

Preliminary Financial Report – FY2021

Year to Date September 30, 2021



Major Highlights

Revenue

- \$382.3 million revenue collected or 115.2% of full year budget
- Sales tax remittances received in Fiscal Year 2021 are 14.8% higher than Fiscal Year 2020

Operating Expenses

- \$249.4 million expended or 89.7% of full year budget
- Purchased transportation is below budget due to lower Bus (93.8% of budget) and Rail (79.3% of budget) hours

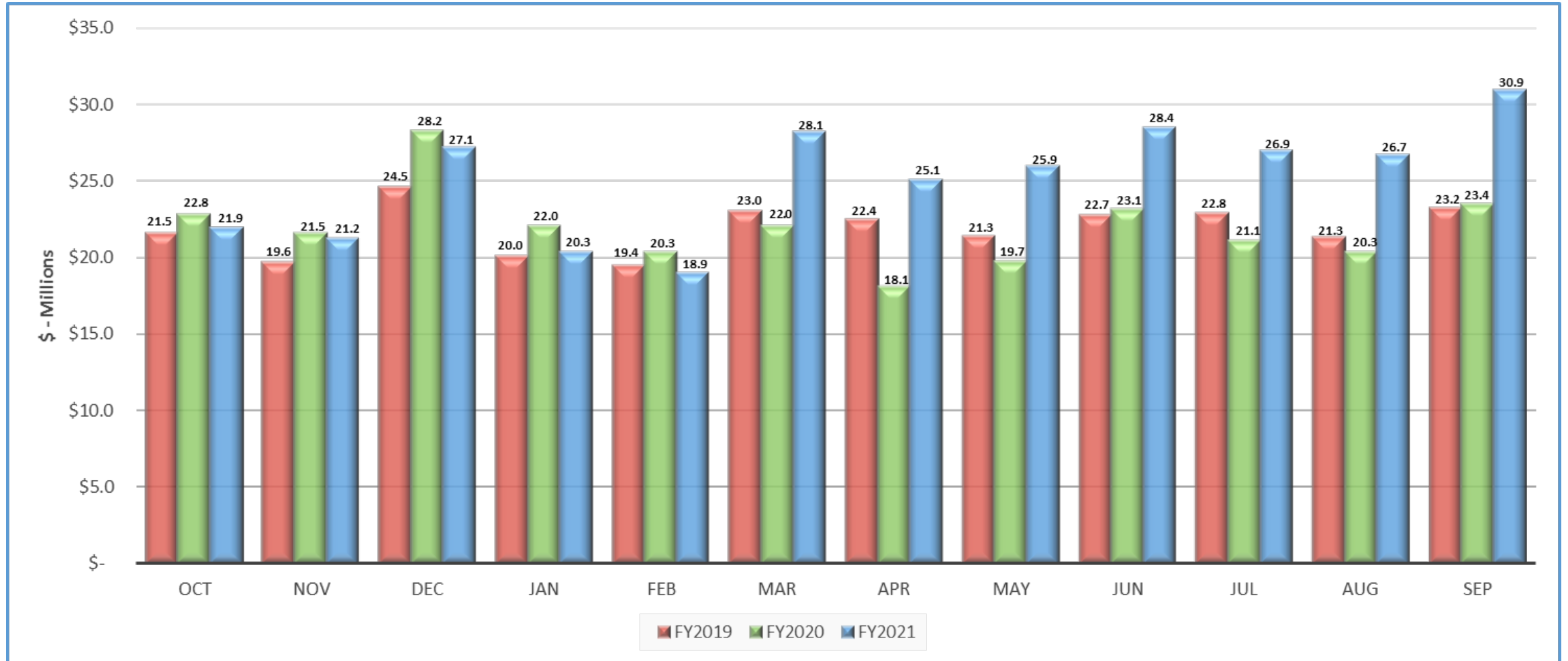
Capital Projects

- FY2021 capital spending of \$28.6 million or 26.9% of full year budget and included:
 - Downtown Station, Positive Train Control, Project Connect Orange and Blue lines, Electric Bus Yard Paving and Infrastructure, Vehicle Camera Systems, Paratransit Vehicle Replacements, SOGR for Rail Grade Crossings, Track Undercutting, Onboard Fare Validators, Enterprise Resource Planning System
- FY2021 delayed spending, reclassification and savings of \$77.8 million or 72.8% of full year budget and included:
 - Downtown Station \$17 million reclassification to capital contribution, Project Connect to ATP \$31 million budget transfer, Solar Electric Bus Canopies, Freight Rail Bridge Replacements and Capital Contingency savings

