performance management, and continuous improvement.

Objective 3

By FY2027 year-end, achieve and sustain bus operator staffing levels necessary to support reliable service and operational excellence.

Objective #	Measure	FY2025 Actual	FY2026 Estimate	FY2027 Target
3	Bus operator staffing level	970	935	1000

Budget Changes

Salaries and Benefits

Decrease of $9,256,376 primarily driven by the reorganization of the former Bus Operations and Maintenance Department into three distinct departments: Bus Operations Control Center and Training, Bus Transportation, and Bus Vehicle Maintenance, partially offset by the proposed performance-based pay increase to become effective in January 2027.

Other Expenses

Increase of $108,592 primarily driven by the bus operations reorganization. Materials and Supplies decreased by $14,879,103 for vehicle maintenance support, and $5,639,505 in Professional Services of which $3,273,460 supported vehicle maintenance and $164,638 supported Bus Operations Control Center and Training, and $2,201,407 was reprogrammed to purchased transportation for the building maintenance support. Utilities of $1,562,452 were moved to the Facilities Maintenance department for Electricity-Propulsion Power. Decrease of $864,944 in Leases/Rentals as expenses were moved to Bus Vehicle Maintenance. Other Expenses decreased by $199,268 from a consolidation of all seminars, conferences and travel expenses to the Executive and Board Relations department. The reductions from separating the departments help to offset the $1,648,698 Fuel and Fluids increase. Increase of $17,427,614 in Purchased Transportation is driven by a shortage of operators, leading to increased overtime, and a full year of increased frequency from 20 to 10 minutes on some routes. Fuel costs are projected at an average cost per gallon with taxes of $3.90 for FY2027, an increase of $1.60 per gallon compared to FY2026.

	FY2025 ACTUAL	FY2026 BUDGET	FY2026 FORECAST	FY2027 BUDGET	Var $ FY2027 vs. FY2026	Var % FY2027 vs. FY2026
Salaries and Benefits	$12,100,469	$12,349,319	$12,378,667	$3,092,943	$(9,256,376)	(75.0)%
TOTAL SALARIES & BENEFITS	**12,100,469**	**12,349,319**	**12,378,667**	**3,092,943**	**(9,256,376)**	**(75.0)%**
Professional Services	10,413,189	6,761,884	1,605,960	1,122,834	(5,639,050)	(83.4)%
Fuel and Fluids	11,134,104	10,472,687	808,195	16,298,482	5,825,795	55.6 %
Materials and Supplies	21,184,737	15,763,416	54,495	884,313	(14,879,103)	(94.4)%
Utilities	495,121	1,562,452	—	—	(1,562,452)	(100.0)%
Insurance	—	—	—	—	—	N/A
Purchased Transportation	150,075,683	137,992,195	168,726,995	155,419,809	17,427,614	12.6 %
Other Expenses	413,420	250,788	26,000	51,520	(199,268)	(79.5)%
Interest Expense	—	—	—	—	—	N/A
Lease/Rentals	358,736	946,692	65,150	81,748	(864,944)	(91.4)%
Interlocal Agreements	—	—	—	—	—	N/A
TOTAL OTHER EXPENSES	**194,074,990**	**173,750,114**	**171,286,795**	**173,858,706**	**108,592**	**0.1 %**
TOTAL OPERATING EXPENSES	**$206,175,459**	**$186,099,433**	**$183,665,462**	**$176,951,649**	**$(9,147,784)**	**(4.9)%**

Bus Vehicle Maintenance

Functions and Responsibilities

The Bus Vehicle Maintenance Department ensures that service partners perform in accordance with contractual requirements. The department is responsible for maintaining safe, reliable, and compliant facilities, equipment, and systems. It supports continuous operations by minimizing unplanned downtime and extending asset life through effective maintenance strategies.

Core functions include preventive and corrective maintenance oversight, asset management, regulatory compliance, inventory and spare parts management, and contractor and vendor coordination. The department supports CapMetro Bus, Rapid, and Rail services by ensuring maintenance programs are effectively executed to sustain reliable and efficient transit operations.

FY2027 Budget Overview

Approximately $27 million in FY2027 funding supports service contracts, maintenance systems, parts procurement, inventory management, and technical support activities associated with fleet maintenance operations. These resources help improve equipment reliability, strengthen preventive maintenance performance, optimize maintenance costs, and support the safe, reliable, and efficient operation of CapMetro's transit fleet.

Strategic Plan Alignment

Goal Areas

Customer Organizational Effectiveness

Critical Results

Fiscal Responsibility Reliable & Secure Service

Focus Area 1

Improve equipment reliability through data-driven failure analysis, corrective maintenance strategies, and contractor oversight.

Objective 1

By FY2027 year-end, increase Mean Distance Between Failures (MDBF) from 3,800 miles to 5,000 miles, as measured by MDBF data from the Enterprise Asset Management (EAM) system.

Objective #	Measure	FY2025 Actual	FY2026 Estimate	FY2027 Target
1	Mean Distance Between Failures (MDBF)	3743	3800	5000

Focus Area 2

Improve preventive maintenance performance through enhanced scheduling, execution, and compliance tracking.

Objective 2

By FY2027 year-end, increase preventive maintenance on-time completion from 65% to 80%, as measured by the Preventive Maintenance Compliance Metric.

Objective #	Measure	FY2025 Actual	FY2026 Estimate	FY2027 Target
2	Preventive Maintenance On-time completion (%)	58%	65%	80%

Budget Changes

Salaries and Benefits

$2,829,823 is budgeted for the salaries and benefits of Vehicle Maintenance, which used to be part of the former Bus Operations and Maintenance Department, and the proposed performance-based pay increase to become effective in January 2027.

Other Expenses

$23,709,053 is budgeted for the other expenses of Bus Vehicle Maintenance, which used to be part of the former Bus Operations and Maintenance Department. $18,039,812 in Material and Supplies is for the support of vehicle maintenance. $3,273,460 in Professional Services is for repair and maintenance of $1,334,604, maintenance radio of $843,694, computer software of $625,150 and vehicle towing of $526,870. Leases/Rentals of $1,154,707 supports vehicle leases and the operating yard storage. Fuel and Fluids of $889,58 supports engine and transmission fluids usage, and $351,493 in Other Expense is primarily for toll road charges.

	FY2025 ACTUAL	FY2026 BUDGET	FY2026 FORECAST	FY2027 BUDGET	Var $ FY2027 vs. FY2026	Var % FY2027 vs. FY2026
Salaries and Benefits	$0	$0	$0	$2,829,823	$2,829,823	N/A
TOTAL SALARIES & BENEFITS	**—**	**—**	**—**	**2,829,823**	**2,829,823**	**N/A**
Professional Services	—	—	—	3,273,460	3,273,460	N/A
Fuel and Fluids	—	—	—	889,581	889,581	N/A
Materials and Supplies	—	—	—	18,039,812	18,039,812	N/A
Utilities	—	—	—	—	—	N/A
Insurance	—	—	—	—	—	N/A
Purchased Transportation	—	—	—	—	—	N/A
Other Expenses	—	—	—	351,493	351,493	N/A
Interest Expense	—	—	—	—	—	N/A
Lease/Rentals	—	—	—	1,154,707	1,154,707	N/A
Interlocal Agreements	—	—	—	—	—	N/A
TOTAL OTHER EXPENSES	**—**	**—**	**—**	**23,709,053**	**23,709,053**	**N/A**
TOTAL OPERATING EXPENSES	**$0**	**$0**	**$0**	**$26,538,876**	**$26,538,876**	**N/A**

Bikeshare

Functions and Responsibilities

The Bikeshare Department manages the operations and maintenance of the bikeshare program including all hardware, software, customer interactions and associated systems.

FY2027 Budget Overview

Approximately $1.4 million in FY2027 funding supports bikeshare operations, station infrastructure, software systems, customer support, maintenance, and asset management activities. These resources support expansion of the bikeshare network, enhance system performance and reliability, improve customer access, and help ensure the long-term sustainability of the bikeshare program.

Strategic Plan Alignment

Goal Areas

Customer   Organizational Effectiveness   Community

Critical Results

Fiscal Responsibility   Reliable & Secure Service   Increased Ridership

Focus Area 1

Expand the bikeshare network to improve customer access and system availability.

Objective 1

By FY2027 year-end, install 20 new bikeshare stations, bringing the total systemwide station count to 119, thereby increasing electrified charging stations and expanding customer access to support system growth.

Objective #	Measure	FY2025 Actual	FY2026 Estimate	FY2027 Target
1	New bikeshare stations installed	10	20	20

Focus Area 2

Improve bikeshare system performance, reliability, and customer access through effective operations, maintenance, and asset management.

Objective 2

By FY2027 year-end, increase the bike-to-dock ratio from 45% to 50% to improve system utilization and customer access.

Objective #	Measure	FY2025 Actual	FY2026 Estimate	FY2027 Target
2	Bike-to-dock ratio	35%	45%	50%

Budget Changes

Salaries and Benefits

Increase of $94,487 due to the elimination of vacancy savings that were included in FY2026 as the department is now operating at full staffing capacity and the proposed performance-based pay increase to become effective in January 2027.

Other Expenses

Increase of $9,288 is a minimal change. This is reflected in the $34,640 decrease in Professional Services for a reduction in advertising and the elimination of temporary help. The $47,752 reduction in Materials and Supplies consists of reducing maintenance expenses and marketing supplies. This is offset by an increase in Lease/Rentals of $69,996 for a specialty boom-hoist truck. The $20,008 increase in Interlocal Agreements is offset by the savings in Materials and Supplies as it is part of the reimbursement by the City of Austin.

	FY2025 ACTUAL	FY2026 BUDGET	FY2026 FORECAST	FY2027 BUDGET	Var $ FY2027 vs. FY2026	Var % FY2027 vs. FY2026
Salaries and Benefits	$809,734	$878,607	$878,607	$973,094	$94,487	10.8 %
TOTAL SALARIES & BENEFITS	**809,734**	**878,607**	**878,607**	**973,094**	**94,487**	**10.8 %**
Professional Services	299,506	337,016	339,020	302,376	(34,640)	(10.3)%
Fuel and Fluids	9,132	24,204	24,204	25,404	1,200	5.0 %
Materials and Supplies	29,092	112,000	112,000	64,248	(47,752)	(42.6)%
Utilities	528	480	480	960	480	100.0 %
Insurance	—	—	—	—	—	N/A
Purchased Transportation	—	—	—	—	—	N/A
Other Expenses	2,283	2,524	4,068	2,520	(4)	(0.2)%
Interest Expense	—	—	—	—	—	N/A
Lease/Rentals	467,941	—	156,610	69,996	69,996	N/A
Interlocal Agreements	331,065	(50,004)	(50,004)	(29,996)	20,008	(40.0)%
TOTAL OTHER EXPENSES	**1,139,547**	**426,220**	**586,378**	**435,508**	**9,288**	**2.2 %**
TOTAL OPERATING EXPENSES	**$1,949,281**	**$1,304,827**	**$1,464,985**	**$1,408,602**	**$103,775**	**8.0 %**

Demand Response Control and Call Center

Functions and Responsibilities

The Demand Response Control and Call Center Department is composed of the CapMetro Access and Pickup control and call center. The department provides real-time dispatch, scheduling and advance trip reservations.

FY2027 Budget Overview

Approximately $3.0 million in FY2027 funding supports dispatch operations, trip scheduling, reservation management, customer service functions, technology improvements, and operational coordination activities that support Access and Pickup services. These resources help improve customer access through enhanced call center capabilities, increase operational efficiency, and support reliable demand response service delivery.

Strategic Plan Alignment

Goal Areas

Customer

Critical Results

Reliable & Secure Service   Increased Ridership

Focus Area 1

Improve customer access and call center efficiency through expanded use of AI-supported call handling.

Objective 1

By FY2027 year-end, increase the percentage of calls successfully handled by the AI agent to improve customer service accessibility and reduce call wait times.

Objective #	Measure	FY2025 Actual	FY2026 Estimate	FY2027 Target
1	Percentage of calls successfully handled by AI	15%	18%	23%

Focus Area 2

Enhance demand response service reliability through effective dispatch, scheduling, and operational coordination.

Objective 2

By FY2027 year-end, maintain or improve demand response service performance through effective dispatching and scheduling operations.

Objective #	Measure	FY2025 Actual	FY2026 Estimate	FY2027 Target
2	Demand Response On-Time Performance	92%	92%	92%

Budget Changes

Salaries and Benefits

Increase of $181,668 is due to the elimination of vacancy savings that were included in FY2026, as the department is now operating at full staffing capacity and the proposed performance-based pay increase to become effective in January 2027.

Other Expenses

Decrease of $20,832 primarily in Professional Services is a reduction in temporary help. The $4,560 decrease in Other Expenses is from a consolidation of all seminars, conferences and travel expenses to the Executive and Board Relations department.

