

Financial Report – Fiscal Year 2021

Year to Date December 31, 2020

Major Highlights

Revenue

- Sales tax remittances received YTD November 2020 are 2.7% lower than YTD November 2019 and 13.2% higher than YTD budget
- Capital contributions and grants are below budget due to timing of processing eligible paid expenses

Operating Expenses

- \$60.6 million expended to date, or 21.8% of full year budget
- Professional services are below budget due to timing of consultation and other professional fee payments

Capital Projects

- FY2021 capital project budget of \$106.4 million
- \$18.4 million expended to date, or 17.3% of full year budget
 - Project Connect Orange Line, Blue Line and PMOR, Downtown Station, Positive Train Control and Electric Bus Yard Paving and Infrastructure
- \$49.2 million outstanding commitments have been issued, or 46.3% of full year budget
 - Downtown Station, Project Connect Orange Line and Blue Line, Positive Train Control and Customer Payment Systems

Revenue

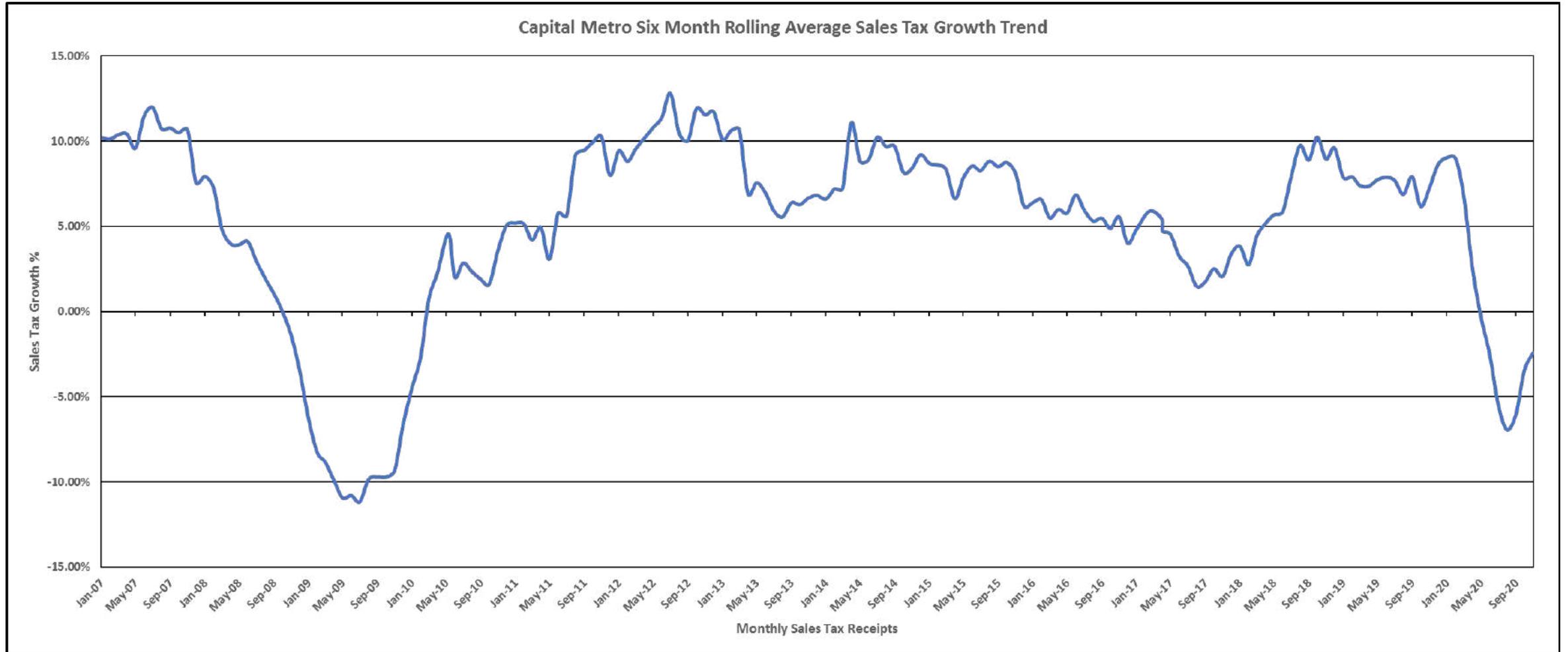
\$' Million Category	FY20 Dec YTD Actual	FY21 Dec YTD Actual	FY21 Full Year Budget	% of Budget	Comments
Sales Tax	\$67.8	\$63.0	\$251.7	25.0%	December sales tax receipts accrued
Passenger Fares	5.6	2.8	15.0	18.9%	Ridership below budget for October through December
Freight Railroad Revenue	1.3	1.3	5.6	23.3%	
Other Revenue	2.5	1.6	5.6	29.0%	Interest income slightly over budget
Operating Contributions and Grants	7.9	11.4	43.2	26.4%	
Capital Contributions and Grants	2.3	-	10.8	0.0%	Timing of processing eligible paid expenses
Total	\$87.4	\$80.2	\$331.8	24.2%	

