

# Financial Report – Fiscal Year 2019

*Year to Date June 30, 2019*



# Major Highlights

## Revenue

- Sales tax remittances received YTD May 2019 are 7.7% higher than YTD May 2018
- Capital contributions and grants are below budget due to timing of processing eligible paid expenses

## Operating Expenses

- \$182.5 million expended to date, or 68.6% of full year budget
- Year to date diesel cost of \$2.00 per gallon is below the budgeted rate of \$2.10 per gallon

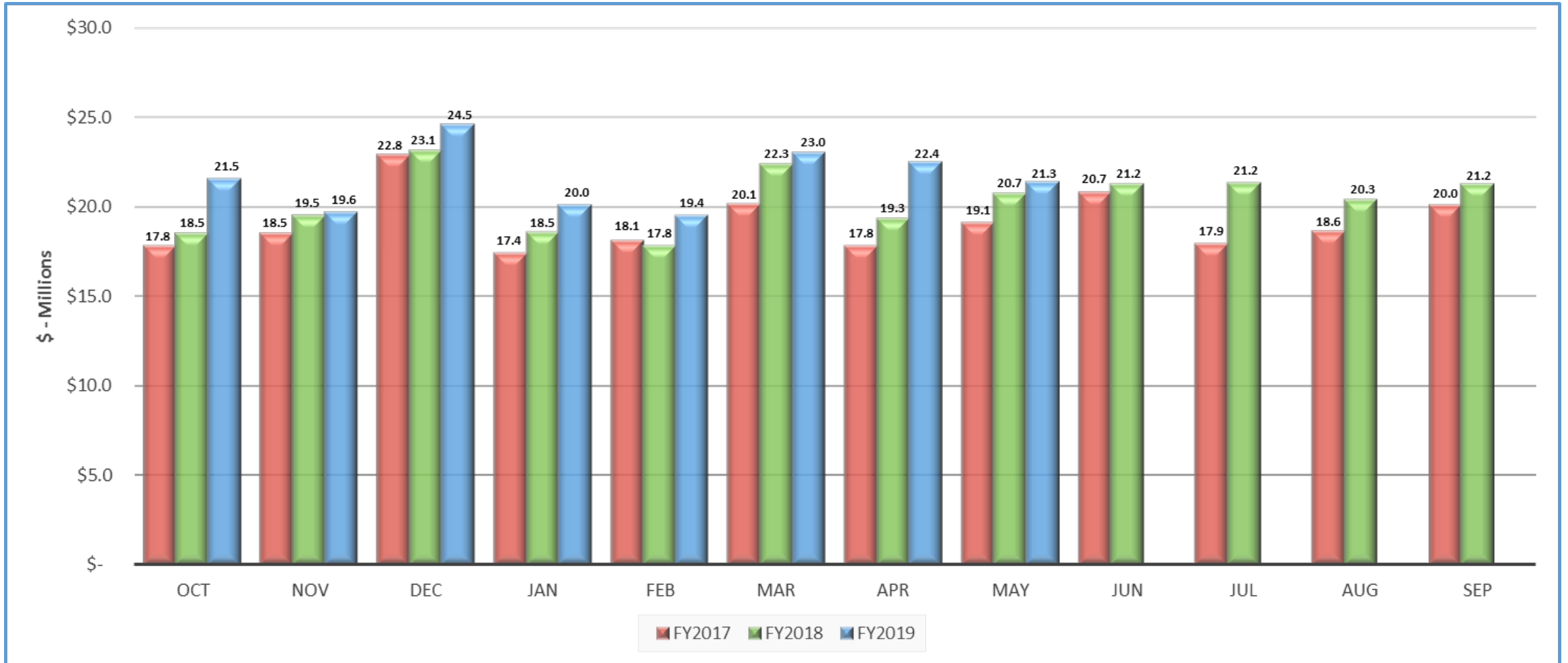
## Capital Projects

- FY2019 capital project budget of \$114.5 million
- \$45.1 million expended to date, or 39.3% of full year budget
  - Positive Train Control, TIGER Grant Project, Downtown Station, Westgate Transit Center and 24 Transit Buses
- \$36.9 million outstanding commitments have been issued, or 32.2% of full year budget
  - TIGER Grant Project, Plaza Saltillo Double Tracking, 28 Commuter Coaches and Bus Stop Enhancements

