



**METRO**

Approved Budget  
Fiscal Year 2010

October 1, 2009 – September 30, 2010



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Comments regarding any of the information contained in this document may be addressed to:  
Executive Vice President, Finance and Administration  
Capital Metropolitan Transportation Authority  
2910 E. 5<sup>th</sup> Street  
Austin, TX 78702



## Transmittal Letter

To the Capital Metro Board and Members of the Capital Metro Service Area:

Attached is the Budget for the 2010 fiscal year. This carefully prepared budget allows Capital Metro to continue to offer high quality transit services despite the ongoing economic challenges here and abroad. While our region has not been hit as hard as other parts of the country, the Austin area still faces significantly higher unemployment than at this time last year.

While more than 70 percent of Capital Metro's revenue comes from local sales taxes, we faced a fiscal year 2009 revenue shortfall of approximately \$22 million. We have worked diligently to maintain our sustainability during this economic downturn by delaying capital projects and reducing travel and consulting services. Further, Capital Metro implemented a hiring freeze except for critical positions in October 2008.

It remains our priority to preserve service and jobs. In preparing this budget, Capital Metro focused on the three pillars of Route 2025, Capital Metro's strategic plan:

- Customer Driven Service Excellence
- Sustainable Business Growth
- Strategic Partnering

Our fiscal year 2010 budget maintains core service levels for our customers and provides for new passenger service on the MetroRail Red Line, new connector bus service to serve rail passengers, and improved service for passengers with disabilities. In the future, Capital Metro will continue to offer new and expanded services options.

This year Capital Metro will spend \$164.7 million on public transportation services and \$6.8 million in capital projects for the Central Texas Region. In addition to starting Capital Metro's initial passenger rail line, we will continue implementation of the intelligent transportation system on all buses in order to provide real-time information about specific buses to riders; add improvements to bus stops throughout our service area to ensure passenger access and comfort; continue work on two new MetroRapid bus lines; and develop a bike and pedestrian trail along the Red Line and in conjunction with the fast moving Transit Oriented Development near the Crestview station.

Capital Metro continues to strengthen strategic partnerships with the University of Texas by providing student shuttle services and with the City of Austin by continuing the discounted bus pass program. A new partnership with Austin Community College allows students to obtain semester passes.

### Quality Service

Capital Metro values quality service. Our efforts have been paying off as overall customer satisfaction is rated in excess of 90%. Our efforts continue in fiscal year 2010 to complete our ServicePlan 2020, a comprehensive operations analysis of every aspect of the system, seeking to better align services based on customer needs and demands, as well as, to ensure the funds entrusted to Capital Metro are used in the most cost effective manner possible.



## All Systems Go!

Capital Metro and the Austin community have come a long way working together over the past several years to implement the *All Systems Go!* Long range transit plan to cut through traffic congestion and meet the needs of our rapidly-growing region. Capital Metro launched the plan in 2004, and thousands of citizens participated in shaping it. *All Systems Go!* includes plans for passenger rail service, expanded local and express bus service, new and improved Park & Ride facilities, and rapid bus service.

*All Systems Go!* is our roadmap to provide the transportation services that will meet the explosive population growth in our region and help ensure that our communities remain great places to live, work and play. This budget reflects an update of the *All Systems Go!* plan with ongoing community education, outreach and involvement in updating this effort.

The fiscal year 2010 budget includes an approved fare increase in January 2010. The base fare will increase from \$.75 to \$1.00 with similar increases in multi-ride passes.

I look forward to working with our board, staff and our entire community in the year ahead.

Sincerely,

Doug Allen  
Interim President/CEO



## Organization of the Budget Document

This document is the annual budget for Capital Metropolitan Transportation Authority (Capital Metro) proposed for the period October 1, 2009 – September 30, 2010. A budget is a formal plan of action, expressed in monetary terms, for a specified period of time. This document details Capital Metro’s plan for fiscal year (FY) 2010.

### Major sections of the budget document

Capital Metro’s document is divided into five sections; Introduction, Financial policies, Financial & Budget Summary, Department Operating Budgets, and Appendix. Each section contains information related to the budget process or the approved budget. An index is included for ease of reference.

Introduction.....	5
This section provides an overview of Capital Metro’s mission, history, infrastructure, service area, descriptions of each type of service and long range strategic goals. A listing of positions by department and a company organizational chart is also included. The business planning and budgeting processes as well as various assumptions used in developing the budget are discussed in this section	
Financial Policies.....	21
Grouped in this section are various policies that assist with guiding the decision of Capital Metro. This section delineates handling of capital assets and investments, as well as discussing fare structure, designated and restricted reserves and debt.	
Financial & Budget Summary.....	27
This section of the budget document includes a summary of the annual budget, financial highlights, and detailed information including service levels for each type of service Capital Metro provides. This section also includes financial statements and explains factors affecting revenues and expenses and capital budget.	
Department Operating Budgets.....	45
The operating budget is presented as a whole and by individual departmental overviews. Each departmental section contains a definition of that department’s functions and responsibilities as well as a chart of anticipated expenses.	
Appendix.....	125
This section includes the glossary, FY08 Distinguished Budget Presentation Award, and the Board of Directors resolution approving the FY09 Budget	
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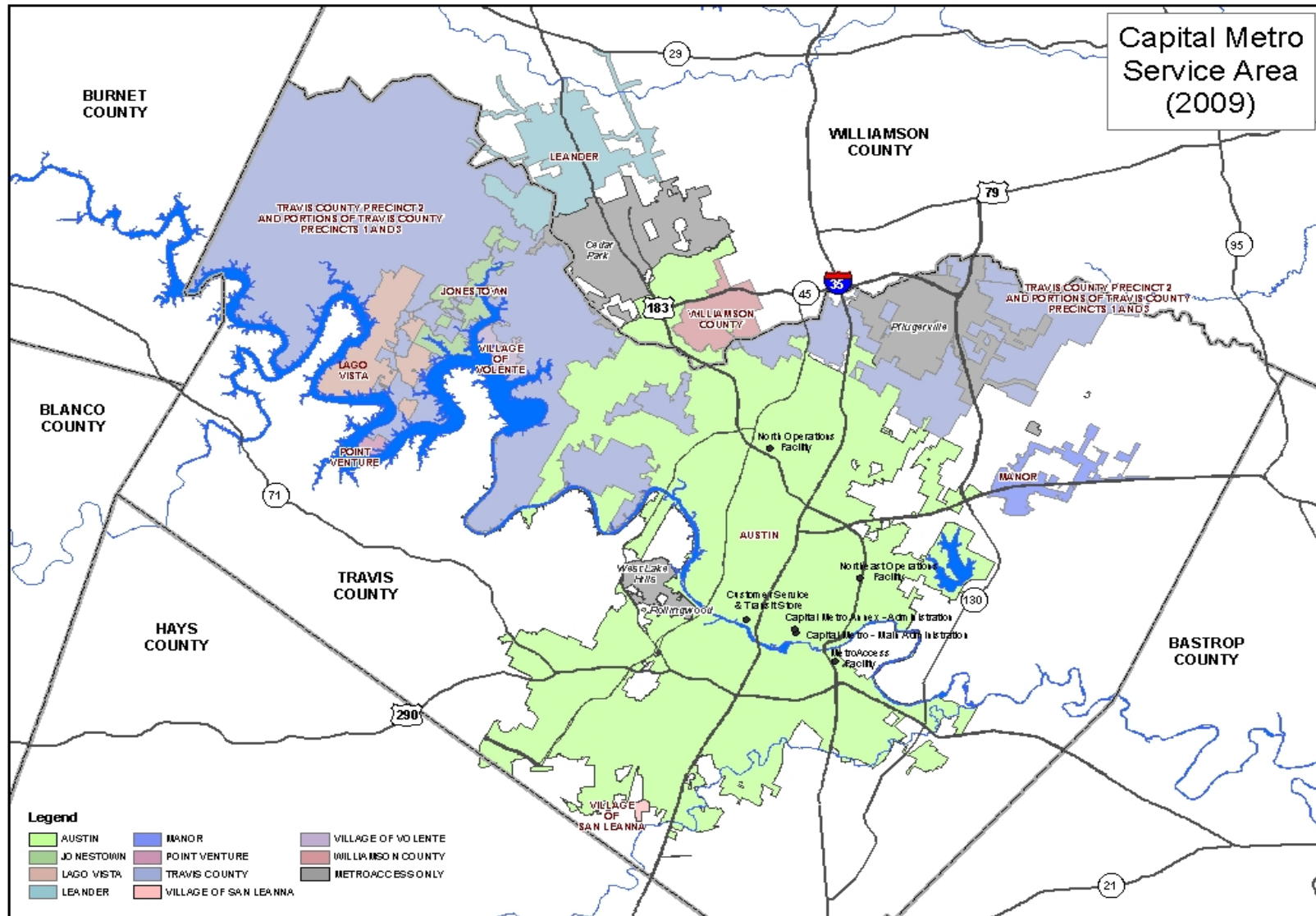


## **History**

Capital Metropolitan Transportation Authority is a corporate body and political subdivision of the State of Texas, created in 1985 in accordance with Chapter 451 of the Texas Transportation Code. Capital Metro was established by a referendum on January 19, 1985 to provide mass transportation service to the greater Austin metropolitan area. Voters in Austin and the surrounding area approved the creation of Capital Metro, to be funded in part by a one percent (1%) sales tax. Capital Metro commenced operations on July 1, 1985.

## **Service Area Member Cities and Communities**

Nine areas initially voted to participate in the Authority, including the Cities of Austin, West Lake Hills, Rollingwood, San Leanna, Cedar Park, Leander, Lago Vista, Pflugerville, and the Anderson Mill area of Williamson County. Since that time, Precinct Two of Travis County and the suburban cities of Jonestown and Manor have voted to join the service area. Residents of West Lake Hills, Rollingwood, Cedar Park, and Pflugerville voted to withdraw from the Capital Metro service area. During FY 2004, service area member jurisdictions Volente and Point Venture went from being unincorporated to incorporated. Service area communities participate in the one percent (1%) sales tax for funding support and participation with Capital Metro. The Capital Metro service area extends over 560 square miles including nearly one million residents. The following map illustrates areas included in Capital Metro's service area.





### **Community Information & Capital Metro Involvement**

Austin, the state's capital and largest city in the Capital Metro service area, is the fourth largest city in Texas with a year 2000 population of 656,562, a 41% growth over the 1990 census. Austin is frequently recognized as a great place to live and work. Top employers in the area include state and local governments, colleges, public schools, semiconductor and computer manufacturers, and computer and software wholesalers. Strengths of the city include a highly capable workforce, innovation and entrepreneurship, clusters in knowledge industries, the presence of a world-class research university and several other institutions of higher learning, a rich creative musical and artistic community, strong community assets and a superior quality of life.

Capital Metro prioritizes strong community involvement. Capital Metro has developed a program that seeks input from all levels of the community through designated regional representatives, who serve as the direct connection between the community and Capital Metro. Capital Metro also relies upon two Board-appointed committees to provide recommendations and feedback on planning, operations and services from the regular passengers, the Customer Satisfaction Advisory Committee (CSAC) and the Access Advisory Committee (AAC).

Capital Metro, the City of Austin, and 10 suburban communities within the Capital Metro service area are participants in the Build Central Texas program. Initiated in 1994 as "Build Greater Austin" by Capital Metro, the program is dedicated to investing in infrastructure that supports transportation, such as funding street rehabilitation and reconstruction, transit corridor improvements, sidewalks, curb ramps and hike-and-bike trails. Capital Metro's FY 2009 annual contribution to the program is approximately \$1.1 million.

Capital Metro has been a generous partner for many non-profit groups serving the Austin community. For example, for the last five years, Capital Metro has helped recognize National Domestic Violence Awareness Month with free ad space on its buses. Bilingual signs on buses boosted awareness of SafePlace, a local domestic violence and sexual assault survival center. In 1991, Capital Metro implemented a Discount Pass Program for social service agencies. Capital Metro also has free fares for seniors and for the mobility impaired through its Disability Fare Card Program on fixed route services.

Capital Metro also partners with the Austin Police and Fire departments by sending buses to be used by emergency personnel as temporary shelters during floods, fires and other emergencies. Also, when temperatures fall below 32 degrees, Capital Metro sends "cold weather buses" as a haven for the homeless, transporting them to local emergency shelters for the night in cooperation with the City of Austin's Office of Emergency Management.

### **Benefits of Mass Transit**

Central Texas continues to be one of the fastest growing regions in the United States. Data from the 2000 Census shows Central Texas as the thirty-eighth largest metropolitan area in the country, with a population of 1.16 million. By the year 2030, the Capital Area Metropolitan Planning Organization (CAMPO) estimates that the population will reach 2.75 million residents. Employment will also continue to grow with estimated jobs in excess of 1.1 million by 2025. A recent survey revealed that Austin area residents view mobility problems as the most significant negative consequence of the area's rapid growth. Over 70% of the respondents said that congestion and traffic are the most serious problems resulting from this rapid growth.

In the past year, the price of fuel has continued to increase; consequently, Central Texas commuters have continued to re-evaluate their view and use of mass transit. As a result, ridership is budgeted to increase almost 4% versus 2008 forecast, to approximately 36.1 million passenger trips.

Information from the Texas Commission on Environmental Quality indicates that the largest source of pollution in the Austin area is on-road vehicles. Capital Metro's role in providing viable transportation alternatives to the single occupancy vehicle is fundamental to helping reduce congestion, air pollution and improve mobility. Capital Metro is working closely with CAMPO to support a regional transportation plan and programs that have a positive impact on the environment, air quality and area communities.



#### Less Air Pollution

Public transportation moves people efficiently while producing significantly less air pollution to move a single passenger one mile (passenger mile) compared to moving a person one mile in a single occupant automobile, which represents the typical commuting situation. The following depicts this comparison per passenger mile:

- Buses emit only 20% as much carbon monoxide as a single occupant automobile
- Buses emit only 10% as much hydrocarbon as a single occupant automobile
- Buses emit only 75% as much nitrogen oxide as a single occupant automobile

Capital Metro complies with Federal and State regulations for use of Ultra-Low Sulfur Diesel (ULSD). Ultra-Low Sulfur Diesel is a diesel fuel requirement regulated by the EPA that on-highway vehicles use a diesel fuel that contains no more than 15 parts per million of sulfur.

#### Traffic Congestion

One full 40-foot bus is equivalent to a line of 58 moving automobiles stretching:

- 6 city blocks - more than half a mile if traffic is moving at 25 mph
- 4.5 city blocks - just under half a mile if traffic is moving at 15 mph

**Governance**

Capital Metro is governed by an eight-member Board of Directors (Board) which has governance responsibilities over all activities related to Capital Metro. From August 1997 until September 2009, the Capital Metro Board of Directors had seven members; two Austin city council members, one Travis County commissioner, one mayor representative from the suburban cities of Travis County, one mayoral representative from the suburban cities of Williamson County, two appointments from the Capital Area Metropolitan Planning Organization (CAMPO). The 2009 Texas Legislature changed the composition of the Capital Metro Board of Directors with appointments as follows:

- Expands the board to 8 members with appointments as follows:
  - 3** members appointed by CAMPO, of whom
    - 1 must be an elected official
    - 1 must have at least 10 years of experience as a financial or accounting professional
    - 1 must have at least 10 years of experience in an executive-level position
  - 2** members appointed by the City of Austin, of whom
    - 1 must be an elected official
  - 1** member appointed by Travis County
  - 1** member appointed by Williamson County
  - 1** member, who must be an elected official, appointed by all small city mayors (excludes City of Austin)
- Allows CAMPO to appoint two additional members once the population of the City of Austin is less than 65% of the total service area population (Austin comprises approx. 85% today)
- Requires two of the three CAMPO reps to be qualified voters residing in Austin
- Requires the two county reps to work in the service area but within the county that appointed them, or be qualified voters within the county that appointed them
- Requires all new appointments to be made no later than December 31, 2009
- Specifies that future terms are three years long, staggered, and begin on June 1. The eight members will draw lots to see which two members' terms end on June 1, 2011; which three end on June 1, 2012; and which three end on June 1, 2013.

<u>BOARD MEMBER</u>	<u>APPOINTING BODY</u>
Norm Chafetz	Williamson County
John Cowman	small city elected official
Frank Fernandez	Capital Area Metropolitan Planning Organization
John Langmore	Capital Area Metropolitan Planning Organization
Mike Martinez	Capital Area Metropolitan Planning Organization
Chris Riley	Austin City Council
Beverly Silas	Travis County
Ann Stafford	City of Austin



## Management

Capital Metro's executive leadership team provides diverse experience and skills in order to lead the organization in to the future.

<b>Executive Leadership Team</b>	<b>Name</b>
Interim President/Chief Executive Officer	Doug Allen
Vice President, Chief of Staff	Andrea Lofye
Interim Chief Counsel	Kerri Butcher
Executive Vice President, Finance and Administration	Randall Hume
Executive Vice President, Strategic Mgmt and Interim Chief Operating Officer	Elaine Timbes
Vice President, Strategic Planning & Development	Todd Hemingson
Vice President, Internal Audit	Caroline Beyer, CPA, CISA
Vice President, Business & Community Development	Dianne Mendoza, PhD
StarTran General Manager	Terry Garcia Crews
Vice President, Engineering & Construction	John Almond, P.E.



### **System Facility Characteristics**

Since Capital Metro's inception in 1985, the focus of the capital improvement program has primarily been on the replacement of buses and garage facilities. In 1986, the current Capital Metro headquarters was completed, which includes 140,000 square feet in garage facilities and also houses administrative staff in the main building.

### **Capital Metro Facilities**

Capital Metro Headquarters  
2910 East Fifth Street  
Austin, Texas  
Administration: 30,000 square feet, 1989  
Maintenance: 140,000 square feet, 1989

Customer Service Center  
323 Congress Avenue  
Austin, Texas  
12171 square feet, 2003

Northeast Operations Facility  
5316 Ed Bluestein Boulevard  
Austin, Texas  
14,700 square feet, 2000

MetroAccess Services Facility  
59 Thompson Lane  
Austin, Texas  
19,738 square feet, 2000

Capital Metro Headquarters Annex / Daycare Facility  
624 Pleasant Valley  
Austin, Texas  
50,000 square feet, 2006

North Operations Facility  
9315 McNeil Road  
Austin, Texas  
137,377 square feet, 2008

### **Transportation and Transit Centers**

7<sup>th</sup> & Pleasant Valley Neighborhood Transit Center  
12<sup>th</sup> & Chicon Neighborhood Transit Center  
Austin Community College/Riverside Transit Center  
Highland Mall Neighborhood Transit Center  
North Lamar Transit Center  
Northcross Mall Transit Center  
Rogge/Manor Neighborhood Transit Center  
Rundberg/Lamar Neighborhood Transit Center  
South Congress Transit Center  
Woodward/Parker Neighborhood Transit Center



### **Park and Ride Facilities**

#### ***Austin***

Great Hills Baptist Church  
Harris Branch  
Howard Station  
Hyde Park United Methodist Church  
North Lamar Transit Center  
Northwest – Lakeline  
Oak Hill  
Pavilion  
South Congress Transit Center  
Tech Ridge  
The Triangle

#### ***Jonestown***

Park Drive/Crestview

#### ***Lago Vista***

Thunderbird Drive/Dawn Drive

#### ***Leander***

Leander

#### ***Manor***

Burnet/Townes  
San Marcos/Burton

### **Rail Stations**

Leander Station and Park & Ride  
Lakeline Station and Park & Ride  
Howard Station and Park & Ride  
Kramer Station  
Crestview Station  
Highland Station  
MLK Jr. Station  
Saltillo Station  
Downtown Station

### **System Service Characteristics**

#### Current Service Delivery

- ◆ Fixed Route Services, including express park and ride, and flyers
- ◆ The University of Texas shuttle
- ◆ Paratransit services
- ◆ Vanpool & carpool program
- ◆ Dial-a-ride

#### Fleet Description

- |                       |     |
|-----------------------|-----|
| ◆ Buses:              | 401 |
| ◆ Paratransit Vans:   | 65  |
| ◆ Paratransit sedans: | 53  |



### **Mission and Strategic Goals**

Capital Metro's strategic management team developed the following mission and strategic goals:

#### Strategic Vision

Double ridership by 2025

#### Strategic Goals

- ◆ Customer Driven Service Excellence  
Result: Increased Market Share and exceed expectations of new and existing customers
- ◆ Sustainable Business Growth  
Result: Efficient use of resources that create a financially sustainable future to improve quality of life for Central Texas
- ◆ Strategic Partnering  
Result: Mutually beneficial relationships that result in seamless, cost-effective operations and transit supportive region

The FY 2010 budget includes the following *All Systems Go!* programs to support the strategic vision:

- ◆ Beginning of MetroRail red line service, the region's first passenger rail, from Downtown Austin to Leander. (See map on page 14)
- ◆ Initialization of connector services from new rail stations to key destinations
- ◆ Design of MetroRapid bus service along two corridors, North Lamar/South Congress and Burnet/South Lamar
- ◆ Origin and Destination survey to analyze current trends transit use
- ◆ Completion of the Comprehensive Operations Analysis to evaluate and restructure fixed route and paratransit services.



## MetroRail Red Line Service Map



## **Business Planning & Budget Process**

### **Overview**

Chapter 451 of the Texas Transportation Code mandates that Capital Metro's Board of Directors adopt an annual operating budget of all major expenditures by type and amount. The budget must be adopted before the beginning of each fiscal year and before Capital Metro conducts any business in the new fiscal year. Capital Metro's fiscal year begins on October 1<sup>st</sup>.

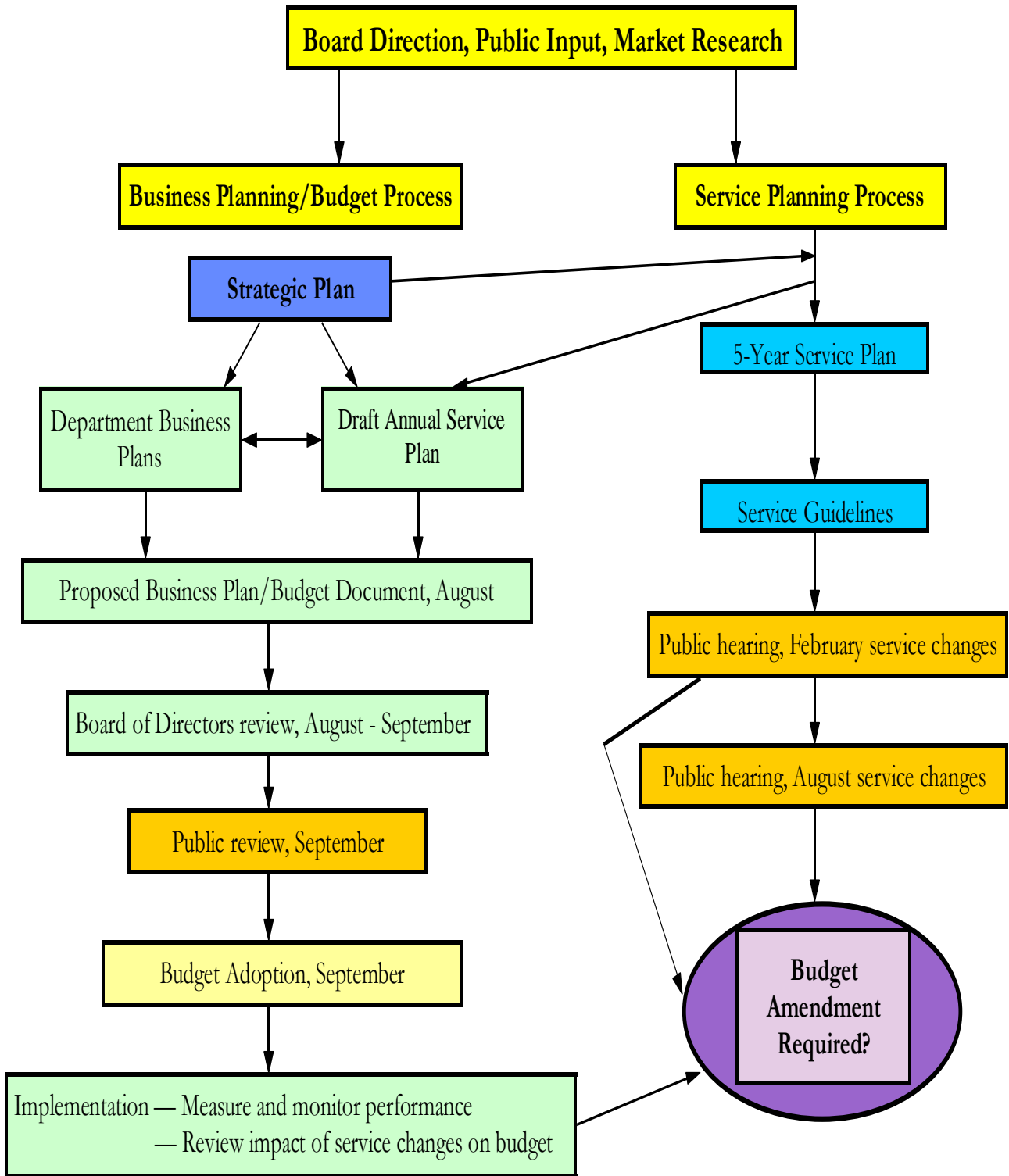
Capital Metro's governing legislation further provides that the Board of Directors shall hold a public hearing on the proposed operating budget prior to its adoption and shall, at least fourteen days before the date of the hearing, make the proposed budget available to the public. After adoption, the Board may subsequently amend the budget after public notice and hearing. The budget is amended if operating expenditures exceed the budgeted amount. The expenditure of reserve funds must have the advanced approval of the Board of Directors, but does not constitute a budget amendment in the opinion of Capital Metro's legal counsel.

### **Business and Service Planning Linked to Strategic Goals**

The annual strategic planning process begins when the Board of Directors and management meet to review and discuss Capital Metro's long-range vision and organizational mission and goals. For FY 2010, Capital Metro had the additional challenge of the economic downturn and its effect on the organization. The goal for the FY 2010 budget was to preserve as much service as possible in a serious economic downturn.

Capital Metro's management team incorporated the Board of Director's strategic guidance during the development of objectives for FY 2010. The Board of Directors and the management team worked together to set priorities for FY 2010 with the aim of focusing current resources in areas identified as most critical to Capital Metro's customers and communities in its service area.

Annual service levels are developed with a focus on the strategic objectives and goals. Each department develops a business plan and budget that supports the service levels and the objectives in the strategic plan. The process, including periodic service changes, is outlined in the flow chart on the following page.





Annual Calendar	Month
Board of Directors generally conducts a retreat to focus on direction for the coming year and long-range strategic goals.	January — February
Management team develops objectives and strategies to achieve organizational goals.	April — May
Cross-functional teams develop work plans to achieve objectives. Department managers develop business plans that support achievement of objectives.	May — June
Budget development begins.	May — June
Board of Directors reviews strategic and business planning results. Budget proposal is refined based on Board direction.	June
Board of Directors releases proposed budget for public review (14-day requirement).	Late August
Board of Directors holds public hearing on proposed budget.	Mid-September
Board of Directors adopts budget.	Late September
Approved budget document is issued.	October — December



## **Basis of Budget and Basis of Accounting**

Capital Metro has one fund and uses the enterprise fund system. Enterprise funds are used to account for operations (a) that are financed and operated in a similar manner to private business enterprises where the intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

As an enterprise fund, the budget is prepared on a full accrual basis of accounting. This means that expenses are recognized as they are incurred and revenues are recognized when they are earned. Accounting records and financial statements are developed and maintained in accordance with generally accepted accounting principles (GAAP).

To prepare the budget, Capital Metro uses a zero-based budgeting concept. Each year, every proposed expense must be justified to the Executive Vice President of Finance and Administration, the Executive Team and budget staff. Also, revenue projections are developed and projected based on service levels and estimates of subsidized funding. Expenses are then adjusted to balance to or to be less than projected revenues.

### **Budget Assumptions**

#### Service Area

It is assumed that the service area will sustain minimal changes as it has since 2000.

#### Fare Policy

The approved base fare increase to \$1.00 will go in to effect in January 2010.

#### MetroRail

The beginning of revenue service is projected for the MetroRail Red Line, the first passenger rail service in the Central Texas Region.

#### Sales Tax Rate

The sales tax rate is anticipated to remain at 1% as it has since 1995.

#### Service levels

It is assumed that there will be a change in total bus service hours and miles traveled. Further details are available on page 34.

#### Staffing Levels

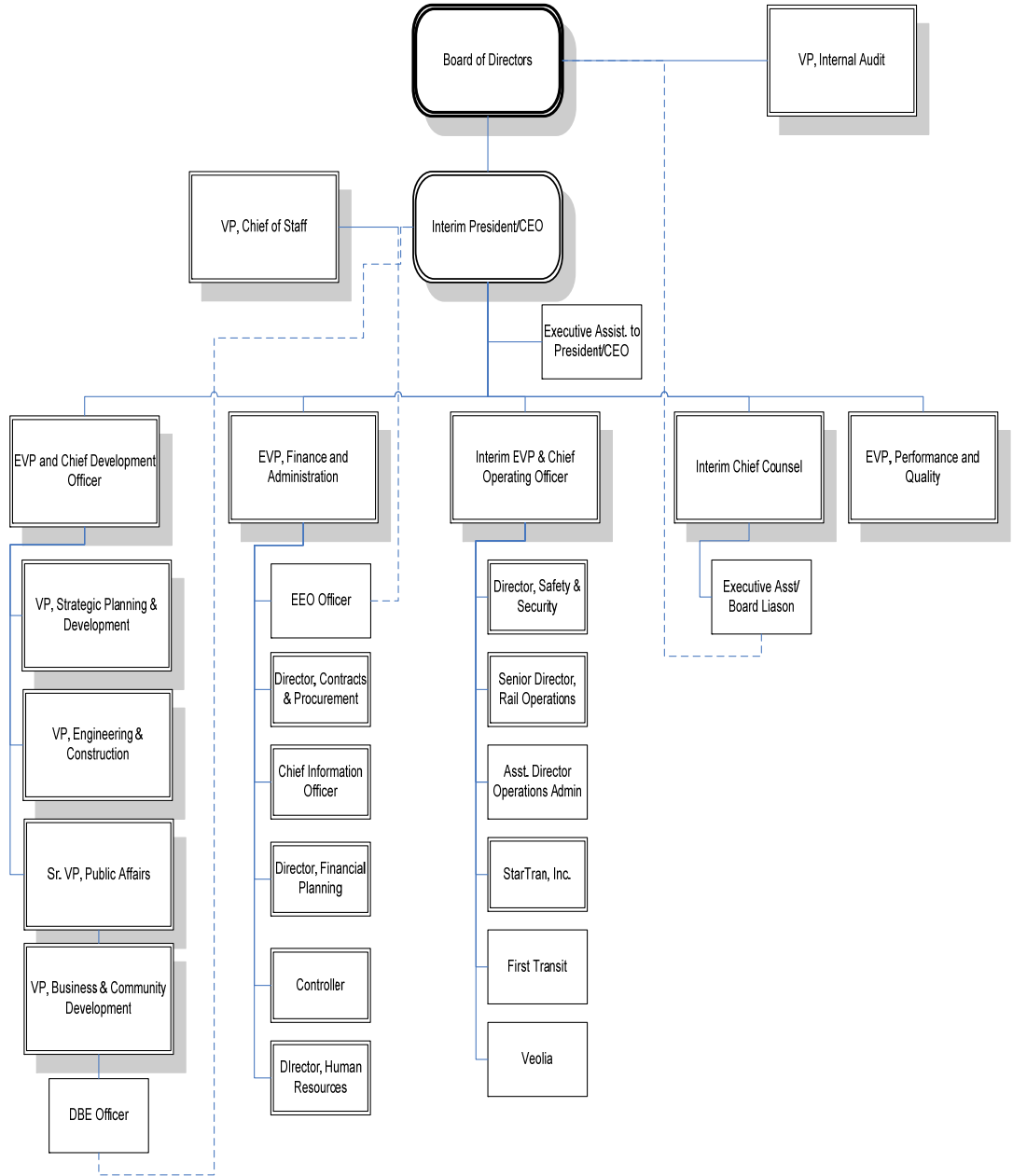
The Full time Equivalent Chart on the following page shows the staffing levels by department. Positions are continually evaluated to derive the highest level of operating efficiency. During the summer of 2009, in an effort to lower expenses, early retirement was offered to admin employees who met certain age and length of service requirements. Of these, 27 accepted the package.



**Full Time Equivalent Chart**

Department	FY 2009 Budget	FY 2009 Adds/Cuts	FY 2009 Transfers	FY 2010 Adds/Cuts	FY 2010 Filled	FY 2010 Vacancies	FY 2010 Total Budget
Wellness	0.0				0.0		0.0
Child Care Center	0.0				0.0		0.0
Business Center	0.0				0.0		0.0
President/CEO	5.0				5.0		5.0
Communications	3.0				3.0		3.0
Internal Audit	3.5	-0.5			3.0		3.0
Chief Operating Officer (COO)	3.0		1.0	-1.0	3.0		3.0
Strategic Management	3.0			-1.0	2.0		2.0
Safety & Security	7.0			-1.0	6.0		6.0
Security - APD Officers	12.4	3.6			16.0		16.0
Legal - w/Board Support	6.0				6.0		6.0
Finance	21.0		1.0	-2.0	20.0		20.0
Information Technology (IT)	23.0			-2.0	21.0		21.0
Procurement	15.0			-2.0	13.0		13.0
Contracted Services	1.0				1.0		1.0
RideShare	3.0			-1.0	2.0		2.0
Planning	23.5		-0.5	-3.0	20.0		20.0
Marketing	7.0			-1.0	6.0		6.0
Business & Community Development	15.0		0.5	-2.0	12.5	1.0	13.5
Customer Service	22.0				20.0	2.0	22.0
Human Resources (HR)	13.0				13.0		13.0
Risk Management	6.0			-1.0	5.0		5.0
Public Facilities	11.0				11.0		11.0
Engineering & Construction	2.0		4.0		6.0		6.0
Freight Rail	4.0		-2.0	-1.0	1.0		1.0
Railroad APD Officers	1.8		1.2		3.0		3.0
Commuter Rail	5.0			-2.0	3.0		3.0
Commuter Rail APD Officers	1.2		-1.2		0.0		0.0
Property Management	9.0		-2.0		7.0		7.0
T.O.D.	3.0			-1.0	2.0		2.0
Real Estate (now in Dept 540)	2.0		-2.0		0.0		0.0
Property Mgmt (now Dept 540)	1.0			-1.0	0.0		0.0
<b>Capital Metro FTE's</b>	<b>232.3</b>	<b>3.1</b>	<b>0.0</b>	<b>-22.0</b>	<b>210.4</b>	<b>3.0</b>	<b>213.4</b>
StarTran Administration	7.0			-4.0	3.0		3.0
MetroAccess	13.0				8.0	5.0	13.0
Operations Training	9.0			-5.0	4.0		4.0
Fixed Route Services	38.0			-3.0	27.0	8.0	35.0
Running Repair	14.0		-2.0		12.0		12.0
Service Island	3.0				3.0		3.0
Vehicle Maintenance	16.0		1.0	-2.0	14.0	1.0	15.0
Stores	2.0				2.0		2.0
Building Maintenance	4.0			-1.0	3.0		3.0
<b>StarTran, Inc. Non-Bargaining FTE's</b>	<b>106.0</b>	<b>0.0</b>	<b>-1.0</b>	<b>-15.0</b>	<b>76.0</b>	<b>14.0</b>	<b>90.0</b>
IUE - STS Reservation Staff	23.5				23.0	0.5	23.5
StarTran - STS Sedan Drivers	68.0				68.0		68.0
StarTran - STS Van Drivers	82.5	8.0	12.0		102.5		102.5
StarTran - Bus Operators	524.0	-52.0	-12.0		460.0		460.0
Running Repair Mechanics	121.0			-1.0	120.0		120.0
Service Island Attendants	39.0			-1.0	38.0		38.0
Stores Clerks	10.0				10.0		10.0
Building Maintenance Technicians	18.0				18.0		18.0
<b>Total Bargaining FTE's</b>	<b>886.0</b>	<b>-44.0</b>	<b>0.0</b>	<b>-2.0</b>	<b>839.5</b>	<b>0.5</b>	<b>840.0</b>
<b>Total StarTran Inc</b>	<b>992.0</b>	<b>-44.0</b>	<b>-1.0</b>	<b>-17.0</b>	<b>915.5</b>	<b>14.5</b>	<b>930.0</b>
<b>Total Capital Metro</b>	<b>232.3</b>	<b>3.1</b>	<b>0.0</b>	<b>-22.0</b>	<b>210.4</b>	<b>3.0</b>	<b>213.4</b>
<b>Total FTE's</b>	<b>1224.3</b>	<b>-40.9</b>	<b>-1.0</b>	<b>-39.0</b>	<b>1125.9</b>	<b>17.5</b>	<b>1143.4</b>

### Organizational Chart







## Summary of Financial Policies

Capital Metro and its component unit, StarTran, Inc. (StarTran), is a corporation organized under the Nonprofit Corporation Act of the State of Texas. Although, legally separate from Capital Metro, StarTran is reported as if it were part of Capital Metro because it was incorporated for the purpose of providing employee services to operate mass transit service on behalf of Capital Metro. Capital Metro provides all resources needed for operations and necessary administrative support for StarTran's operations. StarTran is accounted for as a blended component unit in budget and financial statements of Capital Metro.

Capital Metro is not included in any other governmental "reporting entity" as defined in Section 2100, Codification of Governmental Accounting and Financial Reporting Standards. The appointed members of the Board have the authority to make decisions possess the power to designate management, have the responsibility to significantly influence operations, and maintain primary accountability for fiscal matters.

Capital Metro's primary financial goal focuses around providing effective and efficient transportation services and systems to the public using a balanced budget. The financial goals of Capital Metro are to:

- ◆ Operate under a balanced budget
- ◆ Safeguard and maximize resources

The following guidance and policies are in place in order to achieve these goals.