Revenue - Preliminary

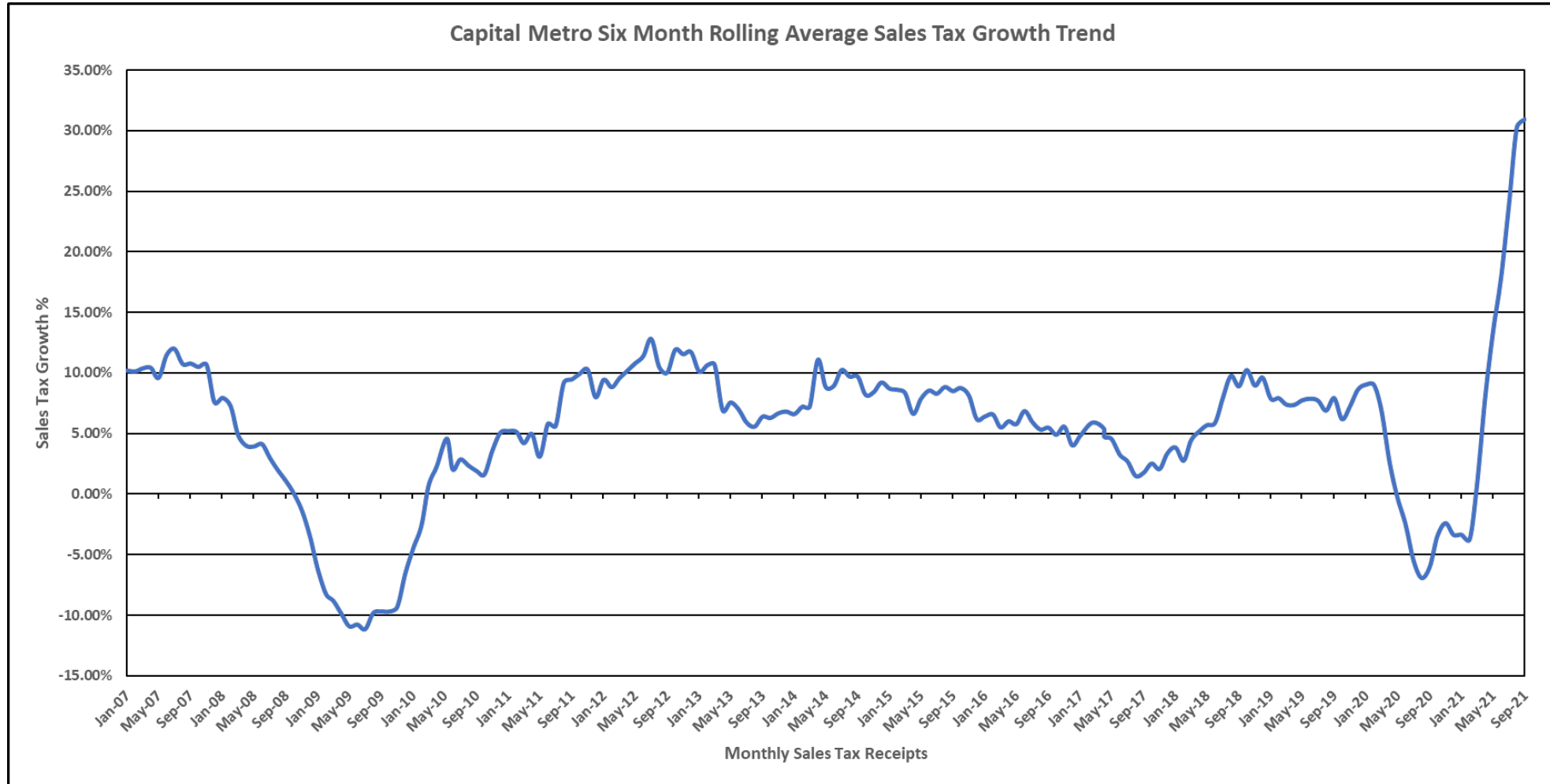
\$' Million Category	FY20 Sep YTD Actual	FY21 Sep YTD Actual	FY21 Full Year Budget	% of Budget	Comments
Sales Tax	\$262.4	\$301.4	\$251.7	119.8%	FY2021 receipts are 14.8% higher than FY2020
Passenger Fares	14.7	12.6	15.0	84.1%	Ridership 32.2% below budgeted projections for FY2021
Freight Railroad Revenue	6.5	5.8	5.6	103.4%	Additional right of way license agreement contracts
Other Revenue	10.1	5.6	5.6	100.2%	
Operating Contributions and Grants	117.1	48.5	43.2	112.3%	Additional 5307 funds carried over from prior fiscal year
Capital Contributions and Grants	21.4	8.4	10.8	77.3%	Delay in freight rail bridge replacement project
Total	\$432.2	\$382.3	\$331.8	115.2%	