	FY2025 ACTUAL	FY2026 BUDGET	FY2026 FORECAST	FY2027 BUDGET	Var $ FY2027 vs. FY2026	Var % FY2027 vs. FY2026
Salaries and Benefits	$2,710,399	$2,654,099	$2,654,099	$2,835,767	$181,668	6.8 %
TOTAL SALARIES & BENEFITS	**2,710,399**	**2,654,099**	**2,654,099**	**2,835,767**	**181,668**	**13.6 %**
Professional Services	213,193	309,736	309,736	292,504	(17,232)	(5.6)%
Fuel and Fluids	—	—	—	—	—	N/A
Materials and Supplies	—	3,600	3,600	3,600	—	— %
Utilities	506	480	480	1,440	960	200.0 %
Insurance	—	—	—	—	—	N/A
Purchased Transportation	—	—	—	—	—	N/A
Other Expenses	5,322	7,935	7,935	3,375	(4,560)	(57.5)%
Interest Expense	—	—	—	—	—	N/A
Lease/Rentals	—	—	—	—	—	N/A
Interlocal Agreements	—	—	—	—	—	N/A
TOTAL OTHER EXPENSES	**219,021**	**321,751**	**321,751**	**300,919**	**(20,832)**	**(6.5)%**
TOTAL OPERATING EXPENSES	**$2,929,420**	**$2,975,850**	**$2,975,850**	**$3,136,686**	**$160,836**	**5.4 %**

Demand Response Oversight

Functions and Responsibilities

The Demand Response Oversight Department oversees service partners for paratransit (CapMetro Access) and microtransit (Pickup by CapMetro) as well as the new internalized parts and maintenance function for these operations. Costs related to contracted paratransit services compliant with the Americans with Disabilities Act (ADA) are budgeted in this department.

FY2027 Budget Overview

Approximately $54 million in FY2027 funding supports demand response service operations, contractor oversight, fleet maintenance, and performance management activities associated with Access and Pickup services. These resources help ensure safe, reliable, and ADA-compliant transportation services while supporting operational efficiency, service quality, and accountability in demand response service delivery.

Strategic Plan Alignment

Goal Areas

Customer Organizational Effectiveness

Critical Results

Reliable & Secure Service Fiscal Responsibility

Focus Area 1

Strengthen demand response service reliability and operational performance through contractor oversight and fleet management.

Objective 1

By FY2027 year-end, improve the reliability and performance of Access and Pickup services through enhanced fleet maintenance and contractor oversight.

Objective 2

By the end of Q1 FY2027, implement an overflow service program to improve service reliability and manage paratransit operating costs.

Objective #	Measure	FY2025 Actual	FY2026 Estimate	FY2027 Target
1	Mean Distance Between Road Calls (MBRC)	12,368	TBD	10% improvement from FY2026
2	Overflow service implementation completed	N/A	In progress	Yes

Budget Changes

Salaries and Benefits

Increase of $208,793 is due to the elimination of vacancy savings that was included in FY2026, as the department is now operating at full staffing capacity and the proposed performance-based pay increase to become effective in January 2027.

Other Expenses

Increase of $2,010,648 driven by $3,631,181 increase in Purchased Transportation due to contractual agreement. This is offset by a decrease of $318,306 in Professional Services for maintenance costs as well as the elimination of some software requirements. A $637,245 decrease in Fuel and Fluids and $1,258,006 decrease in Materials and Supplies are a result of a reduction in the maintenance cost per mile even though fuel costs are projected at an average cost per gallon with taxes of $3.90 for FY2027, an increase of $1.60 per gallon compared to FY2026. The $154,145 reduction in Lease/Rentals is due to the purchase of paratransit fleet.

	FY2025 ACTUAL	FY2026 BUDGET	FY2026 FORECAST	FY2027 BUDGET	Var $ FY2027 vs. FY2026	Var % FY2027 vs. FY2026
Salaries and Benefits	$1,456,869	$1,533,742	$1,533,742	$1,742,535	$208,793	13.6 %
TOTAL SALARIES & BENEFITS	**1,456,869**	**1,533,742**	**1,533,742**	**1,742,535**	**208,793**	**13.6 %**
Professional Services	16,267	764,056	665,011	445,750	(318,306)	(41.7)%
Fuel and Fluids	1,788,737	2,885,584	2,737,895	2,990,041	104,457	3.6 %
Materials and Supplies	1,863,181	3,408,816	3,049,049	2,150,810	(1,258,006)	(36.9)%
Utilities	(22)	960	816	960	—	— %
Insurance	—	—	—	—	—	N/A
Purchased Transportation	41,318,851	44,026,535	43,394,532	47,657,716	3,631,181	8.2 %
Other Expenses	17,006	8,912	8,912	14,379	5,467	61.3 %
Interest Expense	—	—	—	—	—	N/A
Lease/Rentals	43,434	179,148	179,147	25,003	(154,145)	(86.0)%
Interlocal Agreements	—	—	—	—	—	N/A
TOTAL OTHER EXPENSES	**45,047,454**	**51,274,011**	**50,035,362**	**53,284,659**	**2,010,648**	**3.9 %**
TOTAL OPERATING EXPENSES	**$46,504,323**	**$52,807,753**	**$51,569,104**	**$55,027,194**	**$2,219,441**	**4.2 %**

Facilities Maintenance

Functions and Responsibilities

The Facilities Maintenance Department is responsible for the safe, reliable, and efficient maintenance of CapMetro facilities, public infrastructure assets, and operational support systems. The department provides preventive and corrective maintenance for bus stops, shelters, signage, lighting, passenger amenities, administrative facilities, maintenance shops, and other operational locations. It manages facility-related service contracts, supports asset lifecycle management and inventory programs, delivers capital improvement and State of Good Repair projects, and oversees facility budgets, performance reporting, and long-range infrastructure planning to support organizational reliability, compliance, and operational readiness.

FY2027 Budget Overview

Approximately $11.4 million in FY2027 funding supports facilities maintenance, contractor services, infrastructure renewal programs, asset management, workforce development, and facility lifecycle planning activities. These resources support facility reliability, operational readiness, State of Good Repair objectives, workforce capability, and long-term stewardship of CapMetro's facilities and infrastructure assets.

Strategic Plan Alignment

Goal Areas

Customer Organizational Effectiveness Community Workforce

Critical Results

Reliable & Secure Service Fiscal Responsibility Regional Significance

Focus Area 1

Facilities Infrastructure Reliability and Asset Management.

Objective 1

By FY2027 year-end, implement a standardized preventive maintenance program across inventoried facilities and bus stop assets to improve infrastructure reliability and reduce reactive maintenance events.

Objective 2

By FY2027 year-end, improve infrastructure reliability and asset performance through execution of the FY2027 Capital and State of Good Repair (SOGR) facility improvement programs supporting operational readiness, safety, regulatory compliance, and customer-facing infrastructure.

Objective #	Measure	FY2025 Actual	FY2026 Estimate	FY2027 Target
1	Preventative Maintenance Completion Rate (%)	N/A	70%	90%
1,2	Backlog of open maintenance work orders older than 30 days (#)	N/A	Developing baseline	Baseline established
2	Capital Project Completion Rate (%)	N/A	80%	95%

Focus Area 2

Organizational Development and Workforce Capability.

Objective 3

By FY2027 year-end, strengthen facilities operational support capabilities through continued development of the centralized Facilities Maintenance Department structure, staffing alignment, vendor service management, and standardized maintenance coordination processes.

Objective #	Measure	FY2025 Actual	FY2026 Estimate	FY2027 Target
3	Percentage of required facilities maintenance services covered by active vendor contracts (%)	N/A	100%	Maintain 100%

Focus Area 3

Advance sustainable infrastructure planning and investment.

Objective 4

By FY2027 year-end, strengthen long-term infrastructure readiness through implementation of lifecycle-based planning and continued development of the Charging-as-a-Service (CaaS) program.

Budget Changes

Salaries and Benefits

Decrease of $36,723 due to budgeted vacancy savings which offset the mid-year transfer of three FTEs from the Facility Programming and Management department and the proposed performance-based pay increase to become effective in January 2027.

Other Expenses

Decrease of $498,068 driven by a $1,605,805 decrease in Professional Services from improved oversight, accurate allocation of costs to the appropriate expense lines, and enhanced forecast accuracy. Increase of $905,000 in Utilities for electricity-propulsion power supporting non-revenue vehicles driven by the transfer of these expenses from the former Bus Operations and Maintenance department. Increase of $397,784 in Lease/Rentals for generators, storage facility, HVACs and cranes used for shelter installments and removals. Decrease of $193,984 in Materials and Supplies from strengthened management controls.

	FY2025 ACTUAL	FY2026 BUDGET	FY2026 FORECAST	FY2027 BUDGET	Var $ FY2027 vs. FY2026	Var % FY2027 vs. FY2026
Salaries and Benefits	$2,412,976	$2,433,449	$2,454,332	$2,396,726	$(36,723)	(1.5)%
TOTAL SALARIES & BENEFITS	**2,412,976**	**2,433,449**	**2,454,332**	**2,396,726**	**(36,723)**	**(1.5)%**
Professional Services	1,730,600	8,687,192	5,161,320	7,081,387	(1,605,805)	(18.5)%
Fuel and Fluids	—	—	—	—	—	N/A
Materials and Supplies	956,057	822,959	735,000	628,975	(193,984)	(23.6)%
Utilities	(240,573)	—	750,000	905,000	905,000	N/A
Insurance	—	—	—	—	—	N/A
Purchased Transportation	—	—	—	—	—	N/A
Other Expenses	(32,562)	13,056	13,050	11,993	(1,063)	(8.1)%
Interest Expense	—	—	—	—	—	N/A
Lease/Rentals	126,861	—	55,000	397,784	397,784	N/A
Interlocal Agreements	—	—	—	—	—	N/A
TOTAL OTHER EXPENSES	**2,540,383**	**9,523,207**	**6,714,370**	**9,025,139**	**(498,068)**	**(5.2)%**
TOTAL OPERATING EXPENSES	**$4,953,359**	**$11,956,656**	**$9,168,702**	**$11,421,865**	**$(534,791)**	**(4.5)%**

Microtransit

Functions and Responsibilities

The Microtransit Department is responsible for oversight of Pickup by CapMetro services, exploring the future of public transportation technologies, platforms, modes and initiatives and creating and managing alternative shared public transit solutions in areas where fixed-route transit is not a good mobility option. In addition, the department coordinates new and existing projects, programs and initiatives impacting the Demand Response division.

FY2027 Budget Overview

Approximately $9.7 million in FY2027 funding supports microtransit operations, technology platforms, alternative mobility solutions, and demand response services. These resources support the delivery of flexible, on-demand transportation options, enhance operational efficiency through technology improvements, and help expand access to transit services throughout the community.

Strategic Plan Alignment

Goal Areas

Customer   Organizational Effectiveness

Critical Results

Reliable & Secure Service   Fiscal Responsibility

Focus Area 1

Enhance microtransit service delivery through technology modernization and operational improvements.

Objective 1

By FY2027 year-end, complete the transition of Pickup services to the Spare platform and application to support improved operational efficiency, service management, and customer experience.

Objective #	Measure	FY2025 Actual	FY2026 Estimate	FY2027 Target
1	Spare platform implementation completed	N/A	In progress	Yes

Budget Changes

Salaries and Benefits

Decrease of $137,221 due to the transfer of 1 FTE to the Paratransit Eligibility department, partially offset by the proposed performance-based pay increase to become effective in January 2027.

Other Expenses

Increase of $71,483 from a $45,799 reduction in Professional Services, a $29,026 reduction in Fuel and Fluids and a $120,107 reduction in Materials and Supplies all of which are a result of the lower maintenance cost per mile. Offset by a $152,241 increase in Purchased Transportation due to contractual agreement.

	FY2025 ACTUAL	FY2026 BUDGET	FY2026 FORECAST	FY2027 BUDGET	Var $ FY2027 vs. FY2026	Var % FY2027 vs. FY2026
Salaries and Benefits	$304,995	$251,885	$251,885	$114,664	$(137,221)	(54.5)%
TOTAL SALARIES & BENEFITS	**304,995**	**251,885**	**251,885**	**114,664**	**(137,221)**	**(54.5)%**
Professional Services	46,622	118,082	105,372	72,283	(45,799)	(38.8)%
Fuel and Fluids	267,513	377,969	364,771	464,056	86,087	22.8 %
Materials and Supplies	—	413,928	372,534	293,821	(120,107)	(29.0)%
Utilities	506	480	451	—	(480)	(100.0)%
Insurance	—	—	—	—	—	N/A
Purchased Transportation	9,171,134	8,684,147	9,146,836	8,836,388	152,241	1.8 %
Other Expenses	8,211	1,455	2,455	996	(459)	(31.5)%
Interest Expense	—	—	—	—	—	N/A
Lease/Rentals	291,260	—	—	—	—	N/A
Interlocal Agreements	—	—	—	—	—	N/A
TOTAL OTHER EXPENSES	**9,785,246**	**9,596,061**	**9,992,419**	**9,667,544**	**71,483**	**0.7 %**
TOTAL OPERATING EXPENSES	**$10,090,241**	**$9,847,946**	**$10,244,304**	**$9,782,208**	**$(65,738)**	**(0.7)%**

Paratransit Eligibility

Functions and Responsibilities

The Paratransit Eligibility Department includes staff responsible for evaluating paratransit eligibility, providing travel and operational training and conducting pathway assessments. The team manages CapMetro’s Access eligibility certification process to ensure individuals who need specialized transportation receive appropriate support. The department also promotes the use of fixed-route transportation by offering training programs tailored for seniors and individuals with disabilities, helping them navigate public transit confidently and independently.

FY2027 Budget Overview

Approximately $1.9 million in FY2027 funding supports eligibility certification, customer management, accessibility resources, travel training, operational training, and program administration activities. These resources help ensure equitable access to transportation services, improve customer understanding of available mobility options, and support training programs that promote safe, independent, and effective use of public transportation.

Strategic Plan Alignment

Goal Areas

Customer Community

Critical Results

Reliable & Secure Service Increased Ridership

Focus Area 1

Enhance the Access eligibility certification process to ensure customers receive timely and appropriate transportation services.

