

Financial Report – Fiscal Year 2021

Year to Date March 31, 2021



Major Highlights

Revenue

- Sales tax remittances received YTD February 2021 are 4.7% lower than YTD February 2020 and 11.3% higher than YTD budget
- Capital contributions and grants are below budget due to timing of processing eligible paid expenses

Operating Expenses

- \$124.3 million expended to date, or 44.7% of full year budget
- Purchased transportation is below budget due to lower Bus and Rail hours compared to budget

Capital Projects

- FY2021 capital project budget of \$106.4 million
- \$29.2 million expended to date, or 27.5% of full year budget
 - Downtown Station, Positive Train Control, Electric Bus Yard Paving and Infrastructure and Project Connect Orange Line, Blue Line and PMOR
- \$46 million outstanding commitments have been issued, or 43.2% of full year budget
 - MLS Rail Station, Downtown Station, SOGR Rail Grade Crossing, Paratransit Van Replacement and Positive Train Control

Revenue

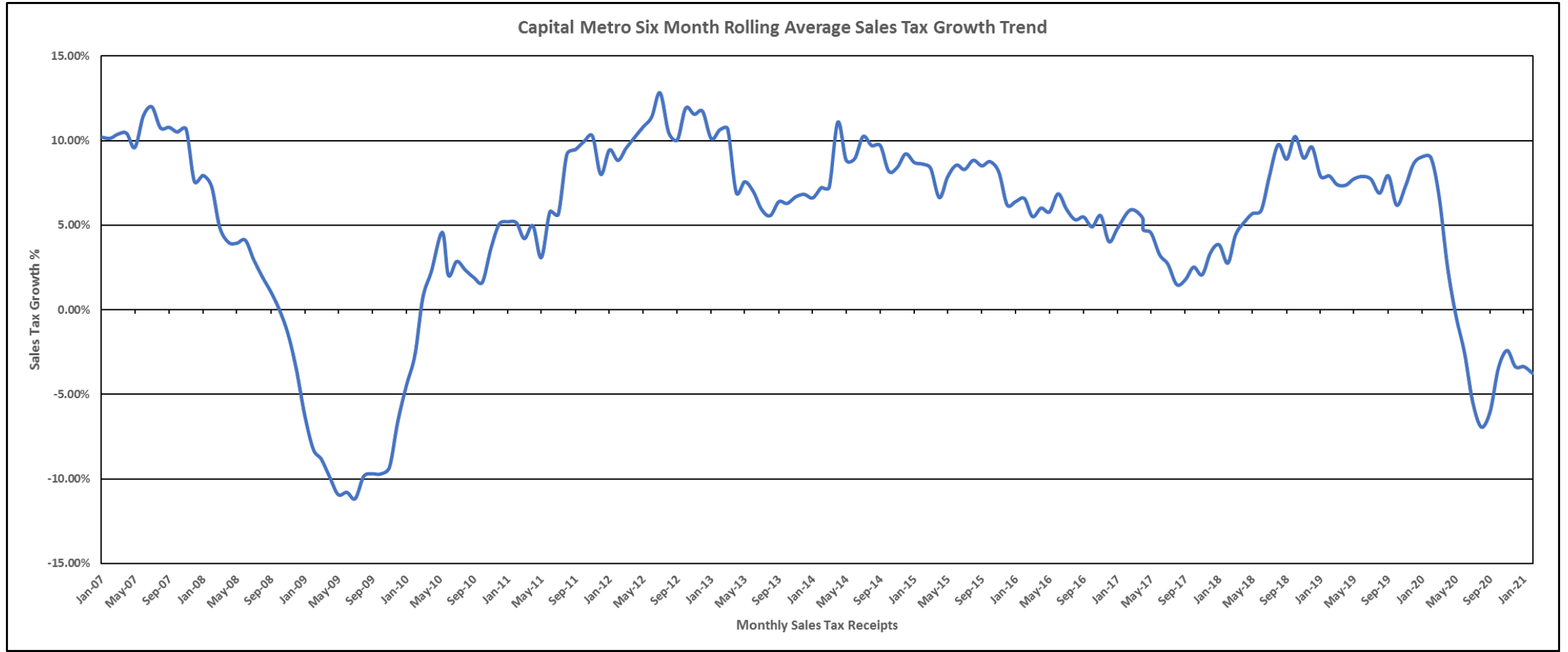
\$' Million Category	FY20 Mar YTD Actual	FY21 Mar YTD Actual	FY21 Full Year Budget	% of Budget	Comments
Sales Tax	\$128.1	\$131.0	\$251.7	52.1%	February and March sales tax receipts accrued
Passenger Fares	10.9	5.4	15.0	36.0%	Ridership 30% below budgeted projections through March 2021
Freight Railroad Revenue	3.8	3.2	5.6	56.6%	
Other Revenue	5.3	3.1	5.6	54.9%	Interest income slightly over budget
Operating Contributions and Grants	16.8	22.8	43.2	52.9%	
Capital Contributions and Grants	5.8	-	10.8	0.0%	Timing of processing eligible paid expenses
Total	\$170.6	\$165.4	\$331.8	49.9%	