- ◆ **Balanced Budget** -- Capital Metro operates under a balanced budget. Capital Metro's definition of a balanced budget is in accordance with the Texas Transportation Code, Section 451.103.
- ◆ **Zero-based Budgeting** -- Capital Metro utilizes the zero-based budgeting concept.
- ◆ **Capital assets** are recorded at cost and are depreciated over their useful lives using the straight-line method.
- ◆ **Fixed assets** for capitalization and financial reporting purposes are all items purchased that have a useful life or more than one year, are of a tangible nature and have a value of \$5,000 or more, net cost, not including trade-ins or any taxes, licenses, etc.
- ◆ **Sales Tax Revenue** -- Sales tax revenue is accrued on a monthly basis based on information provided by the Comptroller of Public Accounts.
- ◆ **Capital Replacement and Improvement Grants** -- Capital Metro funds its capital improvements with sales taxes and grants from the Federal Transit Administration (FTA). Revenue is recognized when all eligibility requirements have been met. The grantor retains a reversionary interest in the capital asset over the estimated useful life of that asset.
- ◆ **Debt** -- Section 451.352 of the Texas Transportation Code authorizes an authority to issue bonds at any time and for any amounts it considers necessary or appropriate for the acquisition, construction, repair, equipping, improvement or extension of its transit authority system. There is no limit on Capital Metro's ability to incur bonded indebtedness as long as the bonds are issued in accordance with the law.



Capital Metro will introduce a fare increase in mid January of FY 2010. The base fare will increase from \$.75 to \$1.00 and multi ride passes will also increase. Fares are listed below:

Service	Current Fares	Fares effective Jan. 18, 2010
<b>Single Ride/Day Passes</b>		
MetroBus Single Ride Adult	\$0.75	\$1.00
MetroBus Single Ride Reduced	\$0.35	\$0.50
MetroBus Day Pass	\$1.50	\$2.00
MetroExpress Single Ride Adult	\$1.50	\$2.50
MetroExpress Single Ride - Reduced *	\$0.75	\$1.25
MetroExpress Day Pass	\$3.00	\$5.00
MetroRail - 1 zone	\$1.00	\$2.00
MetroRail - 2 zones	\$1.50	\$3.00
MetroPlus Day Pass	\$3.00	\$6.00
MetroAccess Single Ride fare **	\$0.70	\$1.20
Disability/Medicare/Seniors (65+) with a valid Capital Metro-issued ID Card	Free ***	Free ***
<b>Multi-Ride Passes</b>		
MetroBus 31-day Pass	\$18.00	\$28.00
MetroBus 31-day Pass - Reduced	\$9.00	\$14.00
MetroBus 7-day Pass	\$7.00	\$8.00
MetroExpress 31-day Pass	\$36.00	\$63.00
MetroExpress 31-day Pass - Reduced	\$18.00	\$31.50
Stored Value Card (\$15 Value- bus services only)	\$12.00	\$12.00
MetroAccess Monthly Pass	\$22.50	\$35.00
MetroAccess 10-Ride Booklet	\$7.00	\$12.00
MetroPlus 31-day Pass	\$36.00	\$70.00
MetroPlus 31-day Pass - Reduced	\$18.00	\$35.00
RideShare - In Service Area	\$45.00	\$60.00
RideShare - Out of Service Area	\$45.00+ mileage	\$60.00+ mileage

\*Students age 6 to18 with a current student ID, and active duty & reserve military with a current military ID may ride at the reduced rate.

\*\*The MetroAccess single ride fare price is for information purposes only. To ride MetroAccess, customers must purchase a 10-ride ticket booklet or a MetroAccess monthly pass.

\*\*\*To receive the free fares, persons must have a valid Capital metro issued ID, valid for two years -- cost \$5.



**Designated Reserves**

<b>Reserve Contributions</b>					
<b>Dollars in \$000's</b>					
	<b>FY 2008 Actual</b>	<b>FY 2009 Actual*</b>	<b>Additions</b>	<b>Deductions</b>	<b>FY 2010 Budget</b>
<b>Designated:</b>					
Mobility Planning	36,536	5,606	0	0	5,606
Self Insurance	7,778	7,778	0	0	7,778
<b>Total Reserves</b>	<b>44,314</b>	<b>13,384</b>	<b>0</b>	<b>0</b>	<b>13,384</b>

\*Unaudited FY 2009 actual amounts.

Planned reserve contributions are outlined in the table above. The level of contributions is consistent with the approach begun by the Board of Directors in fiscal year 1998. The table above reflects changes from prior years in order to correspond with the audited financial statements for FY 2008.

The expenditure of reserve funds for the purposes outlined above must have the advance approval of the Board of Directors but does not constitute a budget amendment in the opinion of Capital Metro legal counsel.

Mobility Planning Reserve

This reserve includes funding for mobility projects and programs and the one-quarter of the one percent sales tax approved by Capital Metro's Board of Directors. Deductions represent payments on these commitments.

In FY 2000, the Board resolved to invest up to \$91 million to help fund future transportation projects consistent with Capital Metro's core transportation mission. The Board's action enabled Capital Metro to partner with the City of Austin and other communities to accelerate the development of a cooperative regional transportation plan with Capital Metro as the first public entity to formally commit funding and support.

For FY 2001, 2002, 2003, and 2004 the Board of Directors of Capital Metro resolved to commit one-quarter of the one percent sales tax earned for transportation projects in its member cities and counties: \$31 million, \$29 million, \$26.6 million, and \$28.6 million, respectively.

Self Insurance

Prior to January 1, 2003, Capital Metro paid monthly health and dental premiums to an insurance company. Thorough analysis spurred the Board of Directors and the Capital Metro Executive Team to advance self insurance for Capital Metro. The current self insurance administrator to manage and oversee medical and dental benefits for Capital Metro and StarTran is Corporate Benefit Services of America, Inc.

**Expense Policies**

Compensated Leave – Substantially all employees of Capital Metro and StarTran are eligible to receive compensation for vacations, holidays, illness and certain other qualifying leave. For certain kinds of leave, the number of days compensated is generally based on length of service. Vacation leave, which has been earned and vested but not paid, has been accrued in the accompanying financial statements. Sick leave for Capital Metro and StarTran administrative employees, which has been earned and vested but not paid, has been accrued in the accompanying financial statements for those employees with five years or more of service.

Income Taxes – StarTran was incorporated to operate as a nonprofit corporation and does not intend to earn a profit during its association with Capital Metro. However, for federal income tax purposes, StarTran is required to



file the necessary federal income tax returns under a for-profit status, and is therefore subject to income tax on any profit earned during the year.

Accordingly, StarTran accounts for income taxes under the guidance of Statement of Financial Accounting Standards No. 109 "Accounting for Income Taxes". During 2008, there was no material difference between the recognition of revenues and expenses for tax and financial statement purposes.

### **Procurement**

Capital Metro's Procurement department is responsible for purchasing all goods and services required by Capital Metro in accordance with sound public contracting policies and procedures.

These policies are designed to provide timely delivery of goods and services, quality customer service and savings through:

- Obtaining most competitive market price to meet or exceed agency's needs,
- Maintaining effective and user-friendly processes and systems,
- Building strategic partnerships with internal customers,
- Maintaining a pool of qualified suppliers and obtaining maximum value from supplier relationships, and
- Providing education tools for procurement team, customers and suppliers.

### Procurement Methods

Capital Metro uses a variety of procurement methods. Selecting the correct one is dependent on several factors. One important factor is the estimated price. Items expected to cost less than \$25,000 are purchased via Capital Metro's "small purchases" method of procurement.

#### Small Purchases

Purchases under \$3,000, including delivery charges, or micro-purchases, may be accomplished without securing competitive quotations if the prices are considered to be fair and reasonable. Procurement staff and employees using purchasing cards for micro-purchases, are required to equitably distribute the purchase of like goods and services among qualified suppliers. Micro-purchase procedures may not be used for construction contracts with a value of \$2,000 or more.

Request for Quotes (RFQs) are used for all purchases expected to cost between \$2,500 and \$25,000. A brief description of the item needed is provided to vendors, who submit written quotes to Capital Metro by an established deadline. Capital Metro distributes RFQs to registered vendors on Onvia Demand Star, or through the Quotewire functionality of Demand Star. Vendors registered with Demand Star receive a free agency-level subscription. Capital Metro adds sources to the Demand Star notification list obtained from the user department's source lists, internet, phone books, industrial guides, etc.

#### Large Purchases

Purchases in excess of \$25,000 require more sophisticated methods than those used for small purchases. Special efforts are made to make the vendor community aware of Capital Metro's requirements. Capital Metro generally accepts bids or proposals from any vendor who wishes to participate in a competition. Solicitations are advertised in newspapers, and Capital Metro distributes solicitation notifications to registered vendors on Onvia Demand Star.

The basic types of procurement methods used for large purchases are *Invitation for Bids* (IFB) and *Request for Proposals* (RFP). Generally, goods/commodities are purchased via IFB, whereas, services are generally purchased via RFP. In both cases, Capital Metro develops and faxes an advance notice to registered vendors on Onvia Demand Star. The notice gives a basic description of the item to be purchased, the order of magnitude and prompts vendors to return the notice to Capital Metro.

The solicitation is developed and includes a detailed purchase description and/or statement of work, contractual terms and conditions, and instructions on how to submit an offer to Capital Metro. Solicitations generally remain open for 21 days so that vendors may have enough time to respond.

For IFB's, Capital Metro awards contracts to the responsive, responsible bidder offering the lowest price. A bid is responsive if it meets all the material requirements of a solicitation; in other words, the bid submitted by the vendor doesn't vary from Capital Metro's original requirement. A bidder is responsible if she/he can demonstrate the capacity and the willingness to perform (i.e., proper equipment, manpower, financial resources, technical expertise, etc.). Therefore, when the IFB method of procurement is used, the "low bidder" does not necessarily receive the award. An award is made to the "low bidder" only if the bidder meets both tests of responsiveness and responsibility.

For RFP's, award is not based on price alone, but other weighted factors of importance specified in the solicitation. Selection for award is done by an evaluation team that independently evaluates the proposals submitted.

For each solicitation issued, Capital Metro assigns a Contracts Administrator as primary point of contact to assist vendors. In addition, a conference is generally scheduled well in advance of the bid/proposal submission deadline so vendors may obtain clarification from Capital Metro.

After receipt of proposals, none of the information contained in the proposals or concerning the number or identity of offerors is available to the public or to anyone in Capital Metro not having a legitimate interest or need to know prior to the recommendation of award of a contract.

After evaluation of all offers, Capital Metro awards a contract. Contracts in excess of \$100,000 require approval by Capital Metro's Board of Directors prior to award.

#### Other Procurement Methods

There are other infrequently used procurement methods. They include sole source, Statement of Qualifications (SOQs) for statutory professional services for disciplines that require State of Texas licensing, and emergency procurements.



### Expenditure Accountability

All invoices are reviewed on multiple levels. Monthly budget variance reports provide operational accountability. Capital projects' budgets are monitored and reported to the respective Executive Team leader. Capital Metro has created an Internal Audit department for greater accountability as well as full compliance with the Single Audit Act.

### Debt

Section 451.352 of the Texas Transportation Code authorizes an authority to issue bonds at any time and for any amounts it considers necessary or appropriate for the acquisition, construction, repair, equipping, improvement, or extension of its transit authority system. There is no limit on Capital Metro's ability to incur bonded indebtedness as long as the bonds are issued in accordance with the law. The current obligation is 2.5 percent of the total operating budget for FY09.

In November 2004, the citizens of the Capital Metro service area voted to allow Capital Metro to operate urban commuter rail service from Leander, Texas to downtown Austin, Texas. In February 2006, the Capital Metro Board of Directors approved a tax exempt lease/purchase financing agreement for the funding of rail vehicles. The Master Lease/Purchase Financing Agreement dated March 1, 2006 between Banc of America Leasing and Capital, LLC and Capital Metro was executed to purchase six rail cars from Stadler Bussnang AG, a corporation organized under the laws of Switzerland. The financed amount was 36,044,935 with an interest rate of 3.7747%, payments due quarterly beginning in October 2006 for 10 years.

Yearly Service Requirements	Note Payable		Master Lease Financing Agreement		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2007	\$ -	111,786	2,594,031	1,807,093	2,594,031	1,918,879
2008	-	149,048	3,183,158	1,217,966	3,183,158	1,367,014
2009	-	149,048	3,305,024	1,096,100	3,305,024	1,245,148
2010	-	149,048	3,431,556	969,568	3,431,556	1,118,616
2011	2,484,164	149,048	3,562,931	838,192	6,047,095	987,240
2012-2016	-	-	19,968,235	2,037,384	19,968,234	2,037,384
Total	2,484,164	707,978	36,044,935	7,966,303	38,529,099	8,674,281



### Operating Budget at a Glance

Capital Metro's budget is in two parts, the operating budget and the capital budget. Operating Revenue is projected to be \$185 million and expenditures for the operating budget are \$165 million. The charts below illustrate the categories.

REVENUE	FY 2008 Actuals	Revised 2009 Budget	FY 2009 Forecast	FY 2010 Budget	% Variance Budget 2010 vs Forecast 2009	% Variance Budget 2010 vs Budget 2009
Passenger Fares	5,983,916	7,845,962	7,901,360	9,005,393	14.0%	14.8%
Third Party Fares	7,114,481	7,776,511	6,539,314	6,763,680	3.4%	-13.0%
MetroRail	-	185,841	-	495,575	100.0%	166.7%
Rail Freight	7,473,899	14,107,725	14,298,907	11,777,351	-17.6%	-16.5%
Sales Tax	154,156,602	147,026,729	139,895,675	134,106,477	-4.1%	-8.8%
Investment Income	2,952,472	1,784,800	786,969	280,000	-64.4%	-84.3%
Grant Revenue	12,341,231	14,200,000	15,931,660	21,490,521	34.9%	51.3%
Other	776,242	1,977,270	1,611,333	1,496,000	-7.2%	-24.3%
<b>Total Revenue</b>	<b>\$190,798,843</b>	<b>\$194,904,838</b>	<b>\$186,965,218</b>	<b>\$185,414,997</b>	<b>-0.8%</b>	<b>-4.9%</b>

EXPENSE	FY 2008 Actuals	Revised 2009 Budget	FY 2009 Forecast	FY 2010 Budget	% Variance Budget 2010 vs Forecast 2009	% Variance Budget 2010 vs Budget 2009
Salaries & Benefits	\$81,953,326	\$87,579,344	\$86,106,675	\$85,133,556	-1.1%	-2.8%
Services	13,566,963	12,896,481	13,408,266	12,748,667	-4.9%	-1.1%
Materials & Supplies	7,317,943	8,172,035	8,098,878	7,623,889	-5.9%	-6.7%
Fuel	20,711,003	12,575,119	12,494,242	13,752,926	10.1%	9.4%
Utilities	1,740,523	1,908,687	1,969,690	2,026,841	2.9%	6.2%
Freight Rail	13,780,307	10,095,405	15,879,609	11,773,074	-25.9%	16.6%
Purchased Transportation	19,477,997	28,094,309	22,598,913	26,218,347	16.0%	-6.7%
Other	6,722,891	5,477,830	6,293,789	5,426,637	-13.8%	-0.9%
<b>Total Expenses</b>	<b>\$165,270,953</b>	<b>\$166,799,210</b>	<b>\$166,850,062</b>	<b>\$164,703,936</b>	<b>-1.3%</b>	<b>-1.3%</b>
Income available for Capital	25,527,890	28,105,628	20,115,156	20,711,061	3.0%	-26.3%



### External Sources and Uses of Funds Summary

Sources Summary				
Description of Sources	FY08 Actual	FY09 Budget	FY09 Forecast	FY10 Budget
Passenger Fares	\$5,983,916	\$7,845,962	\$7,901,360	\$9,005,393
Third Party Operator Fares	7,114,481	7,776,511	6,539,314	6,763,680
MetroRail Service	-	185,841	-	495,575
Freight Rail Revenue	7,473,899	14,107,725	14,298,907	11,777,351
Investment Income	2,952,472	1,784,800	786,969	280,000
Federal Operating Assist Grants	12,341,231	14,200,000	15,931,660	21,490,521
Federal Capital Assist Grants <sup>(b)</sup> <sup>(b)</sup>	11,851,744	5,067,600	17,162,737	20,857,328
Sales Taxes from Service Area Communities	154,156,602	147,026,729	139,895,675	134,106,477
Other Non-Operating Revenue	776,242	1,977,270	1,611,333	1,496,000
<b>Sub-Total Revenues</b>	<b>202,650,587</b>	<b>199,972,438</b>	<b>204,127,955</b>	<b>206,272,325</b>
Reserves	53,839,448	6,897,056	31,156,849	(6,785,671)
<b>Available Revenues/Reserves</b>	<b>\$256,490,035</b>	<b>\$206,869,494</b>	<b>\$235,284,804</b>	<b>\$199,486,654</b>

Uses Summary				
Description of Uses	FY08 Actual	FY09 Budget	FY09 Forecast	FY10 Budget
Wages & Salaries	\$49,403,382	\$51,052,435	\$50,565,845	\$50,266,697
Benefits	32,549,944	36,526,909	35,540,830	34,866,858
Outside Services	13,566,963	12,896,481	13,408,266	12,748,667
Materials & Supplies	7,317,943	8,172,035	8,098,878	7,623,889
Fuel (Materials & Supplies)	20,711,003	12,575,119	12,494,242	13,752,926
Utilities	1,740,523	1,908,687	1,969,690	2,026,841
Insurance (Claims & Premiums)	1,235,580	1,746,147	1,616,961	1,512,126
Taxes	1,016,689	1,150,821	992,263	1,042,851
Freight Rail	13,780,307	10,095,405	15,879,609	11,773,074
Purchased Transportation Services	19,477,997	28,094,309	22,598,913	26,218,347
Other Operating Expenses	2,128,983	\$482,153	1,611,099	908,591
Interest Expense	1,689,109	1,219,102	1,218,652	1,255,280
Lease Payments	652,530	879,607	854,814	707,789
Payments on Long-Term Commitments <sup>(1)</sup>	3,183,158	4,133,079	3,305,024	3,431,556
Capital Expenditures <sup>(2)</sup> <sup>(3)</sup> <sup>(4)</sup>	67,655,187	28,837,205	53,248,959	27,651,162
<b>Sub-Total of Expenses, Commitments &amp; Capital</b>	<b>236,109,298</b>	<b>199,769,494</b>	<b>223,404,045</b>	<b>195,786,654</b>
Mobility & BCT Programs	20,380,737	7,100,000	11,880,759	3,700,000
<b>Total Uses of Funds</b>	<b>\$256,490,035</b>	<b>\$206,869,494</b>	<b>\$235,284,804</b>	<b>\$199,486,654</b>

- (1) Payments on Long-term commitments include rail car lease principal payment and Loyola property payment.
- (2) The difference between budgeted Capital Expenditures and actual Capital Expenditures is the capital spending for projects
- (3) FY2009 Capital Grants and Capital Expenditures include ARRA stimulus grant spending for bus replacement of \$10,000,000.
- (4) FY2010 Capital Grants and Capital Expenditures include ARRA stimulus grant spending for bus replacement of \$6,000,000 approved in previous years.





**Combined Statement of Revenues, Expenses and Changes in Net Assets**

	<u>Actual 2008</u>	<u>Forecast 2009</u>	<u>Budget 2010</u>
<b><u>OPERATING REVENUES</u></b>			
Transportation Fares	\$ 5,983,916	\$ 7,901,360	\$ 9,005,393
Contract Revenue	7,114,481	6,539,314	6,763,680
MetroRail	-	-	495,575
Rail - Freight	<u>7,473,899</u>	<u>14,298,907</u>	<u>11,777,351</u>
Total Operating Revenue	\$ 20,572,296	\$ 28,739,581	\$ 28,041,999
<b><u>OPERATING EXPENSES</u></b>			
Labor	\$ 49,403,382	\$ 50,565,845	\$ 50,266,697
Fringe Benefits	32,549,944	35,540,830	34,866,858
Services	13,566,963	13,408,266	12,748,667
Materials and Supplies	7,317,943	8,098,878	7,623,889
Fuel	20,711,003	12,494,242	13,752,926
Utilities	1,740,523	1,969,690	2,026,841
Casualty and Liability Insurance	1,235,580	1,616,961	1,512,126
Taxes	1,016,689	992,263	1,042,851
Freight Rail	13,780,307	15,879,609	11,773,074
Purchased Transportation	19,477,997	22,598,913	26,218,347
Other	2,128,983	1,611,099	908,591
Interest Expense	1,689,109	1,218,652	1,255,280
Lease/Rentals	<u>652,530</u>	<u>854,814</u>	<u>707,789</u>
Operating Expenses	\$ 165,270,953	\$ 166,850,062	\$ 164,703,936
Operating Profit/(Loss)	\$ (144,698,657)	\$ (138,110,481)	\$ (136,661,937)
<b><u>NON-OPERATING REVENUES (EXPENSES)</u></b>			
Investment Income	\$ 2,952,472	\$ 786,969	\$ 280,000
Sales and Use Tax	154,156,602	139,895,675	134,106,477
Grant Revenues	24,192,975	33,094,397	42,347,849
Other Income, net	<u>776,242</u>	<u>1,611,333</u>	<u>1,496,000</u>
Total Non-Operating Revenues	\$ 182,078,291	\$ 175,388,374	\$ 178,230,326
Net Profit/(Loss)	<u>\$ 37,379,634</u>	<u>\$ 37,277,893</u>	<u>\$ 41,568,389</u>
Build Central Texas & Regional Mobility	(20,380,737)	(11,880,759)	(3,700,000)
Depreciation and Amortization	<u>(25,789,916)</u>	<u>(24,404,069)</u>	<u>(28,500,000)</u>
Change in Net Assets	<u>(8,791,019)</u>	<u>993,065</u>	<u>9,368,389</u>
Net Assets at Beginning of Period	339,962,901	331,171,882	332,164,947
Net Assets at End of Period	\$ 331,171,882	\$ 332,164,947	\$ 341,533,336

Capital Metro operates from a single proprietary fund. The net asset balances above reflect the fund equity balance, which includes designated and restricted reserves. Fund equity captures the aggregate of accumulated revenues and expenses from previous years. The net profit is used to fund capital expenditures.



### Factors Affecting Revenue

#### Sales Tax Revenue

Sales taxes represent the largest component of Capital Metro's revenue. The economic downturn has also affected Capital Metro's service area, and there has been a sharp decline in sales tax revenue. Sales tax revenue has declined 9% in FY 2009 versus 2008. For FY 2010, we are budgeting 5% below expected FY 2009 revenue.

#### Passenger Revenue

A fare increase to be effective in January, 2010, will increase the base fare from \$.75 to \$1.00. The budget includes an additional \$234,624 in fare revenue to reflect this increase.

#### Third Party/Contract Revenue

This revenue source includes University of Texas shuttle services and special events. Variances are a direct result of service hours and contracted rates.

#### Freight Revenue

Railroad revenue is received from negotiated fees with customers who utilize the authority-owned freight line from Llano to Giddings. All rates are negotiated and include car movements, fuel surcharges and rebates from Union Pacific. Increased freight rail revenue anticipated due to increased freight volume and Take-or-Pay agreements with the major shipper on the line, Capitol Aggregates.

#### Other Revenue

Grant revenue, investment income, advertising revenue and other miscellaneous revenue are in this category.

Grant operating revenues for the following programs are included:

o Capital Cost of Contracting.....	\$ 6,500,000
o Preventive Maintenance.....	\$ 9,408,000
o ADA Service.....	\$ 2,722,521
o Operations.....	\$ 2,600,000
o Origin & Destination Survey.....	\$ 200,000
o All Systems Go! Update.....	\$ 60,000
Total grant operating revenue	\$21,490,521

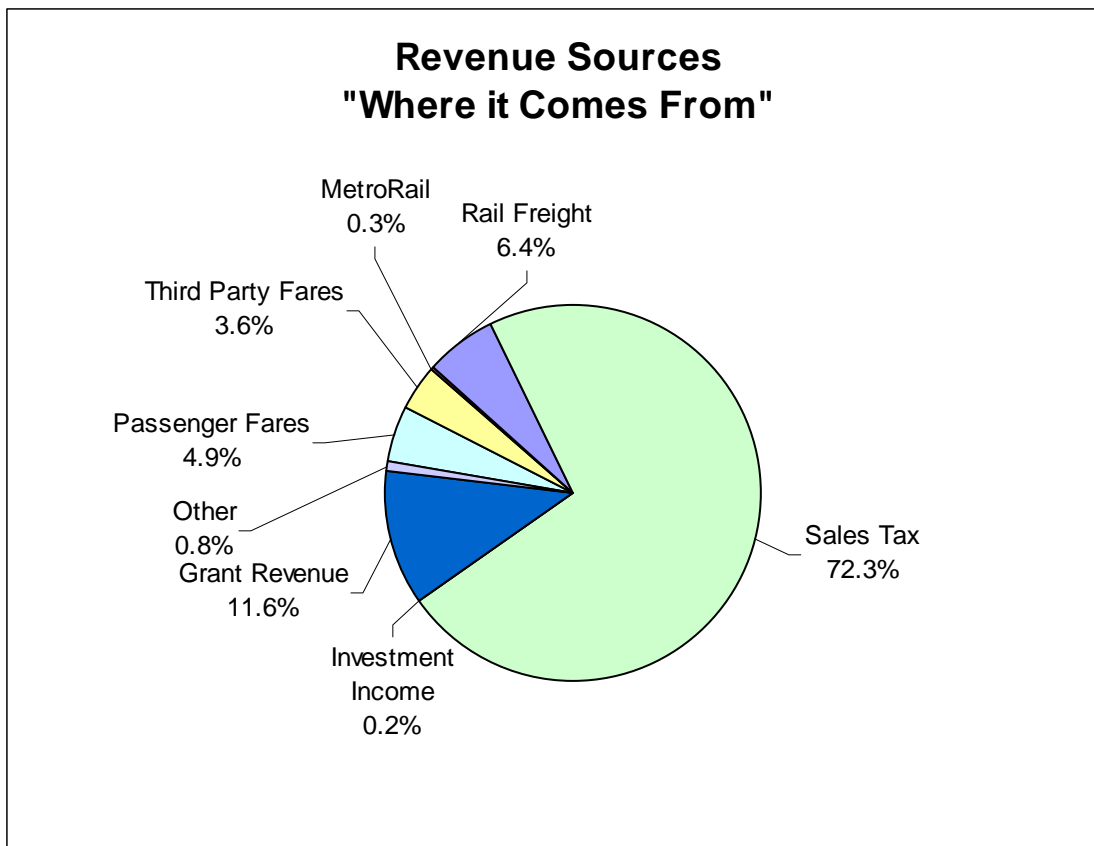
Grant capital revenues include the following:

o Vehicles.....	\$ 7,879,870
o Facilities & Equipment.....	\$ 772,400
o Amenities.....	\$ 1,200,000
o Rails with Trails.....	\$ 1,900,000
o Technology.....	\$ 5,364,000
o Stop Signage.....	\$ 245,333
o MetroRail.....	\$ 2,375,725
o MetroRapid.....	\$ 1,120,000
Total grant capital revenue	\$20,857,328

### Revenue

The following schedule shows details of the FY 2010 budgeted revenue along with comparisons from the FY 2009 budget and FY 2009 actuals. Sales tax revenue is the primary revenue driver for Capital Metro, contributing approximately 75% of the total operating revenue budget.

REVENUE	FY 2008 Actuals	Revised 2009 Budget	FY 2009 Forecast	FY 2010 Budget	% Variance Budget 2010 vs Forecast 2009	% Variance Budget 2010 vs Budget 2009
Passenger Fares	5,983,916	7,845,962	7,901,360	9,005,393	14.0%	14.8%
Third Party Fares	7,114,481	7,776,511	6,539,314	6,763,680	3.4%	-13.0%
MetroRail	-	185,841	-	495,575	100.0%	166.7%
Rail Freight	7,473,899	14,107,725	14,298,907	11,777,351	-17.6%	-16.5%
Sales Tax	154,156,602	147,026,729	139,895,675	134,106,477	-4.1%	-8.8%
Investment Income	2,952,472	1,784,800	786,969	280,000	-64.4%	-84.3%
Grant Revenue	12,341,231	14,200,000	15,931,660	21,490,521	34.9%	51.3%
Other	776,242	1,977,270	1,611,333	1,496,000	-7.2%	-24.3%
<b>Total Revenue</b>	<b>\$190,798,843</b>	<b>\$194,904,838</b>	<b>\$186,965,218</b>	<b>\$185,414,997</b>	<b>-0.8%</b>	<b>-4.9%</b>





## **Factors Affecting Operating Expenses**

### Salaries and Benefits

Salaries and benefits are expected to remain relatively flat as a result of discounts anticipated in health care costs and no salary increases for non-bargaining employees. Step increases for StarTran bargaining employees are included as well as 1.5% semi-annual wage increases in January and July 2010.

### Services

Overall, professional services including consultants and other professional fees decrease as management reduces administrative costs.

### Fuel

Diesel fuel costs are projected at an average of \$2.27 per gallon, unleaded gasoline is budgeted at \$2.12. Capital Metro will hedge a portion of its diesel fuel costs in FY 2010 to help control volatility in costs.

### MetroRail

With completion of testing and start-up, Capital Metro will begin revenue service on a 32-mile commuter rail line from Leander to downtown Austin.

### Utilities

The costs for electricity and natural gas continue to increase.

### Purchased Transportation

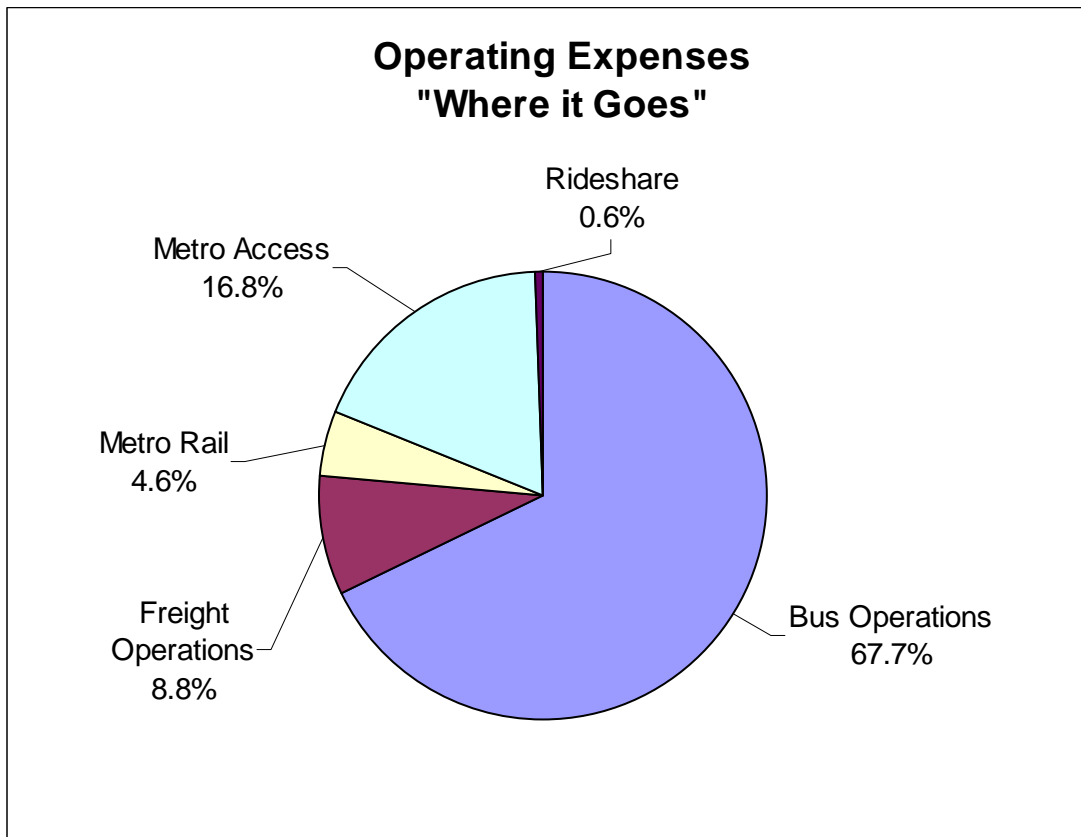
Expenses in this category will increase due to increased service level changes for contractors of Fixed Route.

### Other Expenses

Due to fewer capital projects with less capitalized costs, this category is increased in FY 2010.

### Operating Expenses

EXPENSE	FY 2008 Actuals	Revised 2009 Budget	FY 2009 Forecast	FY 2010 Budget	% Variance Budget 2010 vs Forecast 2009	% Variance Budget 2010 vs Budget 2009
Salaries	49,403,382	51,052,435	50,565,845	50,266,697	-0.6%	-1.5%
Benefits	32,549,944	36,526,909	35,540,830	34,866,858	-1.9%	-4.5%
Services	13,566,963	12,896,481	13,408,266	12,748,667	-4.9%	-1.1%
Materials & Supplies	7,317,943	8,172,035	8,098,878	7,623,889	-5.9%	-6.7%
Fuel	20,711,003	12,575,119	12,494,242	13,752,926	10.1%	9.4%
Utilities	1,740,523	1,908,687	1,969,690	2,026,841	2.9%	6.2%
Insurance	1,235,580	1,746,147	1,616,961	1,512,126	-6.5%	-13.4%
Taxes	1,016,689	1,150,821	992,263	1,042,851	5.1%	-9.4%
Freight Rail	13,780,307	10,095,405	15,879,609	11,773,074	-25.9%	16.6%
Purchased Transportation	19,477,997	28,094,309	22,598,913	26,218,347	16.0%	-6.7%
Other	2,128,983	482,153	1,611,099	908,591	-43.6%	88.4%
Interest Expense	1,689,109	1,219,102	1,218,652	1,255,280	3.0%	3.0%
Lease & Rent	652,530	879,607	854,814	707,789	-17.2%	-19.5%
<b>Total Expenses</b>	<b>165,270,953</b>	<b>166,799,210</b>	<b>166,850,062</b>	<b>164,703,936</b>	<b>-1.3%</b>	<b>-1.3%</b>





### Ridership and Service Levels by Type FY 2010 Budget

Growth in ridership is the strategic goal of Capital Metro. For FY 2010, Capital Metro is projecting an increase in ridership of approximately 900,000 from FY 2009 to 33.5 million. The FY 2009 actuals are 3.5 million lower than the FY 2009 budget. This decrease in ridership was caused by the work stoppage in November, the drastic decrease in fuel prices and the effect of the fare increase in October of 2008.

Service Type	FY 2009 Actual	FY 2010 Budget
Fixed Route	26.0 million	26.3 million
University of Texas	5.4 million	5.4 million
Paratransit (MetroAccess)	0.7 million	0.7 million
MetroRail	n/a	0.4 million
RideShare	0.3 million	0.3 million
AISD	0.2 million	0
Other	0.1 million	0.4 million
<b>Total</b>	<b>32.7 million</b>	<b>33.5 million</b>

Capital Metro is a multi-modal service provider that provides comprehensive public transportation throughout approximately 560 square miles of service area. The hours and miles of service comprise a majority of the budget.

#### **Fixed Route**

Capital Metro Fixed Route service is the mainline service of the transportation system. There are over 70 routes. Capital Metro's 401 fixed route buses operate seven days per week, providing service to over one million residents of the service area. Each year, the transit authority operates approximately 12.3 million total bus miles over its fixed route system. The fleet of buses provides riders with an average of 111,000 one-way trips each weekday.

#### **MetroAccess Paratransit Service**

Capital Metro's MetroAccess, provides services for eligible persons with disabilities who are not able to use fixed route service. Individuals can register for this service, and if they qualify, can make travel arrangements within Capital Metro's service area.

#### **Rideshare Program**

Capital Metro's vanpool/carpool program currently has 138 active vanpools, 14 of which use Toyota Prius electric-gas hybrid sedans.

#### **University of Texas Shuttle**

Student shuttle service is provided for the University of Texas (UT). There are 18 dedicated routes that provide connections between housing and the University, between the Pickle Research Center and the downtown campus. Routes transfer students around the greater UT campus area and from city areas with high density student populations.

#### **Suburban Service**

Capital Metro provides service to suburban communities within the service area such as Lago Vista, Jonestown and Manor.

#### **MetroRail**

Capital Metro is beginning passenger rail revenue service in FY 2010. The MetroRail Red Line will run on 32 miles of existing freight tracks between Downtown Austin and Leander. The Red Line will provide convenient service for suburban and central Austin residents.



