

Financial Report – Fiscal Year 2021

Year to Date June 30, 2021



Major Highlights

Revenue

- Sales tax remittances received YTD June 2021 are 9.7% higher than YTD June 2020 and 17.3% higher than YTD budget
- Capital contributions and grants are below budget due to timing of processing eligible paid expenses

Operating Expenses

- \$186.3 million expended to date, or 67% of full year budget
- Purchased transportation is below budget due to lower Bus and Rail hours compared to budget

Capital Projects

- FY2021 capital project budget of \$106.4 million
- \$37.1 million expended to date, or 34.8% of full year budget
 - Downtown Station, Positive Train Control, Electric Bus Yard Paving and Infrastructure, Project Connect Orange Line, Blue Line and PMOR, Paratransit Vehicle Replacements, Onboard Validators and Vehicle Camera Systems
- \$37.1 million outstanding commitments have been issued, or 34.9% of full year budget
 - MLS Rail Station, State of Good Repair for Bridges and Tracks, Positive Train Control and Customer Payment Systems

Revenue

\$' Million Category	FY20 June YTD Actual	FY21 June YTD Actual	FY21 Full Year Budget	% of Budget	Comments
Sales Tax	\$194.4	\$205.5	\$251.7	81.7%	May and June sales tax receipts accrued
Passenger Fares	11.9	8.7	15.0	58.1%	Ridership 31% below budgeted projections through June 2021
Freight Railroad Revenue	5.2	4.5	5.6	80.4%	Additional right of way license agreement contracts
Other Revenue	6.9	4.8	5.6	86.2%	Interest income and purchased transportation revenue slightly over budget
Operating Contributions and Grants	78.7	34.4	43.2	79.8%	
Capital Contributions and Grants	10.4	-	10.8	0.0%	Timing of processing eligible paid expenses
Total	\$307.6	\$258.0	\$331.8	77.7%	

