



# Preliminary Financial Report Fiscal Year 2024

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Year to Date September 30, 2024

# Major Highlights

## Revenue

- Sales tax remittances received YTD September 2024 are 1.7% higher than YTD September 2023 and 1.9% lower than YTD budget

## Operating Expenses

- \$404.5 million expended to date, or 94.6% of full-year budget
- Professional services are below budget due to savings/delay of consultation, software, maintenance and professional fees

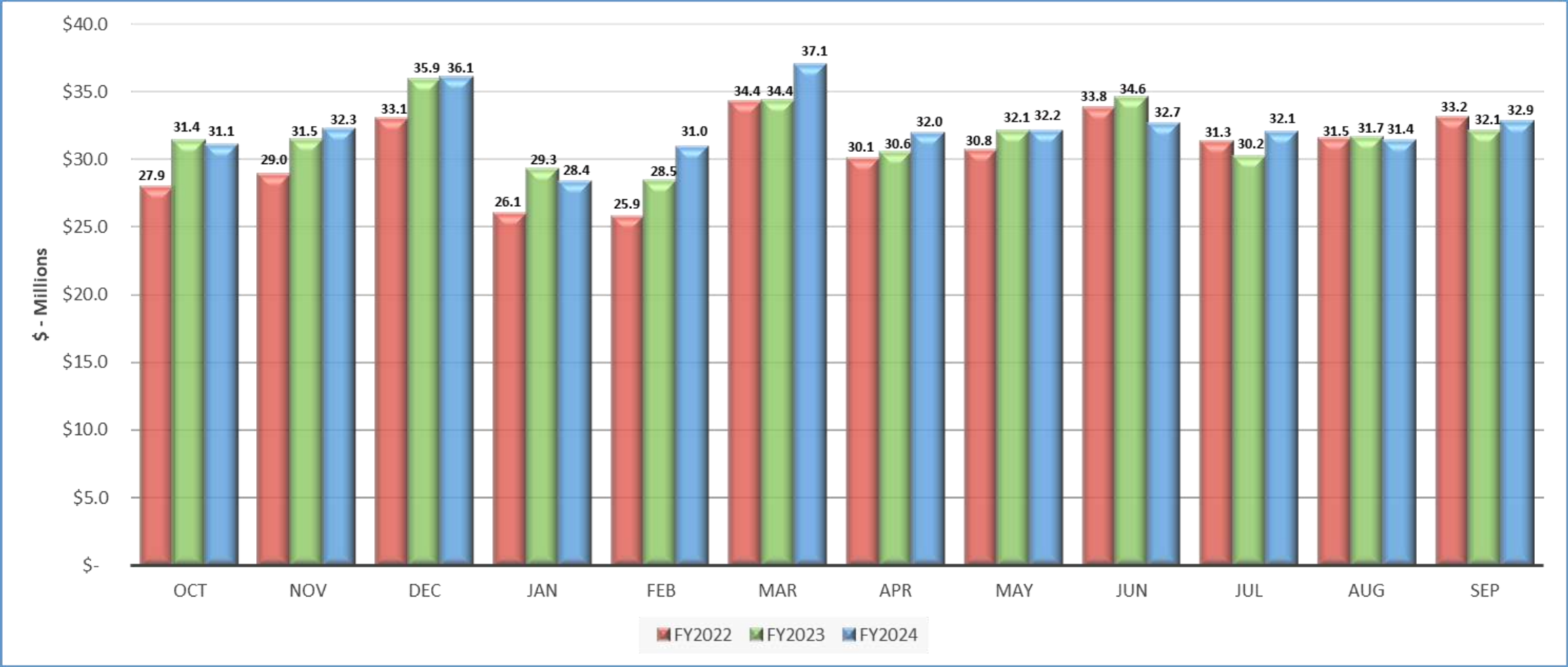
## Capital Projects

- FY2024 capital project budget of \$411.0 million
- \$146.7 million expended, or 35.7% of full-year budget
  - CapMetro Rapid Lines, McKalla Red Line Station, Electric Bus Replacements, Bus Electrification Infrastructure, Paratransit Van Replacement, Demand Response South Base, Freight Rail Bridge Replacements, Electric Bus Chargers and Enterprise Resource Planning System
- FY2024 delayed spending and savings of \$264.3 million or 64.3% of full-year budget
  - Bus Garage 3, Green Line Maintenance Facility, Electric Bus Replacements, Electric Bus Chargers, Bus Electrification Infrastructure and CapMetro Rapid Lines

