


CapMetro

FY2024 Budget Development Update

Board Committee Meetings 6/14/2023

FY2024 Budget Development Calendar

- Feb 7 Operating and Capital Budget kick-off meeting with departments
- Apr 14 Capital and Operating Budget requests received from departments
- May 10 Board Committees review proposed budget calendar
- Jun 7 Initial review with Access Advisory Committee
- Jun 14 Initial review with Customer Satisfaction Advisory Committee
-  Jun 14 Board Committees initial review and discussion
- Jun 23 Initial review with Public Safety Advisory Committee
- Jul 12 Budget proposal presented to Board Committees
- Jul 24 Budget proposal presented to Board of Directors

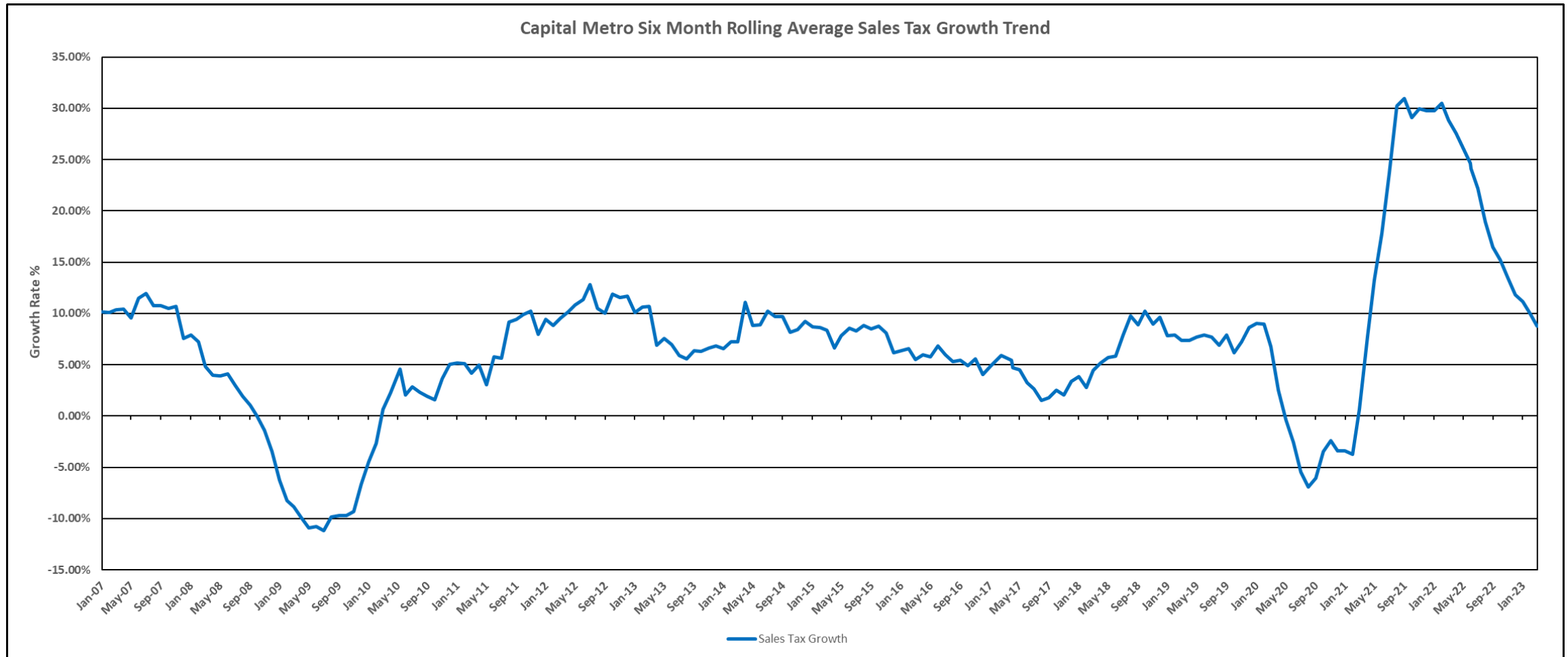
FY2024 Budget Community Engagement

- Aug 2 Presentation to Access Advisory Committee
- Aug 9 Presentation to Customer Satisfaction Advisory Committee
- Aug 14 Update Board Committees
- Aug 21-25 Budget public outreach and webinar
- Aug 25 Presentation to Public Safety Advisory Committee
- Aug 25 Proposed budget document is published online
- Sep 13 Update Board Committees
- Sep 13 Public hearing on proposed budget and capital improvement plan
- Sep 25 Board of Directors considers budget proposal for adoption