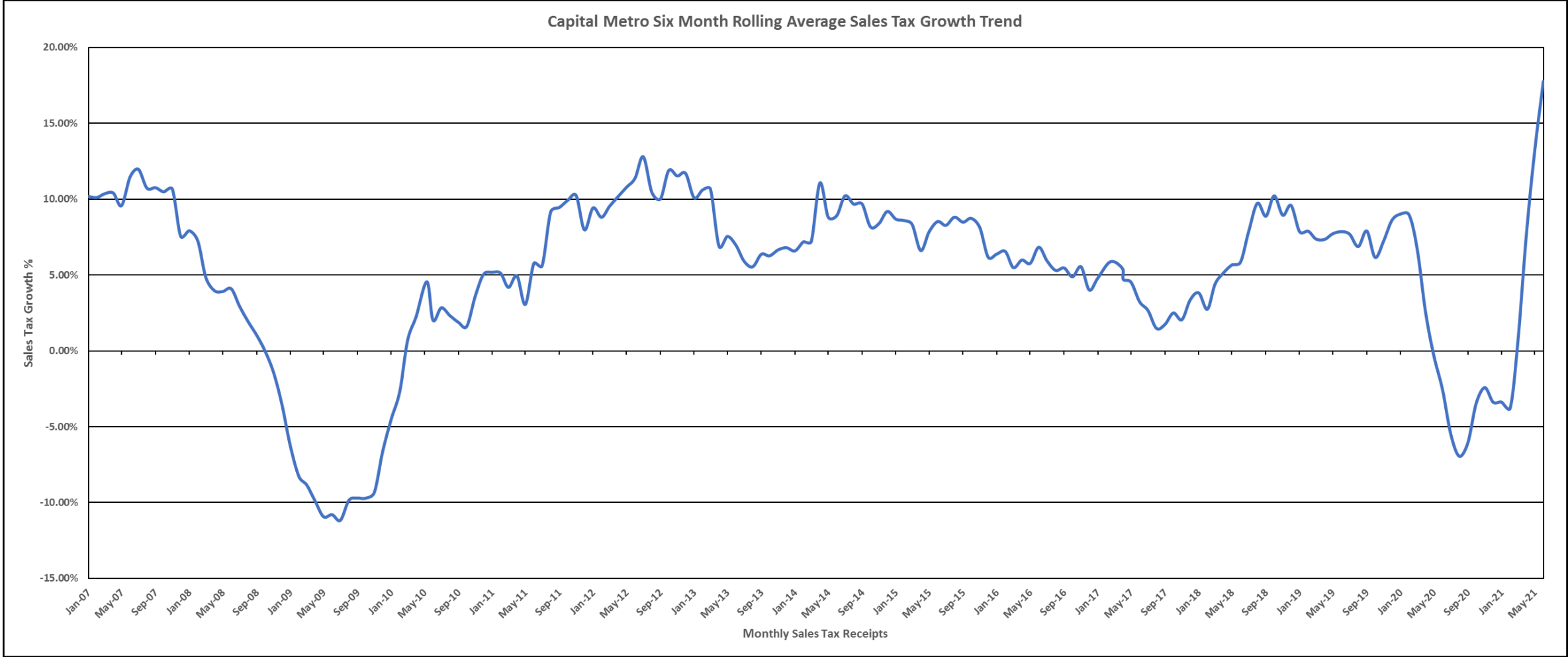
Actual Sales Tax Receipts



Total	\$261.8M	\$262.5M	\$217.0M
YOY % Growth	7.5%	0.3%	9.7%



Sales Tax Rolling Average Trend



Operating Expense

\$' Million Category	FY20 June YTD Actual	FY21 June YTD Actual	FY21 Full Year Budget	% of Budget	Comments
Salaries and Benefits	\$33.0	\$34.6	\$49.6	69.8%	Timing of administration pension expense
Professional Services	26.3	19.6	29.9	65.7%	Timing of consultation and software maintenance expense
Materials and Supplies	0.8	1.0	2.1	49.2%	Timing of Marketing and Operations Oversight supplies expense
Fuel and Fluids	9.5	8.1	12.2	66.0%	Volume variance savings through June 2021
Utilities	2.2	2.4	3.4	72.6%	
Insurance	0.3	0.4	0.9	41.6%	Timing of insurance premium payments
Purchased Transportation	122.8	116.2	168.7	68.9%	Lower Bus and Rail hours compared to budget
Lease/Rentals	2.0	2.4	3.3	72.7%	
Other Expenses	2.1	1.6	8.3	19.8%	Timing of dues, subscriptions, seminar and bank charge expense
Total	\$199.0	\$186.3	\$278.2	67.0%	

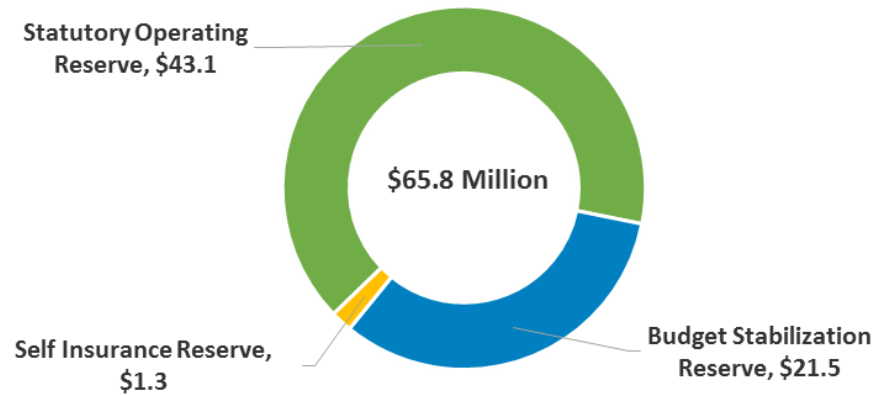
Budget Transfers

Consistent with Capital Metro's Financial Policies, there were six budget transfers that cumulatively exceeded \$150,000 to report to the board for the 3rd quarter of FY2021.