# Revenue - Preliminary

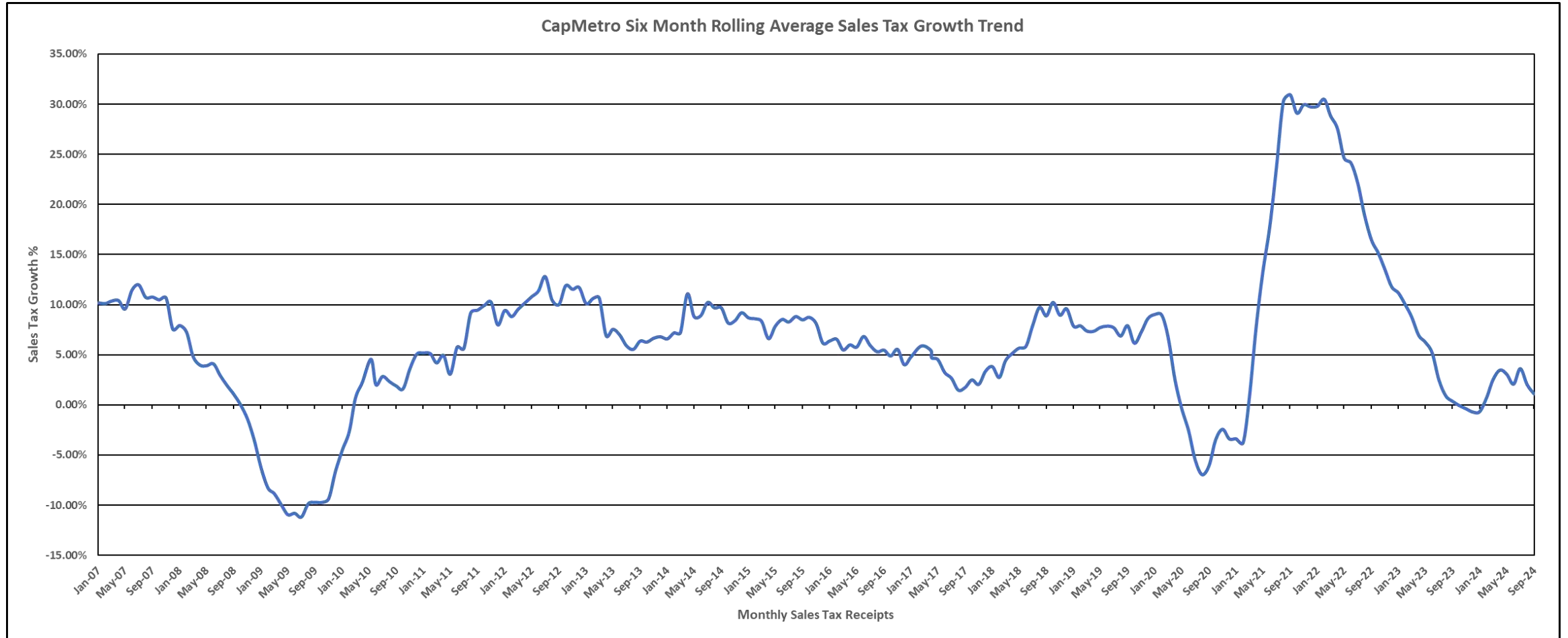
\$' Million Category	FY23 Sep YTD Actual	FY24 Sep YTD Actual	FY24 Full Year Budget	% of Budget	Comments
Sales Tax	\$382.4	\$389.0	\$396.7	98.1%	
Passenger Revenue	18.0	15.8	18.6	85.2%	
Freight Railroad Revenue	6.3	7.1	6.7	105.3%	
Other Revenue	25.8	34.0	6.8	497.4%	Investment income above budgeted projections due to favorable rates
Operating Contributions and Grants	53.6	72.5	91.1	79.5%	CapMetro Rapid delayed revenue service and 5307 draws carried over to FY2025
Capital Contributions and Grants	45.5	68.5	210.7	32.5%	Projects delayed to FY2025
<b>Total</b>	<b>\$531.6</b>	<b>\$586.9</b>	<b>\$730.7</b>	<b>80.3%</b>	