The following charts show details of the proposed FY 2010 service levels and compare them to FY 2009:

### Hours of Service

	FY 2009 Budget	FY 2009 Actual	FY 2010 Budget	Budget to Forecast % Variance	Budget to Budget % Variance
<b>Fixed Route</b>	<b>1,105,394</b>	<b>1,045,479</b>	<b>1,045,362</b>	<b>-0.01%</b>	<b>-5.43%</b>
<b>UT Service</b>	<b>139,287</b>	<b>167,208</b>	<b>141,015</b>	<b>-15.67%</b>	<b>1.24%</b>
<b>AISD</b>	<b>22,546</b>	<b>18,241</b>	<b>0</b>	<b>-100.00%</b>	<b>-100.00%</b>
<b>Suburban</b>	<b>13,999</b>	<b>10,681</b>	<b>11,036</b>	<b>3.32%</b>	<b>-21.17%</b>
<b>Special Events/Charters</b>	<b>5,237</b>	<b>3,646</b>	<b>5,875</b>	<b>61.14%</b>	<b>12.18%</b>
<b>MetroAccess</b>	<b>315,970</b>	<b>277,163</b>	<b>315,970</b>	<b>14.00%</b>	<b>0.00%</b>
<b>MetroRail</b>	<b>9,240</b>	<b>0</b>	<b>8,800</b>	<b>100.00%</b>	<b>-4.76%</b>
<b>Rideshare</b>	<b>57,516</b>	<b>52,357</b>	<b>52,719</b>	<b>0.69%</b>	<b>-8.34%</b>
<b>Total</b>	<b>1,669,189</b>	<b>1,574,775</b>	<b>1,580,777</b>	<b>0.38%</b>	<b>-5.30%</b>



### Miles of Service

	FY 2009 Budget	FY 2009 Actual	FY 2010 Budget	Budget to Forecast % Variance	Budget to Budget % Variance
<b>Fixed Route</b>	14,418,547	13,607,022	12,310,662	-9.53%	-14.62%
<b>UT Service</b>	1,882,774	2,291,317	1,956,502	-14.61%	3.92%
<b>AISD</b>	373,058	302,235	0	-100.00%	-100.00%
<b>Suburban</b>	335,947	251,836	262,768	4.34%	-21.78%
<b>Special Events/Charters</b>	45,419	27,441	50,883	85.43%	12.03%
<b>MetroAccess</b>	4,676,918	3,564,546	3,741,901	4.98%	-19.99%
<b>MetroRail</b>	287,596	0	268,961	-100.00%	-6.48%
<b>Rideshare</b>	1,669,133	1,483,392	1,523,828	2.73%	-8.71%
<b>Total</b>	23,689,392	21,527,789	20,115,505	-6.56%	-15.09%

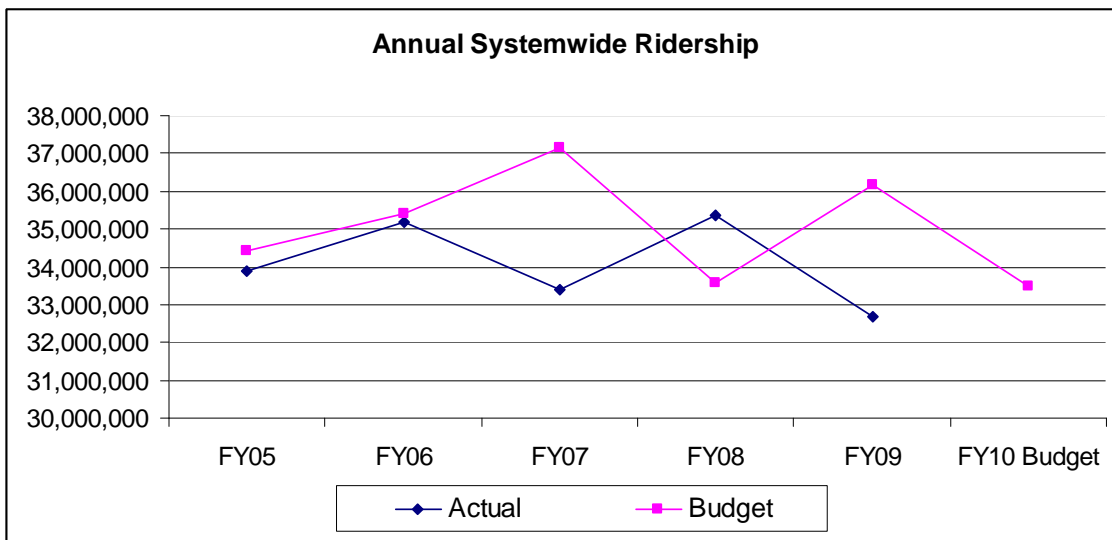




## Passengers

	FY 2009 Budget	FY 2009 Actual	FY 2010 Budget	Budget to Forecast % Variance	Budget to Budget % Variance
<b>Fixed Route</b>	28,680,651	25,965,599	26,318,822	1.36%	-8.23%
<b>UT Service</b>	5,243,187	5,406,728	5,385,296	-0.40%	2.71%
<b>AISD</b>	292,843	200,495	-	-100.00%	-100.00%
<b>Suburban</b>	28,990	26,351	24,644	-6.48%	-14.99%
<b>Special Events/Charters</b>	159,053	95,214	292,800	207.52%	84.09%
<b>MetroAccess</b>	774,549	690,265	705,772	2.25%	-8.88%
<b>MetroRail</b>	527,986	-	403,098	100.00%	-23.65%
<b>Vanpool</b>	363,352	314,892	343,115	8.96%	-5.57%
<b>Total</b>	<b>36,070,612</b>	<b>32,699,544</b>	<b>33,473,547</b>	<b>2.37%</b>	<b>-7.20%</b>

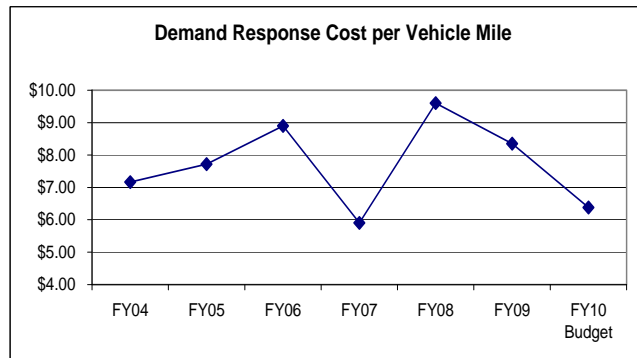
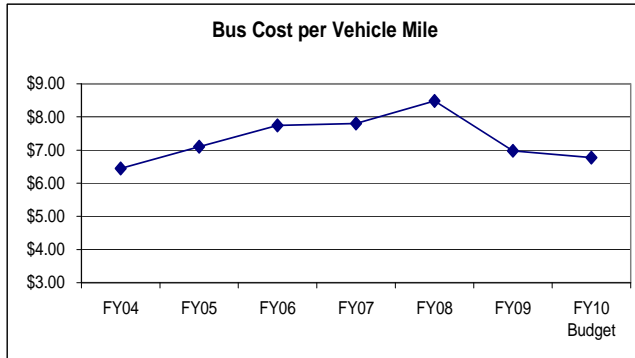
Ridership trend for the past five years and FY 2010 budgeted number of passengers:



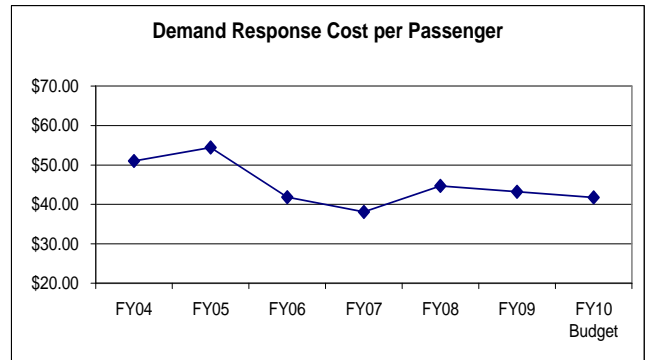
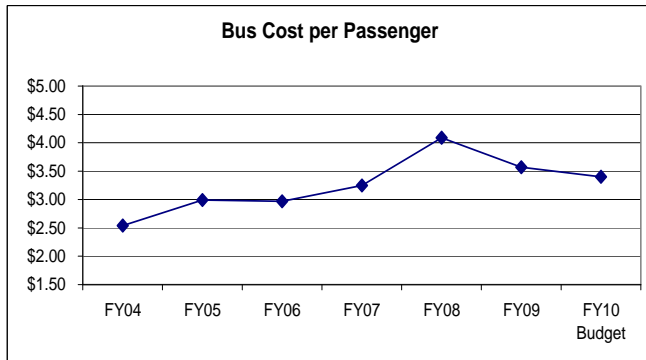
### Performance Trends

The six graphs below depict trends for both bus and demand response modes in effectiveness and efficiencies for the preceding six years' actuals and current year budget.

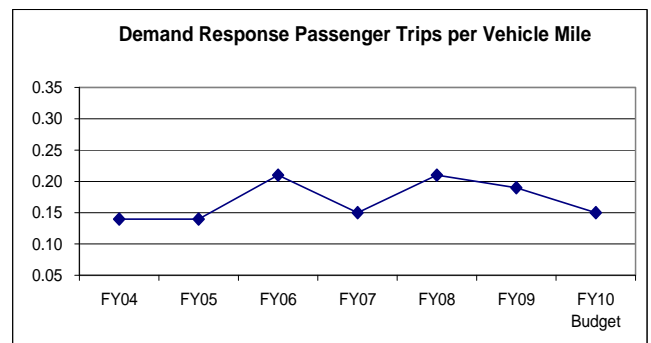
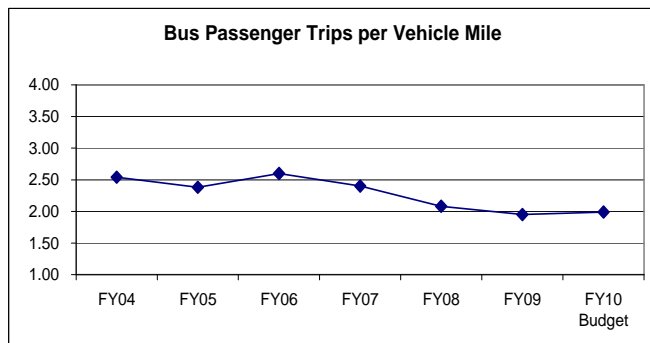
#### Service Efficiency – Cost per vehicle mile



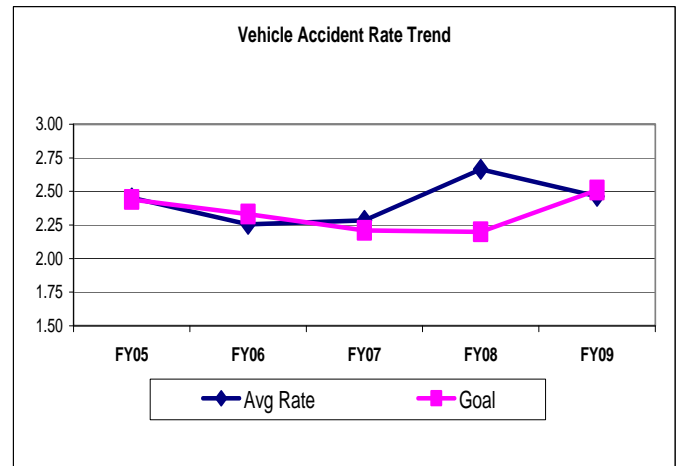
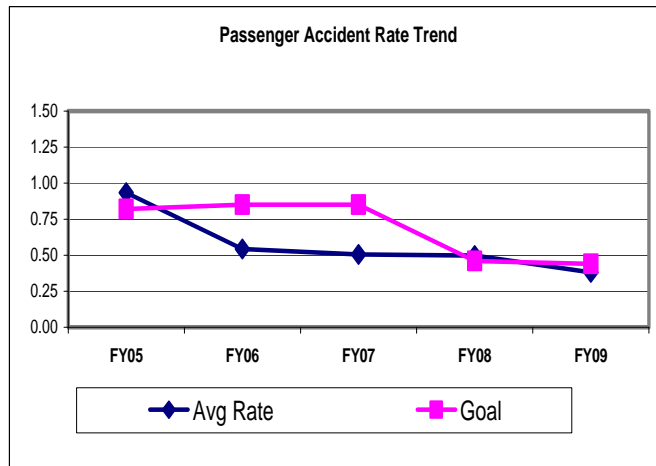
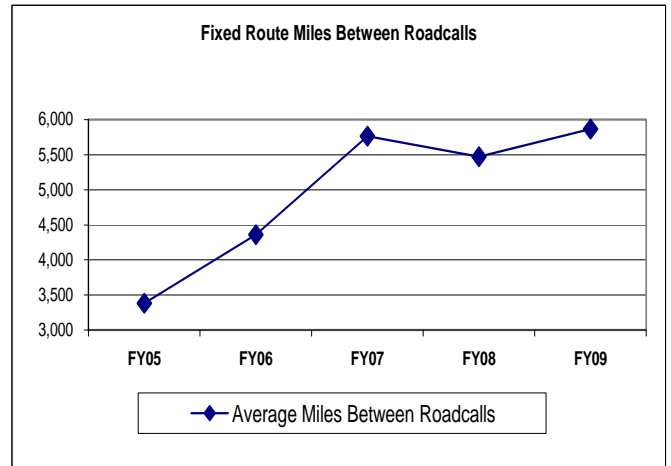
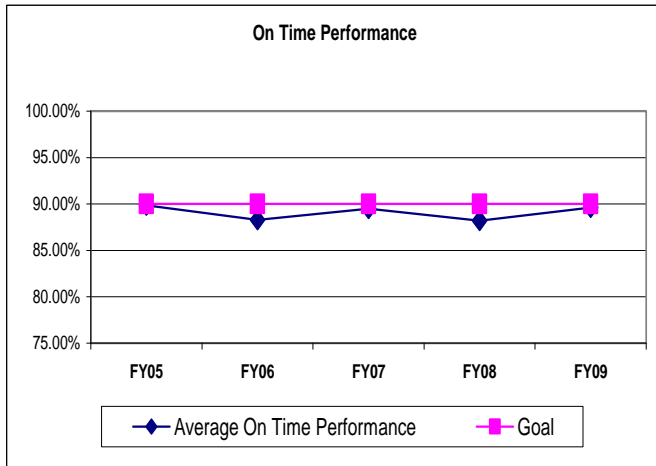
#### Cost Effectiveness – Cost per passenger



#### Service Effectiveness – Passenger trips per vehicle mile



The following graphs depict trends in additional performance indicators:





### Capital Budget

The capital program includes two basic spending categories, as outlined below:

**Capital expenditures** represent the purchase of equipment and other assets in excess of \$5,000 and which have a useful life greater than one year. Capital expenditures typically do not span fiscal years and usually involve customary replacement or new purchases of parts, computers and office equipment.

**Capital projects** typically involve construction or are developmental in nature and span more than one fiscal year. Capital projects are typically more complex, and involve two or more components of cost (equipment, labor, professional services). Capital projects were assessed for inclusion in this budget based on the following criteria:

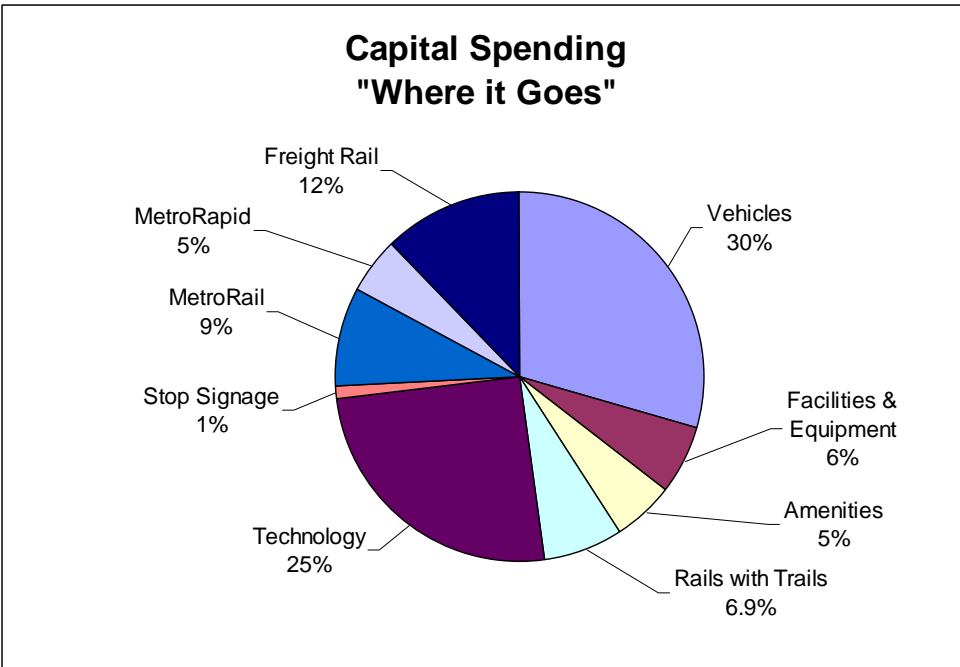
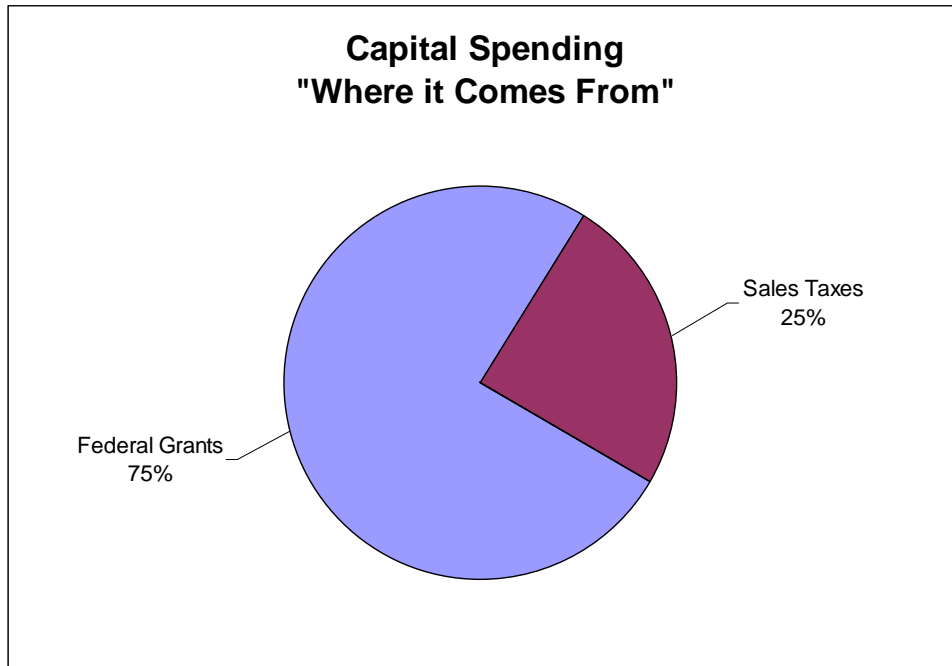
- ◆ Is the project mandatory as a result of federal or state regulatory requirements?
- ◆ Is the project necessary to carry out the goals and objectives of Capital Metro's strategic plan?
- ◆ Is the project dictated by recommended replacement criteria or needed to maintain a state of good repair?
- ◆ Does Capital Metro have the necessary resources to implement the project (funding and staff resources)?

The capital budget for FY 2010 totals \$27.6 million. Capital Metro has budgeted to utilize \$20.8 million in capital grant revenue, for projects that meet the federal criteria(s). The remaining projects and/or budgeted amounts are funded with local money. As each new project is started, a determination of the best funding method will be made. The investment in capital will promote and support Capital Metro's vision of doubling ridership by the year 2025, and facilitate obtaining the underlying goals of this vision.

Below are the following types of capital projects approved for the FY 2010 capital budget, including a brief overview summary of projects proposed.

#### FY 2010 Capital Recommendations by Project Type

Vehicles.....	\$	8,160,770
Facilities & Equipment.....		1,642,500
Amenities.....		1,500,000
Rails with Trails.....		1,900,000
Technology.....		6,990,500
Stop Signage.....		306,667
MetroRail.....		2,375,725
MetroRapid.....		1,400,000
Freight Rail.....		3,375,000
Total Capital Projects	\$	<u>27,651,162</u>





The FY 2010 capital program, while modest, still makes headway on several major projects and supports the agency's continued commitment to a clean and welcoming fleet; and improved and accessible facilities.

### **Vehicles**

The capital budget supports the ongoing fleet modernization program for both bus and paratransit vehicles. Capital Metro has a fleet of more than 400 buses. Over half of these buses will need to be replaced in the next few years, but our agency is implementing measures to extend the life cycle of our fleet as long as safely possible. A purchase of approximately 40 equivalent replacement 40-ft and 35-ft low-floor ADA compliant wheelchair accessible ULSD diesel fueled buses identified to utilize stimulus grant funding was approved in the prior fiscal year. This project includes the remaining balance of the bus purchase to be received in fiscal year 2010. In addition, approximately 45 paratransit sedans are to be replaced with ADA accessible minivans, which will better serve the elderly and disabled passengers and community.

<b>Capital Budget Projection:</b>	<b>\$8,160,770</b>
<b>Anticipated Capital Grant Revenue:</b>	<b>\$7,879,870</b>
<b>Net Capital Fiscal Budget Impact:</b>	<b>\$280,900</b>

### **Facilities & Equipment**

Capital Metro's upcoming five-year bus service plan institutes significant changes to current fixed-route services and facilities. For fiscal year 2010, Capital Metro proposes to expand current operations and maintenance facilities to accommodate service levels, renovate existing facilities, and replace maintenance equipment which has exceeded its life cycle. The replacement of operational equipment includes replacement of bus lifts and service equipment, such as vacuum systems and pressure washers, which have well exceeded life expectancy and are essential in providing efficient maintenance and servicing of vehicles and facilities. The facility expansions and renovations proposed are to include the following:

- ***North Operations and Maintenance:*** Expansion of the current facility will allow for additional bus parking. The tasks include expansion of the current bus surface parking lot area and engineering and design for demolition of an existing building where an additional new bus surface parking lot area will be constructed in future fiscal years. The project also includes necessary fencing and security infrastructure. The expansion project will carry through FY 2011.
- ***Northeast Operations and Maintenance:*** Similar to the parking lot expansion of the North Operations and Maintenance facility, the Northeast Operations and Maintenance facility is in need of additional surface parking due to expanded operational services provided by our purchased transportation division utilizing the facility. The parking lot expansion project began last fiscal year and is anticipated to be completed by beginning to mid FY 2011.
- ***Thompson Lane:*** This facility houses Capital Metro's MetroAccess division which provides special transit needs of the elderly and disabled. Renovation of the facility will include restructuring of the administrative area and expansion of the dispatch area.

<b>Capital Budget Projection:</b>	<b>\$1,642,500</b>
<b>Anticipated Capital Grant Revenue:</b>	<b>\$772,400</b>
<b>Net Capital Fiscal Budget Impact:</b>	<b>\$870,100</b>

### **Amenities**

The capital budget includes \$1.5 million in bus stop improvements throughout the service area, including shelters, benches, and paving/curb access, with an emphasis on increasing bus stop accessibility, and improving customer satisfaction.

<b>Capital Budget Projection:</b>	<b>\$1,500,000</b>
<b>Anticipated Capital Grant Revenue:</b>	<b>\$1,200,000</b>
<b>Net Capital Fiscal Budget Impact:</b>	<b>\$300,000</b>



### **Rails with Trails**

A Rails with Trails program utilizing rail right-of-way for access to Capital Metro transit facilities is an important community-driven element that arose as part of Capital Metro's successful 2004 referendum for MetroRail. Capital Metro strives to enhance our existing services by providing multimodal connections. Sidewalk and bike facilities constructed in strategic locations along the rail line increases accessibility to our facilities. A high priority trail segment identified for stimulus grant funding would serve the Highland Mall and Crestview Stations and surrounding areas by providing access to transit facilities for residents and employers. It will integrate multiple transportation modes, reduce pollution, promote healthier lifestyles, and become a tool for congestion management by providing a facility that makes bicycling and walking extremely attractive options for trips of one to two miles from doorstep to transit.

Capital Metro will use \$1.9 million of the ARRA funding for construction of three miles of a bicycle and pedestrian pathway parallel to the MetroRail Red Line. This project includes clearing, demolition and grading for a 10-foot wide concrete pathway with decomposed granite shoulders, necessary drainage, landscaping, signage and passenger amenities. Capital Metro plans to have this project completed by early FY 2011.

<b>Capital Budget Projection:</b>	<b>\$1,900,000</b>
<b>Anticipated Capital Grant Revenue:</b>	<b>\$1,900,000</b>
<b>Net Capital Fiscal Budget Impact:</b>	<b>\$0</b>

### **Technology**

Operational equipment replacements for infrastructure, telephony, network, and desktop components will be procured as they reach the end of their lifecycle. Application software upgrades will be installed as new versions are released and required for either continued vendor support or business requirements for new functionality. In addition, fiber connectivity will be installed for improved security monitoring at rail stations which will allow for greater viewing flexibility, volume and analysis to take place at a lower operational cost.

Intelligent Transportations Systems (ITS) is a comprehensive approach applying advanced technologies to transit. The overall scope of this project will be to implement several components of ITS that automate many manual tasks, provide customers and staff with a graphical map of the service area with the exact location of a vehicle, provide customers with real time information on vehicle arrival and departure at Rail stations, Rapid stops, Park & Rides, and Transit Centers, as well as other functions that will improve safety and security, service delivery, customer satisfaction, operational efficiency and productivity, as well as providing enhanced features that are aimed at increasing ridership. The paratransit component of ITS was partially implemented in the previous fiscal year and the continued ITS project for fiscal year 2010 will finalize the paratransit component and incorporate Fixed Route and MetroRapid implementation. The operational cost savings of this project are included in the operating budget and will be included in future budgets as the system is implemented and efficiencies are realized.

<b>Capital Budget Projection:</b>	<b>\$6,990,500</b>
<b>Anticipated Capital Grant Revenue:</b>	<b>\$5,364,000</b>
<b>Net Capital Fiscal Budget Impact:</b>	<b>\$1,626,500</b>

### **Stop Signage**

The bus stop signage project will replace existing and add new signage for passenger stations and facilities with new updated and improved signage. The new signage will incorporate additional traveler information, new branding, and will also integrate bus stop information. For fiscal year 2010, it is anticipated we will procure approximately 450 signs, estimated to begin delivery and installation later in the fiscal year through fiscal year 2011.

<b>Capital Budget Projection:</b>	<b>\$1,900,000</b>
<b>Anticipated Capital Grant Revenue:</b>	<b>\$1,900,000</b>
<b>Net Capital Fiscal Budget Impact:</b>	<b>\$0</b>



### **MetroRail**

Capital Metro commuter rail service is planned to begin in fiscal year 2010. Projects anticipated to utilize a portion of stimulus grant funding include track rehabilitation work near downtown Austin, in the proximity of 6th Street and Pedernales Street. This is the section of the line where passenger trains will head west towards downtown Austin, and freight trains will head east towards Giddings. Improving the track at this switching location will increase the safety of passenger rail and freight rail operations.

Additionally, Capital Metro proposes to extend the track siding near Lakeline Station. The track siding allows MetroRail trains to pass each other at certain points along the rail line. This improvement will allow Capital Metro to increase trip frequencies. Capital Metro anticipates completing both of these rail improvements by the end of 2011.

<b>Capital Budget Projection:</b>	<b>\$2,375,725</b>
<b>Anticipated Capital Grant Revenue:</b>	<b>\$2,375,725</b>
<b>Net Capital Fiscal Budget Impact:</b>	<b>\$0</b>

### **MetroRapid**

MetroRapid is part of the All Systems Go Long-Range Transit Plan that includes expanded local and express bus service, and new and improved park and ride transit facilities. Capital MetroRapid is a type of limited-stop bus service that will use high-tech vehicles with special signal priority technology to keep traffic signals green as the buses approach major intersections. Initial service will include two routes: North Lamar/South Congress and Burnet/South Lamar. MetroRapid will conveniently connect to MetroBus and MetroRail service in each corridor and reduce travel times up to 20 percent. Tasks associated with fiscal year 2010 include engineering and design, and the initial planned procurement of vehicles.

<b>Capital Budget Projection:</b>	<b>\$1,400,000</b>
<b>Anticipated Capital Grant Revenue:</b>	<b>\$1,120,000</b>
<b>Net Capital Fiscal Budget Impact:</b>	<b>\$280,000</b>

### **Freight Rail**

In order to maintain safety and improve operating performance, portions of the freight rail infrastructure will either be replaced or rehabilitated this fiscal year. As a result of these capital investments, increased speeds throughout the freight corridor will improve locomotive operating performance and efficiency and as a result will use less fuel for the freight operation. Additionally, this will baseline bridge structures for the Federal Railroad Administration (FRA) bridge inspection requirements which will help to prioritize bridge repairs and/or replacements over the next five to fifteen years.

<b>Capital Budget Projection:</b>	<b>\$3,375,000</b>
<b>Anticipated Capital Grant Revenue:</b>	<b>\$0</b>
<b>Net Capital Fiscal Budget Impact:</b>	<b>\$3,375,000</b>

As a result of the programs and projects identified above, the total FY 2010 capital budget figures represented below reflect the operating impact based on this net capital amount.

<b>TOTAL Capital Budget Projection:</b>	<b>\$27,651,162</b>
<b>TOTAL Anticipated Capital Grant Revenue:</b>	<b>\$20,857,329</b>
<b>TOTAL Net Capital Fiscal Budget Impact:</b>	<b>\$6,793,833</b>

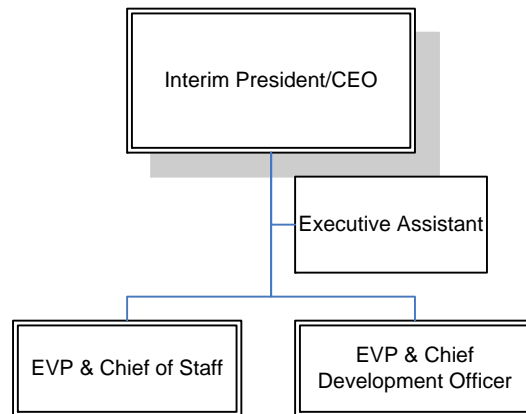


## President/CEO's Office

### Functions and Responsibilities

The President/CEO provides leadership and direction to ensure Capital Metro meets its mission, goals, and objectives. A key area of focus is the quality initiative which determines quality standards for the organization and identifies initiatives for ongoing improvement to customer service. The President/CEO ensures sound ethics and fiscal management for the agency consistent with federal, state, and local laws and sound public practices and emphasizes the most effective use of taxpayer funds through continuous improvements of the agency's efficiency. The President/CEO's office also serves as a liaison with local, state and federal elected officials, preparing and gaining approval of legislative initiatives on behalf of Capital Metro.

### President/CEO Department Organizational Chart



### FY 2009 Accomplishments

- ◆ Continued the implementation of a five-year bus service plan and improvements to passenger amenities
- ◆ Continued the implementation of Capital Metro's MetroRail services
- ◆ Worked with the Operations departments to improve service to customers in the areas of on-time performance and the reliability and cleanliness of fleet
- ◆ Continued Capital Metro's role as a regional mobility leader and further developed strong working partnerships with Capital Metro partners

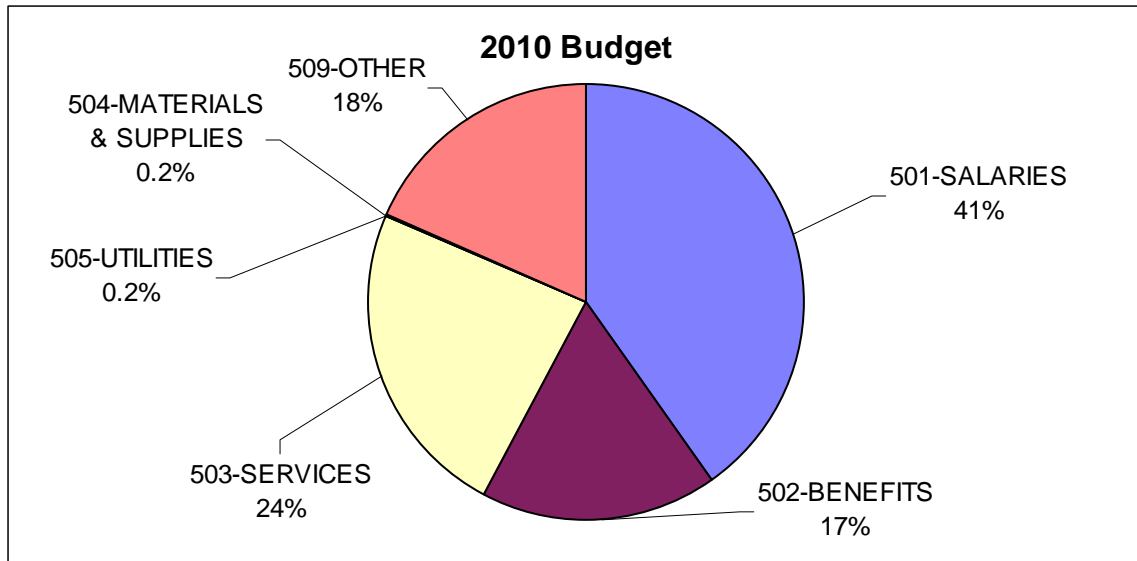
### Planned Initiatives

- ◆ Begin revenue service of Capital Metro's MetroRail services
- ◆ Improve service to customers and increase efficiency by reallocation of bus service to better match the demand for service
- ◆ Continue to provide support to Operations department to improve existing and future bus and rail service
- ◆ Continue increased community outreach and work on the improvement of amenities for customers
- ◆ Continue work on identifying cost savings/efficiency enhancements and the improvement of internal and external communication

**Major Budgetary Changes**

- ◆ **Services** – Fewer consultants are being budgeted for FY 2010
- ◆ **Utilities** – Mobile phones for employees
- ◆ **Other** – Travel has been reduced due to budgetary constraints

<i>Account Category</i>	<i>FY 2009 Budget</i>	<i>FY 2009 Forecast</i>	<i>FY 2010 Budget</i>	<i>% Var Budget 2010 vs Forecast 2009</i>	<i>% Variance Budget 2010 vs. Budget 2009</i>
<b>501-SALARIES</b>	\$ 638,285	\$ 678,067	\$ 618,737	-8.7%	-3.1%
<b>502-BENEFITS</b>	267,698	256,281	265,984	3.8%	-0.6%
<b>503-SERVICES</b>	411,000	395,264	360,996	-8.7%	-12.2%
<b>504-MATERIALS &amp; SUPPLIES</b>	2,580	1,412	2,580	82.7%	0.0%
<b>505-UTILITIES</b>	1,875	913	2,400	162.9%	28.0%
<b>509-OTHER</b>	\$379,976	\$437,571	\$281,790	-35.6%	-25.8%
<b>TOTALS</b>	<b>\$ 1,701,414</b>	<b>\$ 1,769,507</b>	<b>\$ 1,532,487</b>	<b>-13.4%</b>	<b>-9.9%</b>

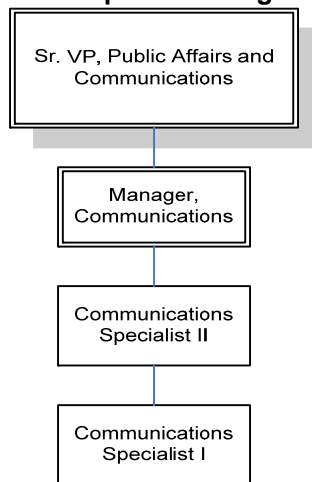


# Communications

## Functions and Responsibilities

The Communications department is the primary source of contact for all incoming news media inquiries about Capital Metro. The department works with print, broadcast and online media to promote the Authority's services, initiatives and special events. Staff coordinates internal and external communications including print and electronic publications, and provides communications support to all departments and the Board of Directors. The department also works with public relations contractors to carry out its mission through proactive communications efforts.

### Communications Department Organizational Chart



### FY 2009 Accomplishments

- ◆ Provided ongoing strategic communications, key message development, speeches, presentations and crisis communications support for key leadership team members, executives and board members during the work stoppage, the Capital MetroRail project, the budget process, fare increase outreach and other sensitive subjects
- ◆ Coordinated media and communications outreach for the MetroRail and MetroRapid projects and other components of the All Systems Go Long-Range Transit Plan
- ◆ Improved social media presence through creation of twitter account and improvements to MetroBlog
- ◆ Managed media issues with due diligence, care and accuracy
- ◆ Continued to support internal communications efforts among workforce

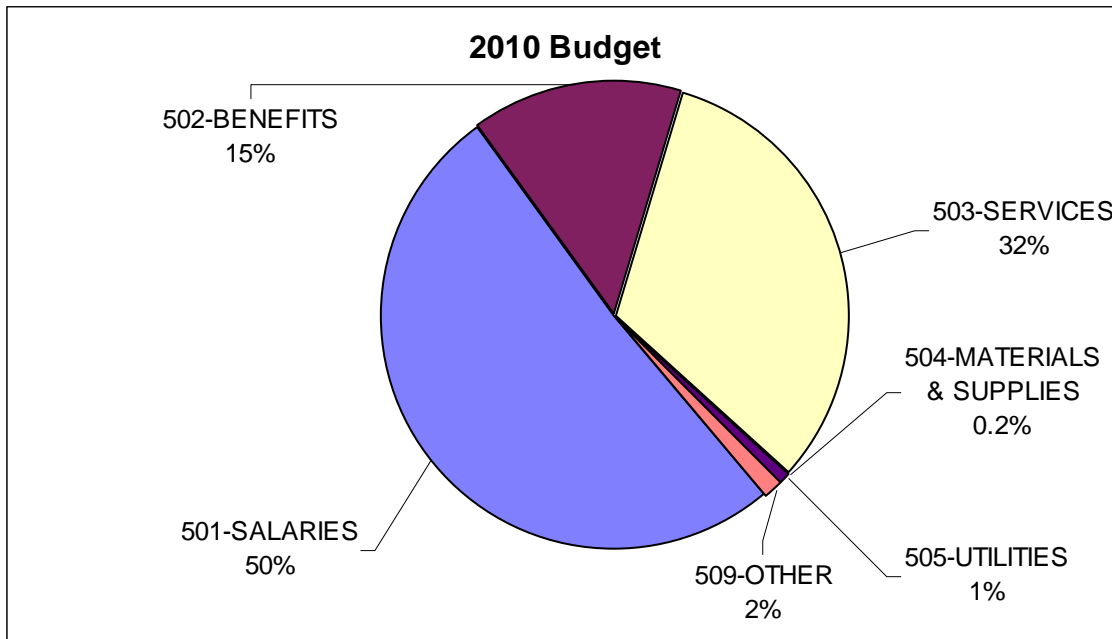
### 2010 Planned Initiatives

- ◆ Coordinate media and communications outreach for the launch of Capital MetroRail in the first quarter of 2010
- ◆ Work with Marketing, Planning, Community Relations and other key departments to improve the Authority's public image
- ◆ Increase awareness of Capital Metro services and projects through proactive media outreach, public relations initiatives, increased social media presence and other various external publications
- ◆ Work with new President/CEO to enhance internal communication efforts

**Major Budgetary Changes**

- ◆ **Other** – Reduced expenses for advertising communication notices for FY 2010

<i>Account Category</i>	<i>FY 2009 Budget</i>	<i>FY 2009 Forecast</i>	<i>FY 2010 Budget</i>	<i>% Var Budget 2010 vs Forecast 2009</i>	<i>% Variance Budget 2010 vs. Budget 2009</i>
<b>501-SALARIES</b>	\$ 152,006	\$ 157,566	\$ 157,729	0.10%	3.76%
<b>502-BENEFITS</b>	43,609	35,322	45,368	28.44%	4.03%
<b>503-SERVICES</b>	95,988	89,400	98,388	10.05%	2.50%
<b>504-MATERIALS &amp; SUPPLIES</b>	600	675	600	-11.11%	0.00%
<b>505-UTILITIES</b>	2,006	1,993	2,006	0.64%	-0.01%
<b>509-OTHER</b>	\$16,080	\$4,271	\$4,680	9.58%	-70.90%
<b>TOTALS</b>	<b>\$ 310,289</b>	<b>\$ 289,227</b>	<b>\$ 308,771</b>	<b>6.76%</b>	<b>-0.49%</b>

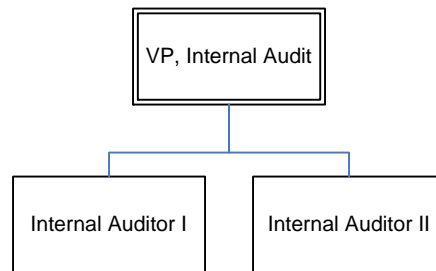


# Internal Audit

## Functions and Responsibilities

Capital Metro's independent Internal Audit Department provides a broad range of audit services designed to help Capital Metro meet its goals and objectives. One of the Department's key roles is to monitor risks and ensure that the appropriate, cost-effective controls in place are adequate to mitigate key business risks. The Internal Audit Team also counsels for improving controls, processes and procedures, performance, and risk management. As part of services, we look for and share "best practices" and also suggest ways for reducing costs and enhancing revenues.