Actual Sales Tax Receipts



Total	\$261.8M	\$262.5M	\$109.5M
YOY % Growth	7.5%	0.3%	-4.7%

Sales Tax Rolling Average Trend



Operating Expense

\$' Million Category	FY20 Mar YTD Actual	FY21 Mar YTD Actual	FY21 Full Year Budget	% of Budget	Comments
Salaries and Benefits	\$22.2	\$23.1	\$49.6	46.6%	Timing of administration pension expense
Professional Services	16.6	12.0	29.9	40.0%	Timing of consultation and other professional fee expense
Materials and Supplies	0.4	0.4	2.1	19.2%	Timing of Marketing and Operations Oversight supplies expense
Fuel and Fluids	6.7	5.1	12.2	41.8%	Volume variance savings through March 2021
Utilities	1.3	1.6	3.4	48.9%	
Insurance	0.3	0.3	0.9	39.3%	Timing of insurance premium payments
Purchased Transportation	80.8	78.7	168.7	46.7%	Lower Bus and Rail hours compared to budget
Lease/Rentals	1.4	1.7	3.3	53.4%	
Other Expenses	1.4	1.3	8.3	15.7%	Timing of dues, subscriptions, seminar and bank charge expense
Total	\$131.1	\$124.3	\$278.2	44.7%	



Budget Transfers

Consistent with Capital Metro's Financial Policies, there were nine budget transfers that cumulatively exceeded \$150,000 to report to the board for the 2nd quarter of FY2021.

January-21				
Transfer #1				
From:	510-5090702-220	Contingency Reserve	(187,853)	Transferring funds from operating contingency for Title VI policy update.
To:	510-5030303-119	Consultation Fees	187,853	
January-21				
Transfer #2				
From:	RRF1801	Bridge Replacement	(420,000)	Transferring funds from Freight Rail to Commuter Rail for additional bridge replacement expense.
To:	RRC2012	State of Good Repair - Bridge Replacement	420,000	
January-21				
Transfer #3				
From:	FIN2101	Capital Project Contingency	(1,000,000)	Transferring funds from capital contingency to fund multiple projects that require budget in FY2021 that did not roll forward from FY2020 to FY2021 and for miscellaneous budget transfers of less than \$100,000.
To:	FIN2103	Capital Project Multiyear Rollover and Misc	1,000,000	
January-21				
Transfer #4				
From:	510-5090702-220	Contingency Reserve	(1,700,000)	Transferring funds from operating contingency for UV/PHI air purification devices on buses in response to the COVID-19 pandemic.
To:	510-5030509-600	Repair and Maintenance - Other	1,700,000	
January-21				
Transfer #5				
From:	PLN2001	Project Connect – Program Management	(528,069)	Reversal of Q1 entry that temporarily transferred funds from capital contingency and Project Connect projects for issuance of task orders on engineering contracts for the Blue and Orange lines and associated PMOR.
To:	PLN2003	Project Connect - Blue Line	(10,769,542)	
	PLN2002	Project Connect - Orange Line	(11,310,892)	
	FIN2101	Capital Project Contingency	4,457,055	
	PLN2105	MetroRapid Lines	5,143,950	
	PLN2106	Red Line Improvements	13,007,498	
February-21				
Transfer #6				
From:	FIN2103	Capital Project Multiyear Rollover and Misc	(292,000)	Transferring funds from capital multiyear rollover funds to complete the ePaper Dynamic Message Signs project rolled from FY2020.
To:	ITS1601	ePaper DMS for BRT & Rail Plus IDIQ	292,000	

