

CapMetro

Access Advisory Committee

August 2025



FY2026 Budget Review

Kevin Conlan, Deputy CFO


Discussion Outline

- Budget Development Calendar
- Budget Overview
- Operating Budget Highlights
- Capital Improvement Plan Update

FY2026 Budget Development Calendar

- Feb 6 Operating and Capital Budget kick-off meeting with departments
- Apr 23 Capital and Operating Budget requests received from departments
- May 7 Board Committees review proposed budget calendar
- Jun 4 Initial review with Access Advisory Committee
- Jun 11 Initial review with Customer Satisfaction Advisory Committee
- Jun 23 Board of Directors initial review and discussion
- Jun 27 Initial review with Public Safety Advisory Committee
- Jul 16 Budget proposal presented to Board Committees

FY2026 Budget Community Engagement

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- Aug 6 Presentation to Access Advisory Committee
 - Aug 13 Update Board Committees
 - Aug 13 Presentation to Customer Satisfaction Advisory Committee
 - Aug 22 Proposed budget document is published online
 - Aug 25-29 Budget public outreach and webinar
 - Aug 29 Presentation to Public Safety Advisory Committee
 - Sep 10 Update Board Committees
 - Sep 10 Public hearing on proposed budget and capital improvement plan
 - Sep 22 Board of Directors considers budget proposal for adoption

Proposed Budget Overview



- Proposed budget is structurally sound and balanced
 - Ongoing revenue is sufficient to fund operations and provide funds for capital needs
- Meets operating reserve requirements
 - Statutory operating and budget stabilization reserves are fully funded
- Projected sales tax growth of 2% for FY2026 over FY2025 Forecast
 - Declining growth in Fiscal Years 2024 and 2025
- Service funding based on August Service Plan changes
- Investment in customer-focused transit infrastructure projects

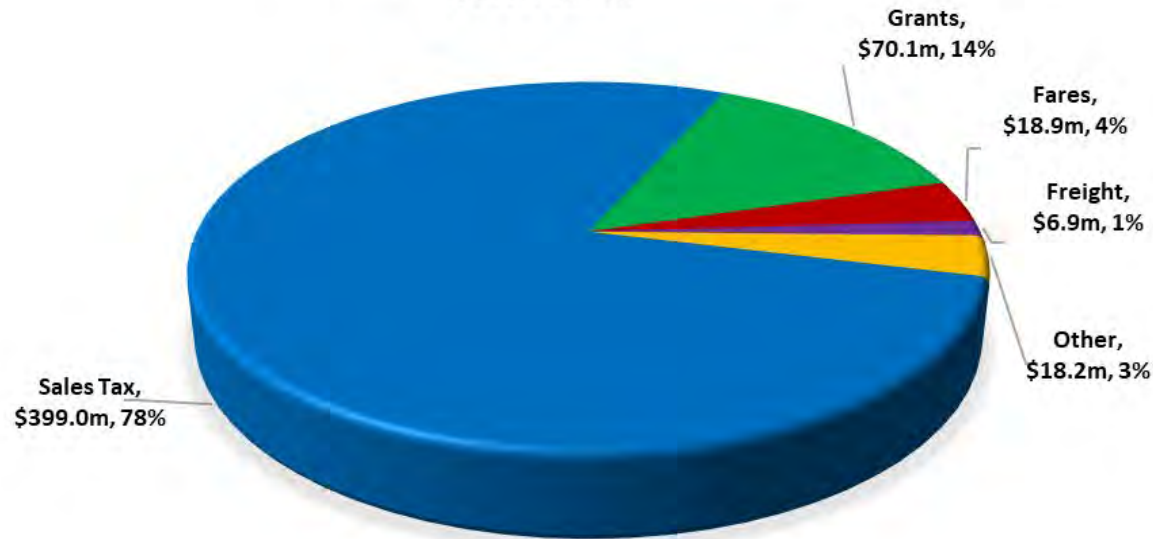
A smiling man with a grey beard and mustache, wearing a dark blue polo shirt with a 'METRO' logo, is sitting on a concrete ledge. In the background, a white bus with 'A METROBUS 2608' and 'CAPITAL METRO' is visible. The entire image has a blue overlay.