### Internal Audit Department Organizational Chart



### FY 2009 Accomplishments

- ◆ Completed four comprehensive program and/or contract audits: warranty administration audit, Veolia contract audit, facilities & property management audit, non-revenue vehicles audit. All audits contained relevant and meaningful recommendations to strengthen controls and improve operations.
- ◆ Successfully addressed financial contracting risk on the three primary rail contracts (Veolia, URS, and LAN). Each audit has resulted in significant actual and/or potential cost recoveries to the organization.
- ◆ Prepared two comprehensive bi-annual status updates which covered twenty-four outstanding internal and external reviews; 80% of recommendations were fully addressed and 11% of corrective action plans were actively being implemented as of the last completed status update.
- ◆ Project management of both the statutorily required Triennial Review and Sunset Review of Capital Metro operations.
- ◆ Enhanced coordination with the Chief Counsel regarding reviewing and responding to allegations of potential fraud and abuse. Assumed responsibilities for responding to Capital Metro Fraud Hotline.
- ◆ Performed annual internal quality assessment review (QAR.) The QAR confirmed that the internal audit function was performing in compliance with professional auditing standards (IIA and Yellow Book.)

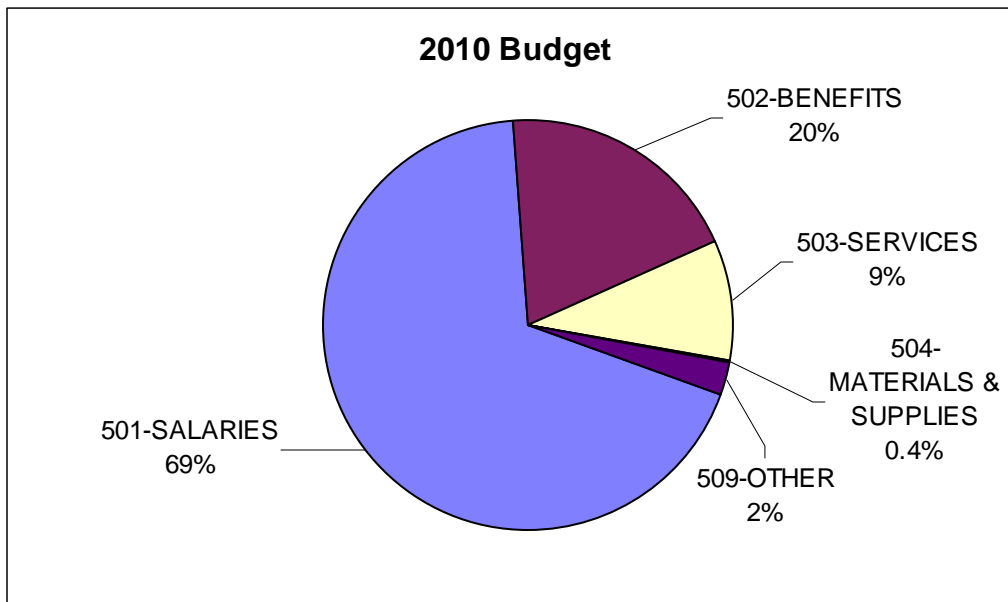
### Planned Initiatives

- ◆ Continue to perform planned audits and ensure ongoing risk assessment of Capital Metro operations and target internal audit resources in the most cost-effective and efficient manner.

**Major Budgetary Changes**

- ◆ **Salaries and Benefits** – Reduction of one part-time FTE and change in deferred compensation to salaries

<i>Account Category</i>	<i>FY 2009 Budget</i>	<i>FY 2009 Forecast</i>	<i>FY 2010 Budget</i>	<i>% Var Budget 2010 vs Forecast 2009</i>	<i>% Variance Budget 2010 vs. Budget 2009</i>
<b>501-SALARIES</b>	\$ 199,534	\$ 190,952	\$ 218,540	14.4%	9.5%
<b>502-BENEFITS</b>	75,973	53,343	62,763	17.7%	-17.4%
<b>503-SERVICES</b>	35,000	40,000	30,000	-25.0%	-14.3%
<b>504-MATERIALS &amp; SUPPLIES</b>	1,800	690	1,250	81.2%	-30.6%
<b>509-OTHER</b>	8,405	3,716	7,885	112.2%	-6.2%
<b>TOTALS</b>	<b>\$ 320,712</b>	<b>\$ 288,701</b>	<b>\$ 320,438</b>	<b>11.0%</b>	<b>-0.1%</b>



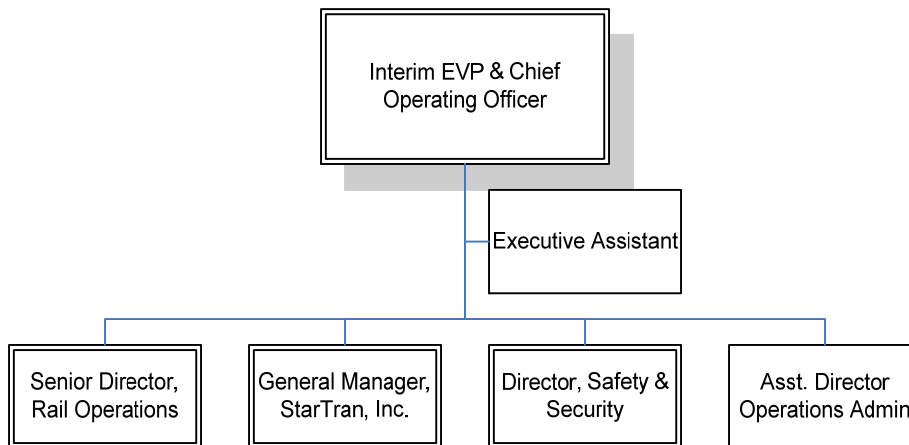
# Chief Operating Officer

## Functions and Responsibilities

The Chief Operating Officer provides oversight and guidance for all Capital Metro operations, including the authority's bus, paratransit, freight rail, passenger rail, maintenance, safety and security functions.

The focus of the Chief Operating Officer this year is to prepare for the start of MetroRail service; implement Intelligent Transportation Systems; develop and implement standards for cleanliness, comfort, safety, security and accessibility; and clarify operations oversight and quality assurance.

## Chief Operating Officer Department Organizational Chart



## FY 2009 Accomplishments

- ◆ Oversaw operational planning and staffing for future MetroRail service
- ◆ Implemented Intelligent Transportation Systems for MetroAccess
- ◆ Accommodated all ADA-eligible trips

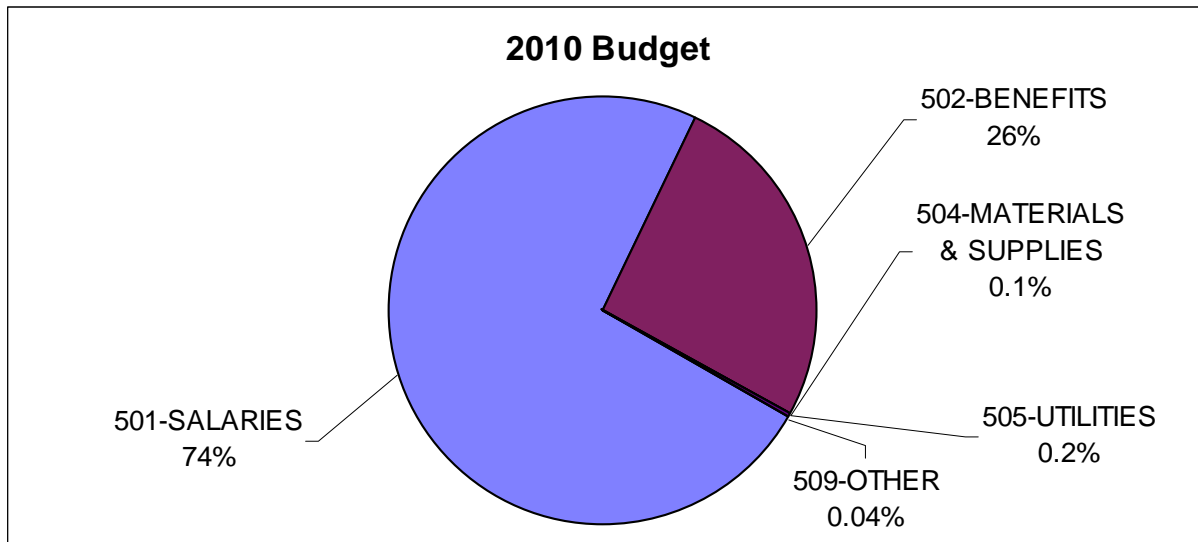
## Planned Initiatives

- ◆ Implement MetroRail service, beginning first quarter 2010
- ◆ Develop and implement standards for cleanliness, comfort, safety, security and accessibility
- ◆ Clarify operational oversight and direction of all contracted services; monitor contract compliance
- ◆ Provide cost-effective ADA-compliant service to eligible participants
- ◆ Implement Intelligent Transportation Systems for Fixed Route and Rail

### Major Budgetary Changes

- ◆ **Salaries & Benefits** – Interim COO budgeted in FY 2010
- ◆ **Services** – Eliminated consulting services in this department
- ◆ **Materials & Supplies** – Reduced budget for office supplies
- ◆ **Utilities** – No telephone budgeted for FY 2010
- ◆ **Other** – Eliminated travel.

<i>Account Category</i>	<i>FY 2009 Budget</i>	<i>FY 2009 Forecast</i>	<i>FY 2010 Budget</i>	<i>% Var Budget 2010 vs Forecast 2009</i>	<i>% Variance Budget 2010 vs. Budget 2009</i>
<b>501-SALARIES</b>	\$ 119,756	\$ 121,642	\$233,110	91.6%	94.7%
<b>502-BENEFITS</b>	43,400	32,139	81,031	152.1%	86.7%
<b>503-SERVICES</b>	11,100	12,800	-	-100.0%	-100.0%
<b>504-MATERIALS &amp; SUPPLIES</b>	1,114	182	180	-1.1%	-83.8%
<b>505-UTILITIES</b>	1,422	907	600	-33.8%	-57.8%
<b>509-OTHER</b>	5,850	1,412	124	-91.2%	-97.9%
<b>TOTALS</b>	<b>\$ 182,642</b>	<b>\$ 169,081</b>	<b>\$315,045</b>	<b>86.3%</b>	<b>72.5%</b>





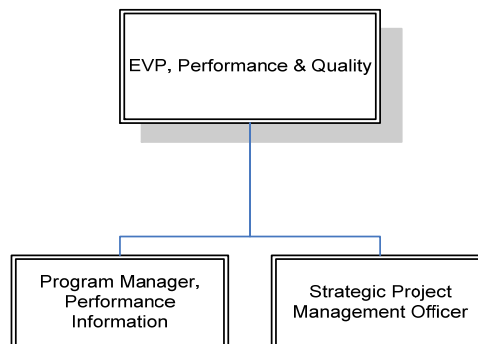
# Office of Strategic Management

## Functions and Responsibilities

The Office of Strategic Management (OSM) was created to serve as the centralized area for the management and reporting of the Strategic Plan. The OSM is responsible for the coordination, oversight and facilitation of Route 2025 objectives, measurement and initiatives. In addition, the OSM is also responsible for the following programs:

- Recognizing Resourcefulness (R<sup>2</sup>)
- Customer Comment Analysis
- Policy Review and Updating
- Mapping Key Critical Business Processes
- Coordinating the development of key performance indicators for MetroRail service
- Management of the Rideshare Program in partnership with our Planning team
- Oversight of the opening of MetroRail in partnership with COO

## Strategic Management Department Organizational Chart



## FY 2009 Accomplishments

- ◆ Developed strategic measurement and strategic action software to report corporate performance
- ◆ Assisted in the development of performance measures for MetroRail service
- ◆ Supported MetroRail in establishing protocols for contract document management and reconciliation
- ◆ Assisted in developing contractual standards for MetroRail service implementation
- ◆ Continued supporting the organization's effort to reward cost savings ideas through the Recognizing Resourcefulness committee

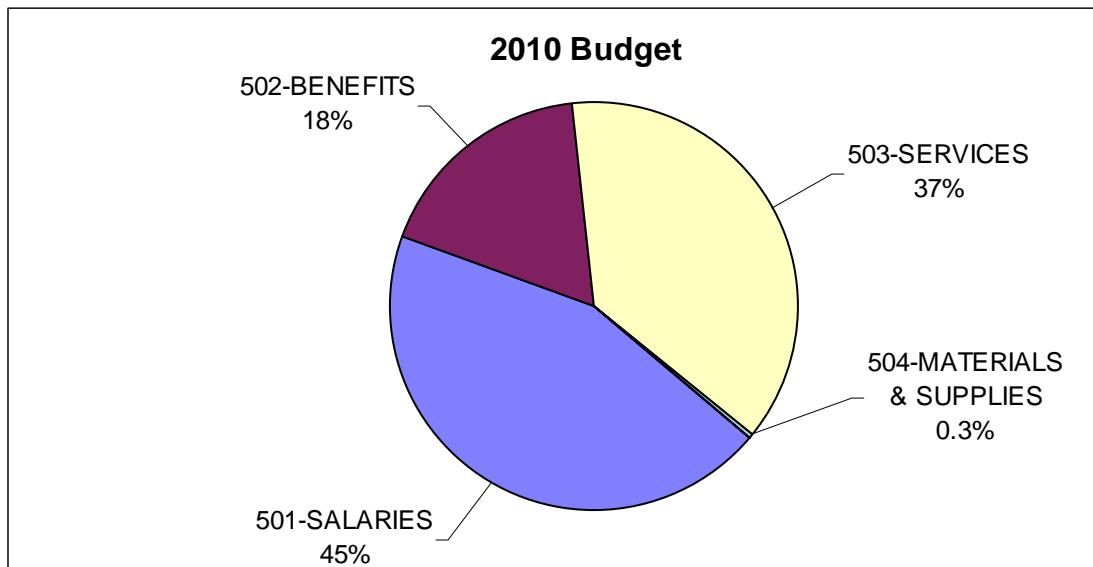
## Planned Initiatives

- ◆ Work with the President/CEO office to develop revised monthly report
- ◆ Support execution of strategic actions
- ◆ Process map and re-map key/critical processes to improve efficiencies and service delivery
- ◆ Develop and implement a standardized Project Management program for Capital Metro
- ◆ Create effective performance reporting systems for all departments

### Major Budgetary Changes

- ◆ **Salaries & Benefits** – Vice President salary moved to COO Department as interim
- ◆ **Services** – Includes a temporary admin assistant, data collection software user fee and programming
- ◆ **Other** – Travel has been eliminated

<i>Account Category</i>	<i>FY 2009 Budget</i>	<i>FY 2009 Forecast</i>	<i>FY 2010 Budget</i>	<i>% Var Budget 2010 vs Forecast 2009</i>	<i>% Variance Budget 2010 vs. Budget 2009</i>
<b>501-SALARIES</b>	\$ 191,570	\$ 200,199	\$ 83,606	-58.2%	-56.4%
<b>502-BENEFITS</b>	64,540	61,070	33,739	-44.8%	-47.7%
<b>503-SERVICES</b>	51,092	64,438	70,497	9.4%	38.0%
<b>504-MATERIALS &amp; SUPPLIES</b>	1,250	1,701	500	-70.6%	-60.0%
<b>505-UTILITIES</b>	800	505	-	-100.0%	-100.0%
<b>509-OTHER</b>	5,787	2,786	-	-100.0%	-100.0%
<b>TOTALS</b>	<b>\$ 315,039</b>	<b>\$ 330,699</b>	<b>\$ 188,343</b>	<b>-43.0%</b>	<b>-40.2%</b>

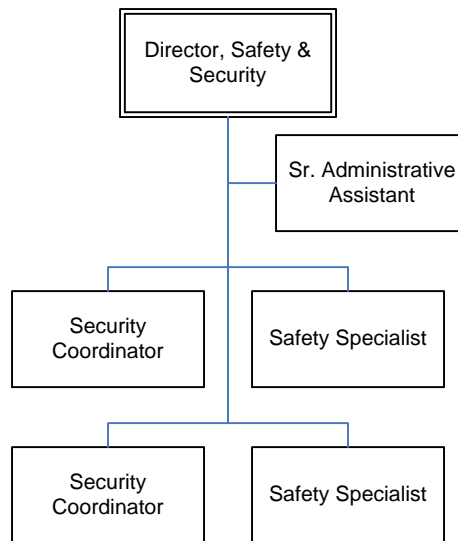


# Security

## Functions and Responsibilities

The Security department's primary goal is to enhance the personal safety of customers and employees, and to protect the transit property. To accomplish these goals, staff develops policies, conducts and issues educational programs, and performs audits. Officers initiate random patrols throughout the service area via mobile patrol and/or onboard rides in uniform or plainclothes.

### Security Department Organizational Chart



### FY 2009 Accomplishments

- ◆ Submission of Rail System Safety Plan to FRA
- ◆ Submission of Rail System Security Plan to FRA
- ◆ Installation of Security systems at all nine rail stations
- ◆ Installation of Security system at Rail Maintenance facility

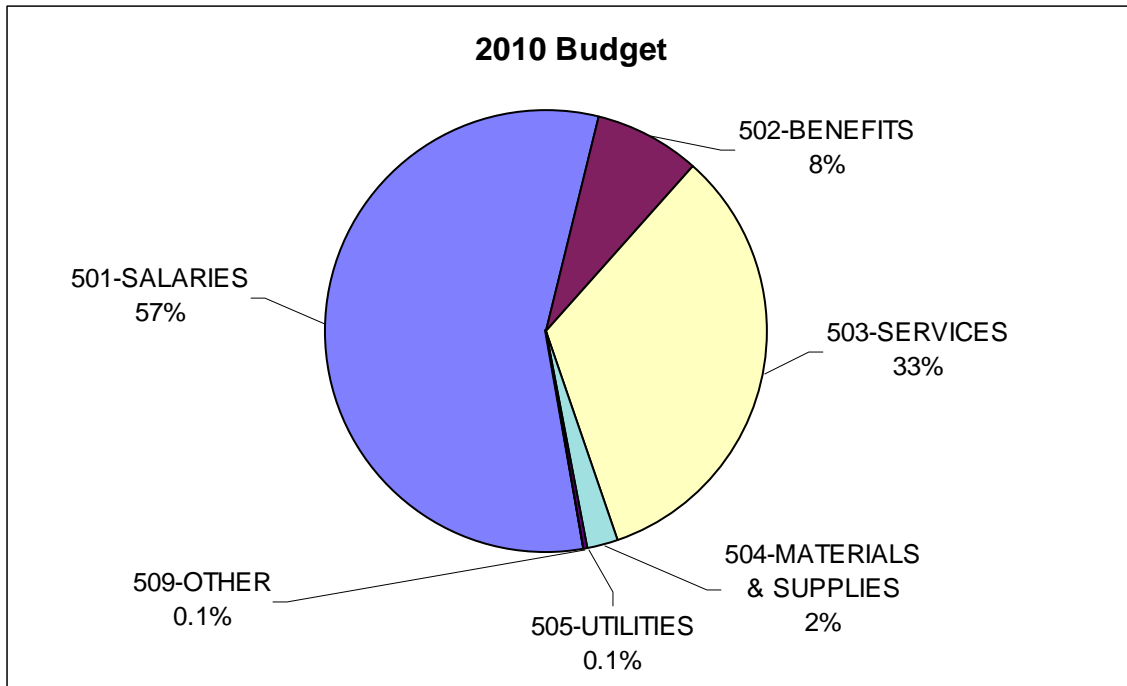
### Planned Initiatives

- ◆ Assume cognizance of Rail Safety
- ◆ Conduct Safety Survey of Bus Routes
- ◆ Conduct Field assessment of Rail Security Plan

### Major Budgetary Changes

- ◆ **Salaries & Benefits** – Hours for the security officers have been reduced.
- ◆ **Services** – Services include contract with Barton Security to provide security to Capital Metro assets and a maintenance contract on security cameras
- ◆ **Materials & Supplies** – Reduction in safety materials
- ◆ **Other** – Travel and Dues & Subscriptions have been reduced due to budget constraints.

<i>Account Category</i>	<i>FY 2009 Budget</i>	<i>FY 2009 Forecast</i>	<i>FY 2010 Budget</i>	<i>% Var Budget 2010 vs Forecast 2009</i>	<i>% Variance Budget 2010 vs. Budget 2009</i>
<b>501-SALARIES</b>	\$ 1,488,631	\$ 1,294,613	\$ 1,300,172	0.4%	-12.7%
<b>502-BENEFITS</b>	\$ 239,822	\$ 215,494	\$ 174,441	-19.1%	-27.3%
<b>503-SERVICES</b>	\$ 856,794	\$ 922,717	\$ 756,276	-18.0%	-11.7%
<b>504-MATERIALS &amp; SUPPLIES</b>	\$ 66,658	\$ 46,823	\$ 55,908	19.4%	-16.1%
<b>505-UTILITIES</b>	\$ 1,863	\$ 2,105	\$ 1,863	-11.5%	0.0%
<b>509-OTHER</b>	\$ 6,631	\$ 4,931	\$ 1,710	-65.3%	-74.2%
<b>TOTALS</b>	<b>\$ 2,660,399</b>	<b>\$ 2,486,683</b>	<b>\$ 2,290,371</b>	<b>-7.9%</b>	<b>-13.9%</b>



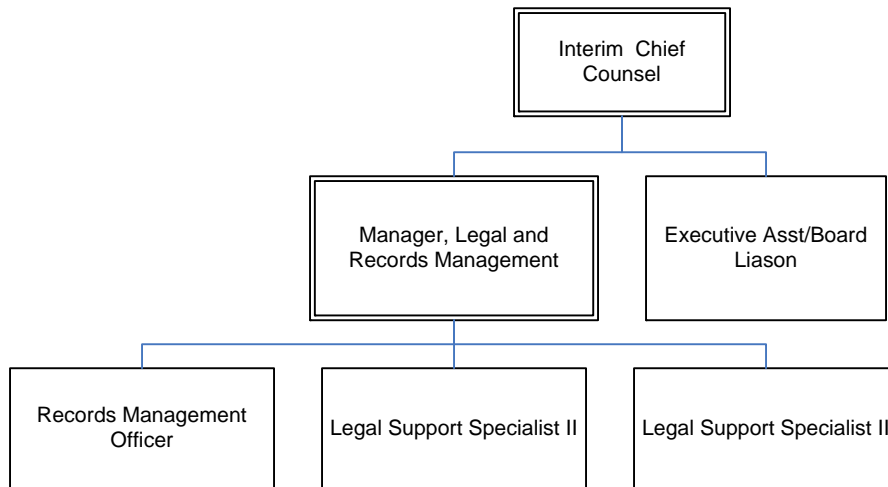
# Legal

## Functions and Responsibilities

The Legal department ensures that Capital Metro conducts its activities ethically and consistently with federal and state laws, providing sound legal advice and reducing the risk of legal action. The Legal department provides legal support on applicable federal, state and local laws; ensures compliance with the Texas Public Information Act, Open Meetings Act and State Records Retention Act; monitors and enhances Capital Metro’s ethics program to help ensure responsible stewardship of public funds; manages outside legal services; and manages the agency’s record management program.

The Board of Directors Support department has merged with Legal. The Board Liaison provides support to the Board of Directors and President/Chief Executive Officer in an effort to achieve the strategic mission and vision of Capital Metro Transportation Authority (Capital Metro). The Board of Director’s Liaison also coordinates meetings and works with Legal to ensure compliance with the Texas Transportation Code, Section 451, and Texas Open Meetings Act requirements.

### Legal Department Organizational Chart



### FY 2009 Accomplishments

- ◆ Reduced backlogged outside storage in the Records Management Program with cost savings of \$5,000 per year.
- ◆ Integrated Board Agenda Management Software System across the agency
- ◆ Efficiently and effectively managed legal matters

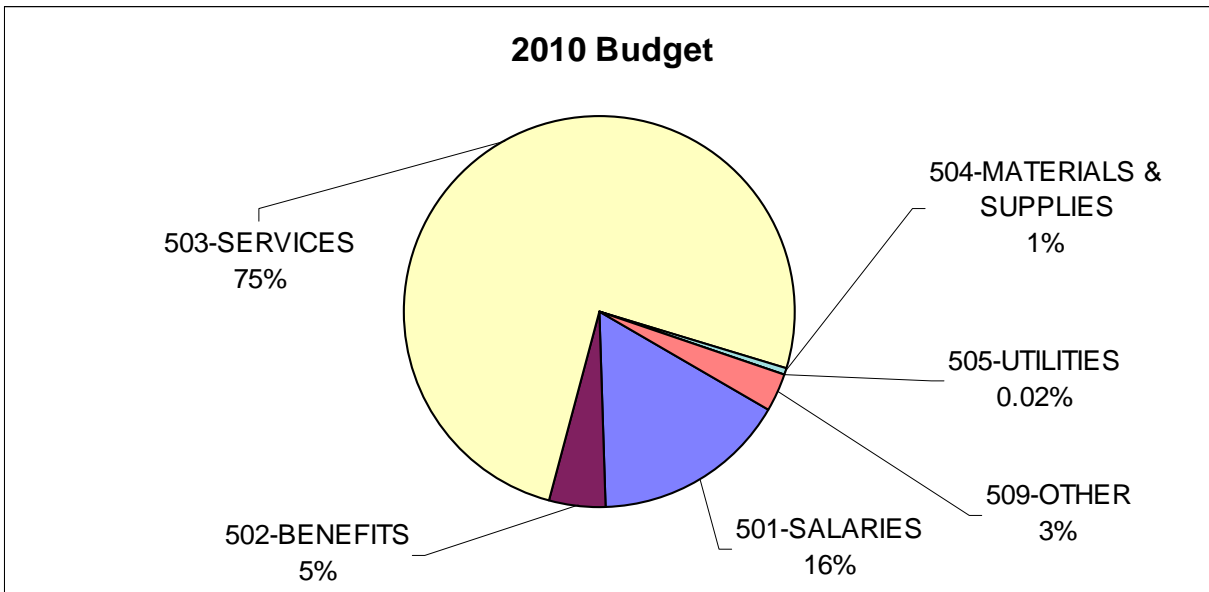
### Planned Initiatives

- ◆ Revamp outside legal contracts and re-negotiate rates for existing contracts for agency cost savings
- ◆ Continue training and upgrade of the Agenda Management Software System for increased efficiency across the agency
- ◆ Continue efforts to minimize network and outside data storage in all departments for additional cost savings and optimal use of eDocs (Hummingbird)
- ◆ Implement new policies and procedures for communication and operations with the Board of Directors

### Major Budgetary Changes

- ◆ **Salaries and Benefits** – Reduced due to early retirement of personnel
- ◆ **Services** – Increased outside legal counsel fees to defend Capital Metro in pending lawsuit
- ◆ **Other** – Travel reduced due to budget constraints

<i>Account Category</i>	<i>FY 2009 Budget</i>	<i>FY 2009 Forecast</i>	<i>FY 2010 Budget</i>	<i>% Var Budget 2010 vs Forecast 2009</i>	<i>% Variance Budget 2010 vs. Budget 2009</i>
<b>501-SALARIES</b>	\$393,688	\$396,493	\$ 337,403	-15%	-14%
<b>502-BENEFITS</b>	124,348	99,372	98,169	-1%	-21%
<b>503-SERVICES</b>	924,120	1,037,093	1,571,026	51%	70%
<b>504-MATERIALS &amp; SUPPLIES</b>	13,750	13,692	14,290	4%	4%
<b>505-UTILITIES</b>	320	212	320	51%	0%
<b>509-OTHER</b>	92,834	57,599	63,235	10%	-32%
<b>TOTALS</b>	<b>\$ 1,549,060</b>	<b>\$ 1,604,461</b>	<b>\$ 2,084,443</b>	<b>30%</b>	<b>35%</b>





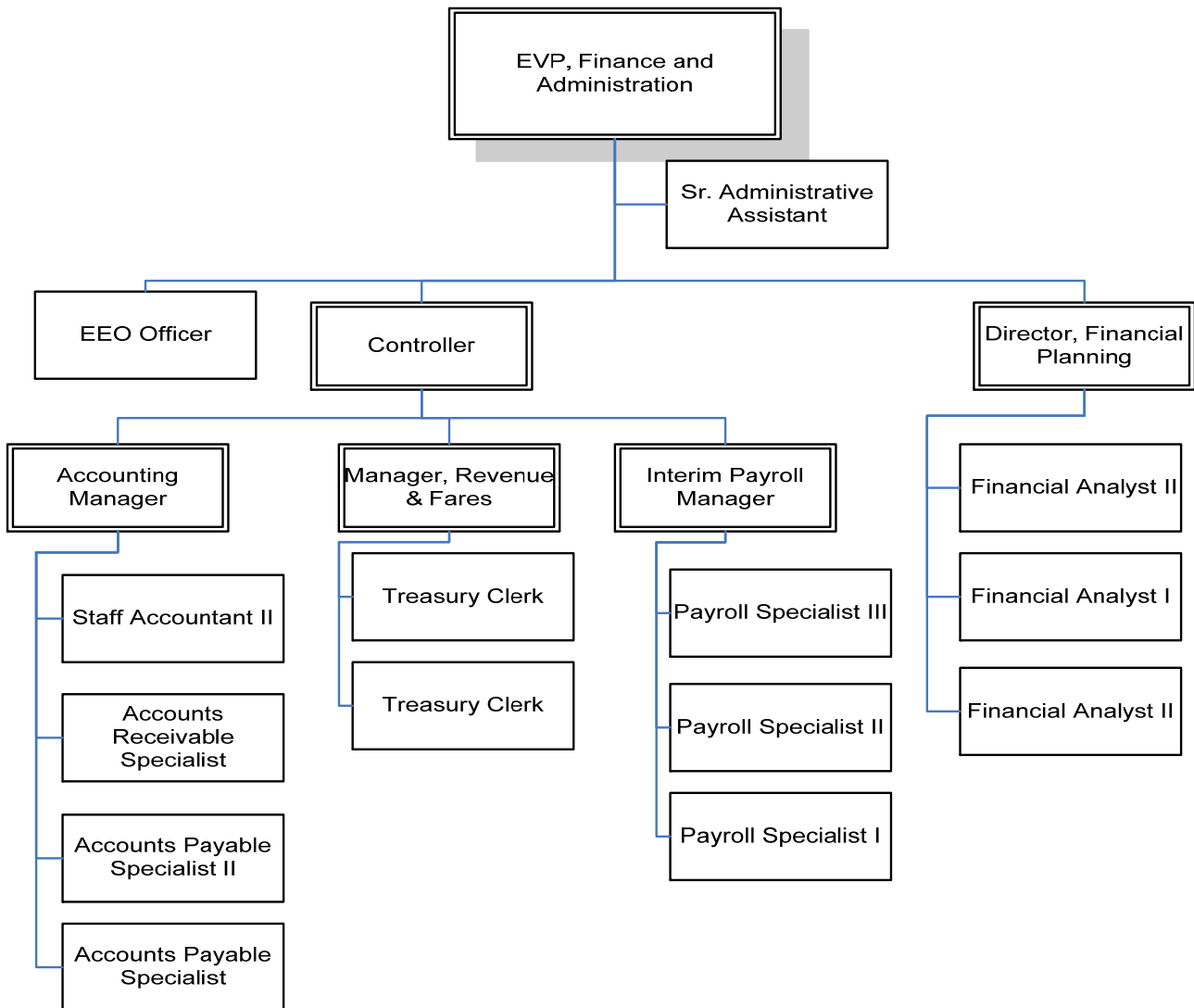
Capital Metropolitan Transportation Authority  
Approved Fiscal Year 2010 Budget

# Finance

## Functions and Responsibilities

The Finance department is responsible for monitoring Capital Metro's financial performance, making recommendations regarding the effective allocation of financial resources, ensuring accurate and timely financial accounting and reporting, ensuring the timely payment of goods and services procured for Capital Metro, developing and monitoring annual operating and capital budgets, administering federal grant programs, safeguarding assets, and facilitating strategic financial and information technology planning.

### Finance Department Organizational Chart







**FY 2009 Accomplishments**

- ◆ Implemented fuel price risk management program to mitigate fuel price risks, reduce fuel price volatility and introduce price predictability
- ◆ Revised Long Range Financial Plan based on economic downturn & drastically reduced sales tax revenue
- ◆ Implemented aggressive spending controls to balance budget within reduced projections
- ◆ Completed grant obligations in compliance with American Recovery and Reinvestment Act requirements
- ◆ Received and tested ticket vending machines for MetroRail fare collection

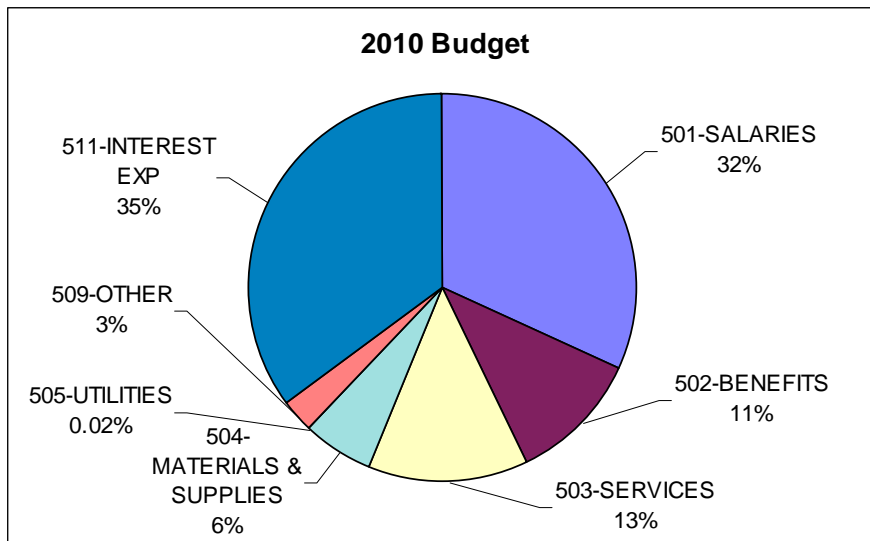
**Planned Initiatives**

- ◆ Revise budget development process to include more public involvement
- ◆ Revise format and content for the monthly report to the Board of Directors
- ◆ Implement fare collection and control system for new MetroRail system

**Major Budgetary Changes**

- ◆ **Services** – Decrease in Other Professional Fees due to lower Fuel Risk Management Consultant cost
- ◆ **Materials & Supplies** – Purchase of passes for MetroRail services and for City of Austin and Austin Community College agreements for sale to riders
- ◆ **Other** – Ticket Vending Machines will be used at all Rail stations in FY 2010, and the machines will accept debit and credit cards.

<i>Account Category</i>	<i>FY 2009 Budget</i>	<i>FY 2009 Forecast</i>	<i>FY 2010 Budget</i>	<i>% Var Budget 2010 vs Forecast 2009</i>	<i>% Variance Budget 2010 vs. Budget 2009</i>
<b>501-SALARIES</b>	\$ 1,095,523	\$ 1,017,050	\$ 1,134,973	11.6%	3.6%
<b>502-BENEFITS</b>	355,357	334,847	386,461	15.4%	8.8%
<b>503-SERVICES</b>	536,040	477,375	471,705	-1.2%	-12.0%
<b>504-MATERIALS &amp; SUPPLIES</b>	187,975	228,044	206,683	-9.4%	10.0%
<b>505-UTILITIES</b>	780	664	720	8.4%	-7.7%
<b>509-OTHER</b>	107,343	65,029	98,625	51.7%	-8.1%
<b>511-INTEREST EXP</b>	1,219,102	1,218,652	1,255,280	3.0%	3.0%
<b>TOTALS</b>	<b>\$ 3,502,120</b>	<b>\$ 3,341,661</b>	<b>\$ 3,554,447</b>	<b>6.4%</b>	<b>1.5%</b>





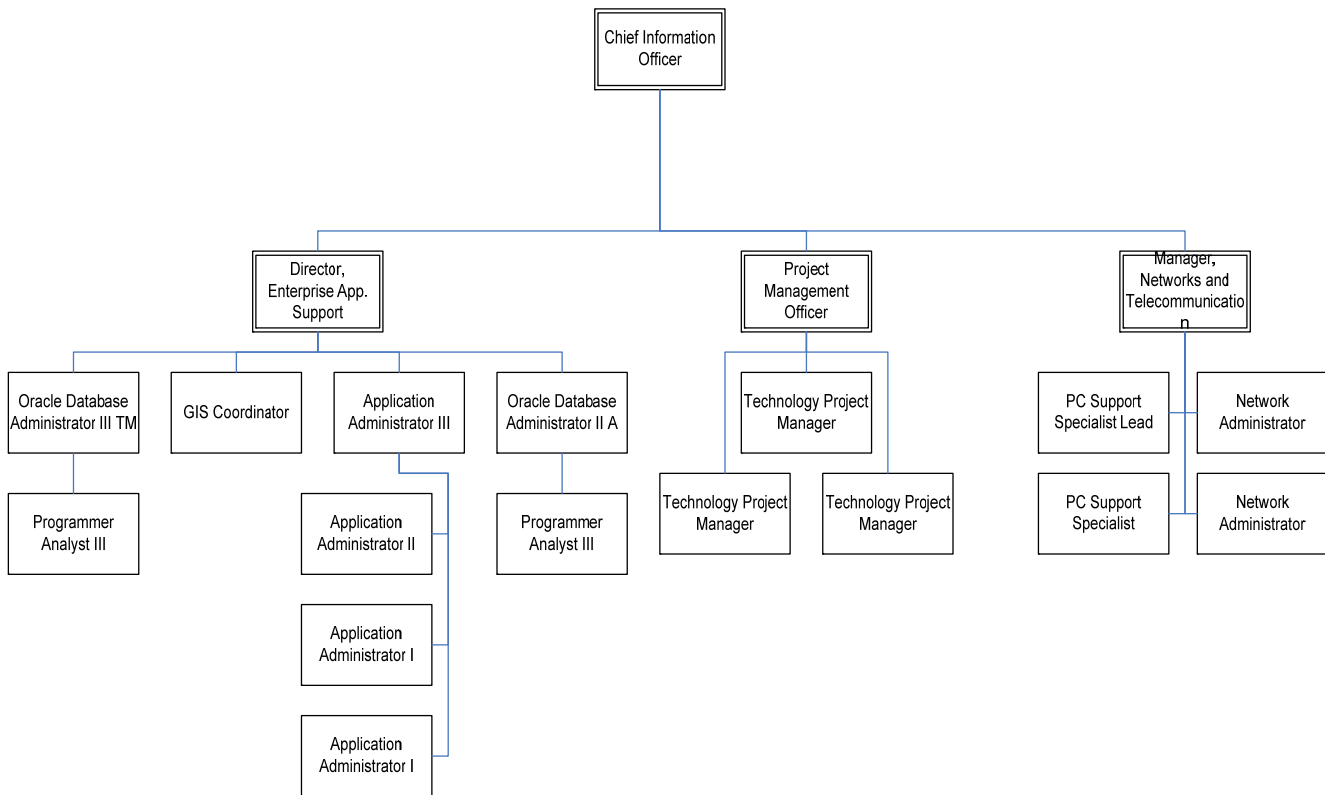
Capital Metropolitan Transportation Authority  
Approved Fiscal Year 2010 Budget

# Information Technology

## Functions and Responsibilities

The Information Technology (IT) department provides strategic planning and implementation of all technology projects, ensures the integrity, availability, and security of all Capital Metro data systems, and provides reliable network and telephone services. In addition, the IT department is responsible for procurement, installation and day-to-day support of all installed hardware and software and 24x7 support of mission critical systems.