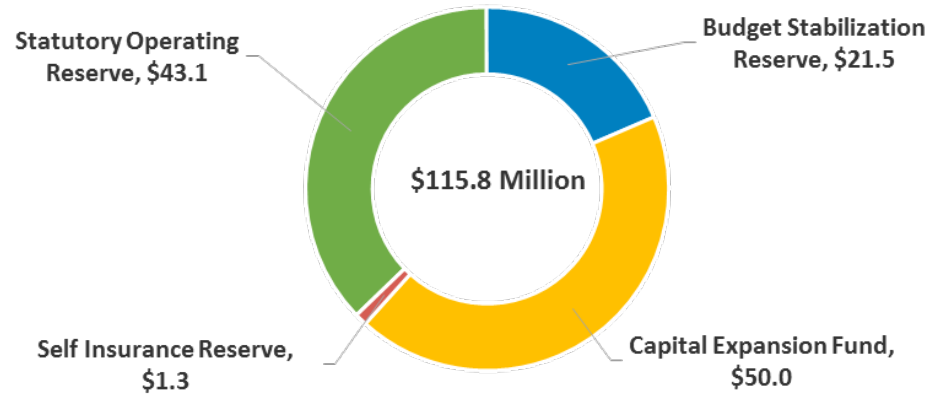
Budget Transfers (continued)

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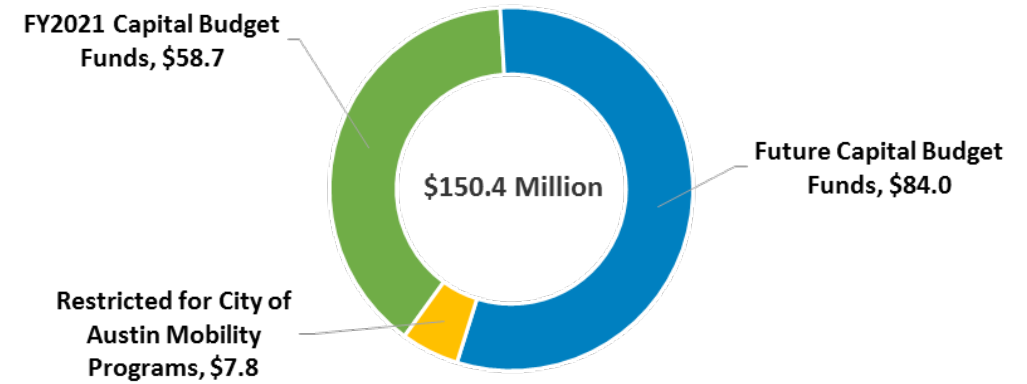
March-21				
Transfer #7				
From:	510-5090702-220	Contingency Reserve	(400,000)	Transferring funds from operating contingency for a DBE and SBE Disparity Study that was originally planned in FY2022.
To:	510-5030303-119	Consultation Fees	400,000	
March-21				
Transfer #8				
From:	FIN2101	Capital Project Contingency	(466,017)	Transferring funds from capital contingency for implementation of an Enterprise Audio Visual Solution, expansion of the video wall at the OCC and the addition of a video wall for Demand Response and Innovative Mobility.
To:	ITS2014	Enterprise Audio Visual Solution	466,017	
March-21				
Transfer #9				
From:	510-5090702-220	Contingency Reserve	(630,000)	Transferring funds from operating contingency to Salaries & Wages for the unbudgeted 2021 merit increase.
To:	510-5010201	Salaries & Wages - Admin.	630,000	