Objective 1

By FY2027 year-end, successfully solicit and award a contract for third-party functional assessments as part of the agency's ADA paratransit eligibility process.

Objective #	Measure	FY2025 Actual	FY2026 Estimate	FY2027 Target
1	Third-party functional assessment contract awarded	N/A	In progress	Yes

Focus Area 2

Improve customer information and accessibility resources for Access customers.

Objective 2

By FY2027 year-end, update and publish the Access Rider Guide to improve customer understanding of eligibility requirements, services, and transportation options.

Objective #	Measure	FY2025 Actual	FY2026 Estimate	FY2027 Target
2	Updated Access Rider Guide published	N/A	In progress	Yes

Focus Area 3

Strengthen training programs that promote safe, effective, and accessible transportation services.

Objective 3

By FY2027 year-end, review and update new hire training materials and processes in coordination with the transit service partner training staff.

Objective #	Measure	FY2025 Actual	FY2026 Estimate	FY2027 Target
3	Updated training program implemented	N/A	In progress	Yes

Budget Changes

Salaries and Benefits

Increase of $255,292 primarily due to the addition of 2 FTEs during FY2026, 1 new position and 1 from the Microtransit department; and the proposed performance-based pay increase to become effective in January 2027.

Other Expenses

Increase of $33,340 mainly due to an increase of $37,880 in Professional Services for functional assessments. Offset by a $3,560 decrease in Other Expenses from a consolidation of all seminars, conferences and travel expenses to the Executive and Board Relations department.

	FY2025 ACTUAL	FY2026 BUDGET	FY2026 FORECAST	FY2027 BUDGET	Var $ FY2027 vs. FY2026	Var % FY2027 vs. FY2026
Salaries and Benefits	$934,648	$1,119,400	$1,230,100	$1,374,692	$255,292	22.8 %
TOTAL SALARIES & BENEFITS	**934,648**	**1,119,400**	**1,230,100**	**1,374,692**	**255,292**	**22.8 %**
Professional Services	461,634	491,469	481,477	529,349	37,880	7.7 %
Fuel and Fluids	—	—	—	—	—	N/A
Materials and Supplies	1,384	6,000	6,000	5,500	(500)	(8.3)%
Utilities	338	480	480	—	(480)	(100.0)%
Insurance	—	—	—	—	—	N/A
Purchased Transportation	—	—	—	—	—	N/A
Other Expenses	6,986	13,235	13,235	9,675	(3,560)	(26.9)%
Interest Expense	—	—	—	—	—	N/A
Lease/Rentals	—	—	—	—	—	N/A
Interlocal Agreements	—	—	—	—	—	N/A
TOTAL OTHER EXPENSES	**470,342**	**511,184**	**501,192**	**544,524**	**33,340**	**6.5 %**
TOTAL OPERATING EXPENSES	**$1,404,990**	**$1,630,584**	**$1,731,292**	**$1,919,216**	**$288,632**	**17.7 %**

Rail Commuter Operations

Functions and Responsibilities

The Rail Commuter Operations Department provides management and oversight of regional rail service between Leander and downtown Austin. The service operates 10 commuter trains out of one operations facility in North Austin, along 32 miles of track that serves 10 stations along this right-of-way. The department manages rail operations strategic planning, rail operations regulatory compliance and risk reduction through post-incident analysis.

FY2027 Budget Overview

Approximately $35 million in FY2027 funding supports commuter rail operations, maintenance, contractor oversight, regulatory compliance, and transition activities associated with implementation of the new operating model. These resources help maintain safe and reliable rail service, support a successful operational transition, and advance long-term planning efforts that enhance fleet readiness, infrastructure performance, and future service delivery.

Strategic Plan Alignment

Goal Areas

Workforce   Organizational Effectiveness

Critical Results

Reliable & Secure Service

Focus Area 1

Successfully transition commuter rail operation to the new operating model.

Objective 1

By the end of calendar year 2026, complete key operational transition activities necessary to support safe and reliable commuter rail service under the new operating model.

Objective 2

After the rail transition has been achieved, and by the end of FY2027, develop a multi-year service improvement plan that leverages the disruption resulting from the numerous rail corridor improvements to enhance the overall readiness of the rail fleet and the overall rail infrastructure to enable the Commuter Rail Department to deliver high-quality service as the rail corridor improvements are completed.

Objective #	Measure	FY2025 Actual	FY2026 Estimate	FY2027 Target
1	Operational transition activities completed to support the new commuter rail operating model	N/A	In Progress	Yes
2	Develop a multi-year service improvement plan	N/A	In Progress	Plan completion and initiation

Budget Changes

Salaries and Benefits

Increase of $6,414,659 primarily due to the rail dispatch, operations and vehicle maintenance functions coming in-house which results in the addition of 86 FTEs and the proposed performance-based pay increase to become effective in January 2027.

Other Expenses

Increase of $4,715,147 due to shift in contracts with the new operating model. This results in Professional Services increasing by $14,888,070 for support by specialized partners through a contract for maintenance of way and signal systems, an expense that was previously part of the purchased transportation contract; a $2,797,410 increase in Materials and Supplies for tools and equipment to support the new staff and their functions. This is offset by a decrease of $13,479,698 in Purchased Transportation that is only budgeted through December 2026. Fuel costs are projected at an average cost per gallon with taxes of $3.90 for FY2027, an increase of $1.60 per gallon compared to FY2026.

	FY2025 ACTUAL	FY2026 BUDGET	FY2026 FORECAST	FY2027 BUDGET	Var $ FY2027 vs. FY2026	Var % FY2027 vs. FY2026
Salaries and Benefits	$1,444,624	$1,642,291	$1,642,289	$8,056,950	$6,414,659	390.6 %
TOTAL SALARIES & BENEFITS	**1,444,624**	**1,642,291**	**1,642,289**	**8,056,950**	**6,414,659**	**390.6 %**
Professional Services	609,168	296,000	296,000	15,184,070	14,888,070	5029.8 %
Fuel and Fluids	771,654	592,540	490,346	1,139,165	546,625	92.3 %
Materials and Supplies	16,035	57,950	31,050	2,855,360	2,797,410	4827.3 %
Utilities	—	—	—	—	—	N/A
Insurance	—	—	—	—	—	N/A
Purchased Transportation	21,829,030	21,652,050	21,982,053	8,172,352	(13,479,698)	(62.3)%
Other Expenses	61,932	48,240	35,913	10,980	(37,260)	(77.2)%
Interest Expense	—	—	—	—	—	N/A
Lease/Rentals	—	—	—	—	—	N/A
Interlocal Agreements	—	—	—	—	—	N/A
TOTAL OTHER EXPENSES	**23,287,819**	**22,646,780**	**22,835,362**	**27,361,927**	**4,715,147**	**20.8 %**
TOTAL OPERATING EXPENSES	**$24,732,443**	**$24,289,071**	**$24,477,651**	**$35,418,877**	**$11,129,806**	**45.8 %**

Rail Freight Management

Functions and Responsibilities

The Rail Freight Management Department is responsible for managing and preserving CapMetro's railroad assets used for transportation of freight and transit. The department manages approximately 162 miles of railroad right-of-way between Giddings and Llano. Management of the Giddings-Llano rail line is accomplished through a rail freight operator, whose responsibility is to fulfill the common carrier obligations by providing freight service to shippers along the line, as well as implementing marketing strategies to maximize revenue while providing efficient freight service.

FY2027 Budget Overview

Approximately $1.3 million in FY2027 funding supports freight rail corridor management, freight operator oversight, stakeholder engagement, and strategic planning activities that preserve CapMetro-owned rail assets and support freight rail operations. These resources help strengthen relationships with freight customers and operators, inform development of a long-term freight strategy, and support the continued viability of freight service along the Giddings-Llano rail corridor.

Strategic Plan Alignment

Goal Areas

- Customer
- Community

Critical Results

- Fiscal Responsibility
- Regional Significance

Focus Area 1

Advance freight rail strategy and strengthen freight stakeholder relationships

Objective 1

By FY2027 year-end, support development of a Freight Plan, strengthen relationships with freight operators and customers, and identify opportunities to improve freight service and corridor utilization.

Objective #	Measure	FY2025 Actual	FY2026 Estimate	FY2027 Target
1	Freight Plan process initiated and key stakeholder engagement activities completed	N/A	No	Yes

Budget Changes

Salaries and Benefits

Increase of $4,679 due to the proposed performance-based pay increase to become effective in January 2027.

Other Expenses

Decrease of $180,216 driven by a reduction in right-of-way maintenance services.

	FY2025 ACTUAL	FY2026 BUDGET	FY2026 FORECAST	FY2027 BUDGET	Var $ FY2027 vs. FY2026	Var % FY2027 vs. FY2026
Salaries and Benefits	$149,535	$152,615	$152,615	$157,294	$4,679	3.1 %
TOTAL SALARIES & BENEFITS	**149,535**	**152,615**	**152,615**	**157,294**	**4,679**	**3.1 %**
Professional Services	1,774,794	1,307,642	1,357,644	1,126,926	(180,716)	(13.8)%
Fuel and Fluids	—	—	—	—	—	N/A
Materials and Supplies	1,088	1,000	1,000	1,000	—	— %
Utilities	—	—	—	—	—	N/A
Insurance	—	—	—	—	—	N/A
Purchased Transportation	—	—	—	—	—	N/A
Other Expenses	—	5,140	5,140	5,640	500	9.7 %
Interest Expense	—	—	—	—	—	N/A
Lease/Rentals	—	—	—	—	—	N/A
Interlocal Agreements	—	—	—	—	—	N/A
TOTAL OTHER EXPENSES	**1,775,882**	**1,313,782**	**1,363,784**	**1,133,566**	**(180,216)**	**(13.7)%**
TOTAL OPERATING EXPENSES	**$1,925,417**	**$1,466,397**	**$1,516,399**	**$1,290,860**	**$(175,537)**	**(12.0)%**

Vanpool

Functions and Responsibilities

The Vanpool Department plans, manages, and administers commuter vanpool services, including contractor oversight, fleet management, and daily operations. The program supports ride-matching, customer service, and program outreach to ensure reliable and accessible service delivery.

The department advances Transportation Demand Management (TDM) strategies by expanding alternative transportation options, reducing single-occupancy vehicle travel, and supporting regional mobility goals. Key functions include developing employer partnerships, implementing the Flexible Vanpool program, and promoting sustainable commuting solutions across the service area.

FY2027 Budget Overview

Approximately $3.5 million in FY2027 funding supports vanpool operations, contractor oversight, ride-matching services, customer support, and Transportation Demand Management (TDM) initiatives. These investments expand access to alternative transportation, reduce single-occupancy vehicle travel, and support regional mobility and sustainable commuting across the service area. The program emphasizes cost efficiency by increasing vehicle occupancy, prioritizing right-sized vehicles, and leveraging shared-ride services to reduce cost per rider and maximize the return on operating resources.

Strategic Plan Alignment

Goal Areas

Customer Community Organizational Effectiveness

Critical Results

Fiscal Responsibility Regional Significance Increased Ridership

Focus Area 1

Expand Sustainable Commuting Options and Regional Mobility Partnerships

Objective 1

Build on program growth by expanding service through fleet increases, flexible options, and partnerships in FY2027.

Objective 2

Build on ridership growth by increasing the number of vanpool riders in FY2027.

Objective #	Measure	FY2025 Actual	FY2026 Estimate	FY2027 Target
1	Number of Active Vehicles	Average Daily 185 vanpools	Average Daily 195 vanpools	Average Daily 205 vanpools
2	Average Daily Ridership	Average Daily 814 riders	Average Daily 855 riders	Average Daily 898 riders
2	Measures total distance traveled by riders, reflecting program use and reach	1,306,953 monthly passenger miles	1,328,314 monthly passenger miles	1,394,730 monthly passenger miles

Budget Changes

Other Expenses

Decrease of $165,405 in Purchased Transportation as fleet composition shifts toward more cost-efficient 7-passenger vehicles.

	FY2025 ACTUAL	FY2026 BUDGET	FY2026 FORECAST	FY2027 BUDGET	Var $ FY2027 vs. FY2026	Var % FY2027 vs. FY2026
Salaries and Benefits	$0	$0	$0	$0	$0	N/A
TOTAL SALARIES & BENEFITS	**—**	**—**	**—**	**—**	**—**	**N/A**
Professional Services	—	—	—	—	—	N/A
Fuel and Fluids	—	—	—	—	—	N/A
Materials and Supplies	280	—	—	—	—	N/A
Utilities	—	—	—	—	—	N/A
Insurance	—	—	—	—	—	N/A
Purchased Transportation	3,470,938	3,648,486	3,934,058	3,483,081	(165,405)	(4.5)%
Other Expenses	159	—	—	—	—	N/A
Interest Expense	—	—	—	—	—	N/A
Lease/Rentals	—	—	—	—	—	N/A
Interlocal Agreements	—	—	—	—	—	N/A
TOTAL OTHER EXPENSES	**3,471,377**	**3,648,486**	**3,934,058**	**3,483,081**	**(165,405)**	**(4.5)%**
TOTAL OPERATING EXPENSES	**$3,471,377**	**$3,648,486**	**$3,934,058**	**$3,483,081**	**$(165,405)**	**(4.5)%**

Safety, Security and Systemwide Accessibility Division

The Safety, Security and Systemwide Accessibility Division safeguards CapMetro's riders, employees and infrastructure through safety oversight, emergency management and transit policing. It also ensures compliance with accessibility standards and promotes inclusive service design for people of all abilities. The division plays a vital role in creating a safe, secure and equitable transit system.