### Information Technology Department Organizational Chart



### FY 2009 Accomplishments

- ◆ Expanded Wireless Internet service to all Express and Rail vehicles
- ◆ Completed Automatic Vehicle Location implementation for Paratransit Services
- ◆ Expanded and overhauled agency-wide security video system
- ◆ Expanded and enhanced Rider Information Systems (IVR, Trip Planner, Paratransit Ride Requests, Taxi Invoice system, etc.)

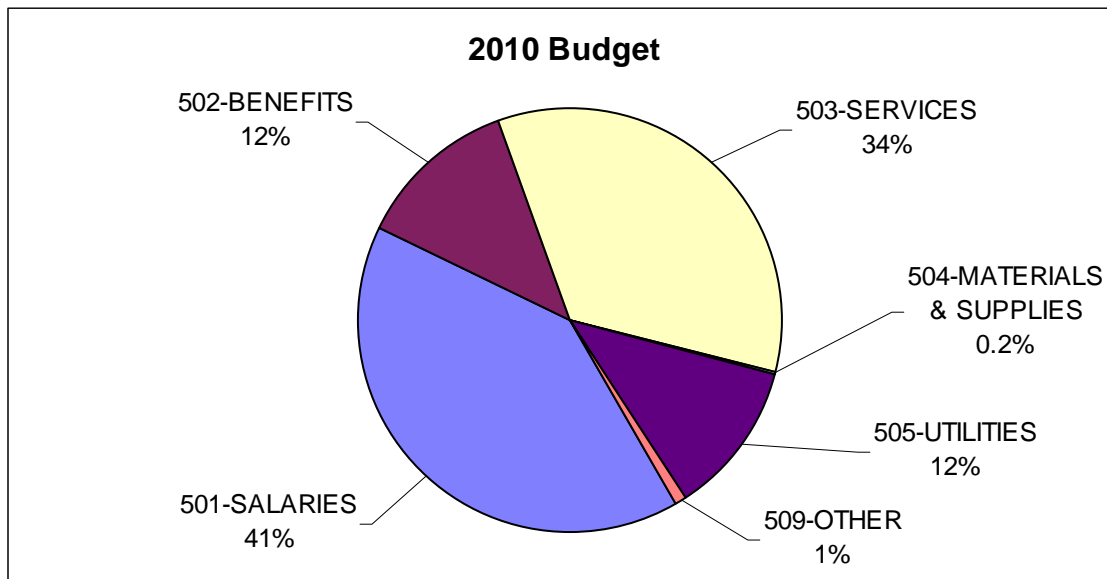
### Planned Initiatives

- ◆ Start Rail System
- ◆ Finish Automatic Vehicle Location implementation project for Fixed Route and Rail
- ◆ Continue enhancing Rider Information Systems (IVR, Web Page, Next Bus, etc.)
- ◆ Begin implementation of Bus Rapid Transit mode

### Major Budgetary Changes

- ◆ **Salaries & Benefits** – Increase due to fewer capital projects; therefore, less capitalized labor.
- ◆ **Services** – Increases in software maintenance contracts are anticipated.
- ◆ **Utilities** – Increases are expected in FY 2010 for Rail signalization costs.
- ◆ **Other** – Decreases in travel and in miscellaneous computer hardware

<i>Account Category</i>	<i>FY 2009 Budget</i>	<i>FY 2009 Forecast</i>	<i>FY 2010 Budget</i>	<i>% Var Budget 2010 vs Forecast 2009</i>	<i>% Variance Budget 2010 vs. Budget 2009</i>
<b>501-SALARIES</b>	\$ 1,214,610	\$ 1,195,147	\$ 1,424,720	19.2%	17.3%
<b>502-BENEFITS</b>	423,053	359,146	425,183	18.4%	0.5%
<b>503-SERVICES</b>	879,608	1,418,595	1,201,506	-15.3%	36.6%
<b>504-MATERIALS &amp; SUPPLIES</b>	6,235	6,253	8,085	29.3%	29.7%
<b>505-UTILITIES</b>	371,535	346,321	416,003	20.1%	12.0%
<b>509-OTHER</b>	58,714	52,205	26,030	-50.1%	-55.7%
<b>TOTALS</b>	<b>\$ 2,953,754</b>	<b>\$ 3,377,666</b>	<b>\$ 3,501,527</b>	<b>3.7%</b>	<b>18.5%</b>

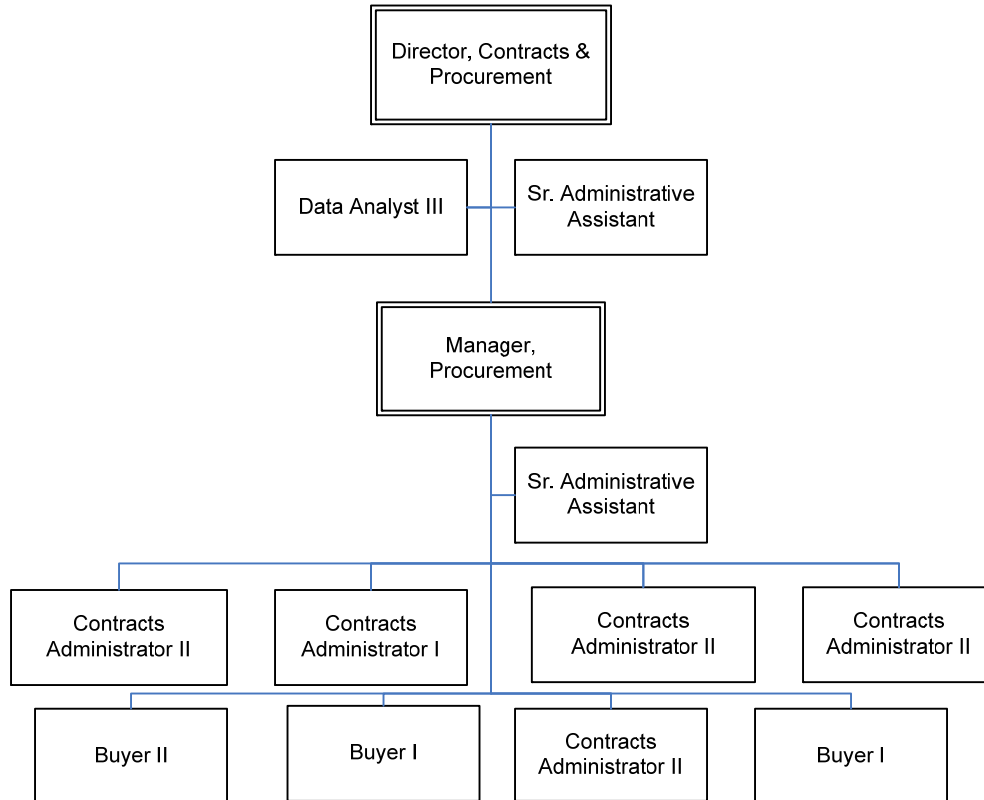


# Procurement

## Functions and Responsibilities

The Procurement Department is responsible for the acquisition of all goods, services, and construction needed by Capital Metro at fair and reasonable prices, on time, and in compliance with sound public purchasing policies and procedures.

### Procurement Department Organizational Chart



### FY 2009 Accomplishments

- ◆ Recovered in excess of \$900,000 in cash and in-kind service through investment recovery program
- ◆ Updated procedures manual to provide intradepartmental cross training on procedures; go-live on-line scheduled in 2010

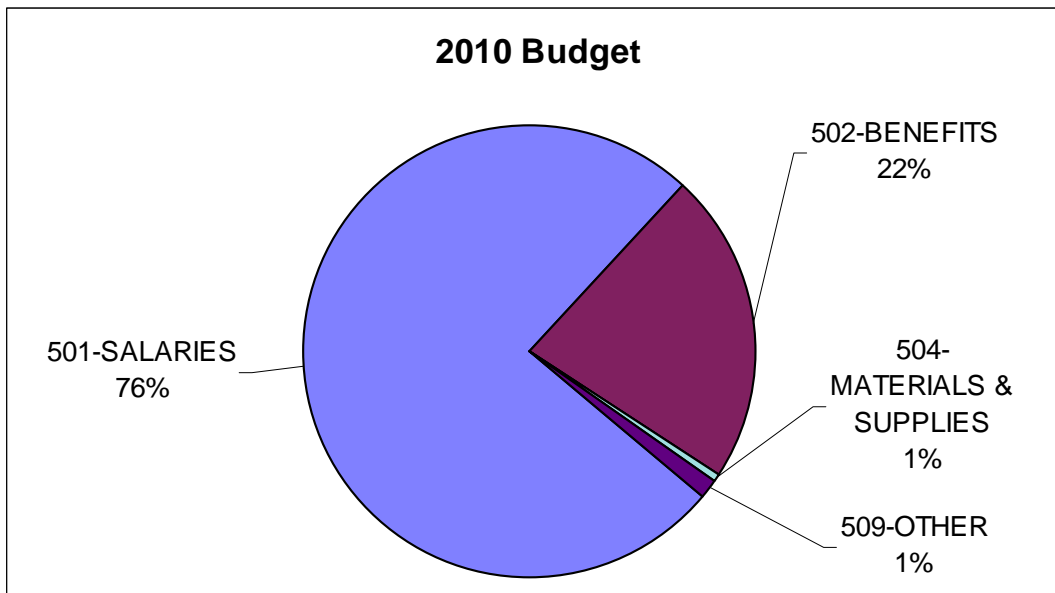
### Planned Initiatives

- ◆ Map, Analyze and Improve the Procurement Planning Process; continued from 2009
- ◆ Provide project manager training; small purchasing training and Inter-governmental Purchase Agreement training to internal staff
- ◆ Review and update of desktop procedures
- ◆ Monitor and adjust contract management plans implemented in 2009

### Major Budgetary Changes

- ◆ **Salaries & Benefits** – Reduction due to elimination of one position
- ◆ **Materials & Supplies** – FY 2010, did not budget the anticipated purchase price variance between quoted price and final received price, based on actual quantities purchased.

<i>Account Category</i>	<i>FY 2009 Budget</i>	<i>FY 2009 Forecast</i>	<i>FY 2010 Budget</i>	<i>% Var Budget 2010 vs Forecast 2009</i>	<i>% Variance Budget 2010 vs. Budget 2009</i>
<b>501-SALARIES</b>	\$ 789,716	\$ 711,771	\$ 732,333	2.9%	-7.3%
<b>502-BENEFITS</b>	225,163	186,173	212,661	14.2%	-5.6%
<b>503-SERVICES</b>	-	21,747	-	-100.0%	0.0%
<b>504-MATERIALS &amp; SUPPLIES</b>	(6,504)	4,251	6,495	52.8%	-199.9%
<b>509-OTHER</b>	15,316	12,065	13,469	11.6%	-12.1%
<b>TOTALS</b>	<b>\$ 1,023,691</b>	<b>\$ 936,008</b>	<b>\$ 964,958</b>	<b>3.1%</b>	<b>-5.7%</b>





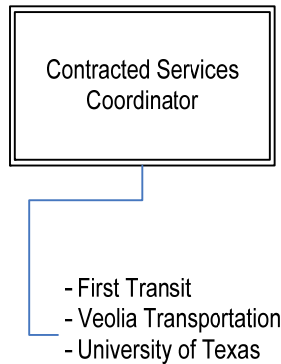
Capital Metropolitan Transportation Authority  
Approved Fiscal Year 2010 Budget

## Contracted Services

### Functions and Responsibilities

The Contracted Services department (formerly Purchased Transportation) manages oversight of Capital Metro's private fixed route services contractors. Costs related to Contracted Fixed Route – Local Service, Rural Services, and eighteen UT Services routes are captured in the Purchased Transportation Department. There are three private contractors managed under this department; Capital Area Rural Transportation Service (CARTS), First Transit and Veolia. Local Service including Flyer service is provided by both First Transit and Veolia. The University of Texas Shuttle is provided by First Transit. Rural services and limited demand response service in outlying areas is provided by CARTS.

### Contracted Services Department Organizational Chart



### FY 2009 Accomplishments

- ◆ Met or exceeded most contractual performance standards, including on-time performance, customer comments, and scheduled maintenance
- ◆ Transitioned Football Shuttles to a cost-neutral service for Capital Metro
- ◆ Re-procured the small fixed route contract, awarding a five year contract to Veolia Transportation Services.

### Planned Initiatives

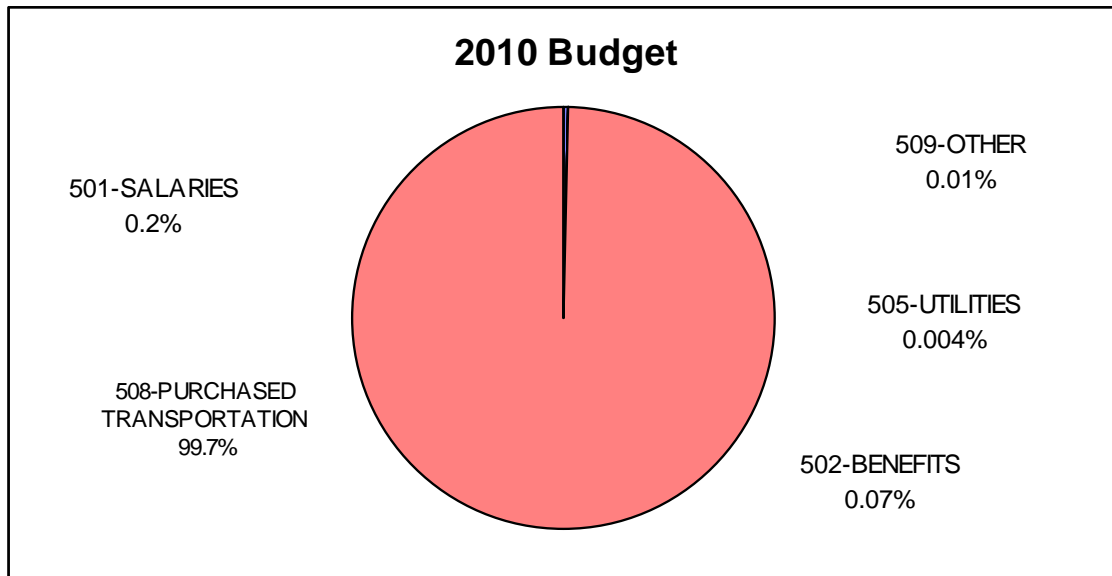
- ◆ Implement ITS technologies, including appropriate business process changes
- ◆ Manage re-procurement of Fixed Route Contract
- ◆ Establish an action plan for long-term vision for oversight of contracted services
- ◆ Negotiate new interlocal agreements with the University of Texas and CARTS (existing agreements expire this year)



### Major Budgetary Changes

- ◆ **Purchased Transportation** – Hourly billing rates with contractors increased per contract agreements. FY 2010 will be a key period for Purchased Transportation with two contracts up for renewal. The UT Shuttle Fixed Route Service contract is scheduled for renewal on June 1, 2010. The Interlocal Agreement (ILA) with CARTS is scheduled for renewal on April 1, 2010. In addition, the ILA with the University of Texas for shuttle bus service will be renegotiated in FY 2010.
- ◆ **Other** – Travel budgeted to one conference

<i>Account Category</i>	<i>FY 2009 Budget</i>	<i>FY 2009 Forecast</i>	<i>FY 2010 Budget</i>	<i>% Var Budget 2010 vs Forecast 2009</i>	<i>% Variance Budget 2010 vs. Budget 2009</i>
<b>501-SALARIES</b>	\$ 50,833	\$ 57,415	\$ 51,660	-10.0%	1.6%
<b>502-BENEFITS</b>	14,583	15,453	14,860	-3.8%	1.9%
<b>503-SERVICES</b>	-	175,208	-	-100.0%	0.0%
<b>504-MATERIALS &amp; SUPPLIES</b>	-	2	-	-100.0%	0.0%
<b>505-UTILITIES</b>	300	714	780	9.2%	160.0%
<b>508-PURCHASED TRANSPORTATION</b>	19,627,872	18,628,405	20,631,014	10.8%	5.1%
<b>509-OTHER</b>	-	-	2,250	100.0%	100.0%
<b>TOTALS</b>	<b>\$ 19,693,589</b>	<b>\$ 18,877,200</b>	<b>\$ 20,700,563</b>	<b>9.7%</b>	<b>5.1%</b>

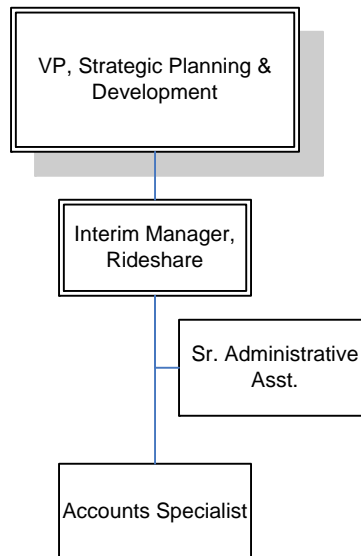


# Rideshare

## Functions and Responsibilities

The RideShare department provides alternative transportation solutions that reduce the number of single occupancy vehicles on area roads. The RideShare department manages van/carpool operations, including the ongoing assessment of performance, and conducts marketing and outreach activities with employers, the general public and individual groups to form new vanpools/carpools and recruits members for existing van/carpool groups. RideShare program staff also promotes all Capital Metro services in the community, monitors, inspects, and reviews all technical work, deliverables, reports, payments, and requests for van/carpools and alternative transportation services. Reports and data are provided from the regional rideshare database the program maintains.

## Rideshare Department Organizational Chart



## FY 2009 Accomplishments

- ◆ Managed an average of 140 Rideshare vehicles on the road
- ◆ Provided over 300,000 passenger trips in FY 2009
- ◆ Logged an average of 1.2 million passenger miles in FY 2009
- ◆ Transitioned to new maintenance contractor with more locations for customer convenience

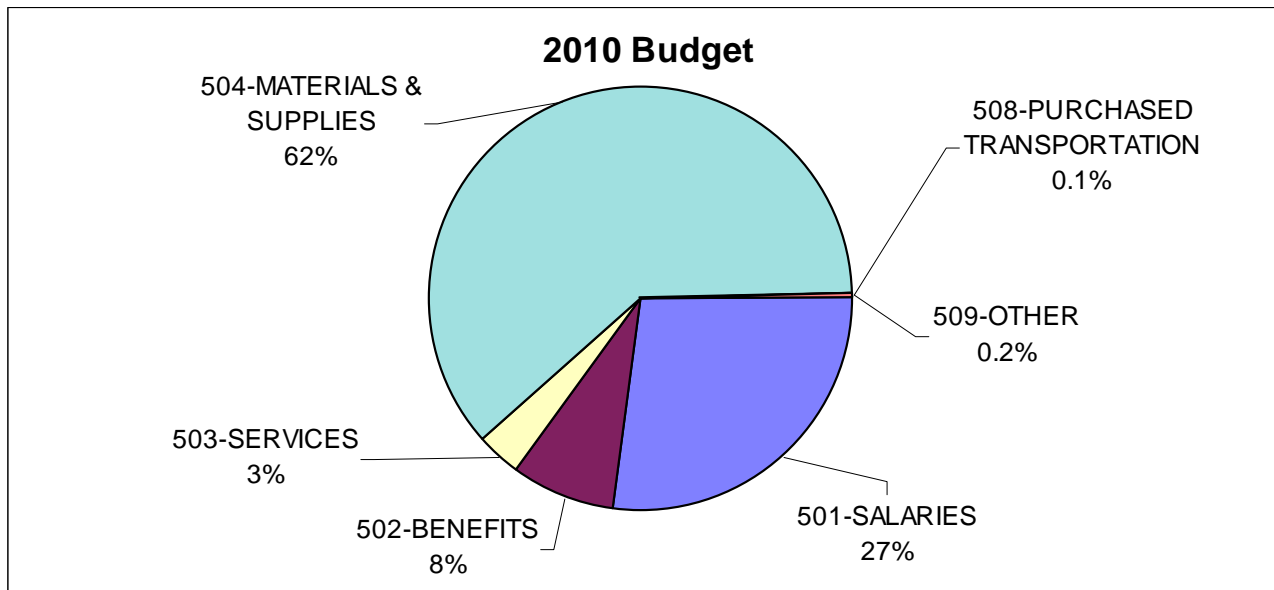
## Planned Initiatives

- ◆ Develop a business model to deliver efficient vanpool service
- ◆ Open communication with Rideshare Customers to include focus groups and customer satisfaction surveys
- ◆ Research new technology to capture operating statistics more efficiently
- ◆ Work with CAMPO Commute Solutions and Clean Air Force to promote the advantages of Rideshare

### Major Budgetary Changes

- ◆ **Services** – No temporary labor included in FY 2010
- ◆ **Materials & Supplies** – Decreased due to lower fuel prices

<i>Account Category</i>	<i>FY 2009 Budget</i>	<i>FY 2009 Forecast</i>	<i>FY 2010 Budget</i>	<i>% Var Budget 2010 vs Forecast 2009</i>	<i>% Variance Budget 2010 vs. Budget 2009</i>
<b>501-SALARIES</b>	\$ 134,847	\$ 115,145	\$ 144,254	25.3%	7.0%
<b>502-BENEFITS</b>	38,706	43,483	42,984	-1.1%	11.1%
<b>503-SERVICES</b>	49,246	44,455	17,500	-60.6%	-64.5%
<b>504-MATERIALS &amp; SUPPLIES</b>	351,501	215,665	326,634	51.5%	-7.1%
<b>508-PURCHASED TRANSPORTATION</b>	1,008	569	576	1.2%	-42.9%
<b>509-OTHER</b>	2,050	1,071	1,295	20.9%	-36.8%
<b>TOTALS</b>	<b>\$ 577,358</b>	<b>\$ 420,389</b>	<b>\$ 533,244</b>	<b>26.8%</b>	<b>-7.6%</b>



# Planning

## Functions and Responsibilities

Planning functions are divided into six major areas of responsibility:

**Service Planning:** Plan current services and changes within a five-year horizon, which includes: reviewing and analyzing services, preparing and communicating service changes, developing short-range plan documents, handling service and bus stop-related issues and requests, helping manage the Capital Metro Geographic Information System (GIS), and other related activities. Support community and neighborhood planning initiatives in the Service Area.

**Long-Range Planning:** Plan future services and major facility projects over a long-term horizon, including the development and review of long-range service and facility projects, travel demand forecasting, land use reviews, and other related activities.

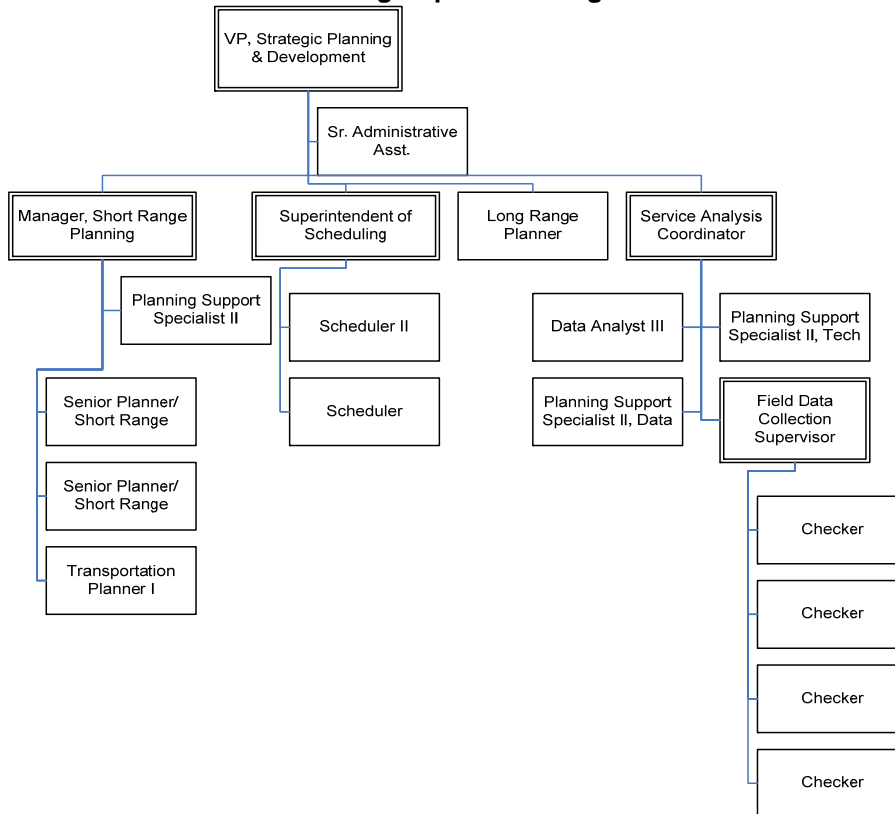
**Scheduling:** Develop schedules for fixed-route bus operations and bus operators, including work schedules. Perform data analysis, running time identification, schedule development, blocking, and run-cutting.

**Service Analysis:** Collect and analyze service-related information to support planning and other Capital Metro functions. Data collected and processed include farebox ridership data, automated passenger counter (APC) data, service data, and field data collection, including ride checks, point checks (for on-time performance), and various special passenger surveys.

**Transit-Oriented Development:** Plan, coordinate and assist in the advancement of transit-oriented developments and other transit-supportive community projects and initiatives. Provide information and support for the development of livable, sustainable and transit-supportive communities.

**Rideshare:** Provide alternative mass transportation solutions that reduce the number of single occupancy vehicles on area roads. Manage vanpool/carpool operations, including the ongoing assessment of performance, and conducts marketing and outreach activities with employers, the general public and individual groups to form new vanpools/carpools and recruits members for existing vanpool/carpool groups.

**Planning Department Organizational Chart**





### **FY 2009 Accomplishments**

- ◆ Successfully implemented major route adjustments and service reductions as required by the budget
- ◆ Advanced Service Plan 2020 planning process with final plan anticipated in early 2010
- ◆ Assumed management of the Rideshare program
- ◆ Continued project development for two Capital MetroRapid corridors for funding through the Federal Transit Administration Very Small Starts program
- ◆ Participated in numerous regional transportation planning efforts
- ◆ Continued TOD planning with Leander and at other locations
- ◆ Continued service scheduling, ridership tracking and service analysis efforts
- ◆ Prepared and received Board of Director approval of Service Guidelines and Standards

### **Planned Initiatives**

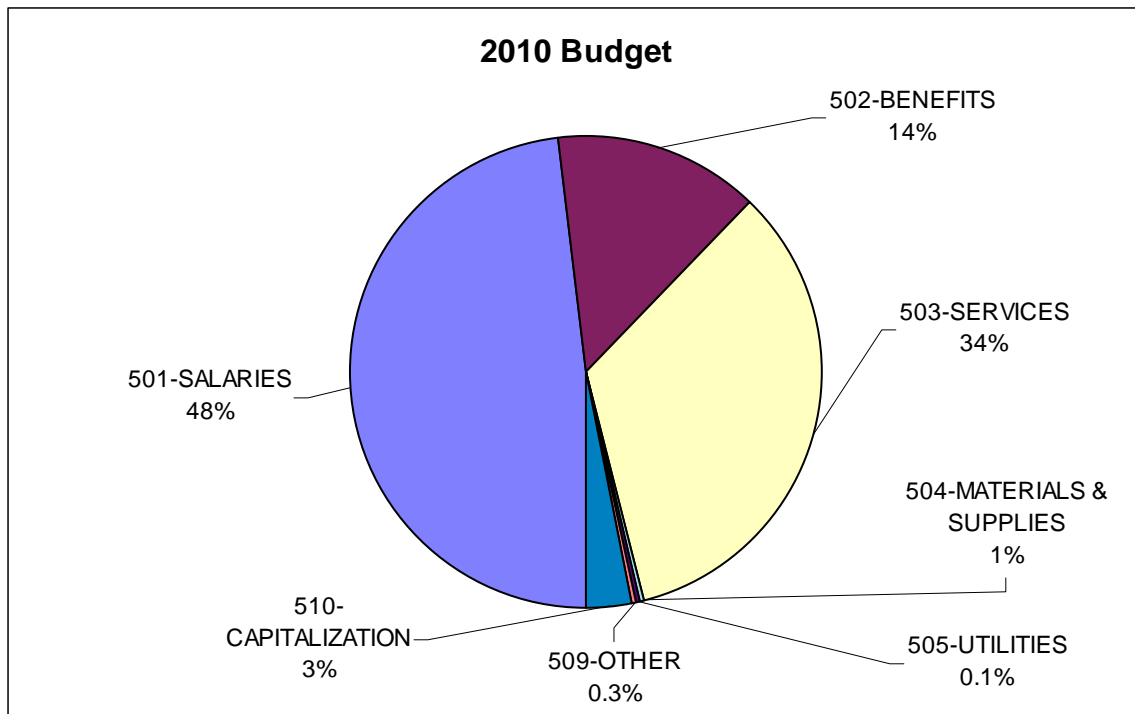
- ◆ Board adoption and initial implementation of Service Plan 2020
- ◆ Initiate MetroRail Red Line and related bus service, monitor performance and make adjustments as needed
- ◆ Update All Systems Go Long Range Plan
- ◆ Complete 2010 Origin and Destination Survey
- ◆ Continue to pursue partnership agreements under Out of Service Area service provision policy
- ◆ Continue development of MetroRapid corridors under FTA Very Small Starts program
- ◆ Complete and implement revised Rideshare Program Business Plan

## Planning

### Major Budgetary Changes

- ◆ **Services** – Temporary labor budgeted in FY 2010 for checkers to validate Automated Passenger Counters (APC) for collection of NTD data
- ◆ **Other** – Reduction in travel due to budget constraints

<i>Account Category</i>	<i>FY 2009 Budget</i>	<i>FY 2009 Forecast</i>	<i>FY 2010 Budget</i>	<i>% Var Budget 2010 vs Forecast 2009</i>	<i>% Variance Budget 2010 vs. Budget 2009</i>
<b>501-SALARIES</b>	\$ 942,732	\$ 881,062	\$ 926,007	5.1%	-1.8%
<b>502-BENEFITS</b>	289,849	249,880	276,689	10.7%	-4.5%
<b>503-SERVICES</b>	594,946	616,519	652,021	5.8%	9.6%
<b>504-MATERIALS &amp; SUPPLIES</b>	11,500	10,660	10,022	-6.0%	-12.9%
<b>505-UTILITIES</b>	1,200	2,552	1,440	-43.6%	20.0%
<b>509-OTHER</b>	11,833	7,165	5,826	-18.7%	-50.8%
<b>510-CAPITALIZATION</b>	-	-	(60,000)	100.0%	0.0%
<b>TOTALS</b>	<b>\$ 1,852,060</b>	<b>\$ 1,767,838</b>	<b>\$ 1,872,005</b>	<b>5.9%</b>	<b>1.1%</b>

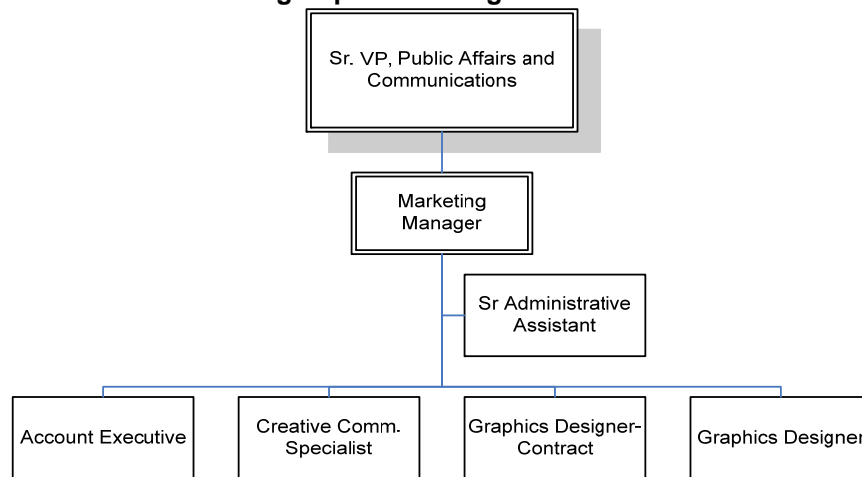


# Marketing

## Functions and Responsibilities

The Marketing department oversees strategic marketing, brand management, graphic design, customer literature production and distribution, special events planning and implementation. Major responsibilities include increasing ridership through the promotion of routes and services, working with the Communications and Business and Community Development departments to inform the public of planned initiatives and improvements, communicating routes and services to customers at point of sale, and increasing awareness of Capital Metro's services through advertising, collateral development, website, and promotions. Working with an external advertising agency, the department carries out market research to measure levels of awareness and customer satisfaction with specific products. Internal marketing, schedule design and production, signage design and management and fleet graphics are also key roles played by the department.