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 audited FY2020 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

\$' Million	FY20 Mar YTD Actual	FY21 Mar YTD Actual	FY21 Full Year Budget	% of Budget
<i>Operating Revenue</i>				
Passenger Fares	\$10.9	\$5.4	\$15.0	36.0%
Freight Railroad Revenue	3.8	3.2	5.6	56.6%
Other Revenue	3.1	2.4	4.6	53.0%
Total	17.8	11.0	25.2	43.6%
<i>Operating Expenses</i>				
Salaries and Benefits	22.3	23.1	49.6	46.6%
Professional Services	16.6	12.0	29.9	40.0%
Fuel and Fluids	6.7	5.1	12.2	41.8%
Utilities	1.3	1.6	3.4	48.9%
Purchased Transportation	80.8	78.7	168.7	46.7%
Other Expenses	2.1	2.0	11.2	18.2%
Lease/Rental	1.4	1.7	3.3	53.4%
Depreciation & Amortization	22.9	22.6	51.0	44.4%
Total	154.0	146.9	329.2	44.6%
<i>Operating Income/Loss</i>	<i>(136.2)</i>	<i>(135.9)</i>	<i>(304.0)</i>	<i>44.7%</i>
<i>Non-Operating Revenue/(Expenses)</i>				
Sales Tax	128.1	131.0	251.7	52.1%
Investment Income	2.3	.6	1.0	63.7%
Operating Contributions and Grants	16.8	22.8	43.2	52.9%
Capital Contributions and Grants	5.8	-	10.8	0.0%
Mobility Interlocal Agreements	(1.6)	(.9)	(6.0)	15.4%
Other	(.2)	(.0)	(.0)	0.0%
<i>Non-Operating Income/(Loss)</i>	<i>151.3</i>	<i>153.5</i>	<i>300.7</i>	<i>51.1%</i>
Change in Net Position	\$15.1	\$17.6	\$(3.3)	(531.0%)

