


**CapMetro**

# **FY2026 Budget Development Update**

Board of Directors 6/23/2025

# 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

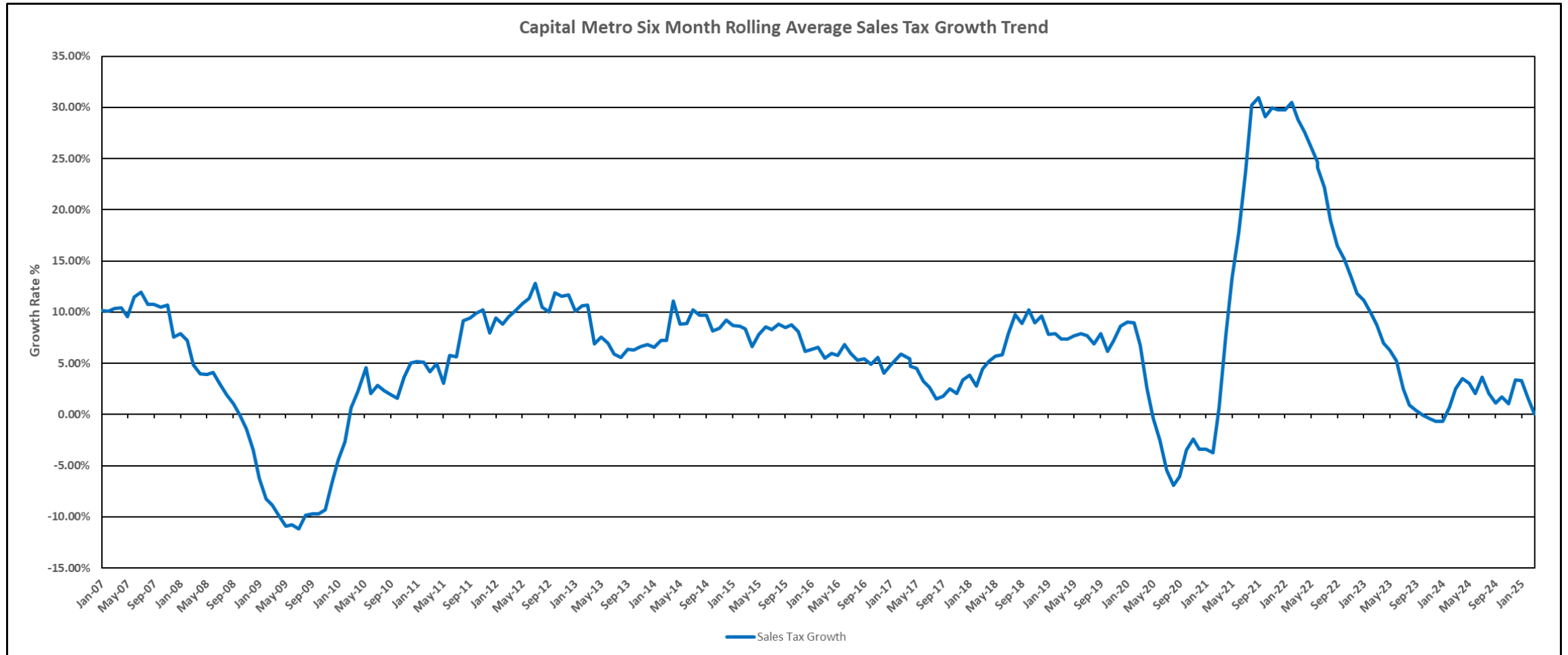
# FY2026 Budget Community Engagement

- Aug 6 Presentation to Access Advisory Committee
- Aug 13 Update Board Committees
- Aug 13 Presentation to Customer Satisfaction Advisory Committee
- Aug 22 Presentation to Public Safety Advisory Committee
- Aug 22 Proposed budget document is published online
- Aug 25-29 Budget public outreach and webinar
- 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