# Revenue

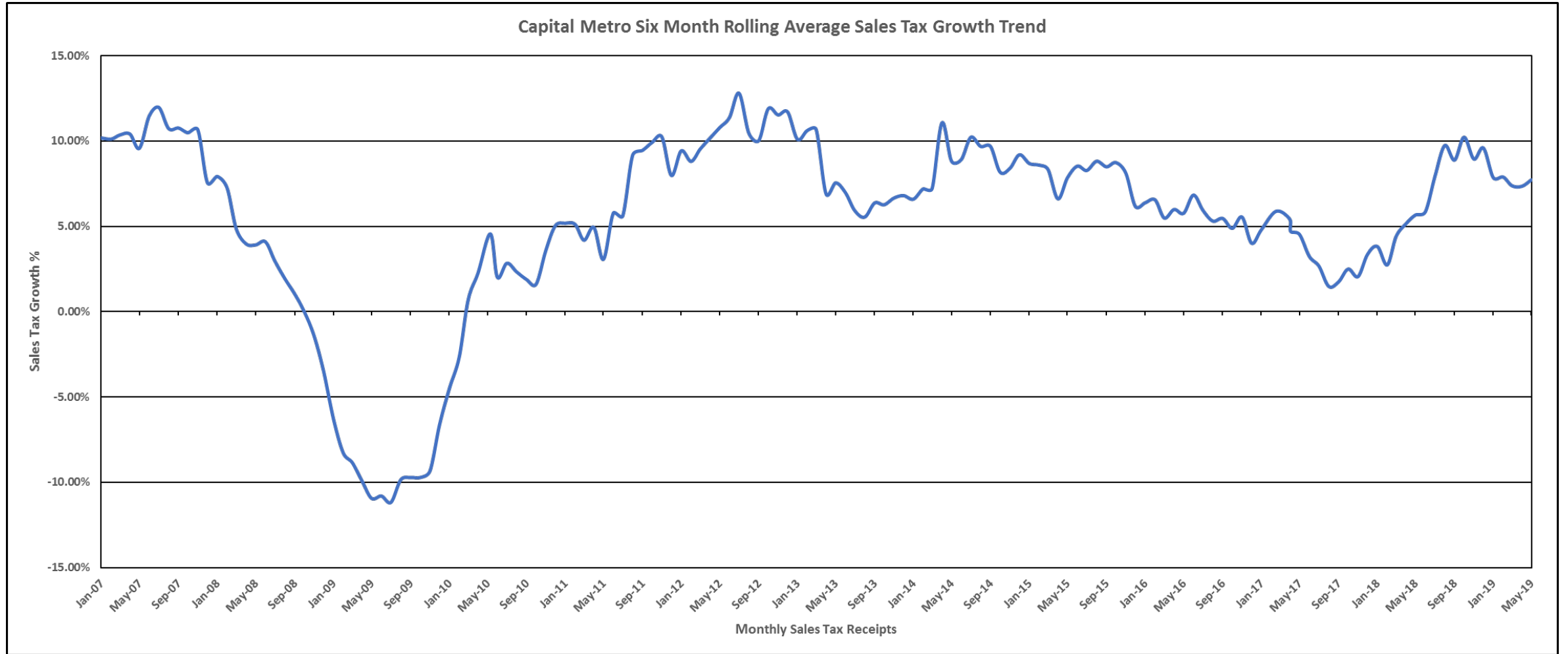
\$' Million Category	FY18 Jun YTD Actual	FY19 Jun YTD Actual	FY19 Full Year Budget	% of Budget	Comments
Sales Tax	\$179.6	\$192.8	\$245.8	78.5%	April actual receipts, May and June accrued
Passenger Fares	17.2	16.4	22.5	72.9%	
Freight Railroad Revenue	4.1	3.8	4.5	83.4%	
Other Revenue	3.5	6.1	4.6	133.6%	Investment income above budget
Operating Contributions and Grants	24.8	29.1	29.7	98.0%	Additional sub-recipient grants - CARTS vehicle purchases
Capital Contributions and Grants	9.3	8.9	28.5	31.2%	Timing of processing of eligible paid expenses
<b>Total</b>	<b>\$238.7</b>	<b>\$257.1</b>	<b>\$335.6</b>	<b>76.6%</b>	