Budget Variances by Department

\$'000 Department	FY20 YTD Actual	FY21 YTD Actual	FY21 YTD Revised Budget	YTD % of Revised Budget	YTD Budget vs. Actual	Comments
100 - Non-Allocated Benefits	\$5,836	\$6,164	\$7,526	81.9%	\$1,362	Timing of admin pension expense
102 - Wellness Center	125	125	139	89.6%	14	
103 - Child Care Center	478	509	517	98.5%	8	
105 - Business Center	152	127	181	70.2%	54	
110 - Executive Staff	356	325	447	72.7%	122	Timing of seminars, dues and subscriptions for APTA and Opportunity Austin
118 - Government Relations	267	289	342	84.5%	53	Timing of Federal and State Legislation contracts
119 - Diversity and Compliance	108	179	764	23.4%	585	Savings of Disparity Study deferred to FY2022; Timing of Title VI policy update
120 - Board Of Directors	76	69	99	69.7%	30	Savings for board member conferences and travel
125 - Internal Audit	184	288	331	87.1%	43	Savings on the Quadrennial Performance Audit
130 - Strategic Oper Mgt. & Administration	423	238	340	70.0%	102	Labor savings due to mid-year restructuring
141 - Public Safety and Emergency Management	2,348	2,101	3,027	69.4%	926	Labor savings for APD reduction/Department staffing and timing of other professional fees and security services
150 - Legal	506	515	536	95.9%	22	
220 - Finance	1,907	1,828	1,823	100.3%	(5)	
230 - Information Technology	5,778	5,686	8,000	71.1%	2,313	Timing and project delay in services expense
250 - Procurement	793	815	923	88.3%	108	Temporary help savings
275 - Rideshare	1,604	671	1,848	36.3%	1,177	Fewer vanpools than budgeted
320 - Planning	1,308	1,136	1,879	60.5%	743	Savings from vacancies and O&D Survey. Timing of consulting fees for MetroBike, Rail Operating Model and Quick Response
330 - Marketing and Communications	1,647	1,469	2,160	68.0%	691	Timing of temporary help, Branding, Transit is Safe, Literature Distribution, Fare Collection campaigns
331 - Community Engagement	494	416	797	52.2%	381	Timing of Annual Community Survey, Special Events, MetroArt, Try Transit, Smart Trips and CI Online Engagement Tool
332 - Customer Service	516	486	554	87.7%	68	Vacancy savings for 2.5 positions
340 - People and Culture	1,122	1,266	1,291	98.0%	25	
420 - Risk Management And Safety	884	1,050	1,921	54.6%	871	Timing and lower than anticipated insurance premiums
457 - Public Facilities	2,186	2,538	2,678	94.8%	140	Timing of professional and maintenance services
530 - Capital Projects	931	786	1,021	77.0%	235	Vacancy savings and timing of Facilities and Street Improvements for transit
540 - Real Estate And Property Mgt.	963	1,448	2,007	72.2%	559	Timing of services expense
542 - Freight Rail Management	807	738	934	79.1%	195	Savings from projects moved to FY22: Road Crossing Analysis, Timber Bridge Analysis and Out of Service Repairs
544 - Commuter Rail Operations	9,008	8,718	11,168	78.1%	2,450	Purchased transportation and fuel savings from 38% fewer hours through March and savings from Bridge Analysis
550 - Real Estate and Facility Planning	1,355	1,384	1,497	92.5%	113	
600 - Operations and Maintenance Oversight	64,837	63,932	67,528	94.7%	3,596	Purchased transportation savings from fewer hours through February and timing of services and supplies
615 - Innovative Mobility	1,330	2,017	2,529	79.8%	512	Timing of MetroBikeShare expense
620 - Demand Response Oversight	14,858	14,769	14,574	101.3%	(195)	
640 - Paratransit Reservation & Control	1,075	1,016	1,084	93.7%	68	
650 - Paratransit Eligibility	424	465	529	87.9%	64	Savings from 2 vacancies and temporary help expense
920 - Project Connect	6,396	760	1,100	69.1%	340	Project Connect moved to ATP budget in January 2021
Total	131,080	124,323	142,092	87.5%	17,769	

Capital Projects Summary

\$'000 Project Category	Expended	Outstanding Commitments	Budget	Expended & Committed as % of Budget	Comments
Commuter Rail	\$6,579	\$4,248	\$14,116	76.7%	Positive Train Control, Track Undercutting and State of Good Repair for Grade Crossings
Vehicles	2,846	1,678	3,317	136.4%	20 Paratransit Vehicles and Vehicle Camera Systems
Information Technology	3,488	4,148	13,680	55.8%	Customer Payment Systems, Onboard Validators and Enterprise Asset Management System
Facilities	10,275	2,896	25,405	51.8%	Downtown Station, North Ops Paving and Infrastructure and Bus Stop Enhancements
Freight Railroad	-	35	4,045	0.9%	
Property and Asset Mgmt	155	26	722	25.1%	Vehicle Lifts for Thompson Lane Facility
Contingency	-	-	7,000	0.0%	
Project Connect	5,428	32,659	36,481	104.4%	Orange Line, Blue Line, PMOR and MetroRapid Lines
Security	440	303	1,622	45.8%	Video System Integration Software
Total	\$29,211	\$45,992	\$106,388	70.7%	

Outstanding commitments are for purchase orders that have been issued.



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THANK YOU!