Organization

SAFETY & SYSTEMWIDE ACCESSIBILITY
Gardner Tabon

- Safety
- Public Safety & Emergency Management
- Systemwide Accessibility
- Transit Police

Full-Time Equivalent Staffing Chart

Division / Department	FY2025 Actual	FY2026 Budget	FY2026 Staffing Changes	FY2027 Staffing Changes	FY2027 Budget
Safety and Systemwide Accessibility					
Public Safety and Emergency Management	38.5	39.5	(0.5)	—	39.0
Safety	15.0	15.0	—	—	15.0
Systemwide Accessibility	2.0	2.0	—	—	2.0
Transit Police	28.0	38.0	—	7.0	45.0
Total	**83.5**	**94.5**	**(0.5)**	**7.0**	**101.0**

Budget Changes

Division / Department	FY2025 ACTUAL	FY2026 BUDGET	FY2026 FORECAST	FY2027 BUDGET	FY2027 v. FY2026 ($)	FY2027 v. FY2026 (%)
Safety and Systemwide Accessibility						
Public Safety and Emergency Management	$8,100,888	$7,946,460	$7,938,276	$7,678,272	($268,188)	(3.4)%
Safety	2,063,431	1,986,685	1,925,846	1,791,367	(195,318)	(9.8)%
Systemwide Accessibility	435,795	325,986	283,436	267,158	(58,828)	(18.0)%
Transit Police	2,607,436	3,696,446	3,748,853	4,401,003	704,557	19.1 %
Total	**$13,207,550**	**$13,955,577**	**$13,896,411**	**$14,137,800**	**$182,223**	**1.3 %**

Public Safety and Emergency Management

Functions and Responsibilities

The Public Safety and Emergency Management Department's primary mission is to ensure the security of customers and staff and protect CapMetro property while maintaining the integrity of the service. The department provides security and emergency preparedness-related training for CapMetro and service partner personnel to enhance system safety and emergency preparedness. The department also continually collaborates with regional first responders to ensure effective planning for and response to emergencies. The Public Safety and Emergency Management Department maintains all physical security technology-related systems for the agency.

FY2027 Budget Overview

Approximately $7.7 million in FY2027 funding supports training, security technology infrastructure, video management systems, access control systems, contracted security services, and public safety operations. These resources support security technology modernization, emergency preparedness, and field-based safety programs that enhance operational effectiveness and promote a safe and secure transit environment for customers, employees, and the community.

Strategic Plan Alignment

Goal Areas

Customer Workforce Organizational Effectiveness

Critical Results

Reliable & Secure Service Regional Significance

Focus Area 1

Conduct a full-scale commuter rail emergency exercise that will test the CapMetro Rail emergency response procedures and ensure coordination with public safety partner agencies in the service area. This exercise is mandated biannually by the FRA and will ensure CapMetro compliance with this requirement

Objective 1

By FY2027 year-end, complete the pre-exercise work which includes engagement with public safety partners, a familiarization workshop for the facilities and exercise planning and scheduling.

Objective 2

By FY2027 year-end, conduct the full-scale commuter rail exercise.

Objective 3

By FY2027 year-end, complete an After Action Review of the exercise.

Objective #	Measure	FY2025 Actual	FY2026 Estimate	FY2027 Target
1	Conduct Commuter Rail pre-exercise work	1	0	1
2	Conduct Full Scale Exercise	1	0	1
3	Complete an After Action Review	1	0	1

Focus Area 2

Advance security technology modernization and life-cycle management initiatives to enhance safety, security, and operational effectiveness across the transit system.

Objective 4

By FY2027 year-end, complete engineering, architecture, and system design phases for upcoming security infrastructure expansions, ensuring full alignment with Safety and Security Certification (SSC) requirements.

Objective 5

By FY2027 year-end, execute and complete designated capital expense projects, including facility camera replacements, rail crossing video systems, access control electrical/UPC integration, and vehicle VMS enhancements.

Objective 6

By FY2027 year-end, pilot and operationalize intelligent video edge analytics (AI/Computer Vision) for anomaly detection and establish a federated Video Monitoring System (VMS) framework to securely share real-time feeds with regional public safety partners

Objective #	Measure	FY2025 Actual	FY2026 Estimate	FY2027 Target
4	% of Engineering Design Packages completed, reviewed, and approved for Safety & Security Certification	90%	90%	95%
5	Percentage of budgeted security capital expense projects completed	50%	80%	95%
6	Percentage of AI analytics and federated VMS implementation milestones completed	20%	45%	90%

Focus Area 3

Enhance public safety operations to support a safe and secure transit environment for customers, employees, and the community.

Objective 7

By FY2027 year-end, strengthen Public Safety Ambassador operations through proactive outreach, customer assistance, and system monitoring to reduce security incidents across the transit system.

Objective 8

By FY2027 year-end, Community Intervention Specialists will increase outreach efforts and engagement outcomes through operational efficiencies gained through program maturity. Outreach efforts are to be measured by the number of engagements, refusals, and UTLs (unable to locate), while engagement outcomes are to be measured by the number of social service referrals, coordinated assessments, and housing & shelter placements our team makes.

Objective 9

By FY2027 year-end, assess security guard activity and operations and increase guard checkpoints in facilities based on critical areas.

Objective #	Measure	FY2025 Actual	FY2026 Estimate	FY2027 Target
7	Number of security incidents per 100K riders	N/A	Bus 1.32 Rail 1.20 Access 2.0	Bus 1.2 Rail 1.0 Access 1.75
8	1.Engagements 2.Refusals 3.UTL 4.Referrals 5.Coordinated assessments 6.Housing placements 7.Shelter placements	1. 1695 2. 69 3. 1012 4. 301 5. 62 6. 10 7. 17	1. 1754 2. 37 3. 829 4. 322 5. 48 6. 9 7. 25	1. 2000 2. < 75 3. <1000 4. 350 5. 60 6. 10 7. 10
9	Facility check points.	25	39	75

Focus Area 4

Strengthen transit security through a Transportation Security Administration (TSA) Baseline Assessment and Security Enhancement (BASE) Review.

Objective 10

By FY2027 year-end, complete a TSA BASE review to assess current security practices and identify opportunities for improvement.

Objective #	Measure	FY2025 Actual	FY2026 Estimate	FY2027 Target
10	TSA BASE review completed and final report received	N/A	N/A	Complete

Budget Changes

Salaries and Benefits

Decrease of $341,688 due to a reduction in Austin Police Department (APD) officer staffing and the elimination of an intern position, partially offset by the proposed performance-based pay increase to become effective in January 2027.

Other Expenses

Increase of $73,500 primarily driven by $75,000 increase in Professional Services related to security.

	FY2025 ACTUAL	FY2026 BUDGET	FY2026 FORECAST	FY2027 BUDGET	Var $ FY2027 vs. FY2026	Var % FY2027 vs. FY2026
Salaries and Benefits	$3,735,312	$4,130,876	$4,130,876	$3,789,188	$(341,688)	(8.3)%
TOTAL SALARIES & BENEFITS	**3,735,312**	**4,130,876**	**4,130,876**	**3,789,188**	**(341,688)**	**(8.3)%**
Professional Services	4,298,720	3,782,500	3,782,500	3,857,500	75,000	2.0 %
Fuel and Fluids	—	—	—	—	—	N/A
Materials and Supplies	22,511	24,684	20,200	23,484	(1,200)	(4.9)%
Utilities	—	—	—	—	—	N/A
Insurance	—	—	—	—	—	N/A
Purchased Transportation	—	—	—	—	—	N/A
Other Expenses	44,345	8,400	4,700	8,100	(300)	(3.6)%
Interest Expense	—	—	—	—	—	N/A
Lease/Rentals	—	—	—	—	—	N/A
Interlocal Agreements	—	—	—	—	—	N/A
TOTAL OTHER EXPENSES	**4,365,576**	**3,815,584**	**3,807,400**	**3,889,084**	**73,500**	**1.9 %**
TOTAL OPERATING EXPENSES	**$8,100,888**	**$7,946,460**	**$7,938,276**	**$7,678,272**	**$(268,188)**	**(3.4)%**

Safety

Functions and Responsibilities

The Safety Department, adhering to relevant regulations, industry standards and best practices, manages operational, construction, environmental and industrial safety concerns. This is achieved through the creation and execution of safety programs, oversight activities and collaboration with internal and external partners. Additionally, the department administers the Agency Safety Plan and System Safety Program, as mandated by the Federal Transit Administration and Federal Railroad Administration.

FY2027 Budget Overview

Approximately $2.0 million in FY2027 funding supports occupational health and safety programs, regulatory compliance, safety training, safety and security certification activities, and operational readiness coordination. These resources help maintain a safe work environment, strengthen organizational compliance, reduce workplace risks, and support the safe and compliant delivery of federally funded capital projects and major transit infrastructure initiatives.

Strategic Plan Alignment

Goal Areas

Customer Workforce Community

Critical Results

Reliable & Secure Service Regional Significance

Focus Area 1

Implement and strengthen Occupational Health and Safety (OHS) programs to support regulatory compliance, workforce safety, and reduction of workplace risk.

Objective 1

By FY2027 year-end, increase implementation of OHS programs from 25% to 100% through formal documentation, communication, and deployment across departments.

Objective 2

By FY2027 year-end, increase workforce compliance with OHS programs from 15% to 60% through safety audits, inspections, and completion of required training activities.

Objective #	Measure	FY2025 Actual	FY2026 Estimate	FY2027 Target
1	% of OHS programs implemented, documented, and communicated	25%	40%	100%
2	% of workforce compliance based on audits, inspections, and training completion	15%	30%	60%

Focus Area 2

Support safe and compliant delivery of FTA-funded capital projects through safety and security certification activities and operational readiness coordination.

Objective 3

By FY2027 year-end, advance safety and security certification activities for FTA funded capital projects through implementation of the required certification and operational readiness process.

Objective #	Measure	FY2025 Actual	FY2026 Estimate	FY2027 Target
3	% of FTA-funded projects achieving safety & security certification completion	N/A	50%	75%

Budget Changes

Salaries and Benefits

Increase of $41,136 due to the proposed performance-based pay increase to become effective in January 2027.

Other Expenses

Decrease of $236,454 primarily driven by $233,450 decrease in Professional Services related to various reductions in consultation services and advertising expenses, as well as Other Expenses from a consolidation of all seminars, conferences and travel expenses to the Executive and Board Relations department.

	FY2025 ACTUAL	FY2026 BUDGET	FY2026 FORECAST	FY2027 BUDGET	Var $ FY2027 vs. FY2026	Var % FY2027 vs. FY2026
Salaries and Benefits	$1,679,418	$1,658,326	$1,658,326	$1,699,462	$41,136	2.5 %
TOTAL SALARIES & BENEFITS	**1,679,418**	**1,658,326**	**1,658,326**	**1,699,462**	**41,136**	**2.5 %**
Professional Services	331,881	303,450	235,440	70,000	(233,450)	(76.9)%
Fuel and Fluids	—	—	—	—	—	N/A
Materials and Supplies	10,069	11,504	10,000	11,500	(4)	— %
Utilities	1,012	480	480	480	—	— %
Insurance	—	—	—	—	—	N/A
Purchased Transportation	—	—	—	—	—	N/A
Other Expenses	41,051	12,925	21,600	9,925	(3,000)	(23.2)%
Interest Expense	—	—	—	—	—	N/A
Lease/Rentals	—	—	—	—	—	N/A
Interlocal Agreements	—	—	—	—	—	N/A
TOTAL OTHER EXPENSES	**384,013**	**328,359**	**267,520**	**91,905**	**(236,454)**	**(72.0)%**
TOTAL OPERATING EXPENSES	**$2,063,431**	**$1,986,685**	**$1,925,846**	**$1,791,367**	**$(195,318)**	**(9.8)%**

Systemwide Accessibility

Functions and Responsibilities

The Systemwide Accessibility Department is responsible for ensuring that all agency activities and programs are universally accessible to everyone, with a particular focus on individuals with disabilities. It manages and oversees CapMetro's service-related activities in compliance with Americans with Disabilities Act (ADA) Title II and applicable U.S. Department of Transportation regulations. The department works to ensure safe, systemwide access to transit and collaborates with departments across the agency to make certain that all services are accessible to people with a wide range of functional abilities. It also accesses, recommends and pilots the use of innovative technologies to identify and address barriers to transit access. In addition, the department serves as the agency's primary representative to the disability and older adult communities, convening stakeholders and fostering collaboration to continuously improve access, mobility, and overall service experience.

FY2027 Budget Overview

Approximately $267 thousand in FY2027 funding supports accessibility assessments, training, outreach, and communication resources that improve access to CapMetro services and information for customers with disabilities. These resources support ADA Title II and WCAG 2.1 compliance efforts, strengthen digital accessibility across customer-facing platforms, and enhance communication and engagement with Deaf and hard of hearing customers.

Strategic Plan Alignment

Goal Areas

Customer Workforce Community Organizational Effectiveness

Critical Results

Reliable & Secure Service Regional Significance Fiscal Responsibility Increased Ridership

Focus Area 1

Advance digital accessibility across customer-facing systems, tools, and communications through accessibility assessments, training resources, and agency coordination supporting the Americans with Disabilities Act (ADA) Title II and WCAG 2.1 accessibility standards.

Objective 1

By FY2027 year end, complete accessibility reviews of priority digital tools and document accessibility findings and recommendations for remediation.

Objective 2

By FY2027 year end, update accessibility-related procurement and training materials to support improved agency awareness and implementation of digital accessibility practices.