# Actual Sales Tax Receipts



**Total    \$228.7M    \$243.6M    \$171.9M**

# Sales Tax Rolling Average Trend



# Operating Expense

\$' Million Category	FY18 Jun YTD Actual	FY19 Jun YTD Actual	FY19 Full Year Budget	% of Budget	Comments
Salaries and Benefits	\$30.4	\$30.7	\$44.4	69.2%	Vacancy savings and timing of benefit payments
Professional Services	12.9	14.6	27.2	53.6%	Timing of consultation and other professional fee payments
Materials and Supplies	1.1	0.9	1.1	76.1%	
Fuel and Fluids	8.9	9.1	12.8	71.4%	\$460K favorable variance - \$2.00 per gallon actual cost
Utilities	1.9	2.1	3.2	65.8%	
Insurance	0.3	0.5	0.9	54.0%	
Purchased Transportation	112.7	121.1	165.4	73.2%	
Lease/Rentals	1.2	1.0	3.0	32.9%	
Other Expenses	2.2	2.6	8.0	32.1%	Unspent contingency
<b>Total</b>	<b>\$171.6</b>	<b>\$182.5</b>	<b>\$266.1</b>	<b>68.6%</b>	

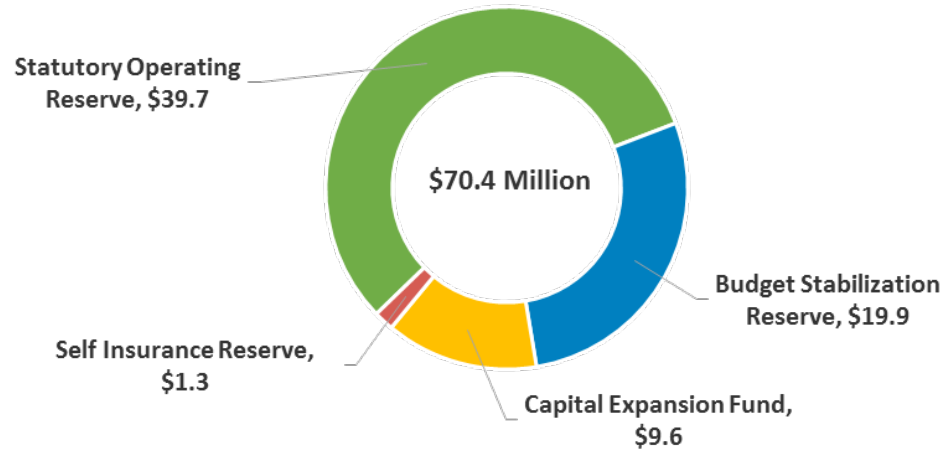
# Budget Transfers

Consistent with Capital Metro's Financial Policies, there were five budget transfers to report for the quarter that cumulatively exceeded \$150,000.