### Marketing Department Organizational Chart



### FY 2009 Accomplishments

- ◆ Installed literature racks on all Capital Metro fixed-route vehicles and developed a system to keep them stocked with passenger information
- ◆ Published *Go Downtown* – a comprehensive map and guide designed to help residents and visitors navigate on Capital Metro
- ◆ Produced collateral, website updates and messaging for multiple outreach efforts including Fare Change, ServicePlan 2020, Rail Safety, and suspension of the 'Dillo service
- ◆ Oversaw the first phase of the bus stop signage replacement with installation of new branded poles, signage and customer information at 22 stops in the downtown area.
- ◆ Updated collateral, maps and website for All Systems Go long-range plan

### Planned Initiatives

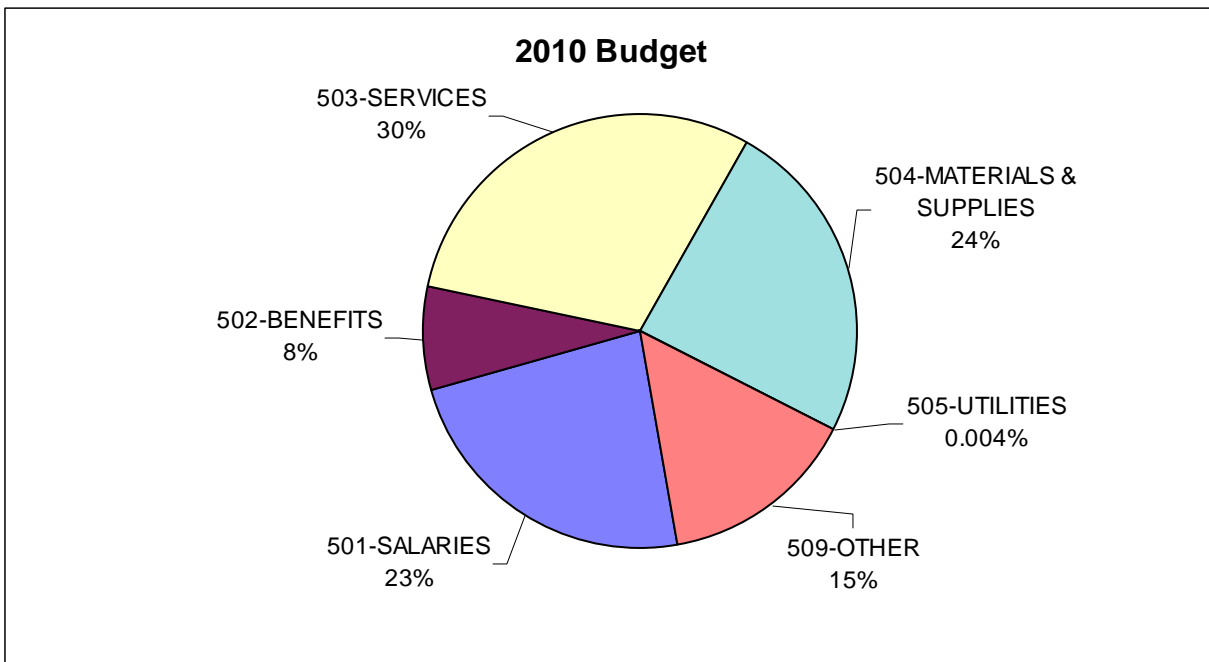
- ◆ Development of campaign, collateral, station information, grand opening and open house events in conjunction with the launch of MetroRail
- ◆ Redesign of Capital Metro website
- ◆ Preparation of all schedules, maps and information necessary for customers to navigate the transit system
- ◆ Execution of the annual customer satisfaction survey
- ◆ Initiate Transit Public Awareness campaign



### Major Budgetary Changes

- ◆ **Salaries and Benefits** – Decrease due to unfunded vacancy
- ◆ **Services** – Consulting services to provide marketing assistance in strategic planning, reputation management, 25th Anniversary campaign, campaign strategies, media development and placement
- ◆ **Materials & Supplies** – Decrease in maps & schedules and in other supplies
- ◆ **Other** – Shifting focus from mass media to grass-roots and web-based to make maximum impact with limited resources; reduction in travel

<i>Account Category</i>	<i>FY 2009 Budget</i>	<i>FY 2009 Forecast</i>	<i>FY 2010 Budget</i>	<i>% Var Budget 2010 vs Forecast 2009</i>	<i>% Variance Budget 2010 vs. Budget 2009</i>
<b>501-SALARIES</b>	\$ 478,101	\$ 454,734	\$ 395,866	-12.9%	-17.2%
<b>502-BENEFITS</b>	155,210	108,448	130,308	20.2%	-16.0%
<b>503-SERVICES</b>	447,208	426,190	510,500	19.8%	14.2%
<b>504-MATERIALS &amp; SUPPLIES</b>	555,800	557,026	410,000	-26.4%	-26.2%
<b>505-UTILITIES</b>	63	516	63	-87.8%	0.0%
<b>509-OTHER</b>	511,211	305,550	251,207	-17.8%	-50.9%
<b>TOTALS</b>	<b>\$ 2,147,592</b>	<b>\$ 1,852,463</b>	<b>\$ 1,697,944</b>	<b>-8.3%</b>	<b>-20.9%</b>





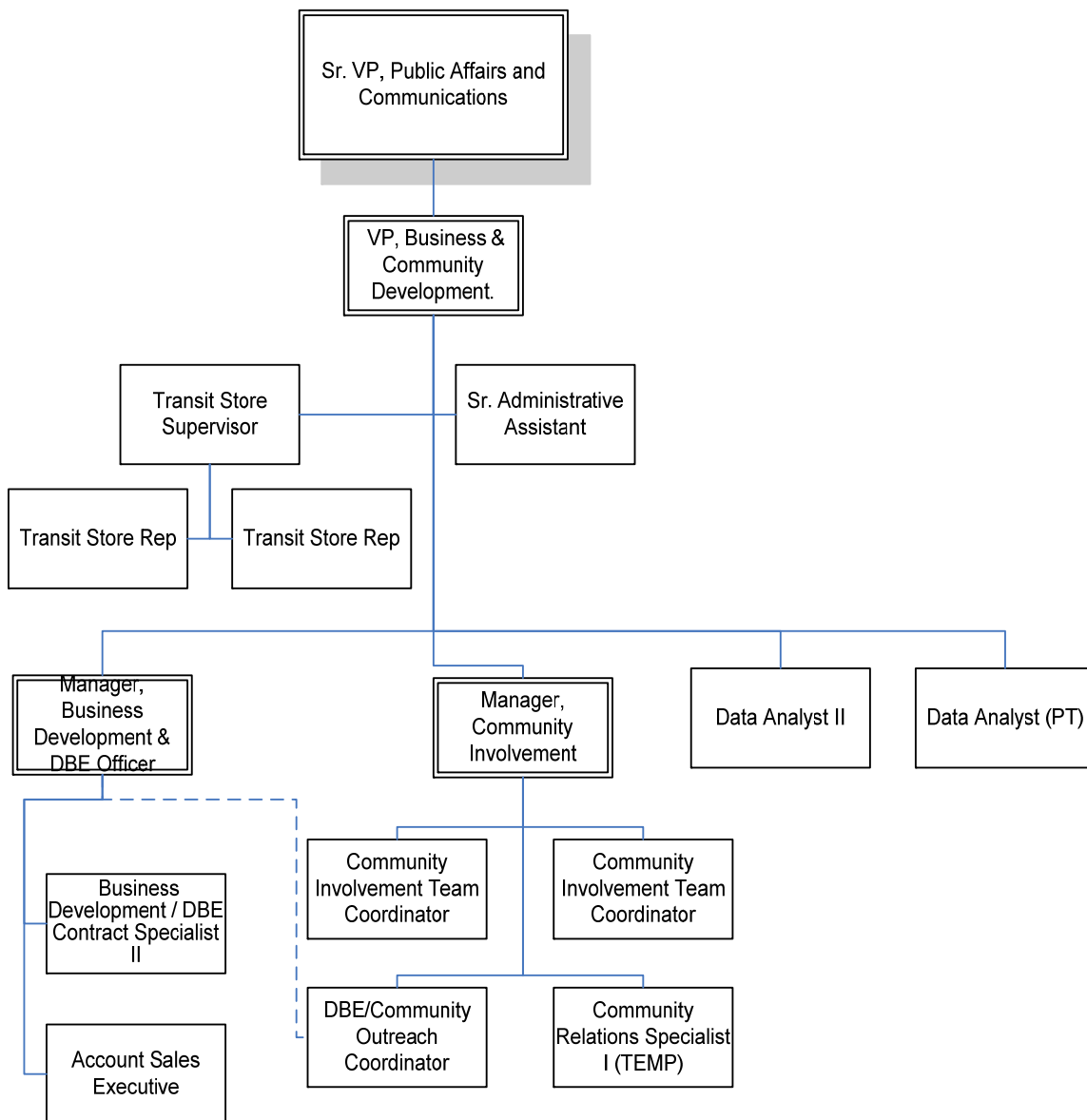


## Business & Community Development

### Functions and Responsibilities

The Business & Community Development department includes community relations, business development, customer service and the disadvantaged business enterprise (DBE) program. Major responsibilities include increasing public awareness about the value of public transportation, increasing transit advertising revenue, increasing ticket and pass sales, developing "pilot" programs that provide enhanced customer service, creating community partnerships that promote Capital Metro products and services and increasing procurement opportunities with certified DBEs. All of these activities increase ridership and enhance community partnerships for a return on taxpayer investment.

### Business & Community Development Department Organizational Chart





### **FY 2009 Accomplishments**

- ◆ Expanded the Community Involvement Program Model to include community engagement activities resulting in over 500 community presentations representing over 1,700 hours of public education on Capital Metro products and services; recruited over 100 volunteers as part of the “Transit Ambassadors” program for customer service support when MetroRail opens in FY10; and utilized the Bleiker Informed Consent Model in working with diverse populations and interests within the Capital Metro service area.
- ◆ Continued the implementation of a comprehensive Transit in School Education Program on Rail Safety with over 20 community partners in 81 schools along the rail ROW and by continuing strategic partnerships with Operation Lifesaver, Amtrak, FRA, Boy Scouts of America and the Lone Star Chapter of the Girl Scouts.
- ◆ Initiated the public review process for the second Fare Adjustment proposal and began the public education process for the subsequent fare structure implementation approved by the Capital Metro Board of Directors for January 2010.
- ◆ Expanded the Business Diversity Program (Disadvantaged Business Enterprise and Supplier Diversity) by meeting the agency’s annual 25% FTA goal and providing procurement information, DBE counseling and monitoring Title VI compliance.
- ◆ The Transit Advertising Program met 90% of goal by generating \$650,000 in sales revenue.

### **Planned Initiatives**

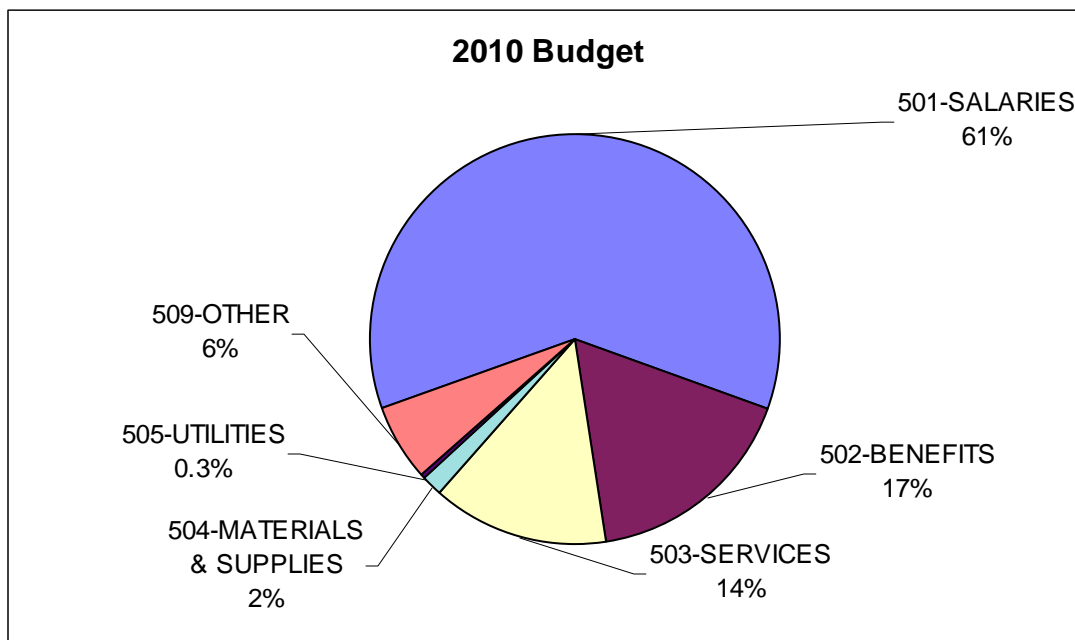
- ◆ Implement the public education process in preparation for the second Fare Adjustment implementation, Service Plan 2020, MetroAccess policy changes and Red Line MetroRail Grand Opening.
- ◆ Continue the expansion of the Community Involvement Program Model to prepare for the Red Line MetroRail Grand Opening and expanded Capital Metro services such as MetroRapid and the MetroRail Green Line, e.g., by providing presentations to major stakeholder groups as requested.
- ◆ Create a group of “transit champions” by conducting quarterly meetings with major community stakeholders to advise them of cooperative regional planning initiatives and other critical issues impacting Capital Metro’s financial sustainability and service delivery alternatives.

## Business & Community Development

### Major Budgetary Changes

- ◆ **Salaries and Benefits** – Decrease due to unfunded vacancies
- ◆ **Services** – Lowered budget for professional and contracted services
- ◆ **Utilities** – Telephone support equipment for field operatives

<i>Account Category</i>	<i>FY 2009 Budget</i>	<i>FY 2009 Forecast</i>	<i>FY 2010 Budget</i>	<i>% Var Budget 2010 vs Forecast 2009</i>	<i>% Variance Budget 2010 vs. Budget 2009</i>
<b>501-SALARIES</b>	\$ 741,069	\$ 765,785	\$ 689,578	-10.0%	-6.9%
<b>502-BENEFITS</b>	211,512	175,647	191,649	9.1%	-9.4%
<b>503-SERVICES</b>	243,488	136,960	158,810	16.0%	-34.8%
<b>504-MATERIALS &amp; SUPPLIES</b>	20,724	13,668	18,253	33.5%	-11.9%
<b>505-UTILITIES</b>	363	1,889	2,883	52.6%	694.2%
<b>509-OTHER</b>	69,426	54,080	69,740	29.0%	0.5%
<b>TOTALS</b>	<b>\$ 1,286,583</b>	<b>\$ 1,148,028</b>	<b>\$ 1,130,914</b>	<b>-1.5%</b>	<b>-12.1%</b>



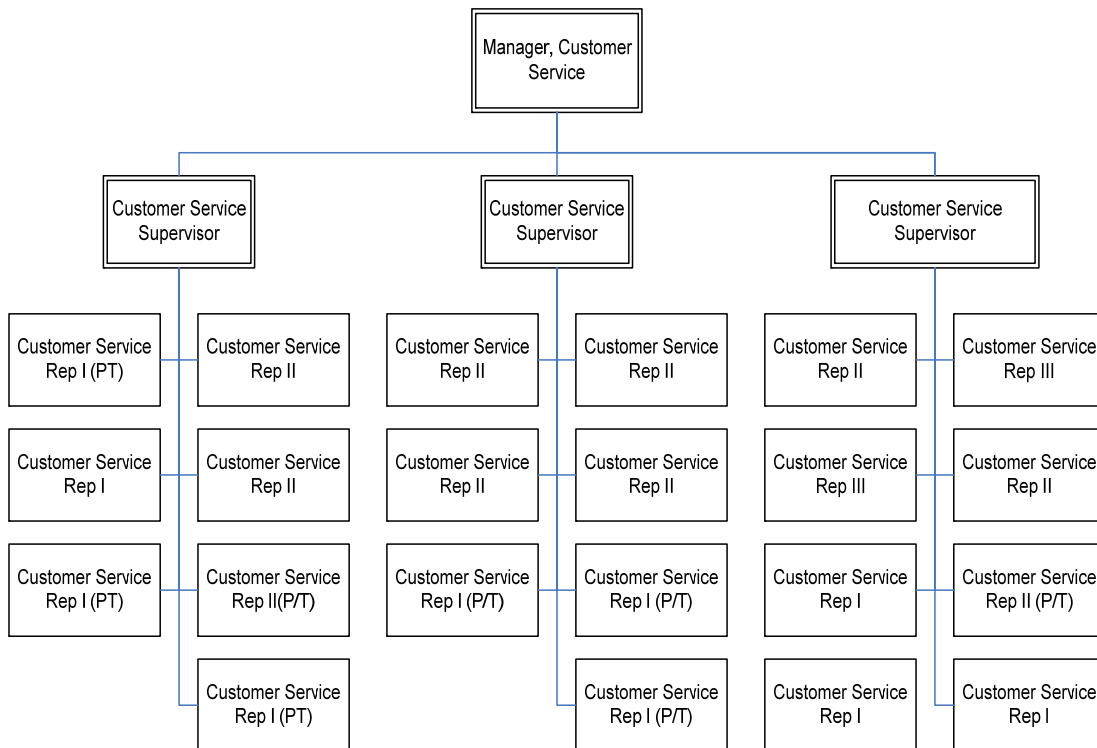
# Customer Service

## Functions and Responsibilities

The mission of the Customer Service department is to furnish quality customer service by delivering accurate route and scheduling information, providing timely responses and resolution to customer comments, and educating the public on Capital Metro products and services.

Customer service representatives provide the most efficient transit route information (schedules, transfers, delays, special events, etc), ensure that customer issues are addressed in a timely manner, and route customer comments to the appropriate department action officer for response and resolution.

### Customer Service Organizational Chart



### FY 2009 Accomplishments

- ◆ Answered 875,248 customer calls with live agents, an increase of 4.8% over 2008, while processing an additional 617,664 calls exclusively through the Interactive Voice Response (IVR) system. Met call abandonment goal 8 out of 12 months and service level goal 11 out of 12 months
- ◆ Recorded 10,592 Customer Call Reports, up 4.4% compared to the prior year

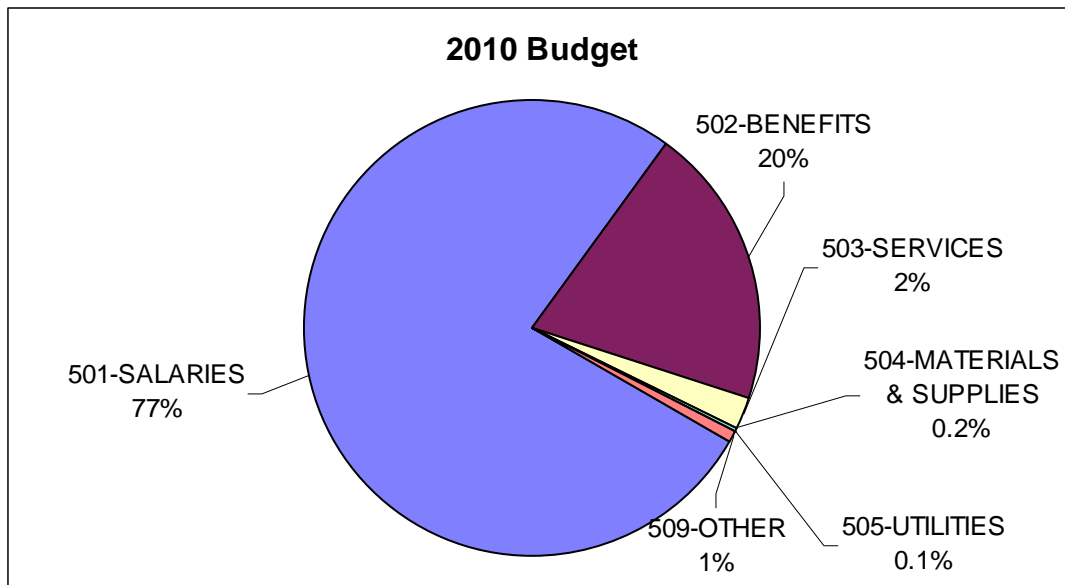
### Planned Initiatives

- ◆ Support all telephone customer service facets of starting MetroRail service
- ◆ Implement the Customer Service portion of the Intelligent Transportation System initiative, currently under development throughout the Authority
- ◆ Utilize Customer Service Representative(s) as 'home agents', testing the technology and process of having representatives work from home

### Major Budgetary Changes

- ◆ **Services** – Decreased temporary labor expenses
- ◆ **Materials & Supplies** – Minimized supplies expense

<i>Account Category</i>	<i>FY 2009 Budget</i>	<i>FY 2009 Forecast</i>	<i>FY 2010 Budget</i>	<i>% Var Budget 2010 vs Forecast 2009</i>	<i>% Variance Budget 2010 vs. Budget 2009</i>
<b>501-SALARIES</b>	\$ 676,505	\$ 623,475	\$ 666,285	6.9%	-1.5%
<b>502-BENEFITS</b>	186,074	125,814	175,620	39.6%	-5.6%
<b>503-SERVICES</b>	83,336	126,410	19,284	-84.7%	-76.9%
<b>504-MATERIALS &amp; SUPPLIES</b>	7,775	1,339	1,512	12.9%	-80.6%
<b>505-UTILITIES</b>	663	496	600	21.0%	-9.5%
<b>509-OTHER</b>	6,473	7,508	6,588	-12.3%	1.8%
<b>TOTALS</b>	<b>\$ 960,826</b>	<b>\$ 885,042</b>	<b>\$ 869,889</b>	<b>-1.7%</b>	<b>-9.5%</b>



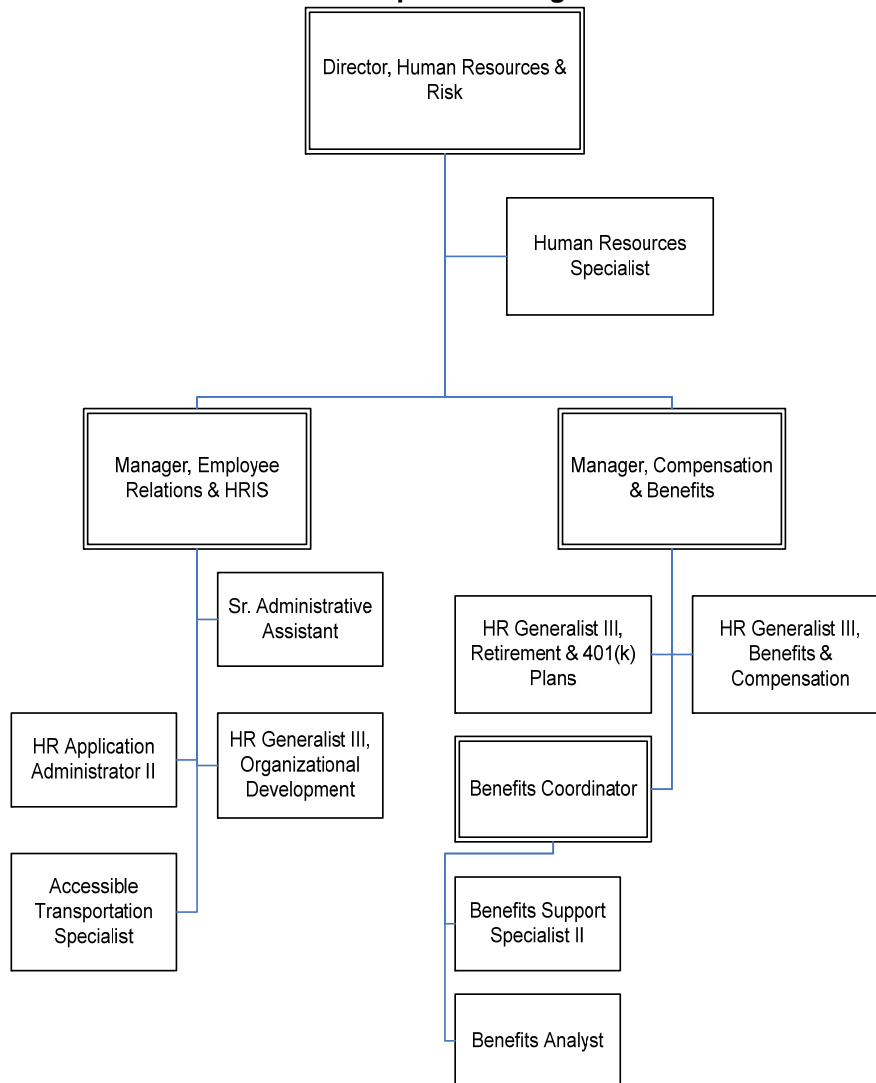
# Human Resources

## Functions and Responsibilities

The Human Resources department's mission is to partner with our employees to hire, develop, and retain an engaged workforce that fulfills Capital Metro's mission. The Department's primary responsibilities are to:

- Facilitate staffing strategies required to meet Capital Metro and StarTran department needs;
- Manage benefits programs to meet employee needs and satisfy labor agreement requirements;
- Administer compensation and performance management programs;
- Coordinate staff development and training programs to enhance employees' knowledge, skills and abilities;
- Develop and administer human resources policies and procedures to comply with federal, state and local regulations.

**Human Resources Department Organizational Chart**





## **FY 2009 Accomplishments**

- ◆ Completed request for proposals process for transition to a new Health and Dental Plan administrator resulting in significantly improved discounts for medical services.
- ◆ Transitioned to new 401(k) and pension plan administrator to offer improved information, education and services to employees to help them prepare for retirement.
- ◆ Designed and implemented an early retirement program for administrative employees resulting in reduced salary and benefits costs for FY 2010.
- ◆ Completed supervisor and manager development needs assessment to use as basis for designing development and training programs to address gaps identified.
- ◆ Revised New Employee Orientation and on-boarding process to provide new employees with better information on the first day of employment.
- ◆ Renegotiated temporary services and recruitment services contracts to reduce costs for these services.
- ◆ Coordinated employee meetings during the FY 2010 Budget process to get employee input and provide information on financial assumptions.

## **Planned Initiatives**

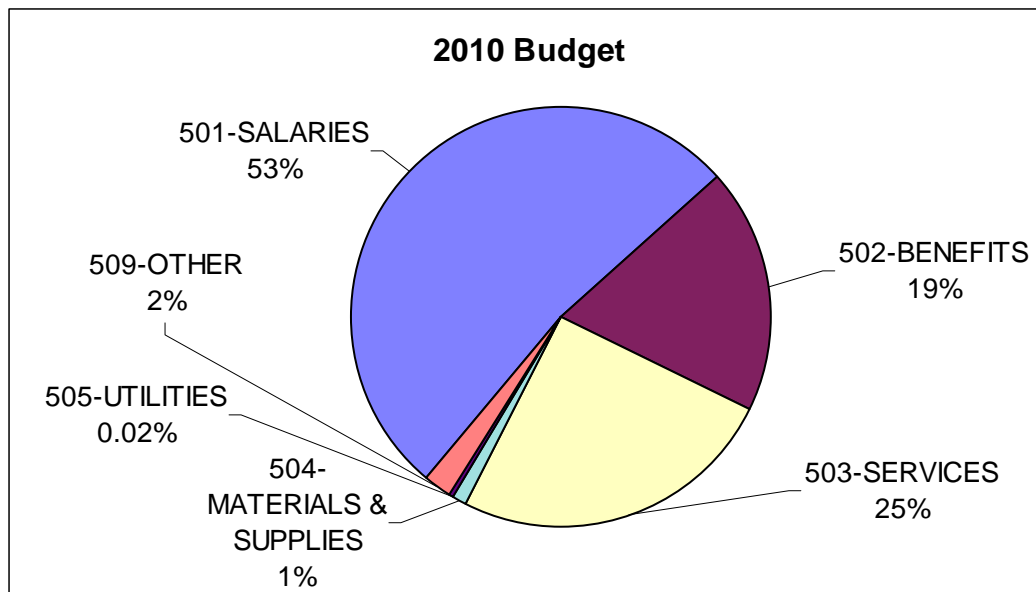
- ◆ Continue improvements to New Employee Orientation and new employee on-boarding process
- ◆ Implement Supervisor / Manager leadership program based on needs assessment
- ◆ Facilitate improved employee communications on key issues such as policy changes, organizational changes, employee benefits and budget.
- ◆ Improve employee recognition programs based on employee input.
- ◆ Complete solicitation process for executive recruiting contract and support the Board of Directors as needed on President/CEO search process.
- ◆ Prepare and deliver Total Rewards Statements to employees and schedule employee briefings on Total Rewards to ensure they have an understanding of all compensation and benefits.

## Human Resources

### Major Budgetary Changes

- ◆ **Services** – Decrease due to reducing services for recruitment, compensation and retirement consultants
- ◆ **Materials & Supplies** – Increased printing costs for required printing of employee benefit books
- ◆ **Other** – Suspended employee service award gifts and savings bonds for Employee Excellence Awards. Additionally decreased travel, newspaper media, and fees related to hiring.

<i>Account Category</i>	<i>FY 2009 Budget</i>	<i>FY 2009 Forecast</i>	<i>FY 2010 Budget</i>	<i>% Var Budget 2010 vs Forecast 2009</i>	<i>% Variance Budget 2010 vs. Budget 2009</i>
<b>501-SALARIES</b>	\$ 734,230	\$ 765,219	\$ 734,714	-4.0%	0.1%
<b>502-BENEFITS</b>	262,301	227,452	268,716	18.1%	2.4%
<b>503-SERVICES</b>	491,918	475,991	354,530	-25.5%	-27.9%
<b>504-MATERIALS &amp; SUPPLIES</b>	12,980	16,884	19,000	12.5%	46.4%
<b>505-UTILITIES</b>	1,321	619	300	-51.5%	-77.3%
<b>509-OTHER</b>	124,210	95,934	33,290	-65.3%	-73.2%
<b>TOTALS</b>	<b>\$ 1,626,960</b>	<b>\$ 1,582,099</b>	<b>\$ 1,410,550</b>	<b>-10.8%</b>	<b>-13.3%</b>





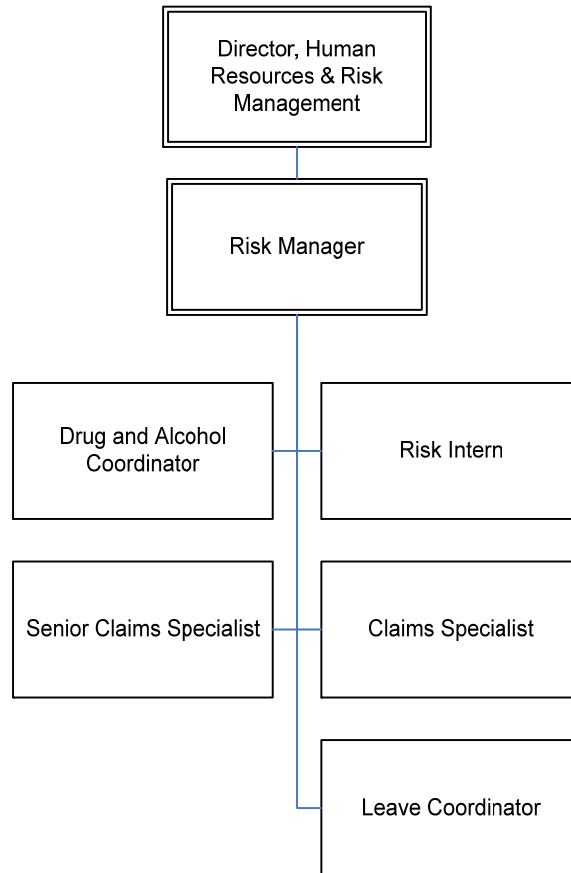
# Risk Management

## Functions and Responsibilities

The mission of the Risk Management department is to consult with other departments to minimize human and economic losses to the public, employees and Capital Metro. The Risk Management department works with other departments to identify hazardous conditions and reduce potential injuries, accidents and property damage. Risk Management also obtains cost-effective insurance coverage and processes all liability, subrogation and workers compensation claims. Risk Management thoroughly investigates all accidents and injuries and recommends preventive measures based on identified trends.

In addition, Risk Management manages the Wellness Program and works closely with our food services contractor to improve the diet of our employees while raising awareness of the need to eat healthy, nutritious food via our Healthy Options Coupon Program. The Risk Management department also administers all aspects of the Family Medical Leave Act, Short-Term Disability, Long-Term Disability, Medical Leave of Absence and the Drug and Alcohol Program.

### Risk Department Organizational Chart



### **FY 2009 Accomplishments**

- ◆ Risk Management has collected a total of \$932,291 in FY 2009. These monies were collected from Workers' Compensation subrogation, Auto Physical damage subrogation, equity return checks, a return in premiums paid for Workers' Comp/Liability, and an adjustment refund from the Loss Deposit Fund.
- ◆ Completed a successful changeover to a new food service and vending contractor resulting in healthier food options for our employees.
- ◆ Worked with our insurance consultant to address various issues concerning the insurance coverage of our Rail contracts.
- ◆ Successfully updated the 1992 Return to Work Policy, guided the policy update through the committee process.
- ◆ Worked with Human Resources, Employee Relations Manager and Concentra Physical Therapist on the development of Human Performance Evaluations for various administrative positions for both Capital Metro and StarTran.
- ◆ Successfully completed 2009 Triennial review; Drug Free Workplace and Drug & Alcohol Program areas were reviewed and no deficiencies were found.
- ◆ Capital Metro's Healthy Cafeteria and Healthy Vending Programs were highlighted in a video produced by the Texas State Department of Health. The video series, which is aimed at reducing obesity, will be shown at community events across the state.

### **Planned Initiatives**

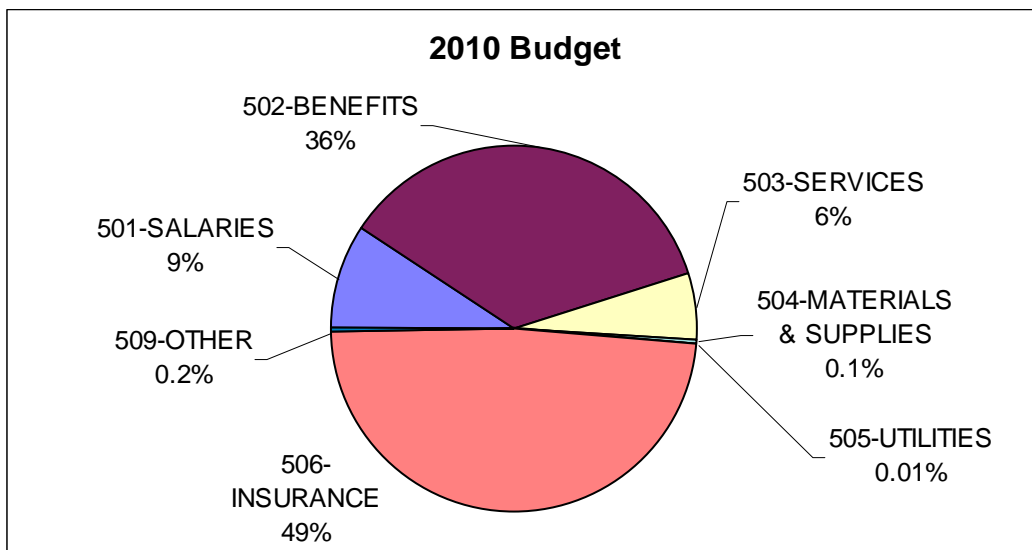
- ◆ Work with transportation contractors to reduce accidents and claims while improving safety
- ◆ Implement the Tobacco Free Workplace policy effective April 1, 2010. We will receive \$24,000 in grant money from the Tobacco Free Coalition to defray the cost associated with this initiative
- ◆ Implement new Return to Work Program that will improve efficiency and reduce costs associated with absenteeism

## Risk Management

### Major Budgetary Changes

- ◆ **Services** – Budget for Medical Services is projected to increase
- ◆ **Materials & Supplies** – Office supplies are aligned with FY09 projected expense
- ◆ **Insurance** – Projected decrease in premiums, handling fees and auto liability

<i>Account Category</i>	<i>FY 2009 Budget</i>	<i>FY 2009 Forecast</i>	<i>FY 2010 Budget</i>	<i>% Var Budget 2010 vs Forecast 2009</i>	<i>% Variance Budget 2010 vs. Budget 2009</i>
<b>501-SALARIES</b>	\$ 324,093	\$ 324,171	\$ 288,942	-10.9%	-10.8%
<b>502-BENEFITS</b>	1,043,830	1,237,580	1,118,479	-9.6%	7.2%
<b>503-SERVICES</b>	182,617	206,635	187,425	-9.3%	2.6%
<b>504-MATERIALS &amp; SUPPLIES</b>	4,870	2,916	3,000	2.9%	-38.4%
<b>505-UTILITIES</b>	300	500	300	-40.0%	0.0%
<b>506-INSURANCE</b>	1,746,147	1,463,405	1,512,126	3.3%	-13.4%
<b>509-OTHER</b>	12,529	5,555	6,285	13.1%	-49.8%
<b>TOTALS</b>	<b>\$ 3,314,386</b>	<b>\$ 3,240,761</b>	<b>\$ 3,116,557</b>	<b>-3.8%</b>	<b>-6.0%</b>





## StarTran Operations Administration

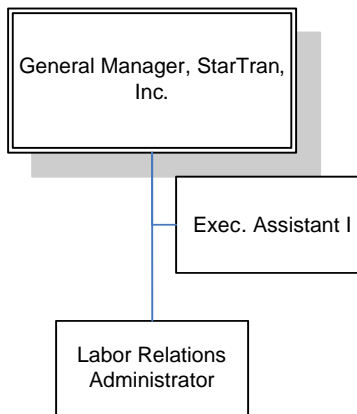
### Functions and Responsibilities

Operations Administration is the operational arm for Capital Metro. As the primary service provider, StarTran oversees the major operational components. The responsibilities include:

- Fixed route bus service with nearly 500 bus operators
- Paratransit services schedules approximately 2800 daily trips for the disabled community. This service uses vans, sedans, taxi cab providers and other contractors.
- Vehicle Maintenance performing preventive maintenance for nearly 300 buses and other fleet types; such as, paratransit vans and sedans. The Service Island also performs daily cleaning and fueling.
- Building Maintenance and Public Facilities maintain the bus stops, install passenger amenities and maintain to all the buildings. A recent reorganization reassigns Public Facilities to Capital Metro.
- Operations Staff Development supports the training functions related to new hires, refresher training, return to work and accident prevention training.
- Labor relations and contract negotiations.
- Personnel management for fixed route operators, paratransit operators, mechanics, service island and administrative employees.

The General Manager, Transportation Director, Paratransit Director, Maintenance Director and the Operations Staff Development Director are the key executive personnel establishing the leadership and operational guidance for quality service to Capital Metro.

### StarTran Operations Admin Department Organizational Chart



### FY 2009 Accomplishments



- ◆ Developed an early retirement program in concert with Capital Metro's Human Resource and Finance Departments and the CEO's Office.
- ◆ Implemented early retirement whereby several open positions created new methods and techniques for performing critical functions.
- ◆ Consolidated and eliminated job functions for enhanced operational efficiency and cost savings -- approximately 21 positions were eliminated within the StarTran operations.
- ◆ Between the early retirement and labor contract changes over the course of the contract term, should provide \$3-4 million in organizational savings.

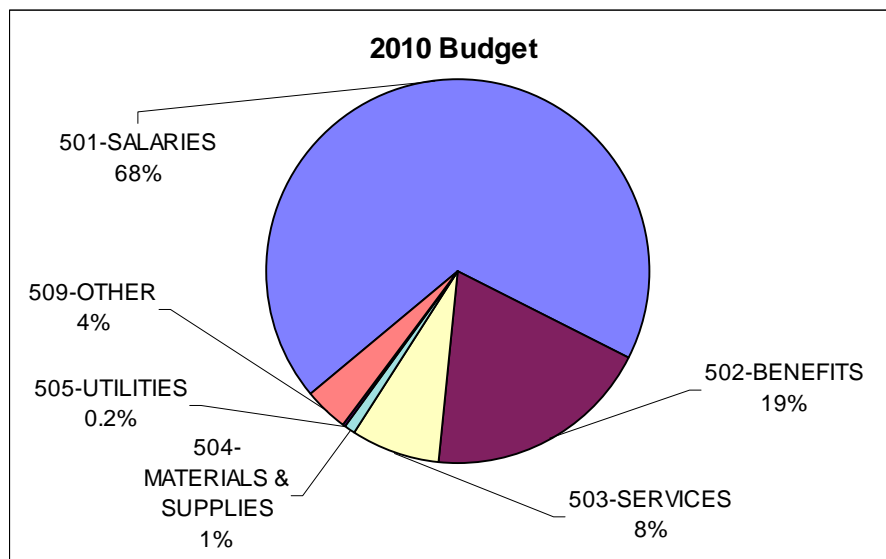
### Planned Initiatives

- ◆ Implement reorganization for enhanced continuity and operational consistency.
- ◆ Pursue additional cost saving strategies and revenue enhancements for the StarTran operation.
- ◆ Create a positive team environment with newly hired personnel and build a participatory and employee driven culture.