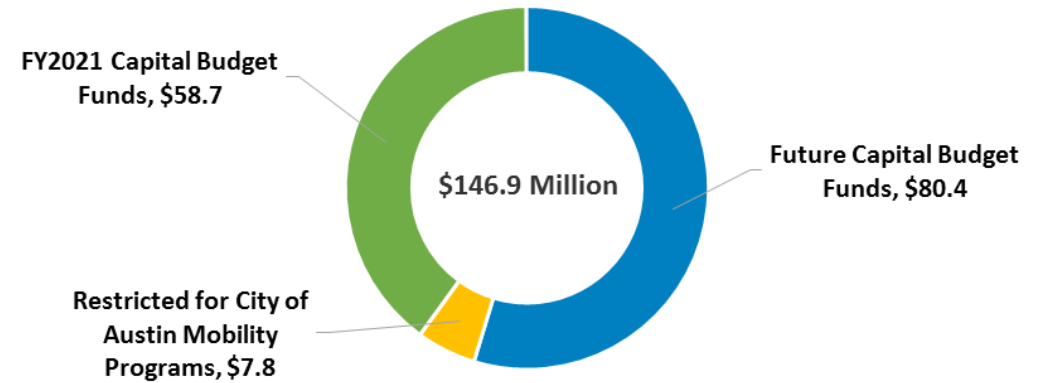
April-21				
Transfer #1				
From:	510-5090702-220	Contingency Reserve	(1,245,000)	Transferring funds from operating contingency for a comprehensive workforce planning analysis.
To:	510-5030303-340	Consultation Fees	1,245,000	
April-21				
Transfer #2				
From:	ITS2015	EPPM Required Optimization	(290,000)	Reallocating funds between Information Technology capital projects.
To:	ITS1502	Mobile Applications	(100,000)	
	ITS2013	APC Real Time	(65,000)	
	FIN2103	Capital Project Multiyear Rollover and Misc	(57,500)	
	ITS2107	Timepoint TV Implementation	35,000	
	ITS2106	Digital Asset Management	97,500	
	ITS2001	Onboard Digital Displays	380,000	
April-21				
Transfer #3				
From:	FIN2101	Capital Project Contingency	(951,000)	Transferring funds from capital contingency for replacement of camera systems on buses and paratransit vans.
To:	BPS1602	Vehicle Camera Systems	951,000	
May-21				
Transfer #4				
From:	510-5030309-220	Contingency Reserve	(264,017)	Transferring funds from operating contingency and ATP for the facility master plan for both entities.
To:	510-5030309-999	Other Professional Fees (ATP)	(264,017)	
	510-5030309-540	Other Professional Fees	528,034	
May-21				
Transfer #5				
From:	510-5030303-119	Consultation Fees	(250,000)	Reversing entry to move funds back to operating contingency for a DBE and SBE Disparity Study that partially rolled to FY2022.
To:	510-5090702-220	Contingency Reserve	250,000	
May-21				
Transfer #6				
From:	FIN2101	Capital Project Contingency	(425,000)	Transferring funds from capital contingency to support Information Technology capital projects.
To:	ITS2018	Transit Planning Streets Module	38,000	
	ITS2013	APC Real Time	166,000	
	ITS1601	ePaper DMS for BRT & Rail Plus IDIQ	221,000	

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 FY2020 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 capital expansion fund was established in FY2018 with \$9.6 million, \$30.4 million in FY2019 and \$10 million in both FY2020 and FY2021 as Capital Metro looks forward to future needs in the region. The \$60 million capital expansion fund balance was transferred to the Austin Transit Partnership in June 2021 for implementation of the Project Connect System Plan.
- Funds for capital investment are required to help address extensive capital needs. The capital budget for FY2021 is \$106.4 million, with \$47.7 million funded by FY2021 income and \$58.7 million from reserves. 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 City of Austin Mobility Fund was reduced by \$6 million in FY2019 to assist with Project Connect preliminary engineering and environmental analysis and by \$2.8 million from City projects in FY2020.