Objective #	Measure	FY2025 Actual	FY2026 Estimate	FY2027 Target
1	Number of digital accessibility reviews completed	N/A	Baseline established	3
2	Number of accessibility training materials, resources, and guidance documents updated	N/A	Updates underway	4

Focus Area 2

Strengthen accessibility and communication support for Deaf and hard of hearing customers through targeted outreach, community engagement, and accessible communication resources.

Objective 3

By FY2027 year-end, conduct at least three targeted engagement sessions with Deaf and hard of hearing customers to gather feedback and identify opportunities to improve transit accessibility, communication, and customer experience.

Objective #	Measure	FY2025 Actual	FY2026 Estimate	FY2027 Target
3	Number of engagement sessions conducted with Deaf and hard of hearing stakeholders	4	2	4

Focus Area 3

Improve customer navigation and transit accessibility through development of systemwide wayfinding, travel guidance, and customer education resources supporting accessible transit use.

Objective 4

By FY2027 year end, develop customer-facing wayfinding and travel education materials, including guides, presentations, videos, and related accessibility resources that support improved customer navigation and confidence using the transit system.

Objective #	Measure	FY2025 Actual	FY2026 Estimate	FY2027 Target
4	Number of customer-facing accessibility and travel education materials developed	N/A	Baseline underway	2

Budget Changes

Salaries and Benefits

Increase of $9,472 due to proposed performance-based increase to become effective in January 2027.

Other Expenses

Decrease of $68,300 primarily driven by $66,900 reduction in Professional Services and Other Expenses from a consolidation of all seminars, conferences and travel expenses to the Executive and Board Relations department

	FY2025 ACTUAL	FY2026 BUDGET	FY2026 FORECAST	FY2027 BUDGET	Var $ FY2027 vs. FY2026	Var % FY2027 vs. FY2026
Salaries and Benefits	$249,453	$246,806	$246,806	$256,278	$9,472	3.8 %
TOTAL SALARIES & BENEFITS	**249,453**	**246,806**	**246,806**	**256,278**	**9,472**	**3.8 %**
Professional Services	178,570	76,900	35,000	10,000	(66,900)	(87.0)%
Fuel and Fluids	—	—	—	—	—	N/A
Materials and Supplies	62	200	200	—	(200)	(100.0)%
Utilities	—	—	—	—	—	N/A
Insurance	—	—	—	—	—	N/A
Purchased Transportation	—	—	—	—	—	N/A
Other Expenses	7,710	2,080	1,430	880	(1,200)	(57.7)%
Interest Expense	—	—	—	—	—	N/A
Lease/Rentals	—	—	—	—	—	N/A
Interlocal Agreements	—	—	—	—	—	N/A
TOTAL OTHER EXPENSES	**186,342**	**79,180**	**36,630**	**10,880**	**(68,300)**	**(86.3)%**
TOTAL OPERATING EXPENSES	**$435,795**	**$325,986**	**$283,436**	**$267,158**	**$(58,828)**	**(18.0)%**

Transit Police

Functions and Responsibilities

The mission of the Transit Police Department is to create a secure transit environment through innovative people-centric policing, getting everyone safely to their destinations.

FY2027 Budget Overview

Approximately $4.4 million in FY2027 funding supports transit police staffing, training, equipment, patrol deployment, and operational support activities. These resources help strengthen law enforcement presence across the transit system, enhance officer readiness and response capabilities, support proactive patrol operations, and promote a safe and secure environment for customers, employees, and the community.

Strategic Plan Alignment

Goal Areas

Customer Workforce Community Organizational Effectiveness

Critical Results

Reliable & Secure Service Regional Significance

Focus Area 1

Enhance visible public safety presence and operational response capabilities across the CapMetro system through direct patrol activities, operational deployment, and coordinated response to calls for service.

Objective 1

By FY2027 year-end, support safe and reliable transit operations through coordinated response to calls for service across the transit system.

Objective #	Measure	FY2025 Actual	FY2026 Estimate	FY2027 Target
1	Hours spent on proactive patrol	718	3,139	3,732
1	Calls for service responded to	2,503	9,636	11,031

Focus Area 2

Strengthen transit police operational readiness and system response capabilities through staffing, training, and deployment of sworn personnel.

Objective 2

By FY2027 year-end, improve operational staffing capacity through recruitment, hiring, training, and deployment of sworn personnel.

Objective #	Measure	FY2025 Actual	FY2026 Estimate	FY2027 Target
2	Officer staffing levels (FTEs)	15	25	35

Budget Changes

Salaries and Benefits

Increase of 699,629 due to the addition of 7 transit police officer FTEs and the proposed performance-based pay increase to become effective in January 2027.

Other Expenses

Increase of $4,928 primarily driven by $12,601 increase in Professional Services offset by a $13,051 reduction in Other Expenses from a consolidation of all seminars, conferences and travel expenses to the Executive and Board Relations department.

	FY2025 ACTUAL	FY2026 BUDGET	FY2026 FORECAST	FY2027 BUDGET	Var $ FY2027 vs. FY2026	Var % FY2027 vs. FY2026
Salaries and Benefits	$2,419,308	$3,598,639	$3,598,639	$4,298,268	$699,629	19.4 %
TOTAL SALARIES & BENEFITS	**2,419,308**	**3,598,639**	**3,598,639**	**4,298,268**	**699,629**	**19.4 %**
Professional Services	100,507	49,932	103,111	62,533	12,601	25.2 %
Fuel and Fluids	—	—	—	—	—	N/A
Materials and Supplies	69,186	19,510	33,670	24,888	5,378	27.6 %
Utilities	—	—	—	—	—	N/A
Insurance	—	—	—	—	—	N/A
Purchased Transportation	—	—	—	—	—	N/A
Other Expenses	18,435	28,365	13,433	15,314	(13,051)	(46.0)%
Interest Expense	—	—	—	—	—	N/A
Lease/Rentals	—	—	—	—	—	N/A
Interlocal Agreements	—	—	—	—	—	N/A
TOTAL OTHER EXPENSES	**188,128**	**97,807**	**150,214**	**102,735**	**4,928**	**5.0 %**
TOTAL OPERATING EXPENSES	**$2,607,436**	**$3,696,446**	**$3,748,853**	**$4,401,003**	**$704,557**	**19.1 %**

Strategic Planning and Development Division

Functions and Responsibilities

The Strategic Planning and Development Department's functions are divided into six major areas of responsibility: Transit Oriented Development, North Burnet/Uptown Station, Service Planning and Scheduling, Cross Agency Transit and Mobility Programs, Service Analysis, and Regional Transportation and Mobility. Each function supports the planning, development, evaluation, and delivery of public transportation solutions and infrastructure.

Organization

STRATEGIC PLANNING & DEVELOPMENT
Sharmila Mukherjee

- Strategic Planning & Development

Full-Time Equivalent Staffing Chart

Division / Department	FY2025 Actual	FY2026 Budget	FY2026 Staffing Changes	FY2027 Staffing Changes	FY2027 Budget
Strategic Planning and Development					
Strategic Planning and Development	31.0	30.0	—	—	30.0
Total	**31.0**	**30.0**	**—**	**—**	**30.0**

Budget Changes

Division / Department	FY2025 ACTUAL	FY2026 BUDGET	FY2026 FORECAST	FY2027 BUDGET	FY2027 v. FY2026 ($)	FY2027 v. FY2026 (%)
Strategic Planning and Development						
Strategic Planning and Development	$6,525,564	$6,847,265	$6,518,584	$6,194,015	($653,250)	(9.5)%
Total	**$6,525,564**	**$6,847,265**	**$6,518,584**	**$6,194,015**	**$(653,250)**	**(9.5)%**

FY2027 Budget Overview

Approximately $6.2 million in FY2027 funding supports transit-oriented development activities, implementation of Transit Plan 2035, delivery of the North Burnet/Uptown Station, regional mobility initiatives, service planning and scheduling, Bikeshare and Transit Speed and Reliability programs, and data-driven service analysis. These resources help advance strategic transit investments, strengthen regional connectivity, improve service reliability and accessibility, and support long-term mobility and economic development goals throughout the region.

Strategic Plan Alignment

Goal Areas

Customer Workforce Community Organizational Effectiveness

Critical Results

Reliable & Secure Service Regional Significance Fiscal Responsibility

Increased Ridership

Focus Area 1

Advance transit-oriented development initiatives that support ridership growth, economic development, and strategic use of CapMetro-owned property.

Objective 1

By FY2027 year-end, complete the FTA-funded Crestview Station Multimodal Study, which will produce 10-15% preliminary engineering plans to inform the remaining 50-100% Red Line grade separation project from 2023.

Objective 2

By FY2027 year-end, complete technical due diligence for TOD candidate sites and onboard a team of real estate and Public-Private Partnership experts to support CapMetro in preparing and executing a two-step procurement process to select a development partner for a CapMetro-owned site.

Objective 3

By FY2027 year-end, deliver the Transit Development Guidelines to inform the private sector and public entities how to implement transit amenities and transit placemaking on non-CapMetro-owned properties.

Focus Area 2

Complete construction, certification, and commencement of revenue service for the North Burnet/Uptown Station.

Objective 4

By FY2027 year-end, complete construction, complete the Safety and Security Certification process, obtain required approvals, and begin revenue service of the North Burnet/Uptown Station with the June 2027 service change.

Objective #	Measure	FY2025 Actual	FY2026 Estimate	FY2027 Target
4	North Burnet/Uptown Rail Station construction	N/A	N/A	Construction complete
4	North Burnet/Uptown Rail Station safety certification	N/A	N/A	Certification complete
4	North Burnet/Uptown Rail Station revenue service	N/A	N/A	Revenue service initiated

Focus Area 3

Advance implementation of Transit Plan 2035 through service planning, scheduling and changes, and adoption of updated Service Standards and Guidelines.

Objective 5

By FY2027 year-end, continue Transit Plan 2035 phased implementation through three annual Service Changes.

Objective 6

By FY2027 year-end, adopt updated Service Standards and Guidelines from 2023 to 2027 version with internal coordination, community support, and Board adoption.

Objective #	Measure	FY2025 Actual	FY2026 Estimate	FY2027 Target
6	Service Standards and Guidelines	N/A	N/A	Service Standards and Guidelines updated
6	Service Standards and Guidelines engagement and Board adoption plan	N/A	N/A	Complete

Focus Area 4

Advance cross-agency transit and mobility initiatives that improve transit access, reliability, and multimodal connectivity.

Objective 7

By the end of FY2027, leverage City of Austin bond funds and up to $1 million in CapMetro funding to implement transportation improvement projects that enhance safety, accessibility, and transit performance.

Objective 8

By FY2027 year-end, establish baseline measures for annual bicycle boardings on bus and rail services and annual multimodal transit connections.

Objective 9

By the end of FY2027, improve the efficiency and consistency of development review and transit asset management by establishing agency-wide policies, procedures, and standards for bus stops and transit amenities, including updated design specifications, asset management practices, and construction requirements.

Objective #	Measure	FY2025 Actual	FY2026 Estimate	FY2027 Target
7	Crash reduction at funded project sites	N/A	N/A	50% reduction
7	Funded project sites with improved access to CapMetro services	N/A	N/A	75%
7	Improvement in bus travel speeds at funded project sites	N/A	N/A	At least 25%
7	Funded project sites maintaining or improving on-time performance	N/A	N/A	25%

Focus Area 5

Strengthen data-driven decision making through service analysis, technology implementation support, and performance reporting.

Objective 10

By FY2027 year-end, support implementation of the new CAD/AVL and farebox systems by providing service analysis, data validation, and performance reporting needed to improve operational visibility and decision-making.

Objective 11

By FY2027 year-end, complete procurement activities for the 2028 Origin and Destination Survey, including scope development, coordination with stakeholders, and consultant selection.

Objective 12

By FY2027 year-end, upgrade and enhance at least two performance dashboards to improve access to reliable performance information, increase transparency, and support more efficient service monitoring, effective decision making, and program outcomes.

Objective #	Measure	FY2025 Actual	FY2026 Estimate	FY2027 Target
12	Number of performance dashboards upgraded and enhanced	N/A		At least 2 performance dashboards upgraded and enhanced

Focus Area 6

Strengthen regional mobility partnerships, advance long-range transit planning, and pursue funding opportunities that support regional connectivity.

Objective 13

By FY2027 year-end, continue regional transit partnerships and execute FY2028 agreements supporting transit services and transit infrastructure outside the CapMetro service area but within the urbanized area.

Objective 14

By FY2027 year-end, support Austin Transit Partnership for LRT planning and integration activities through design coordination, operational planning and collaboration with Austin Transit Partnership and regional partners.

Objective 15

By F20Y27 year-end, pursue grant funding opportunities that support strategic transit programs, infrastructure investments, and long-term mobility initiatives.

Objective #	Measure	FY2025 Actual	FY2026 Estimate	FY2027 Target
13	ACC Cypress Creek Campus Interlocal Agreement (ILA)	Complete	Complete	Approved
13	Round Rock ILA	Complete	Complete	Approved
13	Travis County ILA	Complete	Complete	Approved
13	CARTS supplement funding for Pickup Manor	Complete	Complete	Funding agreement maintained
14	Memorandum of Understanding (MOU) and ILA completed	N/A	N/A	Complete
14	ATP design review cycle	N/A	N/A	Complete
14	Regional design coordination	N/A	N/A	Complete
14	LRT-related operational readiness plans	N/A	N/A	Complete

Budget Changes

Salaries and Benefits

Increase of $133,031 due to the proposed performance-based pay increase to become effective in January 2027.