Discussion Outline

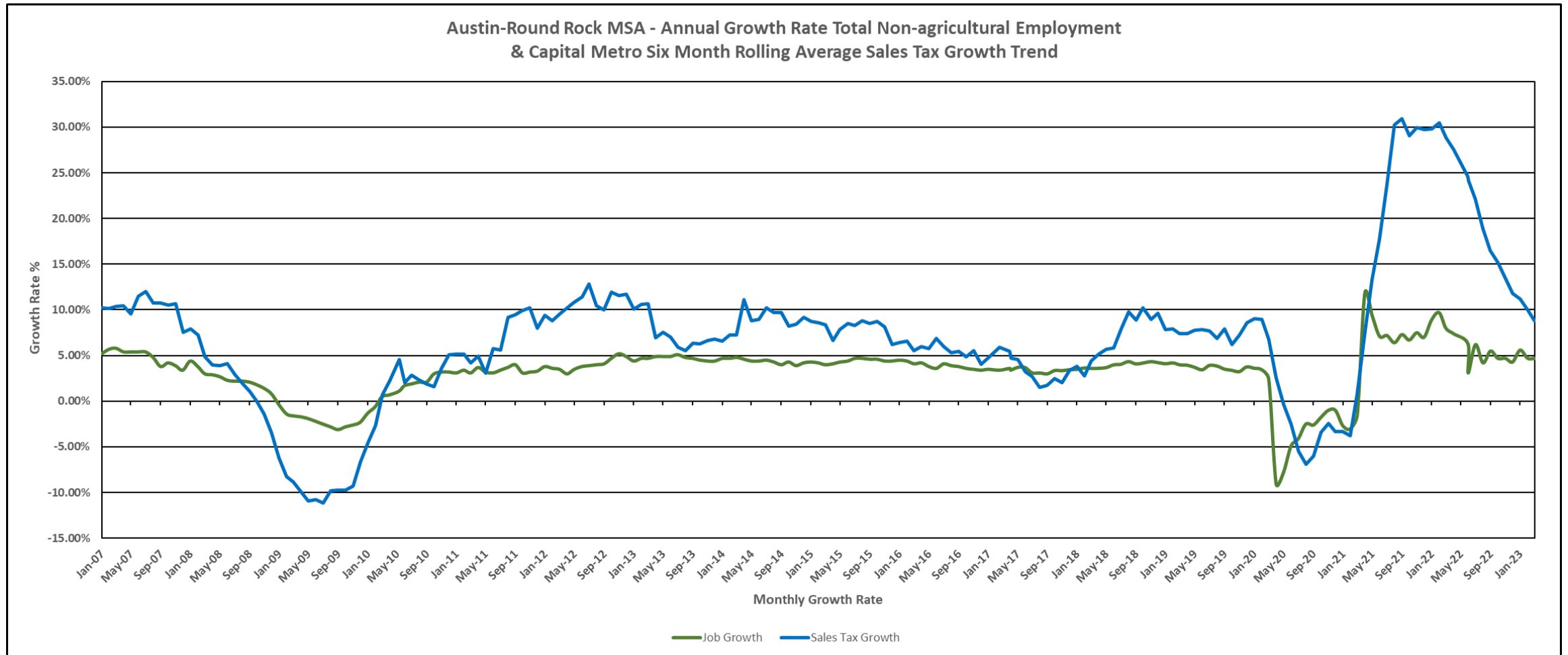
- Key FY2024 budget assumptions
- Major operating budget assumptions
 - Revenue and cost drivers
- Service priorities and funding
- Capital Improvement Plan update
- Long-Range Financial Model used to balance operating and capital budget requests against estimated available funds over 5-year period and long-term outlook

Sales Tax Growth



Projected sales tax growth for Fiscal Years 2023 and 2024 to be determined based on upcoming sales tax receipts. Year-to-date March 2023 sales taxes increased by 8.4% compared to the last fiscal period.