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FY2026 OPERATING BUDGET

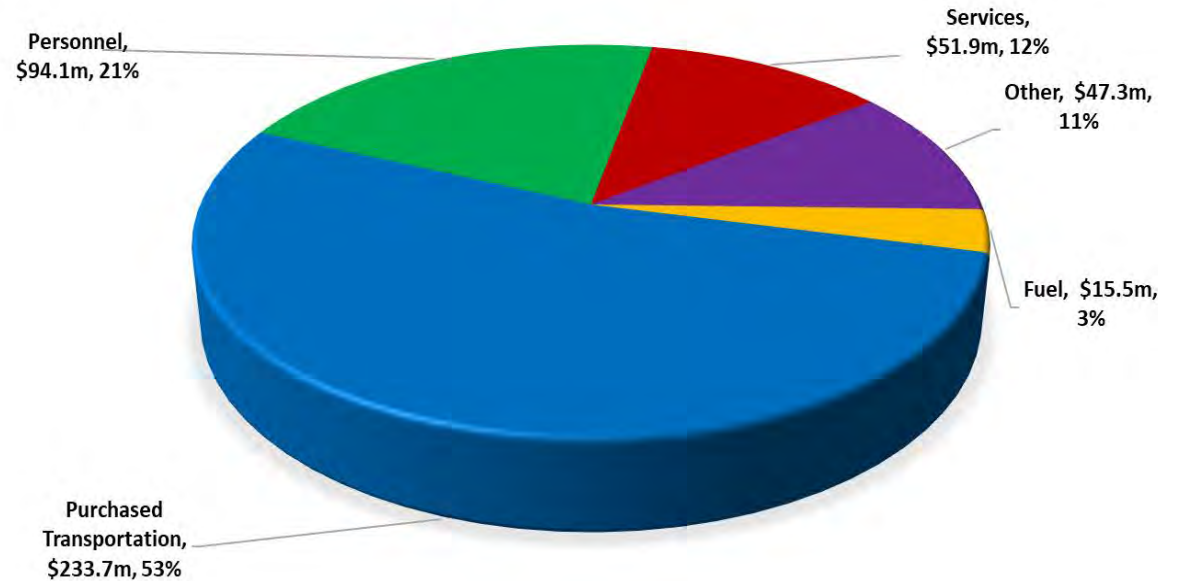
FY2026 Operating Budget Summary

FY2026 Operating Revenue
\$513.1 Million



- Heavily dependent on sales tax revenue and grants for annual funding
- Grants include 5307 formula funds and Project Connect dedicated operating contributions