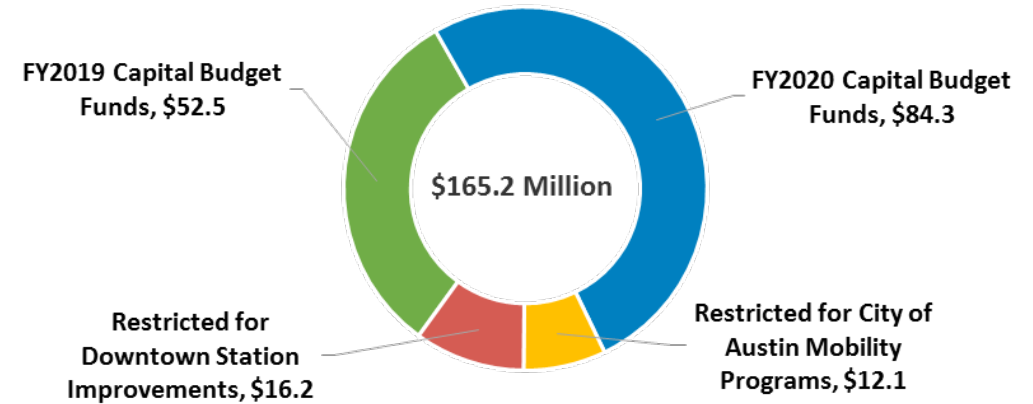
April-19				
<b>Transfer #1</b>				
<b>From:</b>	CPG1902	Bus Stop Enhancements	(508,683)	Accelerated funding for Plaza Saltillo double-tracking between infrastructure development projects during Downtown Station rail shut down.
	CPG1712	DT Station - Storm Water Improvements	(1,015,511)	
	CPG1704	MetroRapid - Additional Stations for 801 and 803	(60,000)	
	CPG1518	Bus Stop Signage	(250,000)	
	CPG1516	Downtown Station Improvements funded by TxDOT	(433,963)	
<b>To:</b>	CPG1713	Double-Tracking - NBFR to Plaza Saltillo	2,268,157	
April-19				
<b>Transfer #2</b>				
<b>From:</b>	FIN1901	Capital Project Contingency	(250,000)	Moved funds from FY2019 contingency for the integration of two new software systems being utilized for Project Connect.
<b>To:</b>	ITS1808	Enterprise Project Portfolio Management	250,000	
April-19				
<b>Transfer #3</b>				
<b>From:</b>	510-5120801-615	Lease-Vehicles	(170,000)	Funded additional fare consulting fees from unused innovative mobility funds.
<b>To:</b>	510-5030309-220	Other Professional Fees	170,000	
May-19				
<b>Transfer #4</b>				
<b>From:</b>	RRF1502	Crossings Improvements Reimbursed by TxDOT	(200,000)	Reallocated funds between rail projects to fund new track undercutting project.
	RRF1801	Bridge Replacement	(600,000)	
<b>To:</b>	RRC1905	Track Undercutting	800,000	
June-19				
<b>Transfer #5</b>				
<b>From:</b>	RRC1904	Rail Capacity Improvements	(585,000)	Reallocated funds between rail projects for positive train control work related to Plaza Saltillo double-tracking.
<b>To:</b>	RRC1102	Positive Train Control	585,000	

# Reserve, Allocated & Restricted Funds

## Reserve Funds



## Allocated & Restricted Funds



### Notes:

- Additional funding was allocated to the statutory operating and budget stabilization reserves based on the board approved funding formula. The statutory operating reserve equals 2 months of FY2018 operating expenses. Contributions to the budget stabilization reserve began in February 2016 with \$7 million reserved in FY2016 and \$3 million in FY2017. An additional contribution of \$9.8 million was made in FY2018 to fully fund the budget stabilization reserve. The capital expansion fund was established in FY2019 with \$9.6 million reserved as Capital Metro looks forward to future needs in the region.
- Funds for capital investment are required to help address extensive capital needs. The capital budget for FY2019 is \$115 million, with \$63 million funded by FY2019 income and \$52 million from reserves. Due to project delays \$76 million of the FY2018 capital budget was carried forward to FY2019. These capital improvements are needed to maintain the state of good repair of the community's transit infrastructure and to be in compliance with Federal regulations. The City of Austin Mobility Fund was reduced by \$6 million in FY2019 to assist with Project Connect preliminary engineering and environmental analysis.