Other Expenses

Decrease of $786,281 driven by a reduction of $728,232 in Professional Services due to the completion of the 5 & 10 Year long range service plan and portions of the ETOD strategy framework. The $48,953 decrease in Other Expenses is from a consolidation of all seminars, conferences and travel expenses to the Executive and Board Relations department.

	FY2025 ACTUAL	FY2026 BUDGET	FY2026 FORECAST	FY2027 BUDGET	Var $ FY2027 vs. FY2026	Var % FY2027 vs. FY2026
Salaries and Benefits	$3,440,007	$3,382,948	$3,382,948	$3,515,979	$133,031	3.9 %
TOTAL SALARIES & BENEFITS	**3,440,007**	**3,382,948**	**3,382,948**	**3,515,979**	**133,031**	**3.9 %**
Professional Services	2,544,154	2,286,500	2,006,350	1,558,268	(728,232)	(31.8)%
Fuel and Fluids	—	—	—	—	—	N/A
Materials and Supplies	5,820	14,500	6,850	5,400	(9,100)	(62.8)%
Utilities	7,582	11,040	5,070	11,040	—	— %
Insurance	—	—	—	—	—	N/A
Purchased Transportation	—	—	—	—	—	N/A
Other Expenses	134,634	152,281	117,366	103,328	(48,953)	(32.1)%
Interest Expense	—	—	—	—	—	N/A
Lease/Rentals	—	—	—	—	—	N/A
Interlocal Agreements	393,367	999,996	1,000,000	1,000,000	4	— %
TOTAL OTHER EXPENSES	**3,085,557**	**3,464,317**	**3,135,636**	**2,678,036**	**(786,281)**	**(22.7)%**
TOTAL OPERATING EXPENSES	**$6,525,564**	**$6,847,265**	**$6,518,584**	**$6,194,015**	**$(653,250)**	**(9.5)%**

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Glossary

CapMetro

AAC: Access Advisory Committee

ACFR: Annual Comprehensive Financial Report

ADA: Americans with Disabilities Act – Federal legislation enacted to provide guidelines for assuring access to persons with disabilities.

APTA: American Public Transportation Association is a non-profit international organization that represents all modes of public transportation in North America. APTA's membership includes over 1,500 public and private sector organizations involved in various aspects of public transportation, such as transit systems, planning, design, construction, finance, product and service providers, and academic institutions.

ATP: Austin Transit Partnership, the joint-venture local government corporation between CapMetro and the City of Austin that will oversee implementation of Project Connect.

BEB: Battery Electric Bus

Boardings: Number of passengers utilizing transit service, measured on entrance of vehicle.

Boom Truck: A commercial vehicle equipped with a hydraulic crane and a telescopic boom used for lifting, carrying, and positioning heavy loads, particularly at elevated heights.

Build Central Texas was created in 1994 to support the transportation infrastructure for the Austin metropolitan area. This is an ongoing program with seven elements: 1) street maintenance, 2) emergency street repair, 3) transit corridor improvements, 4) pedestrian and bicycle safety/access, 5) sidewalks, 6) transit centers and 7) transit capital improvements.

Building Envelope: The physical barrier between a building's interior and exterior environments.

CAD: Computer Aided Dispatch

Capital Budget: The portion of the budget that provides funding for improvement projects, other projects and major equipment purchases. Generally, a capital item costs over $5,000 and has a useful life in excess of 1 year.

Capital Expenditure: Expenditures made to purchase capital assets or increase the efficiency, capacity, useful life or economy of an existing asset.

CAMPO: Capital Area Metropolitan Planning Organization

CapMetro Access: Paratransit services (parallel to fixed-route services) provided to customers with disabilities, established in accordance with the ADA.

CapMetro Bikeshare: An electric assist bicycle-sharing system providing a first and last mile transportation solution with strong ties to sustainability.

CapMetro Rapid: A fixed-route service that brings together a set of unique features to result in faster, more convenient service for the community. Some of the features of this service include limited stops, boarding from all doors, unique and upgraded stations with real-time departure information and vehicles equipped with signal priority technology.

CapMetro Vanpool: A service in which vehicles are provided for a group of people who live and work near each other.

CARTS: Capital Area Rural Transportation System

CEO: Chief Executive Officer

CFR: Code of Federal Regulations

CIP: Capital Improvement Plan

Commuter Rail: Railway for urban passenger train service consisting of local short-distance travel operating between a central city and adjacent suburbs.

COOP: Continuity of Operations

CRM: Customer Relationship Management - software to manage, automate, and analyze all interactions with current and potential customers, improve client relationships and drive revenue.

CSAC: Customer Satisfaction Advisory Committee

CTECC: Combined Transportation Emergency & Communications Center

DBE: Disadvantaged Business Enterprise

Demand Response: Service that is provided on an “as needed” basis.

Diesel Multiple Unit (DMU): Multiple-unit train (or “railcar”) powered by onboard diesel engines. A DMU requires no separate locomotive, as the engines are incorporated into one or more of the carriages.

EEO: Equal Employment Opportunity

ESMS: Environmental and Sustainability Management System - A structured, team-based framework that enables organizations to systematically identify, manage and improve the environmental impacts of their operations, to integrate environmental management stakeholder engagement and plan development.

ETOD: Equitable transit-oriented development

EVP: Executive Vice President

Facility Condition Assessments (FCA): A comprehensive evaluation of a building's physical condition and its assets, aiming to identify existing and potential failures that could impact its performance or integrity.

Fare Recovery: Fare revenue divided by operating expenses.

FAST Act: Fixing America’s Surface Transportation Act

FEMA: Federal Emergency Management Agency

Fiscal Year: A 12-month period for which an organization plans the use of its funds, which does not necessarily correspond to a calendar year. The fiscal year adopted by CapMetro is from October 1 through September 30.

Fixed Route: Buses or trains that operate on a predetermined route with a predetermined schedule.

Fixed-Route Bus: CapMetro Local, which includes Rapid, UT Shuttles and Flyers and Express routes.

FRA: Federal Railroad Administration

FTA: Federal Transit Administration - The agency of the federal government within the U.S. Department of Transportation that is responsible for providing, administering and monitoring funds to transit agencies.

FTE: Full-Time Equivalent

Full-Time Equivalent Position (FTE): A position converted to the decimal equivalent of a full-time position based on 2,080 hours per year.

Fund Balance: Fund Balance is the cash on hand used to pay monthly operating costs, such as salaries, staff health costs, fuel, supplies, utilities and other expenses.

FY: Fiscal year

GAAP: Generally accepted accounting principles, conventions, rules and procedures necessary to describe accepted accounting practices at a particular time.

GASB 87: Governmental Accounting Standards Board Statement No. 87. This statement requires recognition of certain lease assets and liabilities for all leases, including those that previously were classified as operating leases and recognized as income by lessors and expenditures by lessees.

GASB 96: Governmental Accounting Standards Board Statement No. 96. This statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements for government.

GFOA: Government Finance Officers Association of the United States and Canada

Grant: Revenue from another government body or organization, usually in support of a specific program or function.

HCM: Human Capital Management

HMIS: Homeless Management Information System

IC² Institute: Interlocal Cooperation Contract Services

ICT: Information and Communication Technology

IFAC: The Innovative Finance and Asset Concession Grant Program assists public entities in exploring innovative financing and delivery opportunities, including facilitation and evaluations of public-private partnerships for Transportation Infrastructure Finance and Innovation Act (TIFIA) eligible projects.

IFB: Invitation for bids

IIJA: Infrastructure Investment and Jobs Act (IIJA) (Pub. L. 117-58)

ILA: An interlocal agreement is used when a district performs for or receives a service from a local governmental entity. These agreements are pursuant to the Interlocal Cooperation Contracts Act, Chapter 791 of the Texas Government Code.

Indefinite Delivery Indefinite Quantity (IDIQ) Contract: A type of contract used when the exact quantity of goods or services needed is not known at the time of award, but a general scope of work is defined.

KPI: Key Performance Indicator

Light Rail Transit (LRT): A transportation system based on electrically powered light rail vehicles (LRV) that operates on a track in a dedicated right-of-way (meaning separated lanes).

Long-Range Financial Plan: A 10-year plan that forecasts the financial resources and projected expenditures based on planned levels of service and strategic goals.

Member City: A municipality/jurisdiction that, by voter approval, allocates 1% of its sales tax to CapMetro for transit services.

Microtransit: Small-scale, on-demand public transit service that can offer fixed routes and schedules, or flexible routes and on-demand scheduling. Pickup by CapMetro is microtransit mode.

Obligation: Funds that have been obligated to a specific purpose but have not been spent.

On-Time Performance (Fixed-route): On-time performance is no more than 0 seconds early and no more than 5 minutes late.

On-Time Performance (Paratransit): On-time performance is a vehicle's arrival within the 30-minute ready window negotiated with the registered paratransit customer at time of booking.

Operating Budget: The portion of the budget that provides for the day-to-day operation of CapMetro.

OTP: On-time performance

P&C: People & Culture

Paratransit Services: Transportation services (parallel to fixed-route services) provided to riders with disabilities established in accordance with ADA.

Park & Ride: A transport system in which drivers leave their cars in a place and travel by train or bus.

Passenger Revenue: Revenue earned through fares charged directly to passengers for transit services.

Pathway Assessment: Program in place to assess customer pathways throughout the region with the goal of eliminating barriers to accessing the fixed-route bus system. The focus is on highly functional paratransit-eligible customers who must use paratransit services due to architectural or other barriers that prevent them from riding fixed-route services.

Pickup Service: On-demand transit service that provides riders with point-to-point service in designated service zones.

PPE: Personal Protective Equipment is equipment worn to minimize exposure to hazards that cause serious workplace injuries and illnesses. Personal protective equipment may include items such as gloves, safety glasses and shoes, earplugs or muffs, hard hats, respirators, coveralls, vests and full bodysuits.

Project Connect: A transformational expansion of the region's public transit system, designed to improve access to essential jobs, health care and education. Established as a separate organization, the Austin Transit Partnership (ATP) will guide the Project Connect investment with transparency and accountability throughout the program.

PSAC: Public Safety Advisory Committee.

PTC: Positive train control is an advanced system designed to automatically stop a train before certain accidents occur. In particular, PTC is designed to prevent train-to-train collisions, derailments caused by excessive train speed and train movements through misaligned track switches.

Purchased Transportation: Transportation service provided to a public transit agency or governmental unit from a public or private transportation provider based on a written contract.

Regional Partner: A municipality/jurisdiction whose governing body voted to enter into an Interlocal Agreement (ILA) with CapMetro to complete/update a Transit Development Plan (TDP) and/or for CapMetro to provide contracted transit services.

Revenue Service: Transit service run for the purpose of generating revenue, with a route beginning and endpoint, distinguished from trips run for maintenance purposes or trips that carry riders without charge.

RFP: Request for proposals

RFQ: Request for quotes

RTP: Regional Transportation Plan

Ridership: The total number of boardings, also called "Unlinked Passenger Trips." May be based on farebox counts, driver counts or estimates.

Sales Tax: Sales tax revenue is accrued monthly based on information provided by the Texas Comptroller of Public Accounts.

SAV: Site Assistance Visit - a type of visit, often conducted by a government or organizational team, to a specific location (like a facility or a business) to offer guidance, support, or to assess compliance with certain standards or regulations.

SBE: Small Business Enterprise

SEO: Site Environmental Observation - systematically observing and documenting the surrounding environment at a specific location.

Service Area: All of Austin and several surrounding areas within Travis County and Williamson County extending more than 500 square miles.

SPARE: Demand Response dispatch and eligibility solution.

Special Events: Transit service provided to support events occurring in the city.

STAR: The Federal Transit Administration (FTA)'s Strategic Transit Automation Research (STAR) Plan is a five-year plan outlining the agency's research agenda for advancing automated bus transit systems.

TAM: Transit Asset Management (TAM) is a systematic approach used by public transportation agencies to manage their capital assets throughout their lifecycle, according to the Federal Transit Administration.

TDM: Transportation Demand Management

TDP: Transit development plan

TEF: Transit Empowerment Fund - This program provides transit passes at a discount for social service agencies to distribute as needed to their clients.

TIFIA: The Transportation Infrastructure Finance and Innovation Act program provides Federal credit assistance in the form of direct loans, loan guarantees, and standby lines of credit to finance surface transportation projects of national and regional significance.

TOD: Transit-oriented development

Transit Operations: Authority functions directly or indirectly related to the provision of transportation service.

TSP: Transit Signal Priority (TSP) is a traffic management strategy that prioritizes buses and other public transit vehicles at signalized intersections to improve their speed and reliability.

TTI: Texas A&M’s Texas Transportation Institute

TxDOT: Texas Department of Transportation

UHC: United Healthcare

UT Shuttle: The bus service provided to connect students, faculty and staff with the University of Texas campus.

UZA: Urbanized areas

VP: Vice President

Vehicle Hours: The total number of hours that the buses are in service, including both revenue and deadhead hours.

Vehicle Miles: The total number of miles traveled while the buses are in service. This includes both revenue and deadhead miles.

WCAG: Web Content Accessibility Guidelines

Zero-based Budgeting: A method of budgeting in which all expenditures must be justified each new budget period, as opposed to only explaining the amounts requested in excess of the previous period’s funding.