Actual Sales Tax Receipts



Total	\$261.8M	\$262.4M	\$301.4M
YOY % Growth	7.5%	0.3%	14.8%

Sales Tax Rolling Average Trend



Operating Expense - Preliminary

\$' Million Category	FY20 Sep YTD Actual	FY21 Sep YTD Actual	FY21 Full Year Budget	% of Budget	Comments
Salaries and Benefits	\$46.4	\$47.0	\$49.6	94.9%	Savings in administration pension expense
Professional Services	23.5	27.8	29.9	92.9%	Savings in consultation and software maintenance expense
Materials and Supplies	1.6	1.4	2.1	65.6%	Savings in Operations Oversight and Marketing supplies expense
Fuel and Fluids	12.6	10.9	12.2	89.1%	Volume variance savings
Utilities	3.1	3.4	3.4	100.7%	
Insurance	0.4	0.7	0.9	75.8%	
Purchased Transportation	165.2	152.6	168.7	90.5%	Reduced Bus (6.2%) and Rail (20.7%) hours compared to budget
Lease/Rentals	3.0	3.3	3.3	102.6%	
Other Expenses	2.6	2.3	8.3	28.0%	Savings in contingency, bank charges, seminar and travel expense
Total	\$258.3	\$249.4	\$278.2	89.7%	

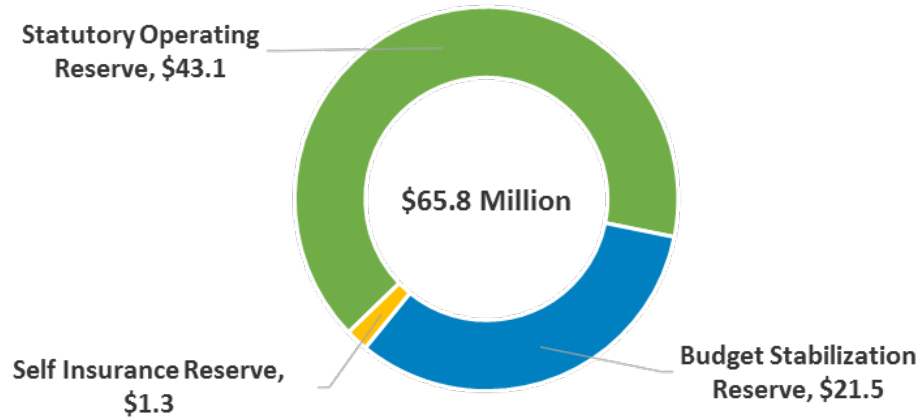
Budget Transfers

Consistent with Capital Metro's Financial Policies, there were four budget transfers that cumulatively exceeded \$150,000 to report to the board for the 4th quarter of FY2021.