# Statement of Revenue, Expenses and Change in Net Position

\$' Million	FY18 Jun YTD Actual	FY19 Jun YTD Actual	FY19 Full Year Budget	% of Budget
<i>Operating Revenue</i>				
Passenger Fares	\$17.2	\$16.4	\$22.5	72.9%
Freight Railroad Revenue	4.1	3.8	4.5	83.4%
Other Revenue	1.9	3.3	3.3	98.0%
<b>Total</b>	<b>23.3</b>	<b>23.4</b>	<b>30.3</b>	<b>77.2%</b>
<i>Operating Expenses</i>				
Salaries and Benefits	30.4	30.7	44.4	69.2%
Professional Services	12.9	14.6	27.2	53.6%
Fuel and Fluids	8.9	9.1	12.8	71.4%
Utilities	1.9	2.1	3.2	65.8%
Purchased Transportation	112.7	121.1	165.4	73.2%
Other Expenses	3.6	3.9	10.1	39.0%
Lease/Rental	1.2	1.0	3.0	32.9%
Depreciation & Amortization	31.3	33.3	50.7	65.7%
<b>Total</b>	<b>202.9</b>	<b>215.8</b>	<b>316.8</b>	<b>68.1%</b>
<b>Operating Income/Loss</b>	<b>(179.7)</b>	<b>(192.4)</b>	<b>(286.4)</b>	<b>67.2%</b>
<i>Non-Operating Revenue/(Expenses)</i>				
Sales Tax	179.6	192.8	245.8	78.5%
Investment Income	1.8	3.0	.9	344.7%
Operating Contributions and Grants	24.8	29.1	30.1	96.7%
Capital Contributions and Grants	9.3	8.9	28.5	31.2%
Mobility Interlocal Agreements	(3.9)	(4.6)	(4.6)	100.5%
Other	(.2)	(.1)	-	0.0%
<b>Non-Operating Income/(Loss)</b>	<b>211.6</b>	<b>229.0</b>	<b>300.6</b>	<b>76.2%</b>
<b>Change in Net Position</b>	<b>\$31.9</b>	<b>\$36.7</b>	<b>\$14.2</b>	<b>258.0%</b>