### Major Budgetary Changes

- ◆ **Materials & Supplies** – Decreased due to reduction in office supplies. In FY09, printed the new union contract

<i>Account Category</i>	<i>FY 2009 Budget</i>	<i>FY 2009 Forecast</i>	<i>FY 2010 Budget</i>	<i>% Var Budget 2010 vs Forecast 2009</i>	<i>% Variance Budget 2010 vs. Budget 2009</i>
<b>501-SALARIES</b>	\$ 222,180	\$ 177,822	\$218,785	23.0%	-1.5%
<b>502-BENEFITS</b>	60,199	41,430	60,987	47.2%	1.3%
<b>503-SERVICES</b>	24,000	73,240	24,000	-67.2%	0.0%
<b>504-MATERIALS &amp; SUPPLIES</b>	6,496	10,363	3,000	-71.1%	-53.8%
<b>505-UTILITIES</b>	600	738	600	-18.7%	0.0%
<b>509-OTHER</b>	12,471	7,092	11,576	63.2%	-7.2%
<b>TOTALS</b>	<b>\$ 325,946</b>	<b>\$ 310,685</b>	<b>\$318,948</b>	<b>2.7%</b>	<b>-2.1%</b>

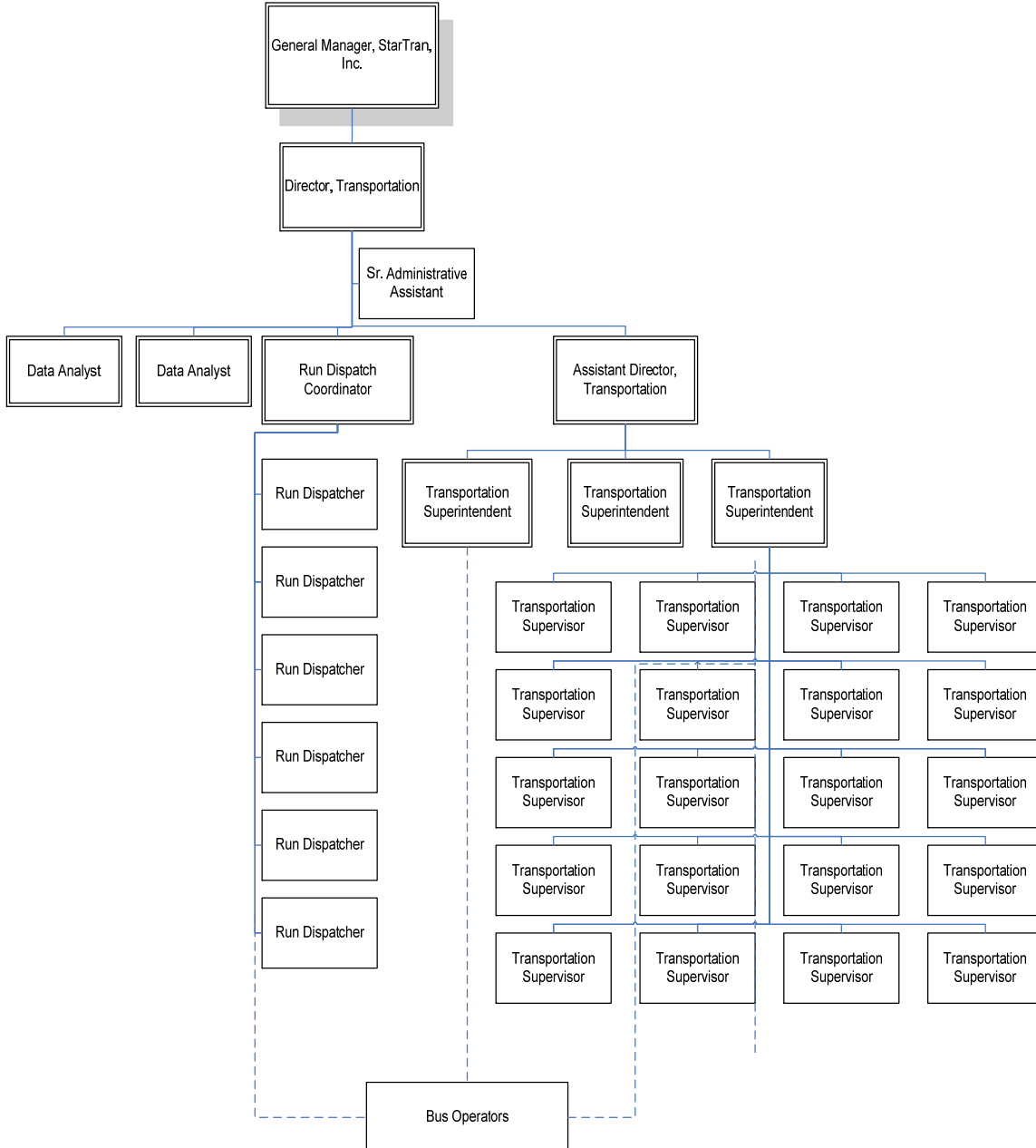


# Fixed Route Services

## Functions and Responsibilities

The Fixed Route Services (FRS) department's mission is to provide safe, efficient and cost effective public transportation services in Capital Metro's service area. The department operates fixed route bus service for 50 routes including Mainline, Flyer, and Park & Ride Services. Fixed route bus service also ensures fleet accessibility in accordance with the Americans with Disabilities Act (ADA).

**Fixed Route Services Department Organizational Chart**





## **FY 2009 Accomplishments**

- ◆ Improved overall on-time performance through monthly monitoring of problem areas and targeted follow up by field staff (FY 2008 = 88.2%, FY 2009 = 89.7%)
- ◆ Reduced lost time through proactive management of service restoration process (FY 2008 = 0.07%, FY 2009 = 0.064%)
- ◆ Implementation of new extraboard assignment procedures, addressing concerns affecting employee morale while reducing the number of persons working on their scheduled day off.

## **Planned Initiatives**

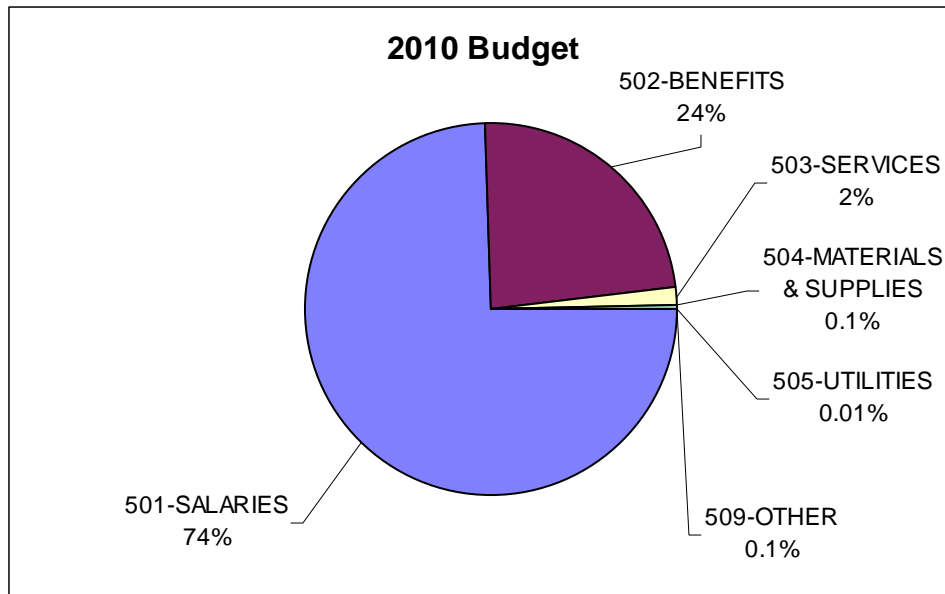
- ◆ Implement ITS technologies, including appropriate business process changes
- ◆ Work with cross-functional team to improve the detour creation and posting process for special events and street closures
- ◆ Continue efforts to increase the amount of communication opportunities available to fixed route operators, including an increase in the types of communication methods available (e.g. Town Hall meetings, email, internet and intranet, etc.)

## Fixed Route Services

### Major Budgetary Changes

- ◆ **Salaries & Benefits** – Decreased number of bus operators to coincide with service level decrease due to required budget reductions and service moved to improve efficiency. Decrease in Administrative support staff facilitated by early retirement program in FY 2009.
- ◆ **Materials & Supplies** – Moved CDL expense to another line item
- ◆ **Utilities** – Lower telephone expense

<i>Account Category</i>	<i>FY 2009 Budget</i>	<i>FY 2009 Forecast</i>	<i>FY 2010 Budget</i>	<i>% Var Budget 2010 vs Forecast 2009</i>	<i>% Variance Budget 2010 vs. Budget 2009</i>
<b>501-SALARIES</b>	\$ 20,893,044	\$ 21,493,704	\$ 20,564,190	-4.3%	-1.6%
<b>502-BENEFITS</b>	6,662,063	6,811,378	6,551,240	-3.8%	-1.7%
<b>503-SERVICES</b>	493,768	515,250	474,531	-7.9%	-3.9%
<b>504-MATERIALS &amp; SUPPLIES</b>	25,531	22,516	16,200	-28.1%	-36.5%
<b>505-UTILITIES</b>	6,404	2,692	2,520	-6.4%	-60.6%
<b>509-OTHER</b>	19,219	19,684	20,220	2.7%	5.2%
<b>TOTALS</b>	<b>\$ 28,100,029</b>	<b>\$ 28,865,224</b>	<b>\$ 27,628,901</b>	<b>-4.3%</b>	<b>-1.7%</b>



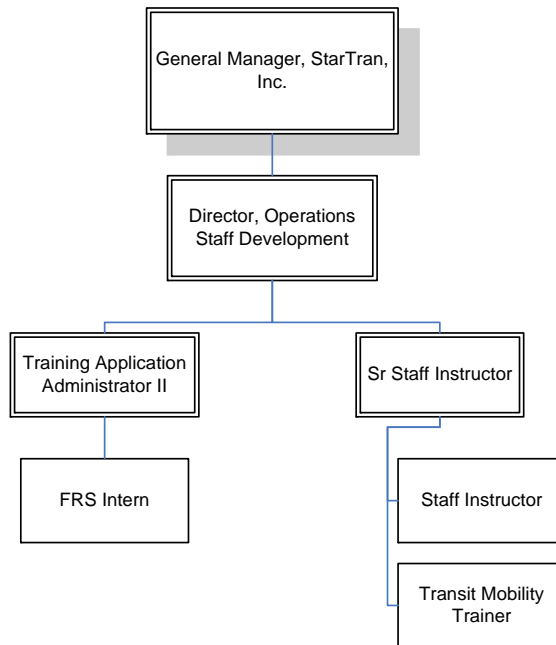


# Operations Training

## Functions and Responsibilities

The Operations Training Department was separated from the Fixed Route Services Department in FY08. This separation allowed the training staff to apply focused training to a clientele that is specific to the function they support and/or work in. In the past, this training was focused on the StarTran operator community; however, going forward, this function is tailored towards the training needs of all departments within the agency that request or desire training to enhance their employees' knowledge, abilities, and skills. Furthermore, the training team will assist in the development of consistent training standards that meet the agency's operational needs for all contracted services.

## Operations Training Department Organizational Chart



## FY 2009 Accomplishments

- ◆ International Bus Roadeo 2<sup>nd</sup> runner up Grand Champion award
- ◆ 1<sup>st</sup> place Texas State roadeo 35 ft competition
- ◆ StarTran vehicle accident rate reduced by 9%
- ◆ StarTran passenger accident rate reduced by 15%

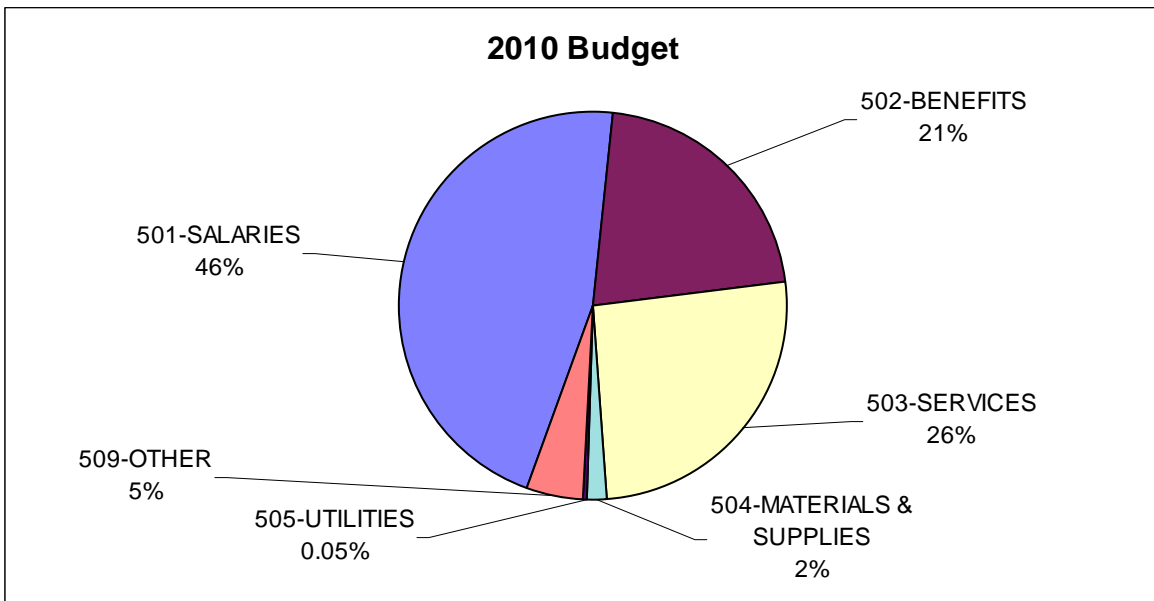
## Planned Initiatives

- ◆ Implement a travel training program for customers with disabilities
- ◆ Reduce the StarTran vehicular and passenger accident rates by 5%

### Major Budgetary Changes

- ◆ **Salaries & Benefits** – Reduced as a result of eliminated positions
- ◆ **Other** – Decrease in travel

<i>Account Category</i>	<i>FY 2009 Budget</i>	<i>FY 2009 Forecast</i>	<i>FY 2010 Budget</i>	<i>% Var Budget 2010 vs Forecast 2009</i>	<i>% Variance Budget 2010 vs. Budget 2009</i>
<b>501-SALARIES</b>	\$ 544,949	\$ 485,774	\$ 270,630	-44.3%	-50.3%
<b>502-BENEFITS</b>	148,891	173,917	125,564	-27.8%	-15.7%
<b>503-SERVICES</b>	156,750	136,821	152,118	11.2%	-3.0%
<b>504-MATERIALS &amp; SUPPLIES</b>	10,228	13,183	9,975	-24.3%	-2.5%
<b>505-UTILITIES</b>	300	143	300	109.8%	0.0%
<b>509-OTHER</b>	56,655	29,316	28,470	-2.9%	-49.7%
<b>TOTALS</b>	<b>\$ 917,773</b>	<b>\$ 839,153</b>	<b>\$ 587,057</b>	<b>-30.0%</b>	<b>-36.0%</b>

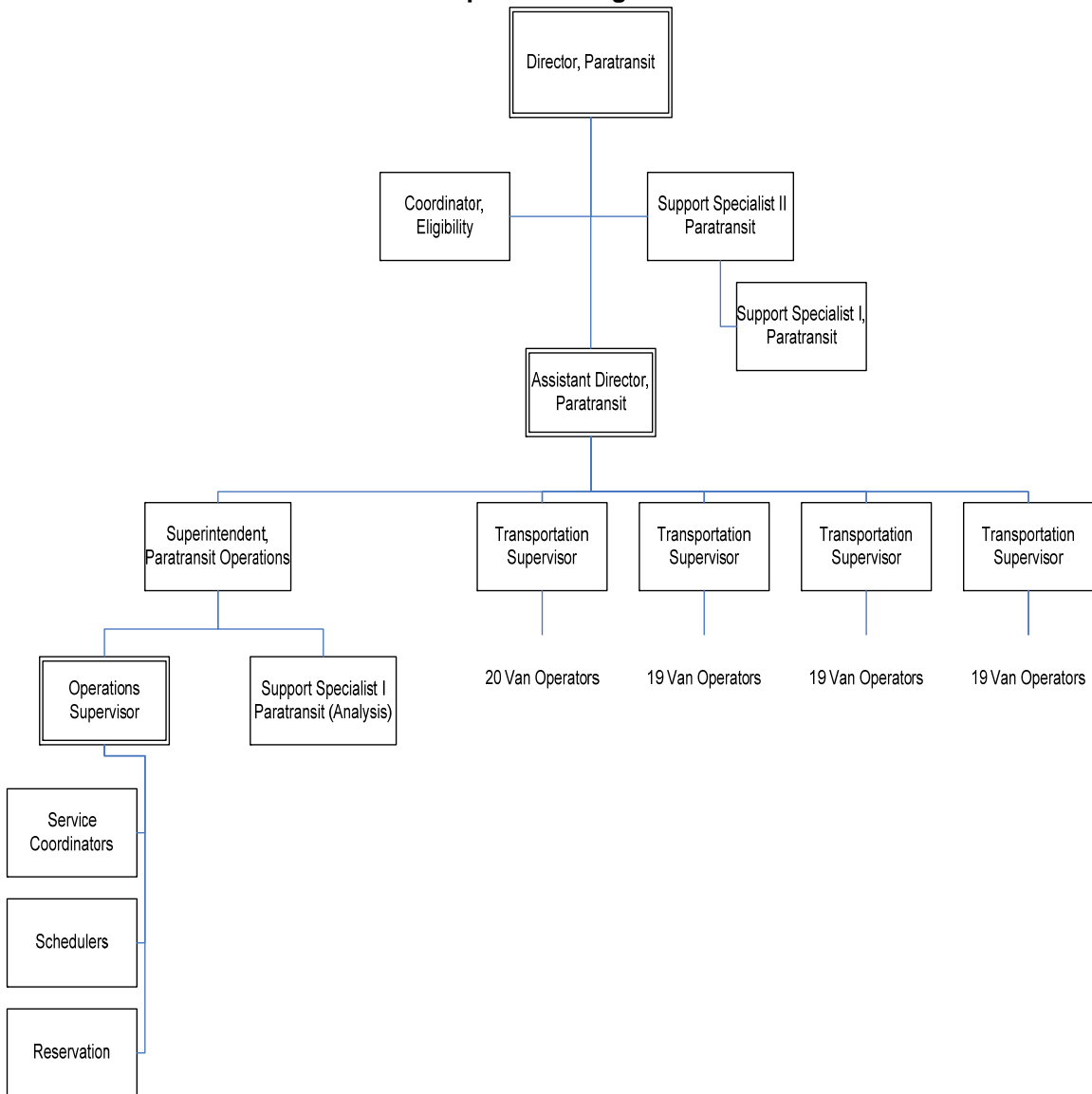


# MetroAccess

## Functions and Responsibilities

The Paratransit Services department provides ADA-compliant door-thru-door van and sedan paratransit service throughout Capital Metro's service area and the cities of Westlake Hills, Cedar Park, and Pflugerville. The department manages the paratransit eligibility process, including the biennial re-certification of existing customers. The Paratransit Services department processes advance trip reservations, cancellations, inquiries, subscription service requests, group trips, and provides subsidized taxicab trips. The department also coordinates with customers and the Access Advisory Committee to receive feedback on all aspects of service and policy development.

**MetroAccess Department Organizational Chart**





### **FY 2009 Accomplishments**

- ◆ Achieved on-time performance of 90% and on-time performance for appointments achieved 96%
- ◆ Maintained reservation call center hold time below 2 minutes
- ◆ Installed and implemented Taxi software to ensure proper collection of NTD data
- ◆ Expanded the Accessible van fleet with an additional 10 wheelchair-equipped vehicles
- ◆ Creation of on-line tools for customers to make/cancel reservations
- ◆ Received and placed into service 47 new paratransit vans

### **Planned Initiatives**

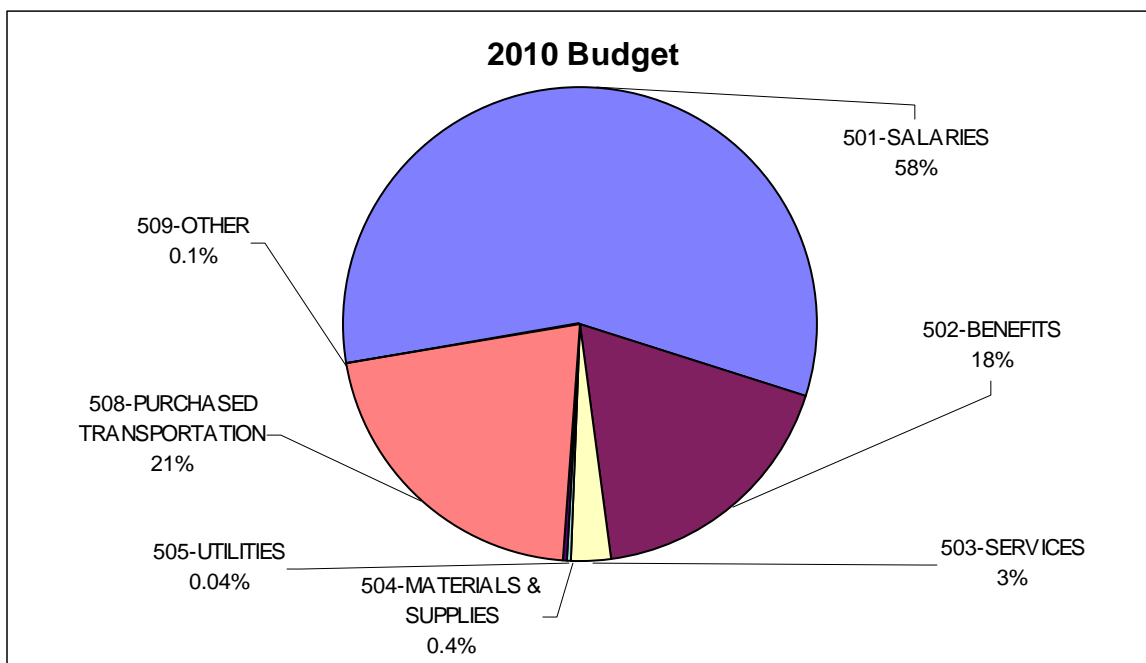
- ◆ Reduce cancellations of MetroAccess trips by 5%
- ◆ Reduce No Show of MetroAccess trips by 2%
- ◆ Implement in-person eligibility assessments
- ◆ Transition MetroAccess clients to smartcards
- ◆ Expand MetroAccess sedan fleet by 10 vehicles
- ◆ Customer service call abandonment rate reduced to below 5%
- ◆ Create on-line tool to email client itineraries
- ◆ Implementation of new policies and procedures (ie; no show policy, advance reservations, call center hours)

## MetroAccess

### Major Budgetary Changes

- ◆ **Salaries & Benefits** – Additional operators to meet growing demand for wheelchair-capable vehicles
- ◆ **Services** – Increased due to need for eligibility, certification and training of paratransit customers
- ◆ **Materials & Supplies** – Printing of policies and procedures in FY 2010 for paratransit customers
- ◆ **Purchased Transportation** – Reduced the purchased transportation portion to shift work to vehicles that have the versatility of wheelchair access. In addition, scheduling and dispatching under the control of the agency, performance efficiencies and customer service quality will be enhanced.

<i>Account Category</i>	<i>FY 2009 Budget</i>	<i>FY 2009 Forecast</i>	<i>FY 2010 Budget</i>	<i>% Var Budget 2010 vs Forecast 2009</i>	<i>% Variance Budget 2010 vs. Budget 2009</i>
<b>501-SALARIES</b>	\$ 6,850,962	\$ 6,604,818	\$ 7,462,949	13.0%	8.9%
<b>502-BENEFITS</b>	2,036,694	2,018,666	2,302,040	14.0%	13.0%
<b>503-SERVICES</b>	53,134	284,167	371,866	30.9%	599.9%
<b>504-MATERIALS &amp; SUPPLIES</b>	27,685	21,406	49,787	132.6%	79.8%
<b>505-UTILITIES</b>	7,560	5,722	4,980	-13.0%	-34.1%
<b>508-PURCHASED TRANSPORTATION</b>	4,327,319	3,969,939	2,729,775	-31.2%	-36.9%
<b>509-OTHER</b>	17,786	18,815	17,863	-5.1%	0.4%
<b>TOTALS</b>	<b>\$ 13,321,140</b>	<b>\$ 12,923,532</b>	<b>\$ 12,939,260</b>	<b>0.1%</b>	<b>-2.9%</b>

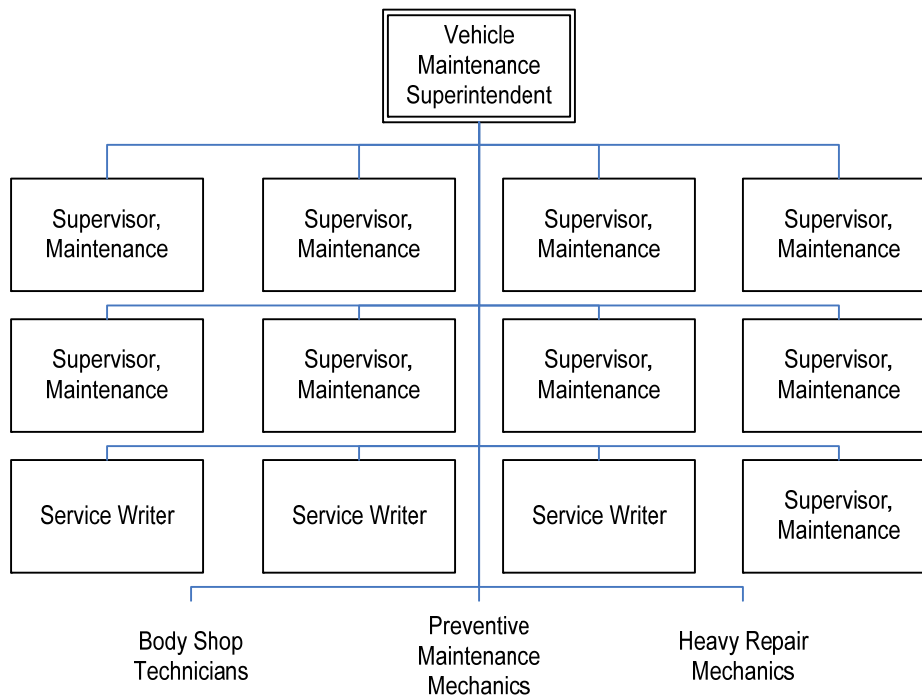


# Running Repair

## Functions and Responsibilities

The Running Repair department is responsible for maintaining the mechanical integrity of the fleet. Primary functions include performing preventive and predictive maintenance, rebuilding engines and transmissions, servicing air conditioning, body shop repair, upholstery, and electronics repair. Other functions include maintenance contract management for assets, and supporting special events.

### Running Repair Department Organizational Chart



### FY 2009 Accomplishments

- ◆ Maintained FRS Bus reliability by averaging 5,830 miles between mechanical roadcalls
- ◆ Maintained a 99% on time for Preventive Maintenance Inspections
- ◆ Took receipt of 33 40' and seven 35' new buses
- ◆ Took receipt of 47 new paratransit vans

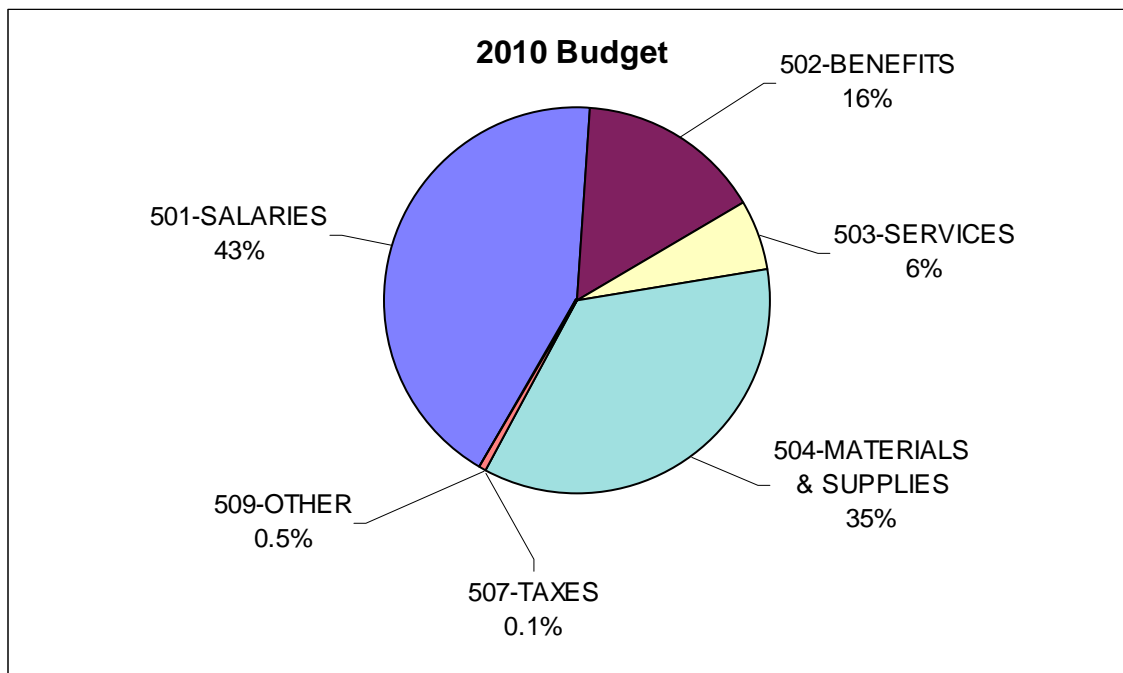
### Planned Initiatives

- ◆ Continue to improve reliability through mechanic training and PMI improvements
- ◆ Take receipt of seven new FRS 35' buses

### Major Budgetary Changes

- ◆ **Salaries & Benefits** – Two positions added for the support of the ITS project.
- ◆ **Services** – Decrease in outside repairs as a result of ending the bus painting contract.
- ◆ **Materials & Supplies** – Decrease due to placing 40 new buses into service
- ◆ **Other** – Increased to align with actual expenditures for tools and safety equipment

<i>Account Category</i>	<i>FY 2009 Budget</i>	<i>FY 2009 Forecast</i>	<i>FY 2010 Budget</i>	<i>% Var Budget 2010 vs Forecast 2009</i>	<i>% Variance Budget 2010 vs. Budget 2009</i>
<b>501-SALARIES</b>	\$6,090,143	\$6,717,860	\$6,256,679	-6.9%	2.7%
<b>502-BENEFITS</b>	2,041,066	2,013,415	2,296,871	14.1%	12.5%
<b>503-SERVICES</b>	1,145,769	587,468	840,494	43.1%	-26.6%
<b>504-MATERIALS &amp; SUPPLIES</b>	6,217,836	6,925,881	5,157,681	-25.5%	-17.1%
<b>507-TAXES</b>	13,020	15,701	13,253	-15.6%	1.8%
<b>509-OTHER</b>	56,421	131,253	73,169	-44.3%	29.7%
<b>512-LEASE &amp; RENT</b>	0	779	0	-100.0%	0.0%
<b>TOTALS</b>	<b>\$15,564,255</b>	<b>\$16,392,356</b>	<b>\$14,638,147</b>	<b>-10.7%</b>	<b>-6.0%</b>





Capital Metropolitan Transportation Authority  
Approved Fiscal Year 2010 Budget

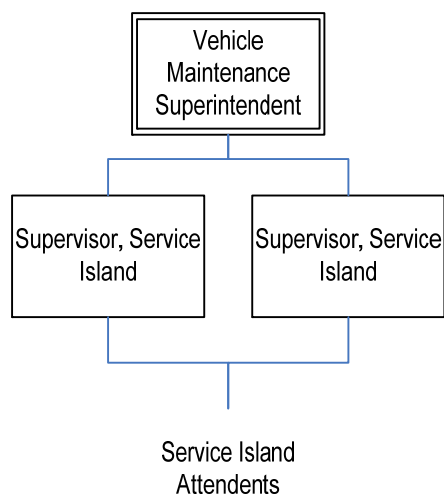


## Service Island

### Functions and Responsibilities

The Service Island is responsible for fueling and cleaning the fleet on a daily basis. Primary functions include daily cleaning, checking and servicing fluids on all buses, cars, vans, trucks, and support equipment, as well as fueling buses. Other functions include collecting and depositing cashboxes into receiver vaults, extracting ridership data from farebox units, managing an outside contractor to detail the buses, and supporting special events.

### Service Island Department Organizational Chart



### FY 2009 Accomplishments

- ◆ Serviced fleet for revenue service daily in a timely manner

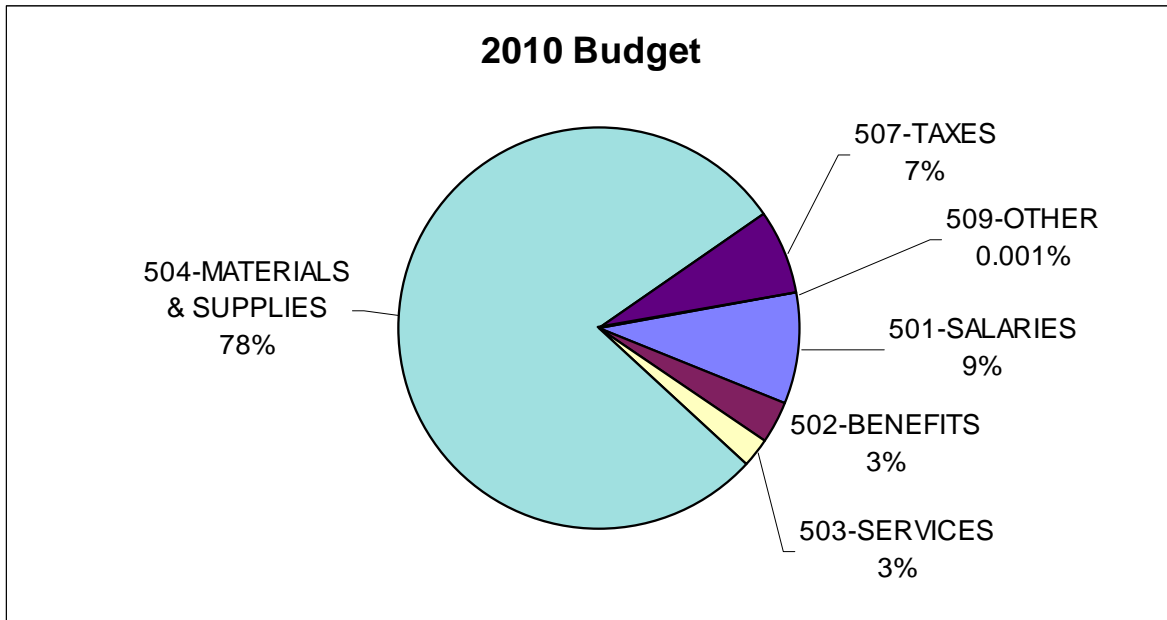
### Planned Initiatives

- ◆ Fuel and service revenue vehicles for service every day

**Major Budgetary Changes**

- ◆ **Salaries & Benefits** – Increase as a result of salary adjustment for service island attendants to be in line with market.
- ◆ **Services** – Decrease in pest control services to align with actual expenses
- ◆ **Materials & Supplies** – Fuel costs are projected to increase based on current market conditions, and anticipated future global concerns.
- ◆ **Taxes** – Fuel taxes decreased
- ◆ **Other** – Tools and equipment have been moved to Running Repair Department.

<i>Account Category</i>	<i>FY 2009 Budget</i>	<i>FY 2009 Forecast</i>	<i>FY 2010 Budget</i>	<i>% Var Budget 2010 vs Forecast 2009</i>	<i>% Variance Budget 2010 vs. Budget 2009</i>
<b>501-SALARIES</b>	\$1,130,781	\$1,366,535	\$1,343,589	-1.7%	18.8%
<b>502-BENEFITS</b>	446,636	376,337	528,889	40.5%	18.4%
<b>503-SERVICES</b>	500,332	438,524	399,475	-8.9%	-20.2%
<b>504-MATERIALS &amp; SUPPLIES</b>	10,804,881	9,724,563	12,000,269	23.4%	11.1%
<b>507-TAXES</b>	1,135,372	973,998	1,026,669	5.4%	-9.6%
<b>509-OTHER</b>	14,316	7,128	168	-97.6%	-98.8%
<b>TOTALS</b>	<b>\$14,032,317</b>	<b>\$12,887,085</b>	<b>\$15,299,059</b>	<b>18.7%</b>	<b>9.0%</b>



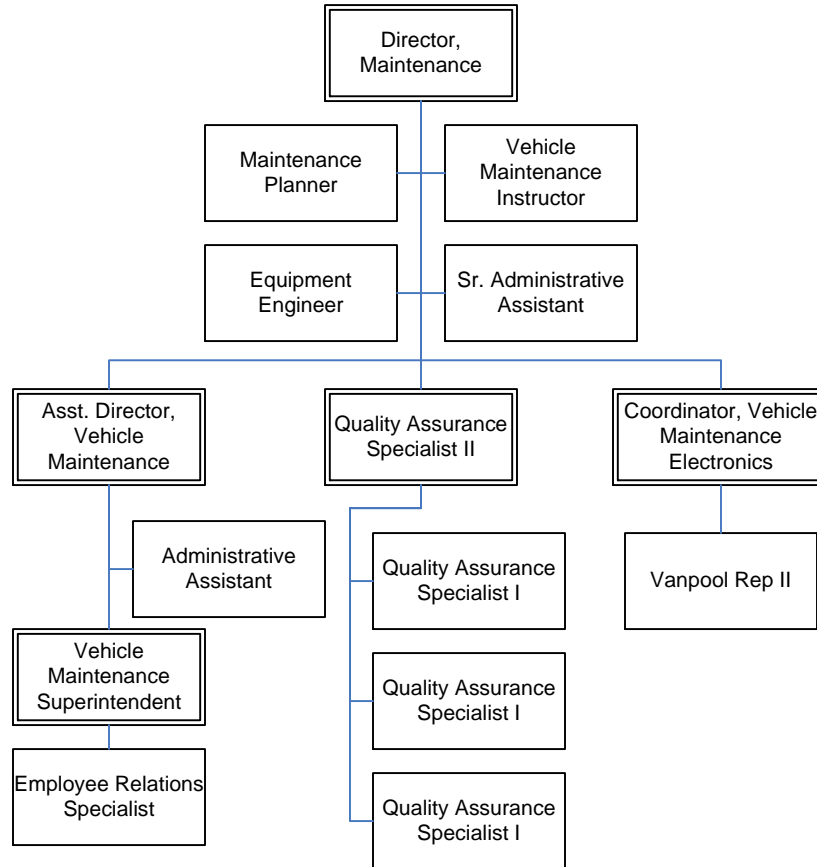


## Vehicle Maintenance - Administration

### Functions and Responsibilities

The Vehicle Maintenance - Administration department is responsible for the management and oversight of running repair, service island, stores, and building maintenance. Other essential responsibilities are budget management, vehicle acquisition, passenger amenities maintenance, safety, training, and project management of an Inter-local Agreement with Lower Colorado River Authority (LCRA) to provide radio services.