Job Growth



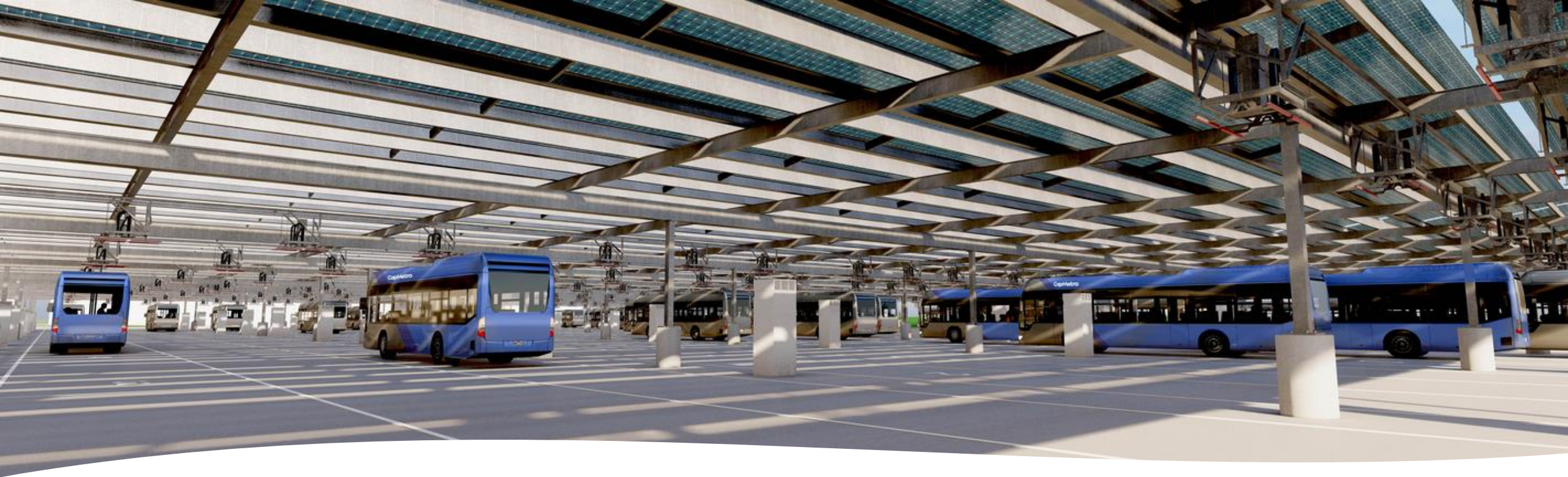
Austin-Round Rock MSA employment increased for the 24th consecutive month in March 2023.

Operating Revenue

- Fare Revenue
 - Fare revenue to be developed with updated ridership projections
- Federal Grants
 - Approximately \$44.2 million annually in Section 5307 funds
- Freight Railroad Revenue
 - Mainline revenue on target with the FY2023 Budget of \$5.5 million
 - Section 45G Railroad Track Maintenance Tax Credit of \$544 thousand

Operating Expenses

- Service levels based on August Service Plan changes
- Fuel prices remain stable over the next fiscal year with hedging in place
 - Diesel estimate of \$2.60 per gallon, net of hedging activities
- Average annualized pay increase for employees
 - Performance-based program that represents an average cost across the agency
- New position requests under review by Senior Executive Team
- Strategic plan initiatives considered in the budget preparation



Capital Budget Highlights

- Electric bus purchases and infrastructure construction
- Bus stop enhancements and improvements
- Bus operations and maintenance facility
- Demand response operations and maintenance facility
- MetroBike station expansion and replacements



Project Connect Highlights

- MetroRapid Lines – vehicles, stations and electric charging
- McKalla Station at Q2 Stadium
- Continued and new Pickup zones operations
- Master facility plan expansion
- Organizational development and operational readiness
- Continued interlocal agreements for capital projects, operations, maintenance and support services

CapMetro

Thank you!