

*Financial Report – Fiscal Year 2017  
Year to Date July 31, 2017*

September 14, 2017

# Major Highlights

Through  
Jul 31, 2017

## Revenue

- Sales tax remittances received YTD July 2017 are 3.22% higher than YTD July 2016
- Plaza Saltillo lease income budgeted for \$1.6M and will not realize in FY 2017
- Capital Grants are below budget due to delayed spending on Downtown Station and Rail Tiger projects

## Operating Expenses

- \$182.0 million expended to date, or 73.3% of full year budget
- Favorable variances in salaries, wages & benefits due to vacancies ~\$1M favorable to budget
- Delayed timing of professional services
- Lower diesel cost per gallon and usage ~ \$6.3M favorable to budget

## Capital Projects

- Capital project spending is below budget with 57.7% of budget expended or committed
- FY 2017 Capital spending forecast of \$101M; Below budget by \$57.5M
  - FY 2017 delayed spending for Positive Train Control, TIGER Grant Project, Downtown Station Improvements, Westgate Transit Center Park & Ride and Private Crossing Signalization

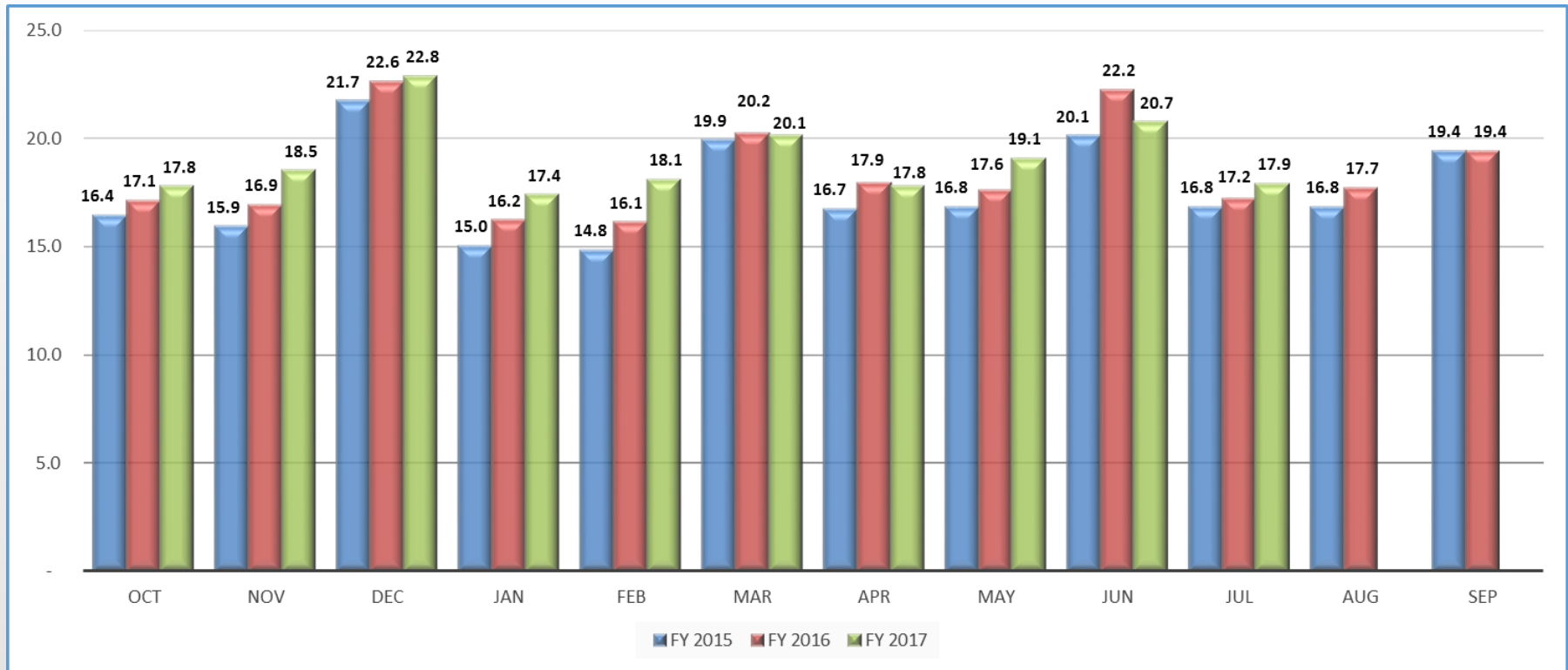
# Revenue

Through  
Jul 31, 2017

\$' Million Category	FY17 Jul YTD Actual	FY17 Full Year Budget	% of Budget	Comments
<i>Ridership</i>	24,923,976	30,565,742	81.5%	
Sales Tax	\$192.1	\$231.1	83.1%	Oct - May actual receipts; Jun and Jul accrued Free ride days during 2 elections and New Year;
Passenger Fares	14.2	18.4	76.8%	Elimination of Premium fare not budgeted
Third Party Fares	6.1	6.6	92.3%	
Freight Railroad Revenue	3.8	4.3	87.2%	
Other Revenue	3.3	4.7	69.0%	Plaza Saltillo lease income of \$1.6M budgeted and will not realize in FY17
Operating Contributions and Grants	30.2	30.0	100.8%	Variance due to timing; Grant is typically fully drawn by July
Capital Contributions and Grants	18.4	41.4	44.4%	Projected \$11.0M variance due to delayed projects: Downtown Station and Rail TIGER projects
<b>Total</b>	<b>\$268.0</b>	<b>\$336.6</b>	<b>79.6%</b>	
<i>Fare Revenue per Passenger</i>	\$ 0.81	\$ 0.82		