Actual Sales Tax Receipts



Total	\$261.8M	\$262.5M	\$43.1M
YOY % Growth	7.5%	0.3%	-2.7%

Sales Tax Rolling Average Trend



Operating Expense

\$' Million Category	FY20 Dec YTD Actual	FY21 Dec YTD Actual	FY21 Full Year Budget	% of Budget	Comments
Salaries and Benefits	\$10.8	\$11.4	\$49.6	22.9%	Vacancy savings through December and timing of pension expense
Professional Services	7.8	5.8	29.9	19.3%	Timing of consultation and other professional fee expense
Materials and Supplies	0.1	0.2	2.1	10.9%	Timing of Marketing and Operations Oversight supplies expense
Fuel and Fluids	3.3	2.7	12.2	21.8%	Small volume variance through December 2020
Utilities	0.5	0.8	3.4	23.3%	
Insurance	0.2	0.3	0.9	33.6%	Timing of insurance premium payments
Purchased Transportation	42.4	37.8	168.7	22.4%	Fewer Bus and Rail hours compared to budget
Lease/Rentals	0.4	0.8	3.3	24.8%	
Other Expenses	0.5	0.8	8.3	9.9%	Unspent contingency
Total	\$66.1	\$60.6	\$278.2	21.8%	

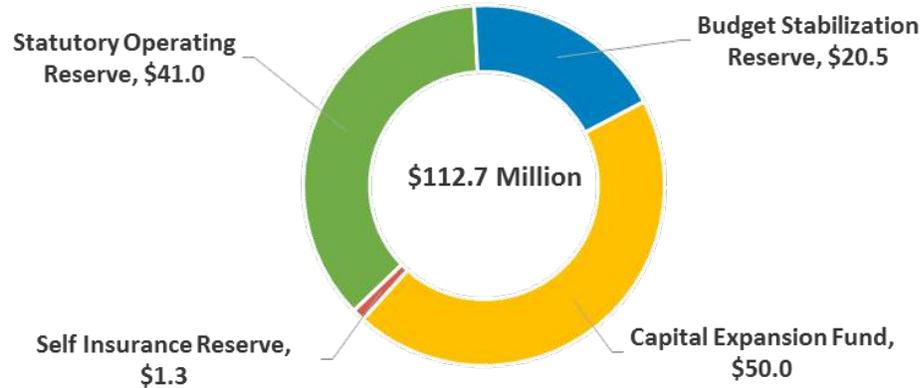
Budget Transfers

Consistent with Capital Metro's Financial Policies, there were five budget transfers that cumulatively exceeded \$150,000 to report to the board for the 1st quarter of FY2021.