FY2026 Operating Expenses
\$442.4 Million

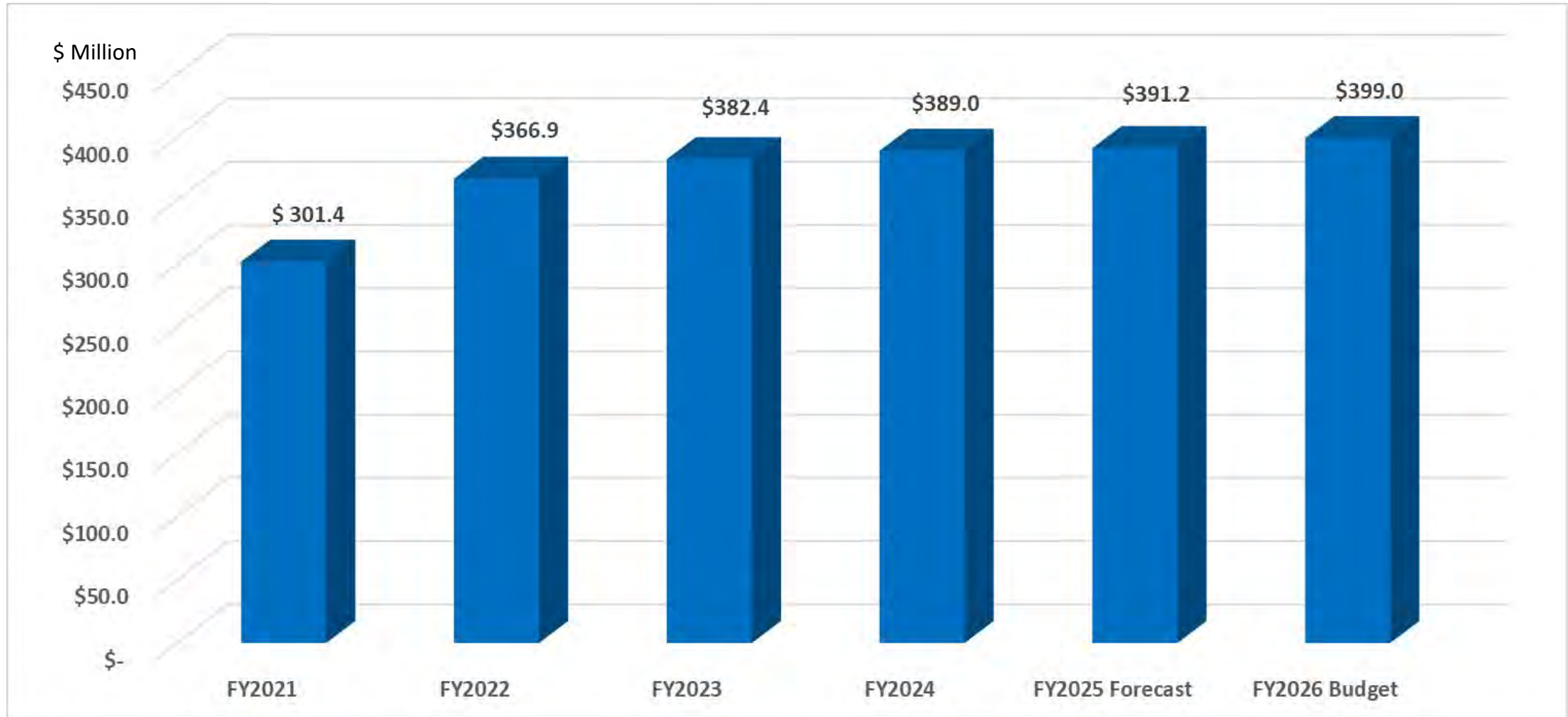


- Majority of the budget pays for contracted transit services
- Includes funding for new CapMetro Rapid operations, maintenance and support services

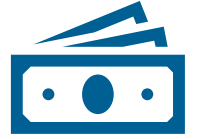
Operating Revenue

- Fare Revenue
 - Fare revenue based on continuing return of ridership in FY2026
- Federal Grants
 - Approximately \$44 million annually in Section 5307 funds
- Freight Railroad Revenue
 - Mainline revenue on target with FY2025 Budget of \$5.4 million

Sales Tax Revenue



Operating Cost Drivers



- Service levels based on August Service Plan changes
 - Purchased transportation costs are developed using budgeted hours and contractual rates
- Fuel prices remain stable over the next fiscal year with hedging in place
 - Diesel estimate of \$2.30 per gallon, inclusive of tax and net of hedging activities
 - Fuel hedge is 67% of projected fuel usage
- Continuation of Pickup neighborhood rideshare zones
- Performance-based average annualized pay increase for employees
- Strategic plan initiatives considered in budget preparation



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FY2026 CAPITAL BUDGET



Capital Budget Highlights

- Demand response operations and maintenance facility
- North Burnet/Uptown Station Rail Station
- CapMetro Rapid Park & Rides
- Bus stop enhancements and improvements
- New CapMetro Administration Building build-out

Proposed 5-Year Capital Plan

\$' Million Project Category	FY2026	FY2027	FY2028	FY2029	FY2030	Total
Vehicles	\$11.1	\$5.7	\$17.8	\$37.1	\$39.2	\$110.9
Commuter Rail	4.8	3.9	2.1	1.4	1.5	13.7
Facilities	23.6	28.0	24.8	15.5	6.6	98.5
Information Technology	15.7	5.4	8.7	2.0	5.0	36.7
Other	25.8	26.1	4.8	5.5	6.0	68.2
Project Connect	33.3	5.6	-	-	-	38.9
Property and Asset Mgmt	40.8	52.8	43.5	.1	.1	137.3
Total Capital Projects	\$155.0	\$127.6	\$101.8	\$61.6	\$58.3	\$ 504.3
Funding						
Local Funding	106.3	99.3	83.0	49.0	50.4	388.0
Grants/Contributions	48.7	28.3	18.7	12.6	7.9	116.3
Total Capital Projects	\$155.0	\$127.6	\$101.8	\$61.6	\$58.3	\$ 504.3
Project Type						
Enhancement	116.8	108.1	72.8	16.6	7.6	321.9
State of Good Repair	38.2	19.5	28.9	45.0	50.7	182.3
Total Capital Projects	\$155.0	\$127.6	\$101.8	\$61.6	\$58.3	\$ 504.3