Statement of Revenue, Expenses and Change in Net Position

\$' Million	FY20 June YTD Actual	FY21 June YTD Actual	FY21 Full Year Budget	% of Budget
<i>Operating Revenue</i>				
Passenger Fares	\$11.9	\$8.7	\$15.0	58.1%
Freight Railroad Revenue	5.2	4.5	5.6	80.4%
Other Revenue	4.0	4.0	4.6	87.0%
Total	21.1	17.2	25.2	68.3%
<i>Operating Expenses</i>				
Salaries and Benefits	33.0	34.6	49.6	69.8%
Professional Services	26.3	19.6	29.9	65.7%
Fuel and Fluids	9.5	8.1	12.2	66.0%
Utilities	2.2	2.4	3.4	72.6%
Purchased Transportation	122.8	116.2	168.7	68.9%
Other Expenses	3.2	3.0	11.2	26.9%
Lease/Rental	2.0	2.4	3.3	72.7%
Depreciation & Amortization	32.3	30.3	51.0	59.5%
Total	231.3	216.6	329.2	65.8%
<i>Operating Income/Loss</i>	<i>(210.1)</i>	<i>(199.4)</i>	<i>(304.0)</i>	<i>65.6%</i>
<i>Non-Operating Revenue/(Expenses)</i>				
Sales Tax	194.4	205.5	251.7	81.7%
Investment Income	3.0	.9	1.0	91.5%
Operating Contributions and Grants	78.7	34.4	43.2	79.8%
Capital Contributions and Grants	10.4	-	10.8	0.0%
Mobility Interlocal Agreements	(3.3)	(68.7)	(6.0)	1153.2%
Other	(.1)	(.1)	(.0)	0.0%
<i>Non-Operating Income/(Loss)</i>	<i>283.2</i>	<i>172.1</i>	<i>300.7</i>	<i>57.2%</i>
Change in Net Position	\$73.0	\$(27.3)	\$(3.3)	825.4%