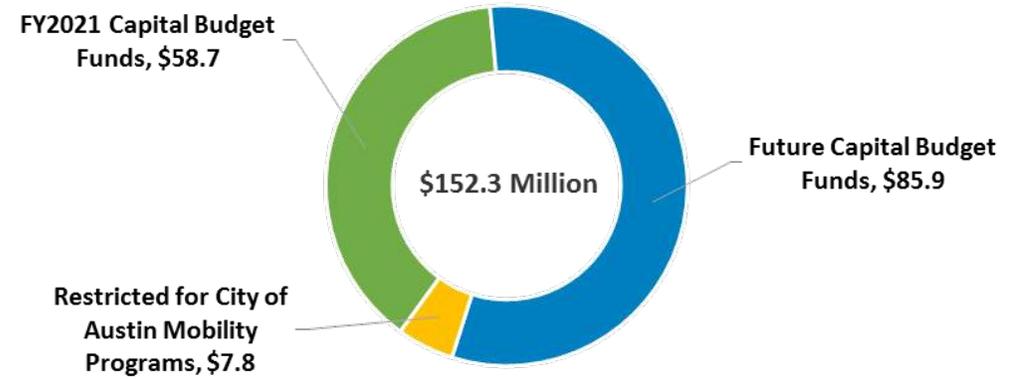
October-20				
Transfer #1				
From:	RRC1102	Positive Train Control	(228,000)	Transferring funds from Positive Train Control to projects to implement technology for more robust operation as they function to protect the central corridor where PTC is implemented.
To:	RRC2006	Hot Wheel Detector	76,000	
	RRC2005	Shifted Load Detectors	76,000	
	RRC2004	Dragging Equipment Detector	76,000	
November-20				
Transfer #2				
From:	FIN2101	Capital Project Contingency	(515,000)	Transferring funds from capital contingency for vehicle video systems that had been removed from the "recession" budget.
To:	BPS1602	Vehicle Camera Systems	515,000	
November-20				
Transfer #3				
From:	510-5080413-615	BikeShare	(58,948)	Transferring funds between departments for MetroBike Pilot Plan implementation and strategic expansion.
To:	510-5030309-615	Other Professional Fees	(100,000)	
	510-5030303-320	Consultation Fees	158,948	
December-20				
Transfer #4				
From:	PLN2106	Red Line Improvements	(1,992,503)	Transferring funds for McKalla MLS Rail Station that had been budgeted in Red Line Improvements.
To:	PLN2103	MLS Rail Station	1,992,503	
December-20				
Transfer #5				
From:	FIN2101	Capital Project Contingency	(4,457,055)	Transferring funds temporarily from capital contingency and Project Connect projects in order to issue task orders on contracts for the Blue and Orange lines and associated PMOR. The transfer will be reversed after the Austin Transit Partnership is set up and budget approved.
To:	PLN2105	MetroRapid Lines	(5,143,950)	
	PLN2106	Red Line Improvements	(13,007,498)	
	PLN2001	Project Connect – Program Management	528,069	
	PLN2002	Project Connect - Orange Line	11,310,892	
	PLN2003	Project Connect - Blue Line	10,769,542	

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 audited FY2019 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 was made in FY2018 to fully fund the budget stabilization reserve. The capital expansion fund was established in FY2018 with \$9.6 million, \$30.4 million in FY2019 and \$10 million reserved in FY2020 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 FY2021 is \$106.4 million, with \$47.7 million funded by FY2021 income and \$58.7 million from reserves. 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 and by \$2.8 million from City projects in FY2020.

Statement of Revenue, Expenses and Change in Net Position - Preliminary

\$' Million	FY20 Dec YTD Actual	FY21 Dec YTD Actual	FY21 Full Year Budget	% of Budget
<i>Operating Revenue</i>				
Passenger Fares	\$5.6	\$2.8	\$15.0	18.9%
Freight Railroad Revenue	1.3	1.3	5.6	23.3%
Other Revenue	1.3	1.3	4.6	27.8%
Total	8.1	5.4	25.2	21.5%
<i>Operating Expenses</i>				
Salaries and Benefits	10.8	11.4	49.6	22.9%
Professional Services	7.8	5.8	29.9	19.3%
Fuel and Fluids	3.3	2.7	12.2	21.8%
Utilities	.5	.8	3.4	23.3%
Purchased Transportation	42.4	37.8	168.7	22.4%
Other Expenses	.8	1.3	11.2	11.9%
Lease/Rental	.4	.8	3.3	24.8%
Depreciation & Amortization	11.4	11.5	51.0	22.5%
Total	77.5	72.0	329.2	21.9%
Operating Income/Loss	(69.4)	(66.6)	(304.0)	21.9%
<i>Non-Operating Revenue/(Expenses)</i>				
Sales Tax	67.8	63.0	251.7	25.0%
Investment Income	1.3	.4	1.0	38.2%
Operating Contributions and Grants	7.9	11.4	43.2	26.4%
Capital Contributions and Grants	2.3	-	10.8	0.0%
Mobility Interlocal Agreements	(1.2)	(.4)	(6.0)	6.9%
Other	(.1)	(.0)	(.0)	0.0%
Non-Operating Income/(Loss)	78.1	74.4	300.7	24.7%
Change in Net Position	\$8.8	\$7.8	\$(3.3)	(234.3%)