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Appendices

CapMetro

Appendix A:

Action Item Milestones, Grouped by Strategic Goal

Customer Goal

Provide a Convenient, Desirable and Accessible Option For Mobility in the Region and its Communities

Legend: ● On Track x Not on Track ✓ Complete						□ Future Year Action
ACTION ITEMS AND MILESTONES	**FY2026**	**FY2027**	**FY2028**	**FY2029**	**FY2030**	**DEPARTMENTS RESPONSIBLE FOR DELIVERY**
1.1 Increase CapMetro's service reliability by implementing a comprehensive reliability strategy.						
Identify contributing factors and identify solutions for each to finalize reliability strategy	●					Operations Planning IT
Update standard operating procedures for dispatch and fleet management	●					
Continue to work with partners to expand, and increase effectiveness of, transit priority investments	●	□	□	□	□	
Implement reliability strategy in phases		□	□	□	□	
Monitor performance and continue to adjust strategy as needed			□	□	□	
1.2 Create a safe and welcoming experience for customers and team members by implementing a multi-phase security strategy that builds upon a short-term action plan.						
Finalize communications and enforcement approach for updated Code of Conduct	●					Public Safety & Emergency Management Transit Police Legal Operations Marketing & Communications People & Culture IT
Finalize and implement short-term security action plan	●					
Continue to increase police department staffing and hire target officer count by FY29	●	□	□	□		
Finalize the security strategy, building upon the short-term action plan		□				
Confirm police department staffing needs based upon peer organization data and expert recommendations		□				
Conduct phased implementation of the security strategy and monitor outcomes and effectiveness		□	□	□	□	

Legend: ● On Track	x Not on Track	✓ Complete				□ Future Year Action
1.3 Implement the digital transformation strategy for both internal and customer-facing technology.						
Review progress toward past digital transformation initiatives and incorporate needed adjustments into a strategy update	●					IT All departments collaborate with IT in strategy development and monitoring, and carrying out assigned training
Communicate strategy and its key features throughout the organization	●	□	□	□	□	
Monitor reliability of customer-facing technologies such as real-time arrival information and booking and payment apps to ensure a positive customer experience	●	□	□	□	□	
Monitor usage of internal technologies	●	□	□	□	□	
Evaluate process, implementation progress, and current technology usage, needs, and gaps to update strategy annually		□	□	□	□	
1.4 Optimize and enhance service by completing and implementing Transit Plan 2035.						
Complete and adopt plan	●					Planning Operations Marketing & Communications
Conduct phased implementation of recommendations	●	□	□	□	□	
1.5 Communicate to the public proactively and effectively about CapMetro's performance, with a focus on customer outcomes.						
Update proactive communications strategy and develop list of customer priority-focused metrics and methods and timing for report-outs	●					Marketing & Communications Operations Government Affairs Planning
Incorporate customer-focused metrics into CapMetro's reporting tools and processes		□				
Annually assess effectiveness of strategy and reporting, identify and implement potential updates			□	□	□	
1.6 Improve the user experience for all CapMetro customers by continuing to implement placemaking principles such as wayfinding, accessibility, sidewalk, and amenity improvements.						
Continue implementing wayfinding and amenity improvement plan	●	□	□	□	□	Planning Capital Construction Engineering & Design Marketing & Communications
Update and regularly conduct bus operator training to improve customer support for wheelchair users	●	□	□	□	□	
As needed, complete or update assessment of existing amenities and accessibility	●	□	□	□	□	
Consistent with Action 2.3 (streamlined responses to feedback), continuously monitor accessibility input from customers and update plan at least annually	●	□	□	□	□	
Implement strategy while making annual updates			□	□	□	

Community Goal

Demonstrate Our Value to a Growing Region by Collaborating With Partners and Communities

Legend: ● On Track x Not on Track ✓ Complete □ Future Year Action

ACTION ITEMS AND MILESTONES	FY2026	FY2027	FY2028	FY2029	FY2030	DEPARTMENTS RESPONSIBLE FOR DELIVERY
2.1 Lead local partners in updating the regional transit governance and funding structure.						
Proactively offer mobility solutions and planning assistance for the region	●	□	□	□	□	Office of the CEO Government Affairs Legal Finance
Work with partners to build a shared understanding of the limitations of the current approach and explore potential alternatives.		□	□			
Establish a coalition or task force to study and explore alternatives			□			
Develop a preferred roadmap for regional transit governance and funding				□	□	
2.2 Prepare CapMetro to operate light rail.						
Continue collaboration with ATP on procurement, design, and construction for Project Connect portfolio projects	●	□	□	□	□	Planning Office of the CEO Operations Capital Construction, Engineering & Design Safety Public Safety & Emergency Management Legal
Develop pre-operations and operations roadmaps for light rail	●	□	□	□	□	
2.3 Streamline and standardize responses to customer and community feedback.						
Expand CRM system to leverage available capabilities	●					Customer Care Marketing & Communications IT Planning Government Affairs Board Relations Community Engagement
Develop and implement updated processes for responding to customer and community input and inquiries	●					
Develop guidelines for staff to navigate public and stakeholder interactions	●	□				
Monitor and expand CRM system usage and monitor comment response rates and times		□	□	□	□	
2.4 Continue to implement the Sustainability Vision Plan while exploring technologies of choice to achieve sustainability goals.						
Continue to implement projects from the Sustainability Vision Plan	●	□	□	□	□	Capital Construction Engineering & Design Operations
Update Sustainability Vision Plan based on current industry market investments which afford sound business models for CapMetro to invest in		□				
Implement fleet roadmap for bus, demand response, rail, bike and non-revenue modes			□	□	□	

Legend: ● On Track x Not on Track ✓ Complete						□ Future Year Action
2.5 Continue CapMetro's efforts to support transit-oriented development in the region.						
Create clear transit development guidelines to assist regional and private developers in integrating transit uses with CapMetro at various stages of a project	●					Planning Real Estate Legal Finance Government Affairs Office of the CEO
Work with public partners to prioritize emerging development opportunities and real estate revenue models		□	□	□		
Begin agreements on public private partnerships that meet development criteria outlined in the transit-oriented development policy					□	
Implement strategy while making annual updates			□	□	□	

Workforce Goal

Invest in a Productive and Valued Workforce

Legend: ● On Track x Not on Track ✓ Complete						□ Future Year Action
ACTION ITEMS AND MILESTONES	**FY2026**	**FY2027**	**FY2028**	**FY2029**	**FY2030**	**DEPARTMENTS RESPONSIBLE FOR DELIVERY**
3.1 Enhance our employee value proposition to support the continued attraction and retention of talent.						
Establish the process for developing CapMetro's employee value proposition and talent strategy	●					People & Culture All departments provide input
Develop CapMetro's employee value proposition and refine based on employee input		□				
Develop tailored employee value propositions for critical workforce segments and communicate them throughout the organization			□	□		
Evaluate and, as needed, update employee value proposition to ensure ongoing relevance and impact					□	
3.2 Ensure CapMetro has the talent and structure needed to achieve our Critical Results by completing an organizational assessment and developing and implementing a workforce plan.						
Conduct an organizational assessment and develop a workforce plan that reflects current, short-term, and long-term workforce needs	●	□	□			People & Culture All departments provide input
Finalize a process for regular workforce plan updates			□			
Track progress toward workforce plan goals and objectives and implement update process				□	□	

Organizational Effectiveness Goal

Deliver Responsibly and Sustainably on the Mission

Legend: ● On Track	x Not on Track	✓ Complete					□ Future Year Action
ACTION ITEMS AND MILESTONES	**FY2026**	**FY2027**	**FY2028**	**FY2029**	**FY2030**		**DEPARTMENTS RESPONSIBLE FOR DELIVERY**
4.1 Develop and implement a prioritization methodology for state of good repair to inform investments and safety enhancements.							
Develop prioritization methodology	●						Capital Construction, Engineering & Design Operations IT Finance Planning
Implement prioritization methodology		□					
Evaluate methodology and adjust if needed			□	□	□		
4.2 Streamline and automate business processes.							
Identify prioritized list of process improvement and technology needs, coordinated with Action 1.3 (digital transformation strategy) and develop phased implementation plan		□					Finance IT Other departments as users
Implement improvements per plan phases			□	□	□		
4.3 Reduce safety incidents through continuous improvement of the safety program.							
Constantly monitor safety outcomes, assess program impact, and make adjustments annually	●	□	□	□	□		Safety Operations
4.4 Refine CapMetro's fare policy through a comprehensive fare study.							
Complete fare study	●						Finance Planning IT Marketing & Communications
Monitor functioning and feedback on fare technology on an ongoing basis		□	□	□	□		
Implement fare study recommendations		□	□				
4.5 Identify and pursue additional revenue sources for increased transit services, including potential partnerships.							
Identify highest priority sources to pursue and new revenue pursuit strategy		□					Office of the CEO Planning Government Affairs Legal Finance
Implement strategy while making annual updates			□	□	□		

Appendix B: Five-Year Capital Improvement Plan

By Mode and Asset Category

CAPITAL PROJECTS	FY2027 PLANNED	FY2028 PLANNED	FY2029 PLANNED	FY2030 PLANNED	FY2031 PLANNED	TOTAL
BUS	**$74,670,132**	**$24,992,819**	**$60,488,804**	**$59,361,117**	**$56,652,681**	**$276,165,553**
Facilities	6,277,562	5,271,169	2,099,260	1,802,265	336,401	15,786,657
Fleet Vehicles	48,250,000	1,500,000	50,587,285	51,966,142	54,200,420	206,503,847
Hardware & Software	6,250,000	8,178,660	—	1,500,000	—	15,928,660
Stops, Stations, Park & Rides	13,892,570	10,042,990	7,802,259	4,092,710	2,115,860	37,946,389
ACCESS & PICKUP	**$64,918,432**	**$49,990,892**	**$6,929,000**	**$41,234,000**	**$52,391,000**	**$215,463,324**
Facilities	63,249,432	46,837,892	5,000,000	38,000,000	45,000,000	198,087,324
Fleet Vehicles	1,669,000	2,853,000	1,929,000	3,234,000	7,391,000	17,076,000
Hardware & Software	—	300,000	—	—	—	300,000
RAIL	**$40,603,450**	**$27,898,060**	**$17,247,982**	**$6,748,000**	**$5,500,000**	**$97,997,492**
Fleet Vehicles	1,807,330	2,700,000	2,000,000	2,000,000	2,300,000	10,807,330
Hardware & Software	29,200	—	—	—	—	29,200
Stations	19,145,701	—	—	—	—	19,145,701
Track & Signals	19,621,219	25,198,060	15,247,982	4,748,000	3,200,000	68,015,261
BIKESHARE	**$814,000**	**$628,462**	**$578,462**	**$720,577**	**$0**	**$2,741,500**
Facilities	564,000	378,462	378,462	233,077	—	1,554,000
Stations	250,000	250,000	200,000	487,500	—	1,187,500
PUBLIC SAFETY	**$2,428,370**	**$1,092,290**	**$891,000**	**$1,340,000**	**$500,000**	**$6,251,660**
Facilities	561,005	200,000	350,000	300,000	250,000	1,661,005
Fleet Vehicles	300,000	300,000	316,000	500,000	—	1,416,000
Hardware & Software	891,000	275,000	225,000	540,000	250,000	2,181,000
Track & Signals	676,365	317,290	—	—	—	993,655

CAPITAL PROJECTS	FY2027 PLANNED	FY2028 PLANNED	FY2029 PLANNED	FY2030 PLANNED	FY2031 PLANNED	TOTAL
SHARED AGENCY ASSETS	**$21,063,245**	**$9,785,694**	**$6,107,975**	**$5,991,414**	**$5,293,253**	**$48,241,581**
Contingency	10,000,000	2,000,000	2,000,000	2,000,000	2,000,000	18,000,000
Facilities	3,424,810	1,750,000	1,750,000	2,152,764	3,024,123	12,101,697
Fleet Vehicles	1,100,865	1,035,694	357,975	838,650	269,130	3,602,314
Hardware & Software	6,537,570	5,000,000	2,000,000	1,000,000	—	14,537,570
PROJECTS TOTAL	**$204,497,629**	**$114,388,217**	**$92,243,222**	**$115,395,108**	**$120,336,934**	**$646,861,111**

FUNDING SOURCES	FY2027 PLANNED	FY2028 PLANNED	FY2029 PLANNED	FY2030 PLANNED	FY2031 PLANNED	TOTAL
CapMetro Local Funds	136,309,624	103,367,559	47,908,677	62,333,330	62,245,791	412,164,982
Grants	66,938,005	11,020,658	31,834,545	15,061,778	13,091,143	137,946,129
Project Connect Program Sequence	1,250,000	—	12,500,000	38,000,000	45,000,000	96,750,000
FUNDING SOURCES TOTAL	**$204,497,629**	**$114,388,217**	**$92,243,222**	**$115,395,108**	**$120,336,934**	**$646,861,111**

Bus Capital Improvement Plan

BUS	FY2027 PLANNED	FY2028 PLANNED	FY2029 PLANNED	FY2030 PLANNED	FY2031 PLANNED	TOTAL
CAPITAL PROJECTS						
Facilities	6,277,562	5,271,169	2,099,260	1,802,265	336,401	15,786,657
Fleet Vehicles	48,250,000	1,500,000	50,587,285	51,966,142	54,200,420	206,503,847
Hardware & Software	6,250,000	8,178,660	—	1,500,000	—	15,928,660
Stops, Stations, Park & Rides	13,892,570	10,042,990	7,802,259	4,092,710	2,115,860	37,946,389
PROJECTS TOTAL	**$74,670,132**	**$24,992,819**	**$60,488,804**	**$59,361,117**	**$56,652,681**	**$276,165,553**
FUNDING SOURCES						
CapMetro Local Funds	29,870,570	22,472,819	28,654,259	44,299,339	43,561,538	168,858,525
Grants	43,549,562	2,520,000	31,834,545	15,061,778	13,091,143	106,057,028
Project Connect Program Sequence Funds	1,250,000	—	—	—	—	1,250,000
FUNDING SOURCES TOTAL	**$74,670,132**	**$24,992,819**	**$60,488,804**	**$59,361,117**	**$56,652,681**	**$276,165,553**

Benefits

These projects maintain, replace, and expand CapMetro's bus fleet, customer amenities, and supporting facilities to deliver safe, reliable, and scalable bus services and a strong state of good repair to connect people, jobs and communities across Central Texas.