Budget Variances by Department

\$'000 Department	FY20 YTD Actual	FY21 YTD Actual	FY21 YTD Revised Budget	YTD % of Revised Budget	YTD Budget vs. Actual	FY21 Budget Full Year	Comments
100 - Non-Allocated Benefits	\$8,663	\$9,102	\$11,278	80.7%	\$2,176	\$15,030	Timing of admin pension expense
102 - Wellness Center	189	188	209	90.0%	21	279	
103 - Child Care Center	729	754	775	97.3%	21	1,038	
105 - Business Center	243	245	271	90.5%	26	361	
110 - Executive Staff	495	533	589	90.4%	56	734	Timing of seminars, dues and subscriptions and small travel savings due to pandemic
118 - Government Relations	431	470	493	95.4%	22	641	
119 - Diversity and Compliance	150	403	585	68.9%	182	649	Timing of consultation fees for Title VI policy update
120 - Board Of Directors	108	109	147	74.5%	37	197	Savings for board member conferences and travel due to the pandemic
125 - Internal Audit	277	389	426	91.5%	36	521	Savings on the Quadrennial Performance Audit
130 - Performance Management and Imagination	582	466	496	93.9%	30	774	
141 - Public Safety and Emergency Management	3,270	3,307	4,443	74.4%	1,136	5,873	Labor savings for APD staffing shortages and timing/savings of other professional fees and security services
150 - Legal	663	685	798	85.9%	112	1,059	Timing of general legal services expense
220 - Finance	2,709	2,765	3,138	88.1%	373	5,399	Timing of consultation fees and Transit Empowerment Fund expense
230 - Information Technology	7,800	8,779	10,913	80.5%	2,133	13,399	Timing and project delay in services expense
250 - Procurement	1,182	1,220	1,397	87.3%	178	1,827	Temporary help savings
275 - Rideshare	2,585	1,009	2,800	36.0%	1,792	3,776	Purchased transportation savings due to fewer vanpools operating than budgeted
320 - Planning	1,897	1,848	2,762	66.9%	915	3,583	Savings from vacancies and O&D survey. Timing of consulting fees for MetroBike, rail operating model and quick response
330 - Marketing and Communications	2,398	2,223	3,179	69.9%	956	4,133	Timing of temporary help, branding, transit is safe, literature distribution and fare collection campaigns
331 - Community Engagement	700	549	1,113	49.3%	564	1,432	Timing of annual community survey, special events, MetroArt, Try Transit and Smart Trips
332 - Customer Care	765	742	826	89.8%	84	1,098	
340 - People and Culture	1,730	2,003	3,186	62.9%	1,183	3,770	Timing of consultation fees
420 - Risk Management And Safety	1,689	1,322	2,378	55.6%	1,055	2,815	Timing and lower than anticipated insurance premiums
457 - Public Facilities	3,306	3,820	4,194	91.1%	375	5,661	Timing of utilities, professional and maintenance services
530 - Capital Projects	1,425	1,268	1,505	84.2%	237	1,996	Vacancy savings and timing of services expense
540 - Real Estate And Property Mgt.	1,799	2,187	3,180	68.8%	994	3,855	Timing of services expense
542 - Freight Rail Management	1,138	1,139	1,584	72.0%	444	2,012	Savings from projects moved to FY22: road crossing analysis, timber bridge analysis and out of service repairs
544 - Commuter Rail Operations	13,644	13,016	16,484	79.0%	3,468	21,673	Purchased transportation and fuel savings from 31.4% fewer hours through May and savings from bridge analysis
550 - Real Estate and Facility Planning	1,899	2,030	2,259	89.9%	229	3,087	
600 - Operations and Maintenance Oversight	97,933	95,319	100,075	95.2%	4,756	132,717	Purchased transportation and fuel savings from 9% fewer hours than budget through April and supply expense savings
615 - Innovative Mobility	2,483	3,005	3,778	79.5%	773	5,042	Timing of MetroBikeShare and Pickup purchased transportation expense
620 - Demand Response Oversight	22,770	22,379	22,064	101.4%	(315)	29,756	Additional diesel expense to correct in July 2021
640 - Paratransit Reservation & Control	1,568	1,517	1,598	94.9%	81	2,119	
650 - Paratransit Eligibility	643	744	783	95.0%	39	1,028	
920 - Project Connect	11,121	771	836	92.2%	65	836	Project Connect moved to ATP budget in January 2021
Total	198,984	186,306	210,542	88.5%	24,234	278,170	

Capital Projects Summary

\$'000 Project Category	Expended	Outstanding Commitments	Budget	Expended & Committed as % of Budget	Comments
Commuter Rail	\$10,292	\$5,144	\$14,116	109.4%	Positive Train Control, Track Undercutting and State of Good Repair for Rail Grade Crossings
Vehicles	3,914	792	3,317	141.9%	20 Paratransit Vehicles and Vehicle Camera Systems
Information Technology	4,710	3,870	13,680	62.7%	Customer Payment Systems, Onboard Validators and Enterprise Asset Management System
Facilities	11,912	2,316	25,405	56.0%	Downtown Station, North Ops Paving and Infrastructure and Bus Stop Enhancements
Freight Railroad	11	27	4,045	0.9%	
Property and Asset Mgmt	251	-	722	34.8%	Vehicle Lifts for Thompson Lane Facility
Contingency	-	-	7,000	0.0%	
Project Connect	5,428	24,747	36,481	82.7%	Orange Line, Blue Line, PMOR, MetroRapid Lines and MLS Rail Station
Security	537	239	1,622	47.9%	Video System Integration Software
Total	\$37,055	\$37,136	\$106,388	69.7%	

Outstanding commitments are for purchase orders that have been issued.



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THANK YOU!