# Actual Sales Tax Receipts



<b>Total</b>	<b>\$366.9M</b>	<b>\$382.4M</b>	<b>\$389.0M</b>
<b>YOY % Growth</b>	<b>21.7%</b>	<b>4.2%</b>	<b>1.7%</b>

# Sales Tax Rolling Average Trend



# Operating Expense – Preliminary

\$' Million Category	FY23 Sep YTD Actual	FY24 Sep YTD Actual	FY24 Full Year Budget	% of Budget	Comments
Salaries and Benefits	\$72.6	\$83.3	\$92.2	90.4%	Vacancy savings and favorable pension expense to budget
Professional Services	45.9	45.9	68.9	66.6%	Savings and delay of consultation, software, maintenance and professional fees
Materials and Supplies	18.2	20.2	17.6	114.8%	Additional maintenance materials expense
Fuel and Fluids	14.2	15.5	15.3	101.3%	
Utilities	4.3	4.5	5.4	81.8%	
Insurance	0.6	1.0	0.7	147.8%	
Purchased Transportation	190.8	226.2	209.1	108.2%	Additional bus operator training and overtime
Lease/Rentals	2.9	3.7	6.2	59.1%	Favorable lease expense to budget due to GASB 87 year-end entry
Other Expenses	3.7	4.3	12.0	35.5%	Savings in contingency
<b>Total</b>	<b>\$353.3</b>	<b>\$404.5</b>	<b>\$427.5</b>	<b>94.6%</b>	

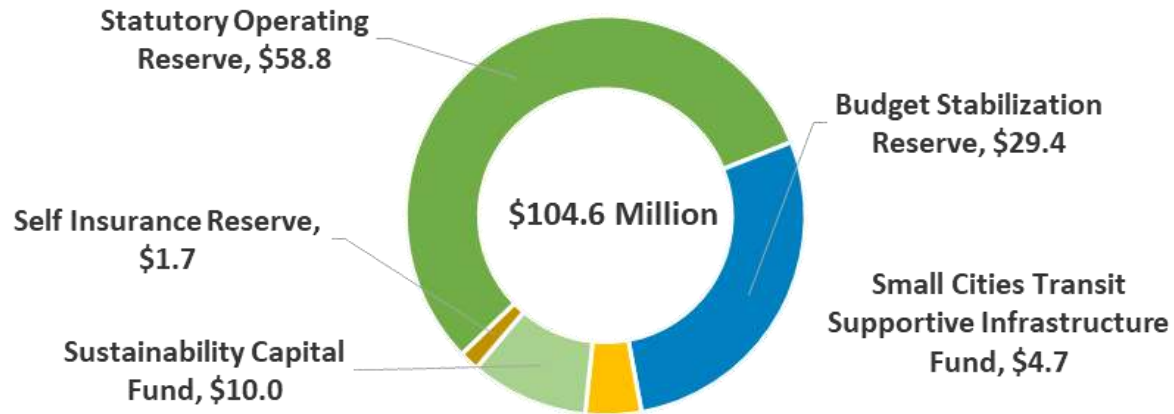
# Budget Transfers

Consistent with CapMetro's Financial Policies, there were two budget transfers that cumulatively exceeded \$150,000 to report to the board for the 4th quarter of FY2024.