Next Steps

- Review budget proposal with Board Advisory Committees
- Publish draft budget document online
- Budget outreach and webinar
- Budget updates to Board Committees if necessary
- Public hearing on the proposed budget
- Final Board approval scheduled for September 22
- Board update on Long-Range Financial Plan



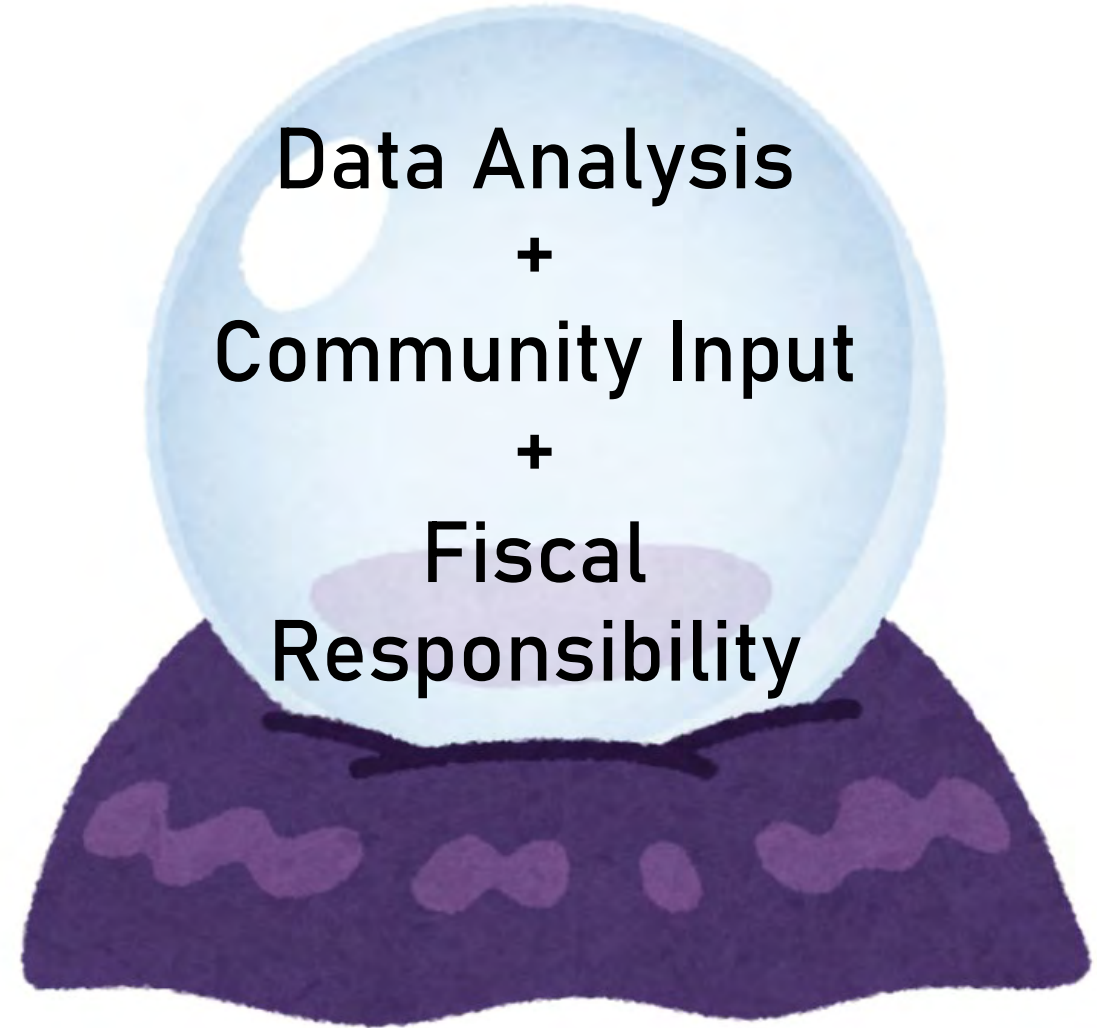
Transit Plan 2035 – Draft Recommendations

Emma Martinez, Senior Planner

Peter Breton, Sr. Community Engagement Coordinator

How We Developed Recommendations

This plan is
CapMetro's vision
and roadmap for
the next 5 to 10
years.