The FY2027 – FY2031 Bus Service Capital Improvement Plan includes projects that enhance and maintain CapMetro's bus fleet, bus stops, the South Operations and Maintenance Facility and the North Operations Facility. It also includes key technology initiatives related to scheduling, passenger counting, computer-aided dispatch and automated vehicle location. Project Connect capital contributions in FY2027 support the CapMetro Rapid Pleasant Valley and Expo Center Bus Rapid Transit (BRT) lines.

Strategic Alignment

These projects support CapMetro's mission, vision, and the following Strategic Plan 2030 elements:

- Goals: Customer; Community; and Organizational Effectiveness.
- Critical Results: Reliable and Secure Service; Increased Ridership; Fiscal Responsibility; and Regional Significance.
- Action Items:
  - 1.1: Reliability

- 1.2: Safe and Welcoming Experience
- 1.3: Digital Transformation
- 1.4: Transit Plan 2035.
- 1.6: Placemaking
- 2.4: Sustainability
- 3.1: Employee Value Proposition
- 4.1: State of Good Repair

Operating Cost Impact

Operating impacts associated with capital investments are evaluated at the project initiation and incorporated into the agency's future operating budgets.

Access & Pickup Capital Improvement Plan

ACCESS & PICKUP	FY2027 PLANNED	FY2028 PLANNED	FY2029 PLANNED	FY2030 PLANNED	FY2031 PLANNED	TOTAL
CAPITAL PROJECTS						
Facilities	63,249,432	46,837,892	5,000,000	38,000,000	45,000,000	198,087,324
Fleet Vehicles	1,669,000	2,853,000	1,929,000	3,234,000	7,391,000	17,076,000
Hardware & Software	—	300,000	—	—	—	300,000
PROJECTS TOTAL	**$64,918,432**	**$49,990,892**	**$6,929,000**	**$41,234,000**	**$52,391,000**	**$215,463,324**
FUNDING SOURCES						
CapMetro Local Funds	49,418,432	49,990,892	—	—	5,054,000	104,463,324
Grants	15,500,000	—	—	—	—	15,500,000
Project Connect Program Sequence Funds	—	—	12,500,000	38,000,000	45,000,000	95,500,000
FUNDING SOURCES TOTAL	**$64,918,432**	**$49,990,892**	**$12,500,000**	**$38,000,000**	**$50,054,000**	**$215,463,324**

Benefits

These projects provide vehicles, equipment, and supporting assets for Access & Pickup to expand accessible, flexible mobility and improve first/last mile connectivity and community coverage.

The FY2027 – FY2031 Access & Pickup Service Capital Improvement Plan includes projects that enhance and maintain CapMetro's paratransit and pickup fleet, vehicle tablets, and operations & administrative facilities. These facilities include Demand Response Services Facility, Paratransit Eligibility Center, and North Base Demand Response Center. Project Connect capital contributions will support the construction of the South Base Demand Response Center.

Strategic Alignment

These projects support CapMetro's mission, vision, and the following Strategic Plan 2030 elements:

- Goals: Customer; Community; and Organizational Effectiveness.
- Critical Results: Reliable and Secure Service; Increased Ridership; Fiscal Responsibility; and Regional Significance.
- Action Items:
  - 1.1: Reliability
  - 1.4: Transit Plan 2035

- 2.4: Sustainability
- 3.1: Employee Value Proposition
- 4.1: State of Good Repair

Operating Cost Impact

Operating impacts associated with capital investments are evaluated at the project initiation and incorporated into the agency's future operating budgets.

Rail Capital Improvement Plan

RAIL	FY2027 PLANNED	FY2028 PLANNED	FY2029 PLANNED	FY2030 PLANNED	FY2031 PLANNED	TOTAL
CAPITAL PROJECTS						
Fleet Vehicles	1,807,330	2,700,000	2,000,000	2,000,000	2,300,000	10,807,330
Hardware & Software	29,200	—	—	—	—	29,200
Stations	19,145,701	—	—	—	—	19,145,701
Track & Signals	19,621,219	25,198,060	15,247,982	4,748,000	3,200,000	68,015,261
PROJECTS TOTAL	**$40,603,450**	**$27,898,060**	**$17,247,982**	**$6,748,000**	**$5,500,000**	**$97,997,492**
FUNDING SOURCES						
CapMetro Local Funds	32,715,008	19,397,402	17,247,982	6,748,000	5,500,000	81,608,391
Grants	7,888,443	8,500,658	—	—	—	16,389,101
FUNDING SOURCES TOTAL	**$40,603,450**	**$27,898,060**	**$17,247,982**	**$6,748,000**	**$5,500,000**	**$97,997,492**

Benefits

These projects support CapMetro's commuter rail operations, freight rail coordination, and rail corridor assets—ensuring safe, reliable, and future-ready rail service and strengthening regional connectivity.

The FY2027 – FY2031 Rail Capital Improvement Plan includes projects that enhance and maintain CapMetro's rail fleet, stations, track, and signals. These include projects related to positive train control, diesel multiple units, double-tracking, crossovers, stations, and bridges.

Strategic Alignment

These projects support CapMetro's mission, vision, and the following Strategic Plan 2030 elements:

- Goals: Customer; Community; and Organizational Effectiveness.
- Critical Results: Reliable and Secure Service; Increased Ridership; Fiscal Responsibility; and Regional Significance.
- Action Items:
  - 1.1: Reliability
  - 1.2: Safe and Welcoming Experience
  - 1.3: Digital Transformation
  - 1.4: Transit Plan 2035

- 1.6: Placemaking
- 2.4: Sustainability
- 4.1: State of Good Repair

Operating Cost Impact

Operating impacts associated with capital investments are evaluated at the project initiation and incorporated into the agency's future operating budgets.

Bikeshare Capital Improvement Plan

BIKESHARE	FY2027 PLANNED	FY2028 PLANNED	FY2029 PLANNED	FY2030 PLANNED	FY2031 PLANNED	TOTAL
CAPITAL PROJECTS						
Facilities	564,000	378,462	378,462	233,077	—	1,554,000
Stations	250,000	250,000	200,000	487,500	—	1,187,500
PROJECTS TOTAL	**$814,000**	**$628,462**	**$578,462**	**$720,577**	**$0**	**$2,741,500**
FUNDING SOURCES						
CapMetro Local Funds	814,000	628,462	578,462	720,577	—	2,741,500
FUNDING SOURCES TOTAL	**$814,000**	**$628,462**	**$578,462**	**$720,577**	**$0**	**$2,741,500**

Benefits

These projects provide infrastructure to support the CapMetro-operated system of electric-assist bikes that get riders around central Austin and connected to transit stops and stations.

The FY2027 – FY2031 Bikeshare Service Capital Improvement Plan includes projects related to infrastructure at stations and operations facilities.

Strategic Alignment

These projects support CapMetro's mission, vision, and the following Strategic Plan 2030 elements:

- Goals: Customer; Community; and Organizational Effectiveness.
- Critical Results: Reliable and Secure Service; Increased Ridership; Fiscal Responsibility; and Regional Significance.
- Action Items:
  - 1.1: Reliability
  - 1.4: Transit Plan 2035
  - 1.6: Placemaking
  - 2.4: Sustainability
  - 4.1: State of Good Repair

Operating Cost Impact

Operating impacts associated with capital investments are evaluated at the project initiation and incorporated into the agency's future operating budgets.

Public Safety Capital Improvement Plan

PUBLIC SAFETY	FY2027 PLANNED	FY2028 PLANNED	FY2029 PLANNED	FY2030 PLANNED	FY2031 PLANNED	TOTAL
CAPITAL PROJECTS						
Facilities	561,005	200,000	350,000	300,000	250,000	1,661,005
Fleet Vehicles	300,000	300,000	316,000	500,000	—	1,416,000
Hardware & Software	891,000	275,000	225,000	540,000	250,000	2,181,000
Track & Signals	676,365	317,290	—	—	—	993,655
PROJECTS TOTAL	**$2,428,370**	**$1,092,290**	**$891,000**	**$1,340,000**	**$500,000**	**$6,251,660**
FUNDING SOURCES						
CapMetro Local Funds	2,428,370	1,092,290	891,000	1,340,000	500,000	6,251,660
FUNDING SOURCES TOTAL	**$2,428,370**	**$1,092,290**	**$891,000**	**$1,340,000**	**$500,000**	**$6,251,660**

Benefits

These projects support CapMetro's public safety initiatives, including the CapMetro police department and infrastructure investments designed to prevent and respond to security concerns—supporting secure and welcoming vehicles and facilities for our customers and team members.

The FY2027 – FY2031 Public Safety Capital Improvement Plan includes projects that support CapMetro Police Department fleet assets, facilities, and technology needs, as well as agency infrastructure hardening projects, including cameras, access control systems, and rail security enhancements.

Strategic Alignment

These projects support CapMetro's mission, vision, and the following Strategic Plan 2030 elements:

- Goals: Customer; Community; and Organizational Effectiveness.
- Critical Results: Reliable and Secure Service; Increased Ridership; Fiscal Responsibility; and Regional Significance.
- Action Items:
  - 1.1: Reliability

- 1.2: Safe and Welcoming Experience
- 1.3: Digital Transformation
- 1.4: Transit Plan 2035
- 1.6: Placemaking
- 4.1: State of Good Repair

Operating Cost Impact

Operating impacts associated with capital investments are evaluated at the project initiation and incorporated into the agency's future operating budgets.

Shared Agency Assets Capital Improvement Plan

SHARED AGENCY ASSETS	FY2027 PLANNED	FY2028 PLANNED	FY2029 PLANNED	FY2030 PLANNED	FY2031 PLANNED	TOTAL
CAPITAL PROJECTS						
Contingency	10,000,000	2,000,000	2,000,000	2,000,000	2,000,000	18,000,000
Facilities	3,424,810	1,750,000	1,750,000	2,152,764	3,024,123	12,101,697
Fleet Vehicles	1,100,865	1,035,694	357,975	838,650	269,130	3,602,314
Hardware & Software	6,537,570	5,000,000	2,000,000	1,000,000	—	14,537,570
PROJECTS TOTAL	**$21,063,245**	**$9,785,694**	**$6,107,975**	**$5,991,414**	**$5,293,253**	**$48,241,581**
FUNDING SOURCES						
CapMetro Local Funds	21,063,245	9,785,694	6,107,975	5,991,414	5,293,253	48,241,581
FUNDING SOURCES TOTAL	**$21,063,245**	**$9,785,694**	**$6,107,975**	**$5,991,414**	**$5,293,253**	**$48,241,581**

Benefits

These projects support multiple service modes or strengthen enterprise capabilities, including technology, facilities, and organizational infrastructure—enabling effective, efficient, and coordinated service delivery. This pool also includes unallocated contingency funds.

The FY2027 – FY2031 Shared Agency Asset Capital Improvement Plan includes projects that support non-revenue vehicles, agency-wide technology (such as network infrastructure), and shared facilities, including the Administrative Building and North Operations Facility. The plan also includes projects that support multiple service modes (such as transit customer payment systems).

Strategic Alignment

These projects support CapMetro's mission, vision, and the following Strategic Plan 2030 elements:

- Goals: Customer; Community; and Organizational Effectiveness.
- Critical Results: Reliable and Secure Service; Increased Ridership; Fiscal Responsibility; and Regional Significance.
- Action Items:
  - 1.1: Reliability
  - 1.2: Safe and Welcoming Experience
  - 1.3: Digital Transformation
  - 1.4: Transit Plan 2035

- 1.6: Placemaking
- 3.1 Employee Value Proposition
- 4.1: State of Good Repair

Operating Cost Impact

Operating impacts associated with capital investments are evaluated at the project initiation and incorporated into the agency's future operating budgets.

Appendix C: Demographic and Economic Statistics

Year	City of Austin Population	Population MSA	Income (MSA) (thousands of dollars)	Per Capita Personal Income (MSA)	Unemployment Rate (MSA)
2016	887,692	2,062,211	$107,664,294	$52,208	3.3 %
2017	913,245	2,115,230	$117,458,116	$55,530	3.1 %
2018	936,238	2,168,316	$127,439,164	$58,773	2.9 %
2019	954,138	2,187,161	$138,650,094	$63,393	2.6 %
2020	971,512	2,300,135	$147,166,207	$63,982	6.3 %
2021	992,631	2,358,634	$167,393,441	$70,971	3.5 %
2022	994,396	2,423,170	$184,158,832	$75,999	2.8 %
2023	999,538	2,473,275	$199,026,444	$80,471	3.6 %
2024	1,002,463	2,526,214	$219,406,316	$86,900	3.5 %
2025	1,010,524	2,566,264	$239,496,295	$93,300	3.8 %
2016-2025 Change	13.84 %	24.44 %	122.45 %	78.71 %	

Note: Prior years statistics are subject to change as more precise numbers become available.

Source: City of Austin 2025 Annual Comprehensive Financial Report.