# Discussion Outline

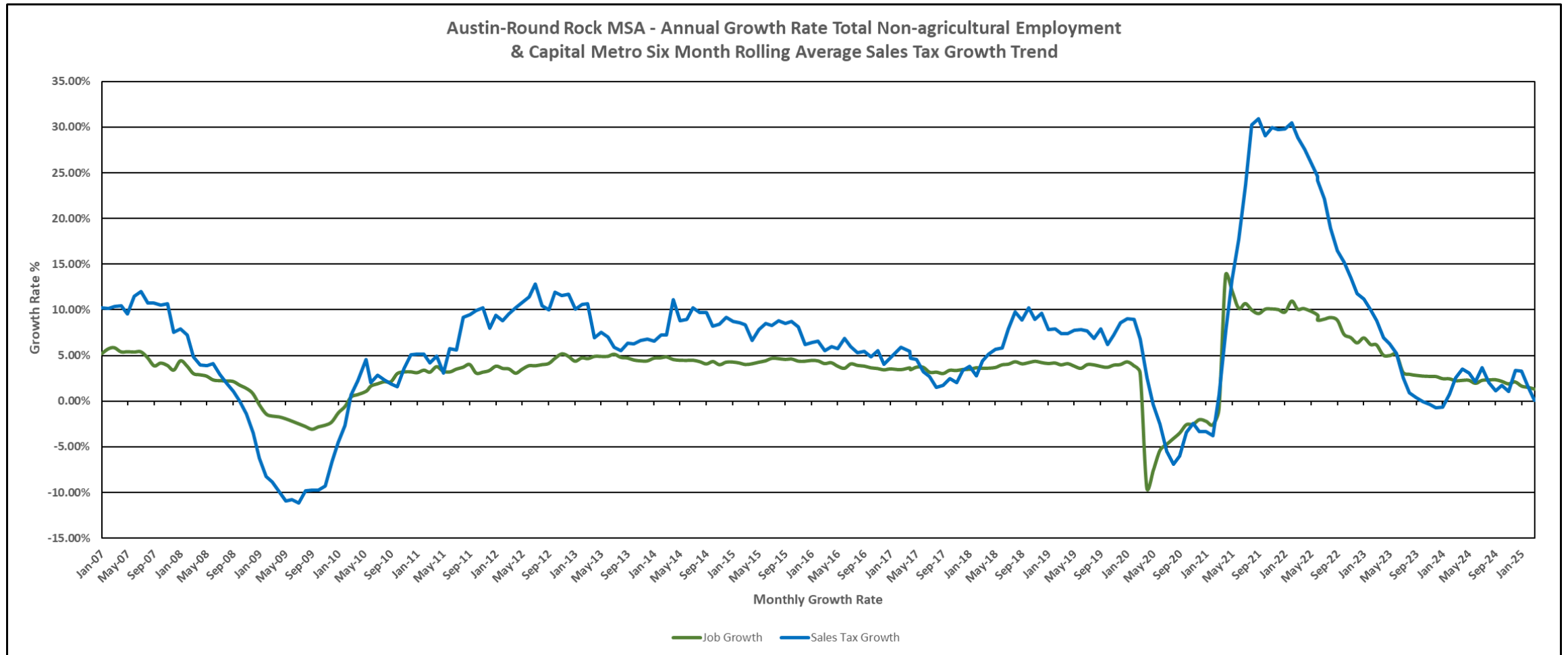
- Key FY2026 budget assumptions
- Major operating budget assumptions
  - Revenue and cost drivers
- Service priorities and funding
- Capital Improvement Plan update
- Long-Range Financial Model used to balance operating and capital budget requests against estimated available funds over 5-year period and long-term outlook

# Sales Tax Growth



Projected sales tax growth for Fiscal Years 2025 and 2026 to be determined based on upcoming sales tax receipts. Year-to-date March 2025 sales taxes decreased by 0.03% compared to the last fiscal period.

# Job Growth



Austin-Round Rock MSA employment has increased for 4 consecutive years through March 2025.

# Operating Revenue

- Fare Revenue
  - Fare revenue to be developed with updated ridership projections
- Federal Grants
  - Approximately \$48 million annually in Section 5307 funds
- Freight Railroad Revenue
  - Mainline revenue on target with the FY2025 Budget of \$5.4 million

# Operating Expenses

- Service levels based on August Service Plan changes
- Due to hedging program, fuel prices remain stable over the next fiscal year
  - Diesel estimate of \$2.30 per gallon, inclusive of tax and net of hedging activities
- Average annualized pay increase for employees
  - Performance-based program that represents an average cost across the agency
- Strategic plan initiatives considered in the budget preparation





## Capital Budget Highlights

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

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Thank you!