Transit Plan 2035 Draft Recommendations

Recommendation themes include:

- ✓ aligning our current service with travel patterns,
- ✓ preparing for high-capacity transit and Project Connect, and
- ✓ exploring regional expansion.

Draft Recommendations Overview

We're budgeting responsibly, and there are still near-term improvements that can be made with our limited resources.

**Outlook
Within 5
Years**

We're thoughtfully planning for improvements that accompany Austin Light Rail and regional growth.

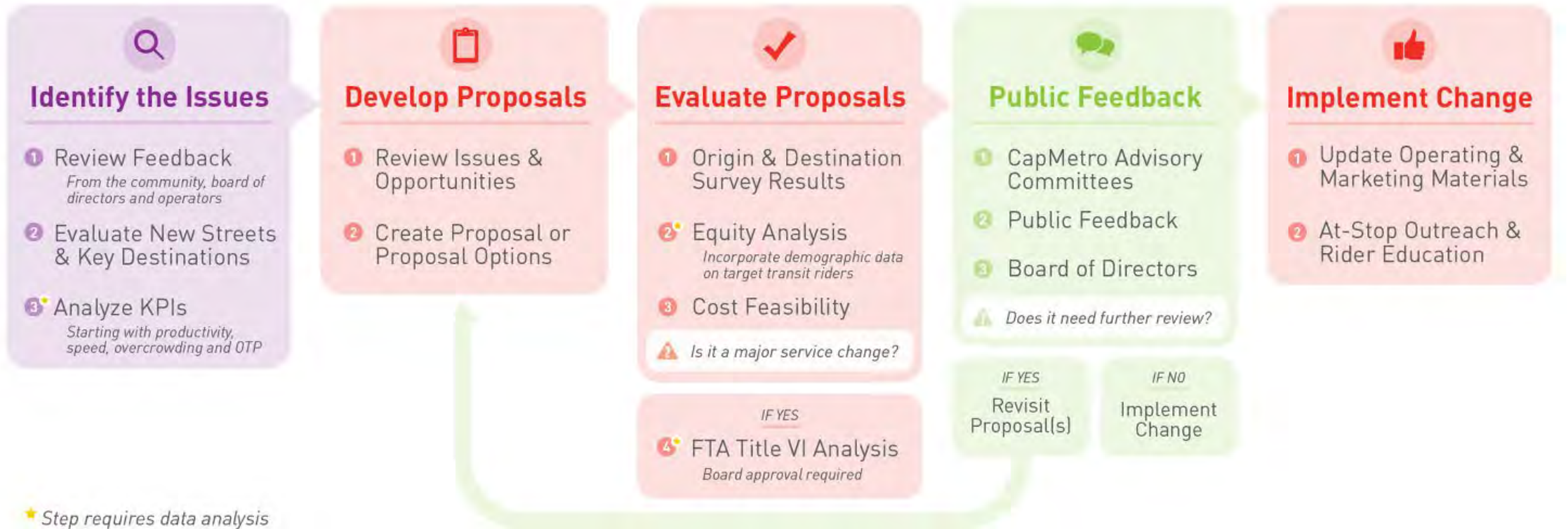
**5+ Year
Outlook**

We continue to build toward a more connected region.

**10+ Year
Outlook**

Transit Plan 2035 is Not A Service Change

CapMetro's Service Change Process



How to Watch The Video Series



Northwest



Northeast



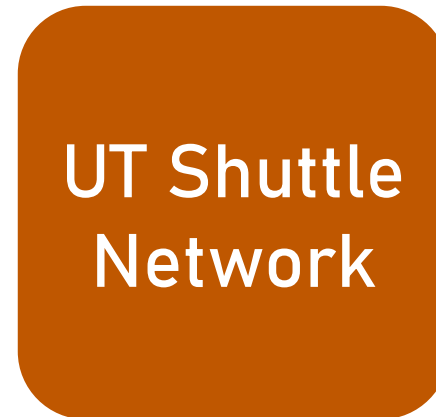
Central



Southwest




Southeast



How to Use the Feedback Tool

Home > Planning and Development > Transit Plan 2035




CapMetro Transit Plan 2035

Transit Plan 2035 is CapMetro's blueprint for the future of public transportation in Central Texas.

Our plan includes a comprehensive evaluation of our transit system and changes to how people are traveling in the Central Texas region. The final plan will outline strategies to update transit services, upgrade infrastructure and better meet your needs over the next five to ten years.