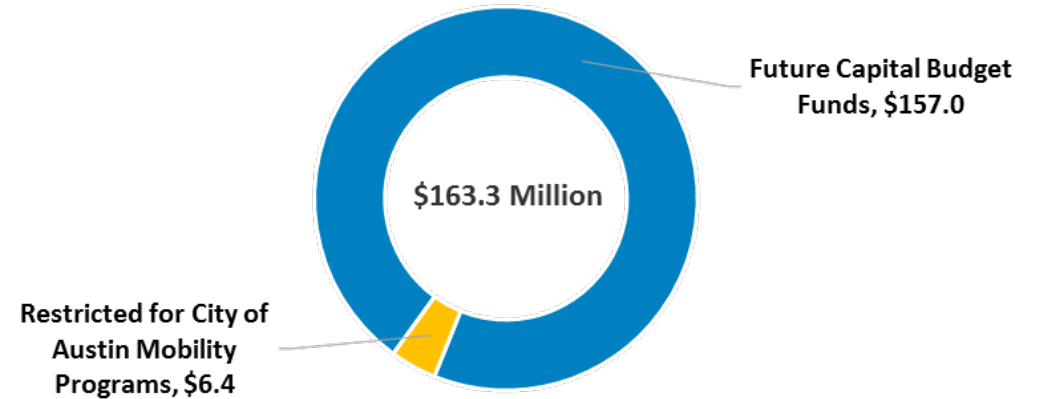
July-21				
Transfer #1				
From:	FIN2101	Capital Project Contingency	(250,000)	Transferred funds from capital contingency for return track design.
To:	CPG2203	Return Track at Rail Maintenance Facility	250,000	
July-21				
Transfer #2				
From:	FIN2101	Capital Project Contingency	(170,000)	Transferred funds from capital contingency to support new Facilities projects.
To:	CPG2112	4th & Sabine New Crossing Gates	150,000	
	CPG2113	Auxiliary Power Cords at DT Station	20,000	
July-21				
Transfer #3				
From:	RRC1801	Leander Quiet Zones	(159,000)	Transferred funds from completed projects for additional Positive Train Control projects.
	RRC2003	PTC Capital Spares	(55,000)	
	RRC2010	G4 DMU Camera Upgrade to Digital	(14,000)	
To:	RRC1102	Positive Train Control	228,000	
July-21				
Transfer #4				
From:	PLN2105	MetroRapid Lines	(4,472,534)	Transferred funds to specific MetroRapid Expo and Pleasant Valley projects.
To:	PLN2108	MetroRapid Pleasant Valley	2,025,563	
	PLN2107	MetroRapid Expo Center	2,446,971	

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 in both FY2020 and FY2021 as Capital Metro looks forward to future needs in the region. The \$60 million capital expansion fund balance was transferred to the Austin Transit Partnership in June 2021 for implementation of the Project Connect System Plan.
- Funds for capital investment are required to help address extensive capital needs. The capital budget for FY2022 is \$303.8 million, with \$146.5 million funded by FY2022 income and \$157.3 million from capital contributions and grants. 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 FY2022 capital budget also contains Capital Metro held contracts of the Project Connect program of projects. The City of Austin Mobility Fund was reduced by \$1.4 million from City projects in FY2021.

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

\$' Million	FY20 Sep YTD Actual	FY21 Sep YTD Actual	FY21 Full Year Budget	% of Budget
<i>Operating Revenue</i>				
Passenger Fares	\$14.7	\$12.6	\$15.0	84.1%
Freight Railroad Revenue	6.5	5.8	5.6	103.4%
Other Revenue	5.8	5.5	4.6	119.0%
Total	27.0	23.9	25.2	94.8%
<i>Operating Expenses</i>				
Salaries and Benefits	46.4	47.0	49.6	94.9%
Professional Services	23.5	27.8	29.9	92.9%
Fuel and Fluids	12.6	10.9	12.2	89.1%
Utilities	3.1	3.4	3.4	100.7%
Purchased Transportation	165.2	152.6	168.7	90.5%
Other Expenses	4.5	4.3	11.2	38.6%
Lease/Rental	3.0	3.3	3.3	102.6%
Depreciation & Amortization	45.2	50.6	51.0	99.1%
Total	303.5	299.9	329.2	91.1%
Operating Income/Loss	(276.5)	(276.1)	(304.0)	90.8%
<i>Non-Operating Revenue/(Expenses)</i>				
Sales Tax	262.4	301.4	251.7	119.8%
Investment Income	4.4	.4	1.0	37.4%
Operating Contributions and Grants	117.1	48.5	43.2	112.3%
Capital Contributions and Grants	21.4	8.4	10.8	77.3%
Mobility Interlocal Agreements	(8.2)	(86.7)	(6.0)	1456.1%
Other	(6.8)	(.2)	(.0)	0.0%
Non-Operating Income/(Loss)	390.4	271.7	300.7	90.4%
Change in Net Position	\$113.8	\$(4.4)	\$(3.3)	132.2%