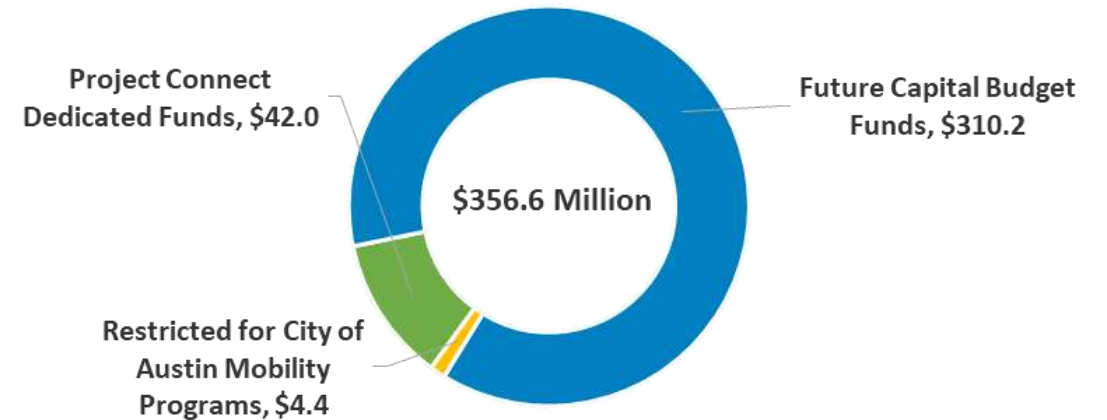
September-24				
<b>Transfer #1</b>				
<b>From:</b>	220-5090702	Operating Contingency	(312,000)	Transferred funds from operating contingency for additional security services through the end of FY2024 for Tech Ridge, 411 E 7th St, 5315 E Ben White & 3100 E 5th St.
<b>To:</b>	141-5030701	Security Services	312,000	
<b>Transfer #2</b>				
<b>From:</b>	615-5080411	Purchased Transportation - Microtransit	(3,250,910)	Transferred operating budget from Microtransit to Paratransit to align funding with actual service levels.
	615-5120801	Lease-Vehicles - Microtransit	(263,004)	
<b>To:</b>	620-5080325	Purchased Transportation - Paratransit	3,513,914	

# 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 FY2022 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 sustainability capital fund was established in FY2022 with \$10 million to support CapMetro's Sustainability Vision Plan. In March 2022, a regional partnership with small-member cities and a \$10 million Transit Supportive Infrastructure Fund was established. A \$30 million Facility Master Plan Reserve Fund was also established in FY2022 and \$30 million was added in FY2023 as CapMetro addressed one of the largest needs of the agency. This fund was fully utilized in August 2023 to purchase the new headquarters facility for CapMetro.
- Funds for capital investment are required to help address extensive capital needs. The capital budget for FY2024 is \$411 million, with \$200.3 million funded by FY2024 income and \$210.7 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 FY2024 capital budget also contains CapMetro held contracts of the Project Connect program of projects. The City of Austin Mobility Fund was reduced by \$1.2 million from City projects in FY2023.