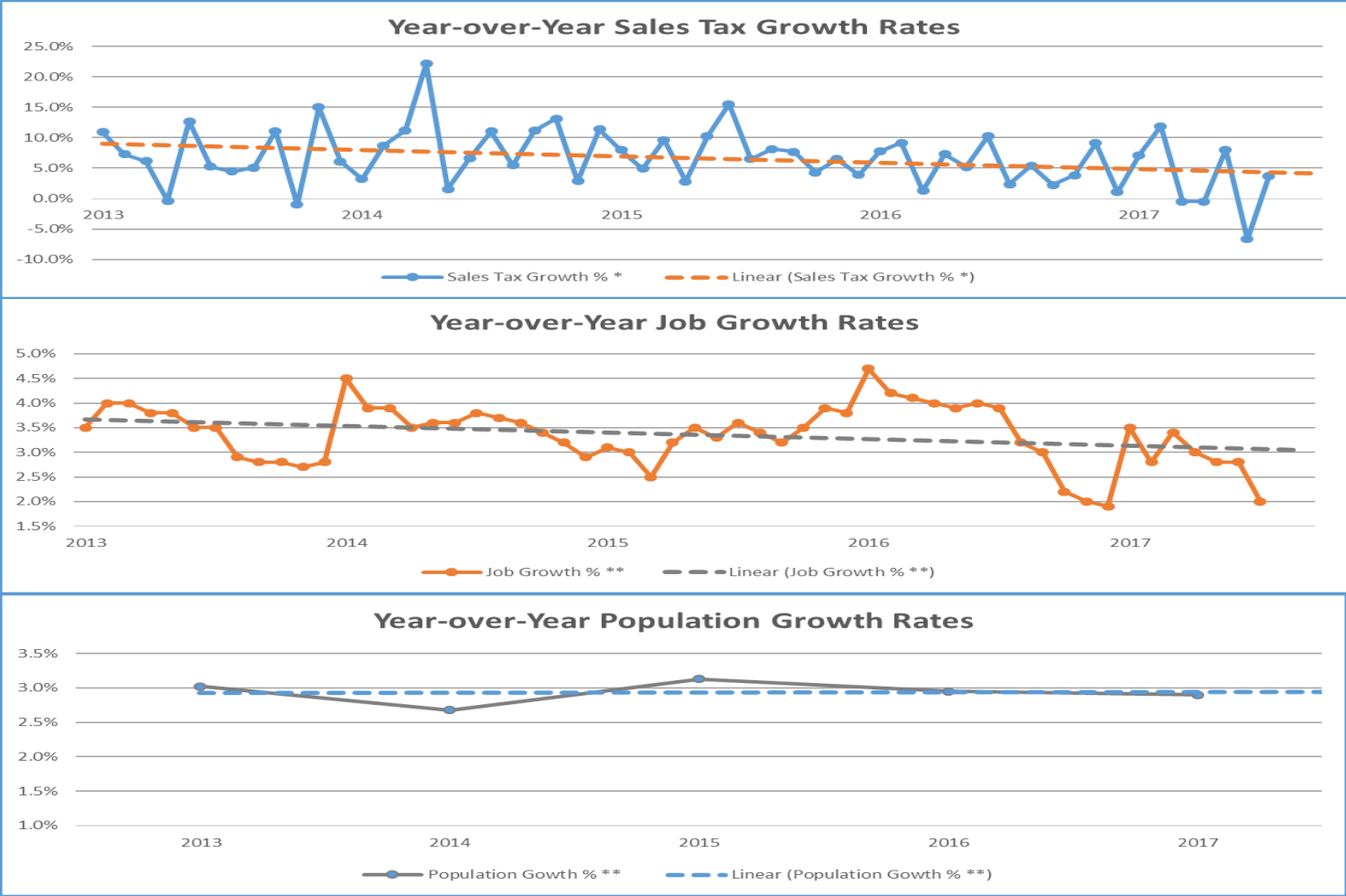
# Actual Sales Tax Receipts

\$'M



Total      \$210.4M    \$221.3M    \$190.1M

# Growth Rate Trends



\* Cap Metro    \*\* Austin Round Rock Metropolitan Statistical Area

# Operating Expenses

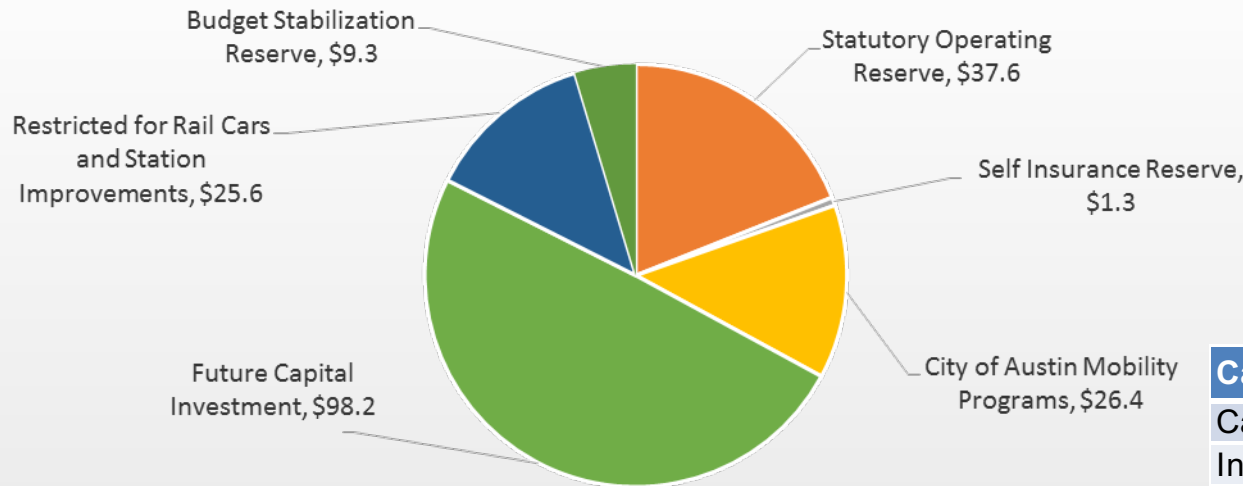
Through  
Jul 31, 2017

\$' Million Category	FY17 Jul YTD Actual	FY17 Full Year Budget	% of Budget	Comments
<i>Revenue Hours</i>	<i>1,480,932</i>	<i>1,947,446</i>	<i>76.0%</i>	
<i>Revenue Miles</i>	<i>20,441,092</i>	<i>26,083,768</i>	<i>78.4%</i>	
Salaries and Benefits	\$31.4	\$39.3	79.8%	Favorable variance of \$1 million due to vacancies not budgeted
Professional Services	13.5	21.6	62.3%	Multiple contracts with delayed spending
Materials and Supplies	0.6	1.7	37.1%	
Fuel and Fluids	9.4	20.4	45.9%	\$4M favorable due to lower than budgeted diesel cost; \$2.3M favorable usage variance to budget
Utilities	2.1	3.1	69.4%	
Insurance	0.5	0.9	51.7%	
Taxes	0.9	0.0	0.0%	
Purchased Transportation	120.4	154.0	78.2%	\$2.2M favorable for Rail DMU overhaul shift to FY18 and 2-person crew cancellation; \$800K favorable due to lower MetroExpress hours
Lease/Rentals	1.3	2.3	55.2%	
Other Expenses	2.0	4.9	41.3%	Delayed timing of advertising expense and \$800K contingency