Budget Variances by Department - Preliminary

\$'000 Department	FY20 YTD Actual	FY21 YTD Actual	FY21 YTD Revised Budget	YTD % of Revised Budget	YTD Budget vs. Actual	FY21 Budget Full Year	Comments
100 - Non-Allocated Benefits	\$2,694	\$3,183	\$3,750	84.9%	\$567	\$15,030	Timing of admin pension expense
102 - Wellness Center	64	62	70	89.0%	8	279	
103 - Child Care Center	239	245	258	94.9%	13	1,038	
105 - Business Center	6	62	90	68.3%	29	361	Timing of business center and office equipment expense
110 - Executive Staff	182	152	289	52.5%	137	717	Timing of dues and subscriptions for APTA and Opportunity Austin
118 - Government Relations	125	144	160	89.9%	16	637	
119 - Diversity and Compliance	46	65	105	62.6%	39	492	Timing of dues And subscriptions
120 - Board Of Directors	35	35	49	71.5%	14	196	Timing of travel, conference and seminar expense
125 - Internal Audit	91	168	231	72.8%	63	513	Partial savings for the Quadrennial Performance Audit
130 - Strategic Oper Mgt. & Administration	265	155	167	93.0%	12	763	
141 - Public Safety and Emergency Manageme	1,162	1,016	1,559	65.2%	543	5,865	Savings in labor related to APD reduction/Department staffing. Timing of other professional fees and security services
150 - Legal	203	235	264	89.0%	29	1,045	
220 - Finance	877	855	2,351	36.4%	1,496	9,440	Unspent contingency
230 - Information Technology	3,253	2,619	3,654	71.7%	1,035	13,335	Mixture of timing and project delay in services and miscellaneous expense
250 - Procurement	378	405	433	93.5%	28	1,757	
275 - Rideshare	787	351	915	38.4%	563	3,774	Fewer vanpools than budgeted
320 - Planning	498	549	1,033	53.2%	484	3,493	Vacancy savings for 4 positions and timing of consulting fees
330 - Marketing and Communications	746	797	1,204	66.2%	407	4,100	Timing of temporary help, branding and marketing campaigns
331 - Community Engagement	238	223	342	65.2%	119	1,409	Timing of Special Events, MetroArt, Smart Trips, Try Transit
332 - Customer Service	247	235	275	85.5%	40	1,089	Vacancy savings for 2.5 positions
340 - People and Culture	528	539	620	87.0%	80	2,447	Timing of consulting fees and temporary help
420 - Risk Management And Safety	469	658	1,373	47.9%	716	2,789	Timing of insurance premium payments
457 - Public Facilities	937	1,119	1,335	83.8%	216	5,355	Timing of services and utilities expense
530 - Capital Projects	419	384	479	80.2%	95	1,947	Vacancy savings for 2 positions and timing of Facilities/Street Improvements for transit projects
540 - Real Estate And Property Mgt.	464	657	1,017	64.6%	360	3,606	Timing of services expense
542 - Freight Rail Management	445	367	417	87.8%	51	2,010	Timing of Road Crossing Analysis and out of service repairs
544 - Commuter Rail Operations	4,369	4,322	5,518	78.3%	1,196	21,654	Purchased transportation savings from 45% fewer hours through November and timing of Bridge/Crossing analyses
550 - Real Estate and Facility Planning	509	683	827	82.5%	144	3,080	Timing of services and Park & Ride lease expense
600 - Operations and Maintenance Oversight	34,744	30,034	32,665	91.9%	2,631	130,978	Purchased transportation savings from fewer hours through November
615 - Innovative Mobility	453	1,019	1,322	77.1%	303	5,037	Timing of MetroBikeShare expense
620 - Demand Response Oversight	7,184	7,690	7,254	106.0%	(436)	29,749	Timing of purchased transportation expense to correct in January
640 - Paratransit Reservation & Control	519	483	524	92.3%	41	2,071	
650 - Paratransit Eligibility	204	225	264	85.2%	39	1,015	Vacancy savings for 2 positions and timing of temporary help expense
920 - Project Connect	2,685	822	1,070	76.8%	248	1,101	Timing of marketing campaign and temporary help expense
Total	66,066	60,558	71,883	84.2%	11,325	278,173	

Capital Projects Summary

\$'000 Project Category	Expended	Outstanding Commitments	Budget	Expended & Committed as % of Budget	Comments
Commuter Rail	\$2,859	\$5,191	\$14,116	57.0%	Positive Train Control, Track Undercutting and State of Good Repair for Grade Crossings
Vehicles	1,328	2,252	3,317	107.9%	20 Paratransit Vehicles and Vehicle Camera Systems
Information Technology	1,333	3,576	13,680	35.9%	Customer Payment Systems, Enterprise Asset Management System and Onboard Validators
Facilities	7,296	5,664	25,405	51.0%	Downtown Station, N Ops Paving and Infrastructure and CARTS Eastside Bus Plaza
Freight Railroad	-	-	4,045	0.0%	
Property and Asset Mgmt	135	20	722	21.5%	Vehicle Lifts for Thompson Lane Facility
Contingency	-	-	7,000	0.0%	
Project Connect	5,381	31,925	36,481	102.3%	Orange Line, Blue Line, PMOR and MetroRapid Lines
Security	28	594	1,622	38.3%	Video System Integration Software
Total	\$18,359	\$49,223	\$106,388	63.5%	

Outstanding commitments are for purchase orders that have been issued.



METRO

THANK YOU!