# Budget Variances by Department

\$'000 Department	FY18 YTD Actual	FY19 YTD Actual	FY19 YTD Budget	YTD % of Budget	YTD Budget vs. Actual	FY19 Budget Full Year	Comments
100 - Non-Allocated Benefits	\$8,359	\$7,882	\$8,967	87.9%	\$1,085	\$11,949	Timing of admin healthcare expenses and associated fees
102 - Wellness Center	164	190	208	91.3%	18	277	
103 - Child Care Center	675	701	670	104.6%	(31)	894	
105 - Business Center	242	263	271	97.0%	8	362	
110 - Executive Staff	394	465	609	76.4%	144	764	Timing of dues and subscription expense
115 - Communications	404	349	379	92.0%	30	457	Timing Value of Value of Transit outreach
118 - Government Relations	593	450	849	53.0%	399	1,005	Timing of consultation fees
119 - Diversity and Compliance	0	156	171	91.2%	15	215	
120 - Board Of Directors	181	159	175	90.5%	17	227	
125 - Internal Audit	177	252	277	91.2%	25	371	Vacancy savings - position filled in March
130 - Strategic Oper Mgt. & Administration	465	559	636	87.9%	77	810	Timing of professional fees for strategic plan
141 - Security	3,567	3,316	3,313	100.1%	(3)	4,366	
150 - Legal	566	547	880	62.1%	333	1,189	Timing and savings in external legal services
220 - Finance	2,627	2,617	5,235	50.0%	2,618	6,929	Unspent contingency, interest expense savings and timing of professional fees
230 - Information Technology	6,817	7,938	9,215	86.1%	1,277	11,248	Timing of computer software expense and professional fees
250 - Procurement	1,003	1,082	1,173	92.3%	91	1,510	
275 - Rideshare	1,911	2,163	2,401	90.1%	238	3,272	Vacancy savings
320 - Planning	2,003	1,572	2,136	73.6%	564	2,737	Vacancy savings and timing of consulting fees
330 - Marketing	2,282	1,707	1,994	85.6%	287	2,612	Vacancy savings and timing of consulting fees
331 - Community Engagement	739	682	970	70.3%	288	1,170	Timing for Community Survey and other services, vacancy savings
332 - Customer Service	682	681	799	85.2%	118	1,065	Vacancy savings
340 - Human Resources	1,484	1,406	1,503	93.6%	97	1,996	
420 - Risk Management And Safety	924	1,430	1,982	72.2%	552	2,520	Timing of insurance premium payments, professional services and advertising
457 - Public Facilities	3,011	3,336	3,756	88.8%	421	4,989	Lower spending in utilities and timing of services expense
530 - Capital Projects	1,106	1,007	1,428	70.5%	421	1,932	Vacancy savings and timing of professional services and bus stop pad repairs
540 - Real Estate And Property Mgt.	1,387	1,143	1,470	77.8%	327	1,956	Timing of facility condition assessment and vacancy filled in April
542 - Freight Rail Management	1,225	1,204	1,295	92.9%	92	1,600	
544 - Commuter Rail Operations	12,117	13,444	15,493	86.8%	2,048	19,898	Purchased transportation savings due to fewer hours and timing of bridge analysis
546 - Rail Compliance	179	0	0	0.0%	0	0	Department 546 merged to department 544
550 - Real Estate and Facility Planning	1,619	1,249	2,016	62.0%	767	2,674	Timing of professional fees and lease expense
600 - Operations and Maintenance Oversight	2,083	99,475	100,233	99.2%	758	134,120	
610 - Bus Contract Operations	88,135	0	0	0.0%	0	0	Department 610 merged to department 600
615 - Innovative Mobility	0	385	2,724	14.1%	2,339	3,490	Timing of go-live schedule for Innovative Mobility projects
620 - Paratransit Contract Operations	20,989	19,818	20,122	98.5%	304	26,796	
630 - Paratransit Administration	235	0	0	0.0%	0	0	Department 630 merged to department 620
640 - Paratransit Reservation & Control	1,358	1,386	1,413	98.1%	28	1,893	
650 - Paratransit Eligibility	641	631	668	94.5%	37	909	
920 - Project Connect	1,263	2,846	5,976	47.6%	3,130	7,892	Timing of corridor analyses and consultation fees
<b>Total</b>	<b>171,609</b>	<b>182,491</b>	<b>201,407</b>	<b>90.6%</b>	<b>18,916</b>	<b>266,094</b>	

# Capital Projects Summary

<b>\$'000</b> <b>Project Category</b>	<b>Expended</b>	<b>Outstanding Commitments</b>	<b>Budget</b>	<b>Expended &amp; Committed as % of Budget</b>	<b>Comments</b>
Commuter Rail	\$10,425	\$1,407	\$22,380	52.9%	Positive Train Control
Vehicles	9,683	19,978	29,623	100.1%	28 Commuter Coaches; 24 Transit Buses
Information Technology	2,634	2,473	11,665	43.8%	Data Center Modernization; Enterprise Project Portfolio Management
Facilities	21,019	11,562	37,295	87.4%	TIGER Grant Project; Westgate Transit Center; Bus Stop Enhancements
Freight Railroad	-	311	1,907	16.3%	
Property and Asset Mgmt	1,127	752	2,430	77.3%	Plaza Saltillo - Plaza Revitalization, Crossings and Signals
Contingency	-	-	2,000	0.0%	
Strategic Planning	-	-	6,472	0.0%	Delay in North Lamar/Airport Grade Separation
Security	170	377	757	72.3%	
<b>Total</b>	<b>\$45,059</b>	<b>\$36,859</b>	<b>\$114,530</b>	<b>71.5%</b>	

*Outstanding commitments are for the purchase orders that have been issued.*



**METRO**

**THANK YOU!**