# Statement of Revenue, Expenses and Change in Net Position – Preliminary

\$' Million	FY24 Sep YTD Actual	FY24 Full Year Budget	% of Budget
<i>Operating Revenue</i>			
Passenger Revenue	\$15.8	\$18.6	85.2%
Freight Railroad Revenue	7.1	6.7	105.3%
Other Revenue	7.5	6.0	126.3%
<b>Total</b>	<b>30.4</b>	<b>31.2</b>	<b>97.3%</b>
<i>Operating Expenses</i>			
Salaries and Benefits	83.3	92.2	90.4%
Professional Services	45.9	68.9	66.6%
Fuel and Fluids	15.5	15.3	101.3%
Utilities	4.5	5.4	81.8%
Purchased Transportation	226.2	209.1	108.2%
Other Expenses	25.5	30.3	84.2%
Lease/Rental	3.7	6.2	59.1%
Depreciation & Amortization	57.9	60.4	95.8%
<b>Total</b>	<b>462.3</b>	<b>487.9</b>	<b>94.8%</b>
<b><i>Operating Income/Loss</i></b>	<b>(431.9)</b>	<b>(456.6)</b>	<b>94.6%</b>
<i>Non-Operating Revenue/(Expenses)</i>			
Sales Tax	389.0	396.7	98.1%
Investment Income	25.9	.9	2946.0%
Operating Contributions and Grants	72.5	91.1	79.5%
Capital Contributions and Grants	68.5	210.7	32.5%
Mobility Interlocal Agreements	(3.6)	(12.0)	30.3%
Other	.6	-	0.0%
<b><i>Non-Operating Income/(Loss)</i></b>	<b>552.8</b>	<b>687.4</b>	<b>80.4%</b>
<b>Change in Net Position</b>	<b>\$120.9</b>	<b>\$230.8</b>	<b>52.4%</b>

# Budget Variances by Department – Preliminary

\$'000 Department	FY23 YTD Actual	FY24 YTD Actual	FY24 YTD Revised Budget	YTD % of Revised Budget	YTD Budget vs. Actual	Comments
100 - Non-Allocated Benefits	\$15,324	\$15,268	\$15,667	97.5%	\$399	Savings from GASB 68 pension valuation, offset by additional health plan expense
102 - Wellness Center	318	443	421	105.1%	(21)	
103 - Child Care Center	1,176	850	1,277	66.5%	428	Child Care Center provider contract restructure
105 - Business Center	344	344	380	90.6%	36	
110 - Executive Staff	1,467	1,474	1,706	86.4%	232	Vacancy and travel-related savings
118 - Government Affairs	915	1,046	1,345	77.7%	299	Vacancy and consultation fees savings
119 - Diversity, Equity, and Inclusion	763	930	1,056	88.1%	125	Consultation fees and advertising savings
120 - Board Of Directors	173	184	219	84.2%	35	
125 - Internal Audit	483	744	789	94.3%	45	Vacancy savings
130 - Organizational Strategy and Projects	1,597	1,707	3,000	56.9%	1,294	Savings from vacancies and consultation expenses postponed to FY2025
140 - Safety	1,725	2,195	2,439	90.0%	245	Vacancy and advertising savings
141 - Public Safety and Emergency Management	6,081	8,300	9,805	84.7%	1,505	APD officer shift savings
142 - Systemwide Accessibility	821	402	737	54.5%	335	Savings in professional services for projects to be completed in FY2025
143 - Transit Police	0	801	1,047	76.5%	246	Vacancy and supply savings due to timing of ramping up of the department
150 - Legal	1,580	1,417	1,715	82.6%	298	Vacancy and legal services savings
220 - Finance	6,197	6,996	11,251	62.2%	4,255	Unspent contingency and professional services savings
230 - Information Technology	21,768	20,877	27,829	75.0%	6,952	Savings and timing of computer software, hardware and telephone expenses
250 - Procurement	2,547	2,640	2,666	99.0%	26	
275 - Vanpool	2,066	2,647	2,609	101.4%	(38)	
320 - Strategic Planning and Development	6,033	5,846	9,020	64.8%	3,174	Savings or delay in Orange & Blue ETOD, Long Range Service Plans, Grant Preparation and Rail Ops Modeling
330 - Marketing and Communications	5,362	5,926	7,473	79.3%	1,547	Savings or delay in special events, website upgrade, value of transit, services changes and customer satisfaction survey
331 - Community Engagement	1,287	1,523	1,835	83.0%	312	Savings from temporary help, professional fees and special events
332 - Customer Care	1,084	1,308	1,255	104.2%	(53)	Staff overtime pay
340 - People and Culture	6,248	5,320	6,147	86.5%	827	Professional services and recognition programs savings
457 - Facilities Maintenance	6,295	4,851	6,872	70.6%	2,021	Custodial services recorded in Bus Operations department
530 - Capital Design and Construction	2,135	3,112	3,164	98.4%	52	
531 - Capital Construction, Engineering and Desi	0	305	1,072	28.5%	767	Savings in consulting fees for projects to be completed in FY2025
532 - Power Systems	0	536	2,012	26.7%	1,476	Savings in consulting fees for projects to be completed in FY2025
533 - Rolling Stock and Support Equipment	0	525	419	125.3%	(106)	
534 - Systems Engineering and Design	0	299	359	83.3%	60	Savings from delay of police radio system study
540 - Facility Programming and Management	6,451	3,067	8,292	37.0%	5,225	Professional services and building maintenance expense recorded in Bus Operations department