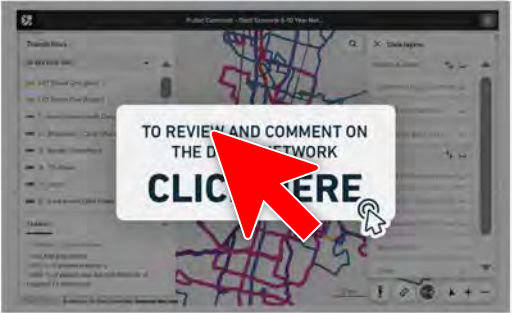
A well-designed transit plan provides an updated transit system that connects people to jobs, education, and places they enjoy. The plan also lays the groundwork to make the updated transit system a reality. Together, we will identify what changes need to be made, step by step, and what resources are needed to achieve the plan's goals.



Watch on YouTube

Review Our Draft Network

Community input is at the heart of any good transit plan. Your feedback will shape what the plan prioritizes, based on the preferences and needs of community members. You are shaping the future of public transit in central Texas.



TO REVIEW AND COMMENT ON THE DRAFT NETWORK
CLICK HERE

Transit Plan 2035 - Draft Scenario Feedback Tool



CapMetro Transit Plan 2035 Scenario Feedback Tool

[Translate Page Here](#)

WATCH: Draft Recommendations Overview

Transit Plan 2035 is CapMetro's roadmap for future transit service. Our draft recommendations are the result of data analysis, feedback from the public, and budget constraints.



CLICK BELOW: Tell us what you think!



Give Feedback on Transit in Your Community Finish Survey Comment on the System Map

Use the links above to navigate between the pages of this feedback tool.

How to Use the Feedback Tool

What's Changing in My Community?

1

The proposed changes to CapMetro's system over the next 10 years are organized into five areas based on geography. Use the map below to identify the area you're most interested in, and select an icon to navigate to the page detailing improvements to that area.

There are opportunities to provide feedback and comment on each page, and an additional comment map containing the entire network available on the next page of the tool. After viewing the areas you're interested in, select the Next icon at the bottom of this page to advance.


NW
Northwest Area
Services in the Northwest:
Route 1

NE
Northeast Area
Services in the Northeast:

SW
Southwest Area
Services in the Southwest:


SE
Southeast Area
Services in the Southeast:

LEARN MORE:



Download

Click icon to download the Route Matrix and view all recommended changes

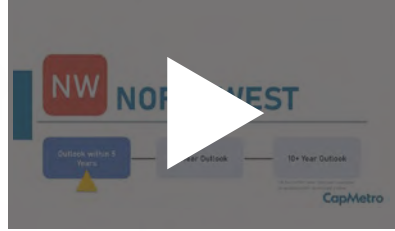


Download

Click icon to download the 10+ Year Outlook List

Northwest System Area

The video below walks through proposed changes in the Northwest System Area. These changes are visualized by the interactive slider map further down the page. At the bottom of this page are a few questions for you to provide feedback on these proposed changes. When you've finished viewing and commenting, select the icon at the bottom to return to the navigation page.



NOTE: System Area maps display a subsection of the network, not the entire network.



NORTHWEST: Will these proposed routes help you get where you need to go?

Allow admin to make my comment public

NAVIGATION



Give Feedback on Transit in Another Community



Finish Survey



Comment on the System Map

Discontinued

Replaced

Realigned

Extended

Freq. or Span

NEW

NW	0-5 Yrs		Route 466				
	5-10 Yrs			325/326/383 Package	Dessau/Walnut Creek Pickup		Lake Creek & Georgian Acres Pickup, Route 211
NE	0-5 Yrs	Routes 233 & 237	Route 323				
	5-10 Yrs				Northeast ATX Pickup		
C	0-5 Yrs	Route 345			Route 2		
	5-10 Yrs			Route 1 & 3 + Rapid 801 & 803			
SW	0-5 Yrs			Routes 318 + 333			
	5-10 Yrs						
SE	0-5 Yrs						
	5-10 Yrs			Routes 217 & 228			
Cross Regional	0-5 Yrs	Flyer Routes		5/18/30 Package	Route 310	Rapid 800/837, Route 350(SE), CapMetro Rail	Route 320
	5-10 Yrs		UT Shuttles (Not 640/642), Route 315	7/300/331 Package, Route 350		Route 310, CapMetro Rail	

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Thank you!