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	Comments
100 - Non-Allocated Benefits	\$14,066	\$12,750	\$15,030	84.8%	\$2,281	Admin and bargain pension expenses based on actuary reports
102 - Wellness Center	250	264	279	94.7%	15	
103 - Child Care Center	970	1,001	1,038	96.4%	37	
105 - Business Center	361	363	361	100.6%	(2)	
110 - Executive Staff	608	770	734	105.0%	(36)	
118 - Government Affairs	951	647	641	100.9%	(6)	
119 - Diversity, Equity, and Inclusion	243	584	649	89.9%	65	Savings in consultation fees for Title VI policy update
120 - Board Of Directors	145	151	197	76.6%	46	Savings for board member conferences and travel due to the pandemic
125 - Internal Audit	453	482	521	92.5%	39	
130 - Performance Management and Imagination	767	659	774	85.2%	115	Savings in consulting fees
141 - Public Safety and Emergency Management	4,235	4,258	5,873	72.5%	1,616	Labor savings for APD staffing shortages and savings in security services
150 - Legal	942	999	1,059	94.4%	60	
220 - Finance	3,812	4,244	5,399	78.6%	1,155	Unspent contingency, savings in consultation fees and in bank charges from reduced ridership
230 - Information Technology	10,667	12,491	13,399	93.2%	908	Savings and project delays in services expense
250 - Procurement	1,656	1,683	1,827	92.1%	145	Savings in temporary help and seminar expense
275 - Rideshare	2,877	1,364	3,776	36.1%	2,412	Purchased transportation savings due to fewer vanpools operating than budgeted
320 - Planning	2,463	2,718	3,583	75.8%	866	Savings vacancies, O&D survey and consulting fees for Quick Response, Development Review Support, Rail Operations Modeling.
330 - Marketing and Communications	3,347	3,706	4,133	89.7%	427	Savings in temporary help, Fall and Spring, Service Changes and Fare Collection Campaign
331 - Community Engagement	1,091	1,005	1,432	70.2%	426	Savings vacancies, temp help, MetroArt, Try Transit and special events
332 - Customer Service	1,012	1,008	1,098	91.7%	91	
340 - People and Culture	2,091	2,666	3,770	70.7%	1,104	Savings from delay in consultation fees
420 - Safety and Accessible Services	2,140	2,008	2,815	71.3%	807	Lower than anticipated insurance premiums; savings in labor, consulting fees and workers' compensation claims
457 - Public Facilities	4,647	5,510	5,661	97.3%	151	Savings in utilities and professional services and delay in maintenance services
530 - Capital Projects	1,965	1,663	1,996	83.3%	333	Savings vacancies and services expense
540 - Property and Asset Management	3,083	3,342	3,855	86.7%	513	Savings and delay of services expense
542 - Freight Rail Management	1,678	1,532	2,012	76.1%	480	Delay of Timber Bridge Analysis and savings from ROW Transit Services
544 - Commuter Rail Operations	17,364	18,304	21,673	84.5%	3,368	Purchased transportation and fuel savings from 20.7% fewer hours and savings from deferred bridge analysis
550 - Real Estate and Facility Planning	2,706	2,723	3,087	88.2%	364	Savings from delayed market analysis and leases
600 - Operations and Maintenance Oversight	137,310	123,615	132,717	93.1%	9,102	Purchased transportation and fuel savings from 6.2% fewer hours
615 - Innovative Mobility	3,102	4,411	5,042	87.5%	631	Savings from MetroBike fewer Pickup service hours
620 - Demand Response Oversight	28,345	28,716	29,756	96.5%	1,040	Savings from 11.4% fewer service hours
640 - Paratransit Reservation & Control	2,086	2,027	2,119	95.6%	93	
650 - Paratransit Eligibility	879	947	1,028	92.2%	80	
920 - Project Connect	6,700	771	836	27.0%	66	Project Connect moved to ATP budget in January 2021
Total	265,012	249,383	278,173	89.7%	28,790	

Capital Projects Summary - Preliminary

\$'000 Project Category	Expended	Budget	Expended as % of Budget	Comments
Commuter Rail	\$12,108	\$14,116	88.7%	Positive Train Control, Track Undercutting and State of Good Repair for Rail Grade Crossings
Vehicles	4,315	3,317	130.8%	20 Paratransit Vehicles and Vehicle Camera Systems
Information Technology	8,324	13,680	59.8%	Onboard Validators, Enterprise Resource Planning System and Enterprise Asset Management System
Facilities	(2,735)	25,405	(10.5%)	North Ops Paving and Infrastructure and Downtown Station (\$17m moved to capital contribution)
Freight Railroad	39	4,045	1.0%	
Property and Asset Mgmt	343	722	47.6%	Vehicle Lifts for Thompson Lane Facility
Contingency	-	7,000	0.0%	
Project Connect	5,428	36,481	14.9%	Orange Line, Blue Line, PMOR and MetroRapid Lines; Jan to Sep actuals transferred to ATP
Security	769	1,622	47.4%	Video System Integration Software
Total	\$28,591	\$106,388	26.9%	



METRO

THANK YOU!