# Budget Variances by Department – Preliminary (continued)

\$'000 Department	FY23 YTD Actual	FY24 YTD Actual	FY24 YTD Revised Budget	YTD % of Revised Budget	YTD Budget vs. Actual	Comments
542 - Freight Rail Management	1,767	2,360	2,164	109.1%	(196)	Number of cars moved 16% higher than budget, offset by higher than budgeted revenue
544 - Commuter Rail Operations	23,747	24,560	29,332	83.7%	4,771	Purchased transportation savings from 22% fewer hours to budget
550 - Real Estate and Facility Planning	2,516	2,594	5,493	47.2%	2,899	Unbudgeted GASB 87 reporting entry deferring lease expense
600 - Bus Operations and Maintenance	173,452	208,579	177,391	117.6%	(31,188)	Higher purchased transportation due to operator training and overtime and additional maintenance material expense
615 - Microtransit	6,349	8,708	8,585	101.4%	(123)	Additional vehicle lease expense
616 - Bikeshare	978	1,644	1,554	105.8%	(90)	
620 - Demand Response Oversight	40,453	44,338	46,881	94.6%	2,542	Purchased transportation savings from 6.3% fewer hours
640 - Demand Response Control and Call Center	2,376	2,683	2,641	101.6%	(41)	Additional overtime expense
650 - Paratransit Eligibility	1,170	1,315	1,381	95.2%	66	
920 - Project Connect	(1,306)	5,786	18,151	31.9%	12,365	Delay of CapMetro Rapid Expo and Pleasant Valley lines revenue service
940 - Project Connect Integration	1,515	0	0	0.0%	0	
<b>Total</b>	<b>353,258</b>	<b>404,451</b>	<b>427,453</b>	<b>94.6%</b>	<b>23,003</b>	

# Capital Projects Summary – Preliminary

<b>\$'000 Project Category</b>	<b>Expended</b>	<b>Original Budget</b>	<b>Revised Budget</b>	<b>Expended as % of Revised Budget</b>	<b>Comments</b>
Commuter Rail	\$2,790	\$7,750	\$8,762	31.8%	SOGR for Rail Grade Crossings and Domain Area Quiet Zone
Vehicles	24,014	68,408	72,030	33.3%	Electric Bus Replacements and Paratransit Van Replacements
Information Technology	14,935	15,316	20,512	72.8%	Enterprise Resource Planning System and Bikeshare Software and Hardware Licensing
Facilities	13,867	58,368	55,495	25.0%	Bus Electrification Infrastructure and Bus Stop Improvements
Freight Railroad	4,018	5,315	5,315	75.6%	Bridge Replacement
Property & Asset Management	9,625	37,155	28,837	33.4%	Demand Response Operations & Maintenance Facility and Transit Police Station
Contingency	0	5,000	81,971	0.0%	Bus Garage 3 and Green Line Maintenance Facility returned to contingency
Project Connect	77,071	211,638	136,028	56.7%	CapMetro Rapid Lines and Demand Response South Base Land Purchase
Security	337	2,001	2,001	16.8%	Camera Replacements and Enhancements
<b>Total</b>	<b>\$146,656</b>	<b>\$410,951</b>	<b>\$410,951</b>	<b>35.7%</b>	

CapMetro

Thank you!