<b>Total</b>	<b>\$182.0</b>	<b>\$248.2</b>	<b>73.3%</b>	
<i>Cost per Revenue Hour</i>	<i>\$ 122.89</i>	<i>\$ 127.45</i>		

# Cash, Investments and Reserves

Through  
Jul 31, 2017

Rounded in millions of dollars



Cash & Investments	
Cash and cash equivalents	\$71.7M
Investments	\$126.7M
<b>Total</b>	<b>\$198.4M</b>

**Note:**

- Additional funding was allocated to the statutory operating and budget stabilization reserves based on the Board approved funding formula. The statutory operating reserve equals two months of FY 2016 operating expenses. Contributions to the budget stabilization reserve began in February 2016 and \$7 million was reserved in FY 2016, with an additional contribution of \$3 million budgeted for FY 2017 in quarterly installments of \$750,000.
- Funds for future capital investment will be required to help address extensive 2017-2018 capital needs. The capital budget for 2017 is \$158 million, with \$69 million funded by FY 2017 Income and \$89 million from reserves. Due to project delays it is projected that \$58 million of the FY 2017 capital budget will carry forward to FY 2018. These capital improvements are needed to get caught up with the state of good repair of the community's transit infrastructure and to be in compliance with Federal regulations.

# Capital Projects Summary

Through  
Jul 31, 2017

<b>\$'000 Project Category</b>	<b>Expended</b>	<b>Outstanding Commitments</b>	<b>Budget</b>	<b>Expended &amp; Committed as % of Budget</b>	<b>Comments</b>
Commuter Rail	\$19,105	\$16,580	\$63,550	56.2%	Payment on 4 New Trains, Tiger Grant Project and Rail Replacement. Delayed projects: PTC & TIGER
Vehicles	39,697	419	57,055	70.3%	Bus Replacements, 6 Commuter Buses, 15 Rapid Buses and 19 Paratransit Vans
Information Technology	2,999	755	8,287	45.3%	Intelligent Transportation Systems Project. Delayed projects: Fare collection systems & Data center
Real Estate	36	11	344	13.5%	
Facilities	5,504	4,760	20,645	49.7%	Lakeline Parking, Downtown Station and Bus Stops Delayed projects: DT Station & Westgate P&R.
Freight Railroad	178	97	3,680	7.5%	
Property and Asset Mgmt	588	785	2,583	53.2%	
Contingency	-	-	1,500	0.0%	
Security	14	8	897	2.4%	
<b>Total</b>	<b>\$68,122</b>	<b>\$23,415</b>	<b>\$158,541</b>	<b>57.7%</b>	

*Outstanding commitments are for the purchase orders that have been issued.*



# Questions/Discussion