### Vehicle Maintenance – Admin Department Organizational Chart



### FY 2009 Accomplishments

- ◆ Monitored the manufacture of the Paratransit van replacement fleet
- ◆ Monitored the manufacture of 40 new buses
- ◆ Implementation of the ITS system in the MetroAccess fleet

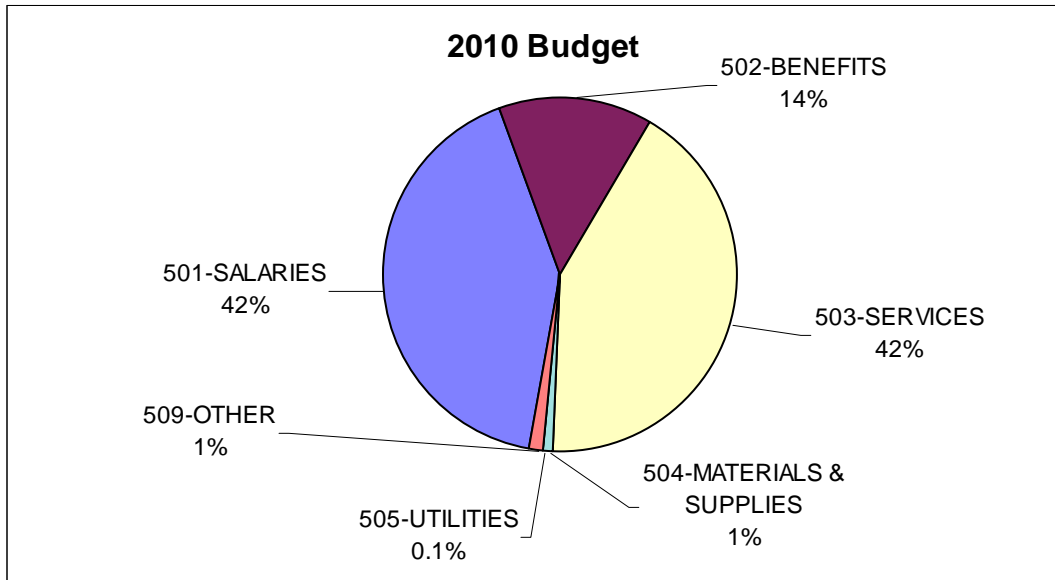
### Planned Initiatives

- ◆ Monitor the manufacture of eight new 35' buses

**Major Budgetary Changes**

- ◆ **Salaries and Benefits** – Increase in sick accrual rates for several employees reaching five year’s service
- ◆ **Other** – Decreased travel as a result of outsourced quality assurance requirement for bus procurements.

<i>Account Category</i>	<i>FY 2009 Budget</i>	<i>FY 2009 Forecast</i>	<i>FY 2010 Budget</i>	<i>% Var Budget 2010 vs Forecast 2009</i>	<i>% Variance Budget 2010 vs. Budget 2009</i>
<b>501-SALARIES</b>	\$785,456	\$778,672	\$806,269	3.5%	2.6%
<b>502-BENEFITS</b>	213,126	228,781	272,293	19.0%	27.8%
<b>503-SERVICES</b>	815,000	957,120	814,325	-14.9%	-0.1%
<b>504-MATERIALS &amp; SUPPLIES</b>	15,822	10,229	11,968	17.0%	-24.4%
<b>505-UTILITIES</b>	2,571	2,516	2,571	2.2%	0.0%
<b>509-OTHER</b>	39,820	29,054	26,253	-9.6%	-34.1%
<b>TOTALS</b>	<b>\$1,871,794</b>	<b>\$2,006,372</b>	<b>\$1,933,678</b>	<b>-3.6%</b>	<b>3.3%</b>

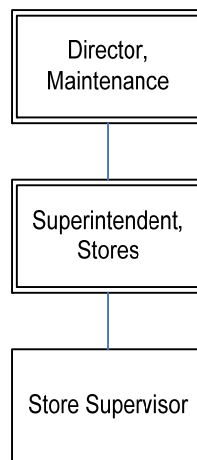


## Stores

### Functions and Responsibilities

The Stores department is responsible for managing the inflow and outflow of materials and supplies for the maintenance departments while maintaining adequate supplies of preventive and non-routine repair parts for the entire fleet of vehicles, and for building maintenance.

### Stores Department Organizational Chart



### FY 2009 Accomplishments

- ◆ Improving parts availability through emphasis on the Inventory Control functions

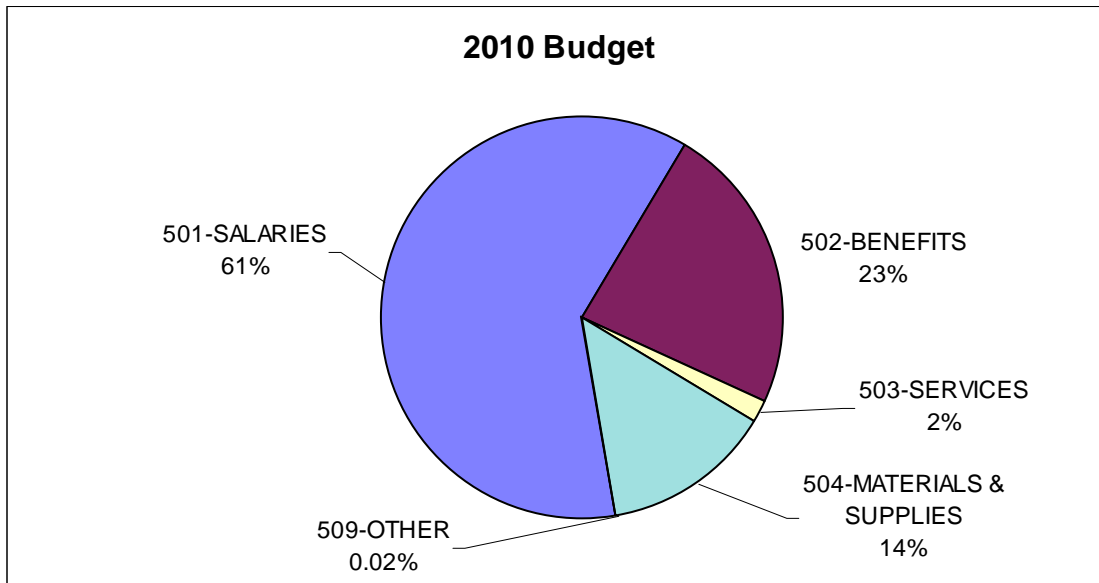
### Planned Initiatives

- ◆ Improving parts availability through emphasis on the Inventory Control functions

### Major Budgetary Changes

- ◆ **Services** – Decrease in preventive maintenance costs for fork lifts to align with current expense

<i>Account Category</i>	<i>FY 2009 Budget</i>	<i>FY 2009 Forecast</i>	<i>FY 2010 Budget</i>	<i>% Var Budget 2010 vs Forecast 2009</i>	<i>% Variance Budget 2010 vs. Budget 2009</i>
<b>501-SALARIES</b>	\$422,391	\$460,047	\$424,792	-7.7%	0.6%
<b>502-BENEFITS</b>	156,273	139,571	161,208	15.5%	3.2%
<b>503-SERVICES</b>	15,617	5,942	11,745	97.7%	-24.8%
<b>504-MATERIALS &amp; SUPPLIES</b>	90,218	87,531	93,836	7.2%	4.0%
<b>509-OTHER</b>	120	639	120	-81.2%	0.0%
<b>TOTALS</b>	<b>\$684,619</b>	<b>\$693,729</b>	<b>\$691,700</b>	<b>-0.3%</b>	<b>1.0%</b>

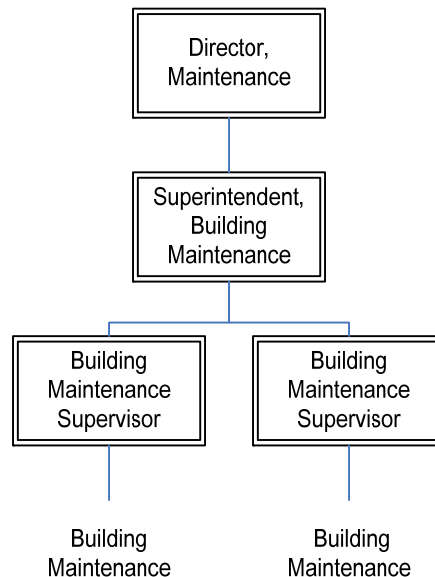


# Building Maintenance

## Functions and Responsibilities

The Building Maintenance department is responsible for performing preventive maintenance and repairs on all Capital Metro buildings and equipment. Primary functions include repairing and maintaining equipment in vehicle maintenance facilities, providing operational and mechanical support for fueling equipment, maintaining bus-washing equipment, and maintaining Capital Metro buildings, mechanical systems, and property.

## Building Maintenance Department Organizational Chart



## FY 2009 Accomplishments

- ◆ Supported fleet operations by performing planned maintenance and provided emergency repairs as needed to all active systems and buildings
- ◆ Provided maintenance support to 624 Pleasant Valley, 5316 Ed Bluestein, and North Operations facility
- ◆ Reallocation of facilities in FY 2009 into Public and Operational facilities. Department 458 is now responsible only for Operational facilities

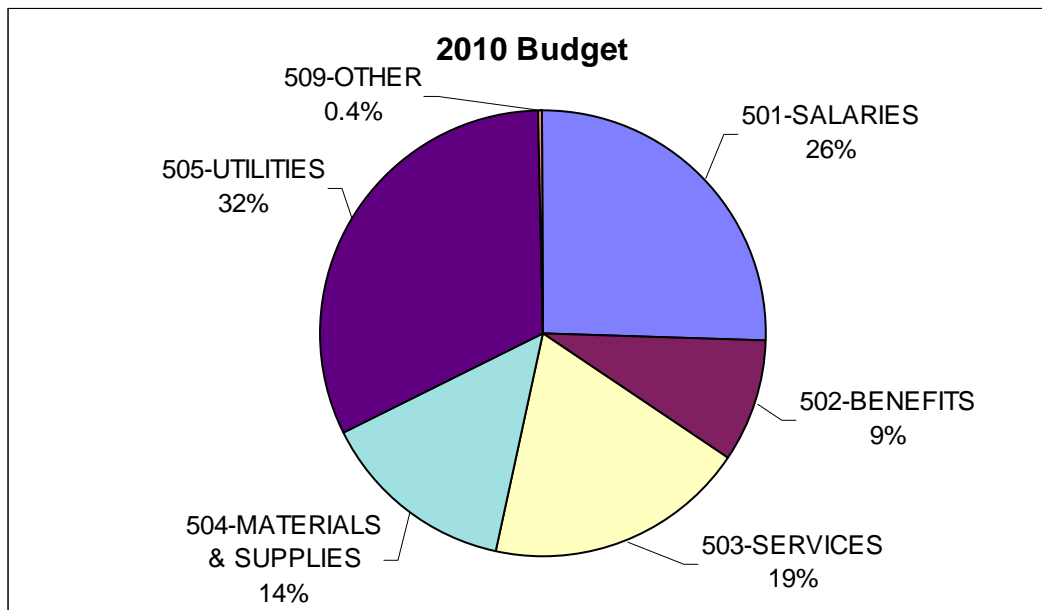
## Planned Initiatives

- ◆ Continue planned maintenance for all Building Maintenance assets and associated repairs to reduce unplanned work orders/requests (emergency work included)

### Major Budgetary Changes

- ◆ **Salaries & Benefits** – Two employees have high vacation accruals due to length of service
- ◆ **Services** – The expenses have decreased relative to the amount of property and buildings that were reassigned as Public facilities.
- ◆ **Materials & Supplies** – Increase in Maintenance Materials to reflect actual expense
- ◆ **Utilities** – Decrease in utilities, as the separation of Operations facilities from Public facilities results in the energy costs being split between Capital Projects Group and Building Maintenance.

<i>Account Category</i>	<i>FY 2009 Budget</i>	<i>FY 2009 Forecast</i>	<i>FY 2010 Budget</i>	<i>% Var Budget 2010 vs Forecast 2009</i>	<i>% Variance Budget 2010 vs. Budget 2009</i>
<b>501-SALARIES</b>	\$969,126	\$904,884	\$937,604	3.6%	-3.3%
<b>502-BENEFITS</b>	297,710	246,772	320,009	29.7%	7.5%
<b>503-SERVICES</b>	946,761	1,132,373	687,734	-39.3%	-27.4%
<b>504-MATERIALS &amp; SUPPLIES</b>	472,713	548,354	521,165	-5.0%	10.2%
<b>505-UTILITIES</b>	1,499,817	1,558,739	1,170,363	-24.9%	-22.0%
<b>509-OTHER</b>	\$11,641	\$12,326	15,171	23.1%	30.3%
<b>TOTALS</b>	<b>\$4,197,769</b>	<b>\$4,403,448</b>	<b>\$3,652,047</b>	<b>-17.1%</b>	<b>-13.0%</b>



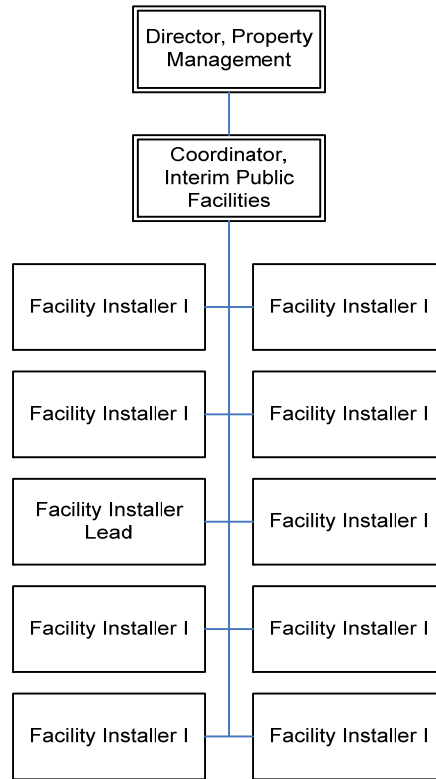


# Public Facilities

## Functions and Responsibilities

The Public Facilities department is responsible for maintaining public facilities, bus stops and signage throughout the Capital Metro service area. Primary functions include cleaning bus stops, servicing litter containers, coordinating installation and removal of amenities, supporting special events, and performing service change tasks such as changing and updating bus stop signs and other passenger information signs.

### Public Facilities Department Organizational Chart



### FY 2009 Accomplishments

- ◆ Provided scheduled cleaning and repairs to an ever-increasing inventory of stops
- ◆ Completed passenger information updates for service changes
- ◆ Provided support for special events, such as the 2009 Roadeo, Austin City Limits, and the First Night Austin

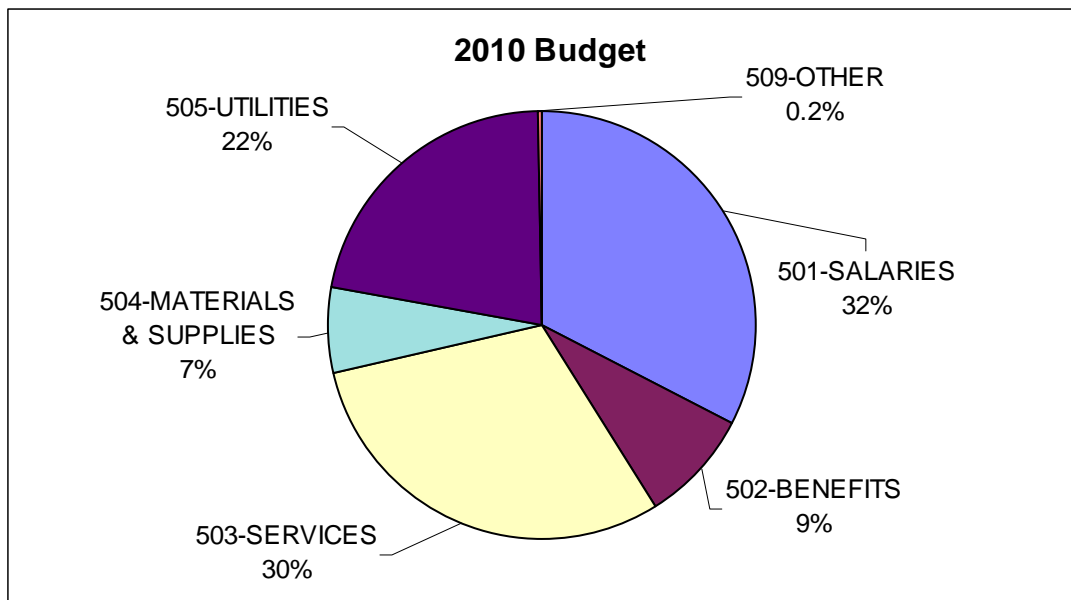
### Planned Initiatives

- ◆ Provide for cleaning and repairs to an increasing inventory of passenger amenities
- ◆ Participate in adding new public amenities such as benches and shelters
- ◆ Continue to maintain a level of quality of passenger information such as schedules and bus stop signs

### Major Budgetary Changes

- ◆ **Services** – Due to reorganization, a portion of Electrical Services, Custodial Services, etc. have been moved to Public Facilities from the Building Maintenance department.
- ◆ **Materials & Supplies** – As a result of reorganization, a portion of material and supply items have been moved to Public Facilities from the Building Maintenance department.
- ◆ **Utilities** – Utility charges associated with public facilities such as bus stops, transit centers, and park and rides are now being budgeted in this department as opposed to Building Maintenance.

<i>Account Category</i>	<i>FY 2009 Budget</i>	<i>FY 2009 Forecast</i>	<i>FY 2010 Budget</i>	<i>% Var Budget 2010 vs Forecast 2009</i>	<i>% Variance Budget 2010 vs. Budget 2009</i>
<b>501-SALARIES</b>	\$487,906	\$430,988	\$463,386	7.5%	-5.0%
<b>502-BENEFITS</b>	121,305	142,321	124,833	-12.3%	2.9%
<b>503-SERVICES</b>	0	44,864	428,576	855.3%	100.0%
<b>504-MATERIALS &amp; SUPPLIES</b>	45,628	22,790	93,853	311.8%	105.7%
<b>505-UTILITIES</b>	0	0	313,073	100.0%	100.0%
<b>509-OTHER</b>	3,080	0	3,080	100.0%	0.0%
<b>TOTALS</b>	<b>\$657,919</b>	<b>\$640,962</b>	<b>\$1,426,801</b>	<b>122.6%</b>	<b>116.9%</b>

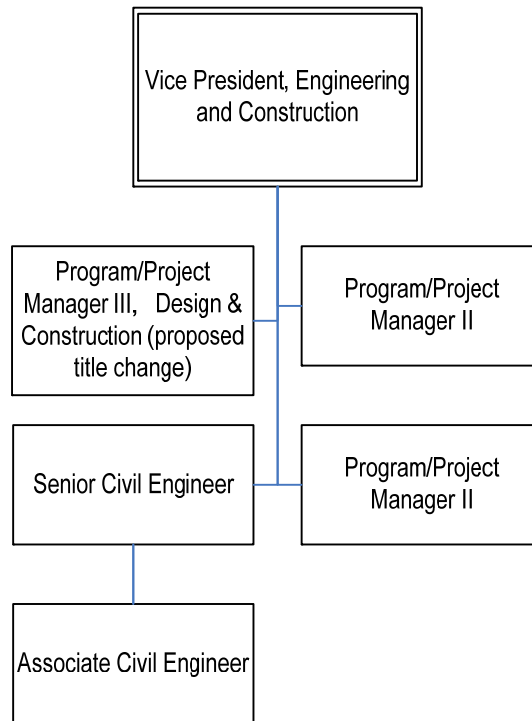


## Engineering and Construction (Formerly Rapid Transit)

### Functions and Responsibilities

The newly reorganized Engineering and Construction organization combines the efforts of the existing Rapid Transit organization; which was responsible for the planning, engineering, and construction of Capital Metro’s long range transportation infrastructure improvements as they were prioritized in the Route 2025 plan; with the Capital Projects Group; which was responsible for the management of Capital Metro’s Build Central Texas program, passenger amenities, and renovations to the existing office and/or operating facilities. By combining these two organizations, Capital Metro is now strategically positioned to leverage the experiences of its personnel to not only manage its existing capital assets, and ensure its continued longevity; but also the experiences of the day-to-day operational issues and improvements will be passed to the engineering personnel designing and constructing the newly designed infrastructure for the long-term. This will ensure that construction will include ease of mobility and access for the public prior to any construction starting — a definite cost savings for Capital Metro in the long run.

### Engineering and Construction Department Organizational Chart





### **FY 2009 Accomplishments for Rapid Transit**

- ◆ Completed the two remaining MetroRail Stations, Howard Park & Ride and Kramer
- ◆ Completed the railroad signaling system (centralized train control system)
- ◆ Completed construction of all MetroRail projects
- ◆ Provided support to Rail Operations as they continue to reprogram and test the MetroRail Signal system
- ◆ Provided technical assistance in planning and evaluating future rail and fixed guideway transit projects
- ◆ Achieved close-out of all but two of the MetroRail construction projects
- ◆ Began the design of Phase 1 of the new MetroRapid BRT project.

### **Planned Initiatives for Engineering and Construction**

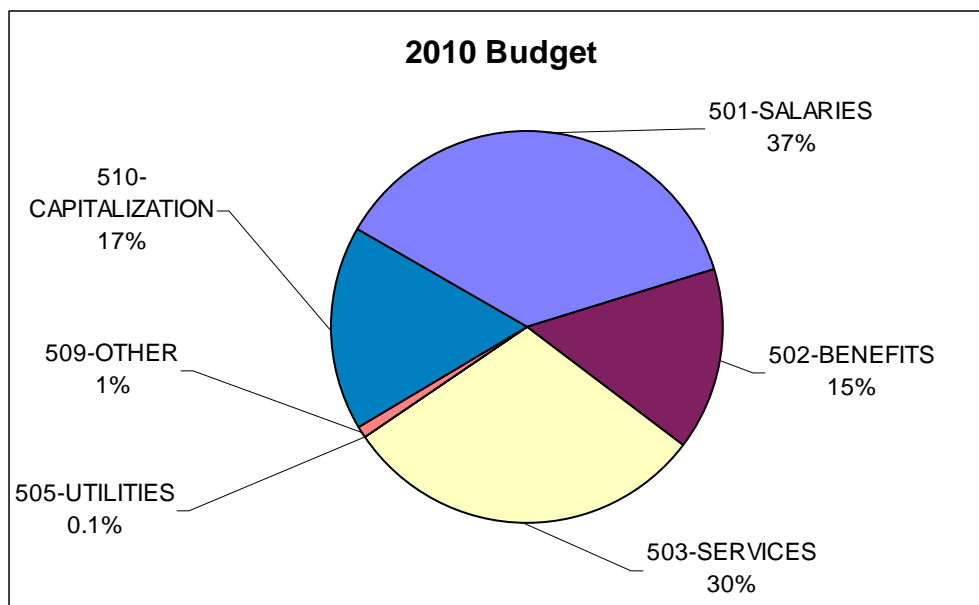
- ◆ Continue to realign project functions under the former FD&C, Capital Projects Group, and Rapid Transit under one new department: Engineering and Construction.
- ◆ Continue to manage and advance the MetroRapid BRT project thru planning and design, and into the beginning of construction.
- ◆ Advance the Rails with Trails First Phase project thru planning and design, and into the beginning of construction.
- ◆ Continue to advance RR Bridge Repair/Replacement Program.
- ◆ Conduct a Property Survey for the entire 32 mile MetroRail Corridor.
- ◆ Advance new Utility Management and Property Management Databases.
- ◆ Continue to advance Bus Stop Accessibility Improvements.
- ◆ Advance engineering and construction of additional track improvements for MetroRail.

## Engineering and Construction

### Major Budgetary Changes

- ◆ **Salaries & Benefits** – Increased due to reorganization to consolidate engineering demands
- ◆ **Services** – Decreased costs from engineering consultants as a result of the anticipated start-up of revenue service for the MetroRail Service. FY 2010 activity is related to implementation of future rail elements of the All Systems Go Long Range Plan, including expansions to the MetroRail Red Line, implementation of the Manor-Elgin Green Line, etc.
- ◆ **Other** – Decrease as a result of less budgeted travel for FY 2010
- ◆ **Capitalization** – Capitalized labor for time spent on capital projects

<i>Account Category</i>	<i>FY 2009 Budget</i>	<i>FY 2009 Forecast</i>	<i>FY 2010 Budget</i>	<i>% Var Budget 2010 vs Forecast 2009</i>	<i>% Variance Budget 2010 vs. Budget 2009</i>
<b>501-SALARIES</b>	\$150,534	-\$13,077	\$405,787	-3203%	170%
<b>502-BENEFITS</b>	78,167	73,696	164,166	123%	110%
<b>503-SERVICES</b>	448,333	311,002	330,000	6%	-26%
<b>504-MATERIALS &amp; SUPPLIES</b>	0	166	0	-100%	0%
<b>505-UTILITIES</b>	642	120	642	435%	0%
<b>509-OTHER</b>	13,700	2,216	8,700	293%	-36%
<b>510-CAPITALIZATION</b>	-	0	-186,555	100%	100%
<b>TOTALS</b>	<b>\$691,376</b>	<b>\$374,123</b>	<b>\$722,741</b>	<b>93.2%</b>	<b>4.5%</b>





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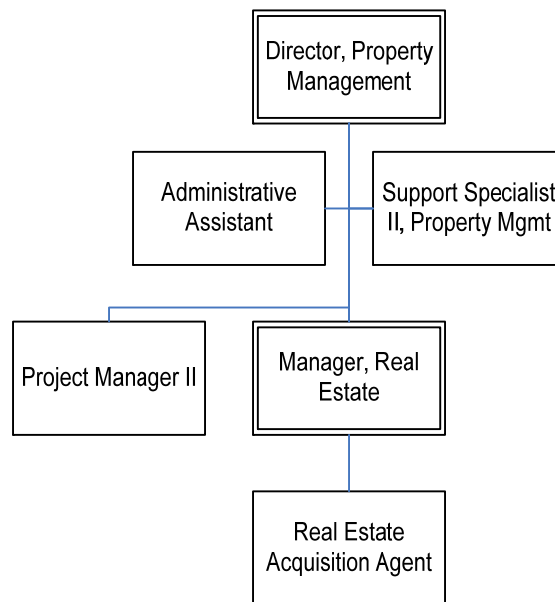


## Property Management (Formerly Facilities Design & Construction)

### Functions and Responsibilities

The Property Management Department was created in the last quarter of FY 2009. It was created to serve as the central area for maintenance, repairs, general upkeep, and overall management responsibilities for all Capital Metro Facilities and Public Facilities. Public Facilities include all Park and Rides, Transit Centers, Passenger Rail Stations, and Bus Stops. Its activities are closely interrelated to those of the Public Facilities Department.

### Property Management Department Organizational Chart



### FY 2009 Accomplishments

- ◆ The Facilities Design & Construction department was consolidated with Engineering and Construction at the beginning in FY 2010

### Planned Initiatives

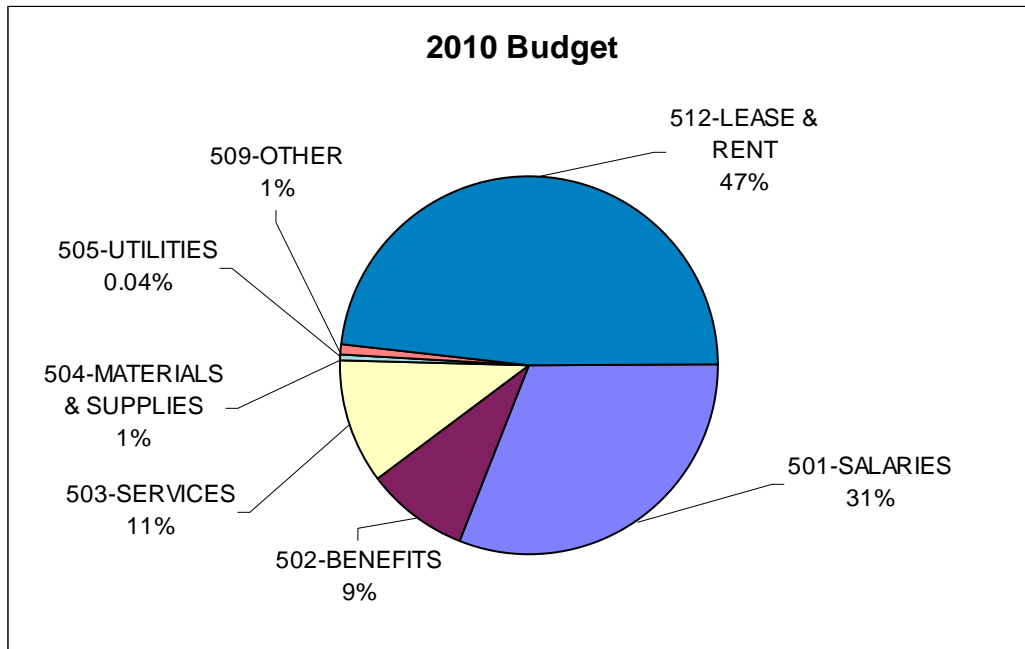
- ◆ Automate the collection and analysis of property management events and activities;
- ◆ Develop & implement a database of all utility accounts and activities;
- ◆ Produce a Facility Response Key Information Resource;
- ◆ Continue the implementation of the Bus Stop Accessibility and Improvement program



**Major Budgetary Changes**

- ◆ **Salaries & Benefits** – Reorganization from Facilities Design and Construction to Property Management
- ◆ **Services** – Professional fees for studies
- ◆ **Materials & Supplies** – Reduced budget for office supplies to align with current expense
- ◆ **Lease & Rent** – Leases for Park & Rides, stations, etc. moved to this department

<i>Account Category</i>	<i>FY 2009 Budget</i>	<i>FY 2009 Forecast</i>	<i>FY 2010 Budget</i>	<i>% Var Budget 2010 vs Forecast 2009</i>	<i>% Variance Budget 2010 vs. Budget 2009</i>
<b>501-SALARIES</b>	\$72,082	\$359,551	\$442,512	23%	514%
<b>502-BENEFITS</b>	164,810	157,190	126,401	-20%	-23%
<b>503-SERVICES</b>	109,564	94,096	151,672	61.2%	38.4%
<b>504-MATERIALS &amp; SUPPLIES</b>	9,842	7,800	7,936	1.7%	-19.4%
<b>505-UTILITIES</b>	582	1,443	582	-59.7%	0.0%
<b>509-OTHER</b>	\$9,481	8,163	10,481	28.4%	10.5%
<b>512-LEASE &amp; RENT</b>	\$0	0	692,314	100.0%	100.0%
<b>TOTALS</b>	<b>\$366,362</b>	<b>\$628,243</b>	<b>\$1,431,899</b>	<b>127.9%</b>	<b>290.8%</b>





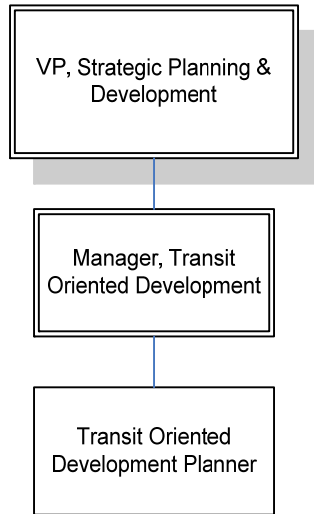


## Transit Oriented Development

### Functions and Responsibilities

The Transit Oriented Development (TOD) department is responsible for the management of transit community development initiative and assisting with the implementation of the All Systems Go Plan.

### Transit Oriented Development Department Organizational Chart



### FY 2009 Accomplishments

- ◆ Distributed the Transit Ready Development Guide locally and nationally
- ◆ Completed the Form Based Code for the Leander Village TOD Phase 1
- ◆ Developed financial analysis tools to be used for grant applications
- ◆ Renewed the landscaping at Plaza Saltillo with a grant from Keep Austin Beautiful
- ◆ Developed proposal for a new vendor program at selected stations and transfer facilities
- ◆ Managed financial analysis project for City of Austin Urban Rail Planning
- ◆ Completed report on ridership and density estimation tools for the APTA Sustainability and Urban Design Standards Committee
- ◆ Assisted in planning developments in the vicinity of stations and bus routes

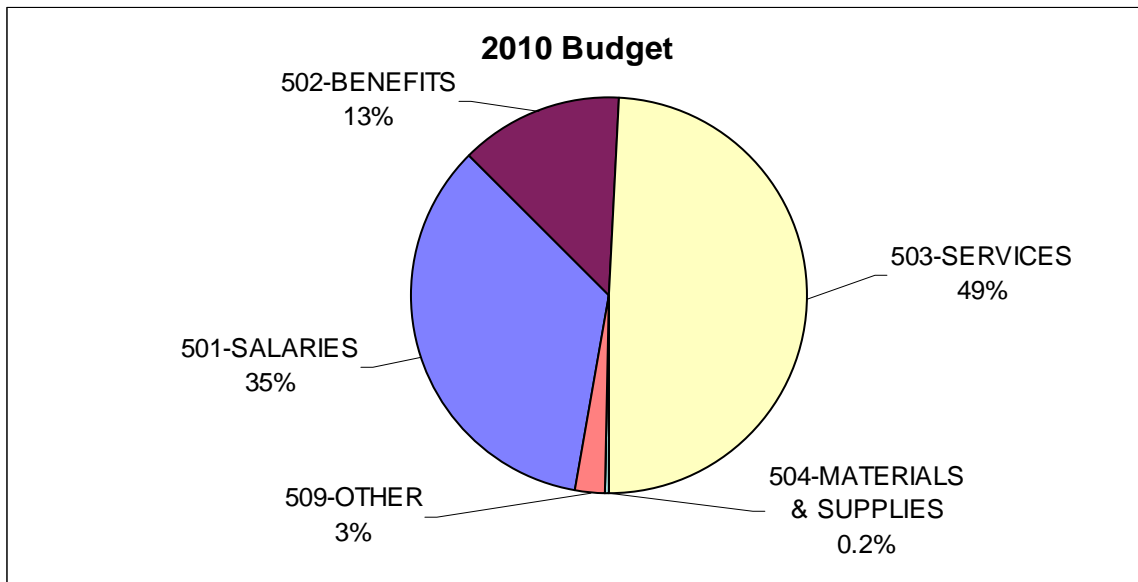
### Planned Initiatives

- ◆ Coordinate Capital Metro participation in the City of Austin's Comprehensive Plan
- ◆ Seek funding for first element of Leander TOD
- ◆ Revise TRDG to incorporate LEED-ND standards
- ◆ Assist in planning of future transit projects and associated Transit Oriented Developments
- ◆ Provide ridership estimates, economic analysis, and design assistance to planning department as requested

**Major Budgetary Changes**

- ◆ **Salaries & Benefits** – Eliminated one position; benefits reflect the five-year sick leave accrual for one employee
- ◆ **Services** – Reduced costs for market studies, architectural fees, legal fees, and due diligence for anticipated real estate activities due to a more focused effort for planned activities for FY 2010.
- ◆ **Materials & Supplies** – Literature printed in FY09 will not be needed in FY 2010
- ◆ **Other** – Reduction in travel

<i>Account Category</i>	<i>FY 2009 Budget</i>	<i>FY 2009 Forecast</i>	<i>FY 2010 Budget</i>	<i>% Var Budget 2010 vs Forecast 2009</i>	<i>% Variance Budget 2010 vs. Budget 2009</i>
<b>501-SALARIES</b>	\$167,760	\$164,732	\$126,697	-23.1%	-24.5%
<b>502-BENEFITS</b>	48,110	37,601	48,638	29.4%	1.1%
<b>503-SERVICES</b>	600,000	762,044	180,000	-76.4%	-70.0%
<b>504-MATERIALS &amp; SUPPLIES</b>	7,600	301	670	122.6%	-91.2%
<b>505-UTILITIES</b>	780	0	0	0.0%	-100.0%
<b>509-OTHER</b>	20,950	7,904	9,614	21.6%	-54.1%
<b>TOTALS</b>	<b>\$845,201</b>	<b>\$972,582</b>	<b>\$365,618</b>	<b>-62.4%</b>	<b>-56.7%</b>

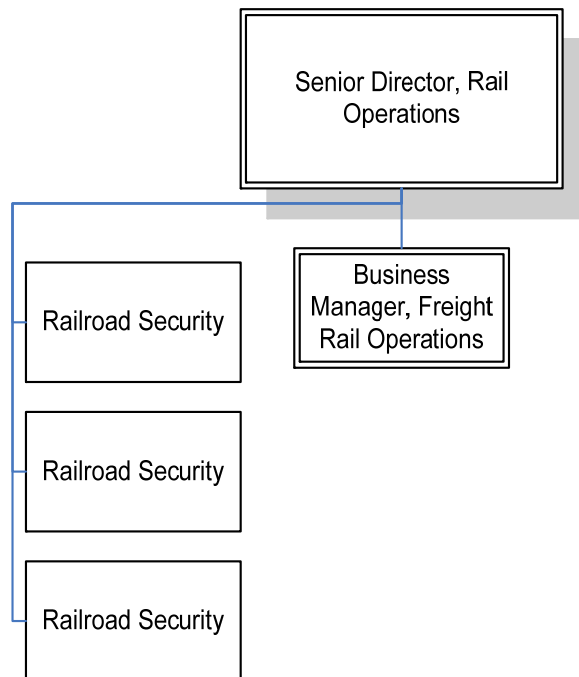


# Freight Railroad

## Functions and Responsibilities

The Railroad Department is responsible for the managing and preserving of the Authority's railroad assets for future mass transit use and the transportation of freight along the Freight Rail Line. Currently the department manages approximately 162 miles of railroad right-of-way known as the Giddings/Llano rail line. Management of Giddings/Llano rail line is accomplished through a rail freight operator, whose responsibility is to fulfill the common carrier obligations by providing freight service to shippers along the line as well as implementing aggressive marketing strategies to maximize revenues while providing efficient freight service. Additionally, the department processes and manages applications for lease and license agreements for access and use of the railroad rights-of-way for roads, utilities and fiber optics while maximizing revenue potential through these uses. All of this is accomplished while maintaining the track and track infrastructure to Federal Railroad Administration (FRA) regulations and adhering to strict safety guidelines and mandates.

## Freight Railroad Department Organizational Chart





## **FY 2009 Accomplishments**

- ◆ Successfully negotiated and partnered with largest customer on the freight line to sign the first Take-or-Pay agreement which guarantees car moves for this customer over 5 years, and a revenue stream for the freight operation for the same amount of time
- ◆ Finished the fiscal year with a positive operating margin for the first time as a result of strategic business decisions that insured long-term growth capabilities for the freight operations, and near term operational profitability
- ◆ Worked to meet senior management's expectations of positive operational gross margin as was budgeted
- ◆ Partnered with vendors of freight rail operation for additional revenue opportunities on freight line to generate long-term new and/or additional revenue streams for this line of business

## **Planned Initiatives**

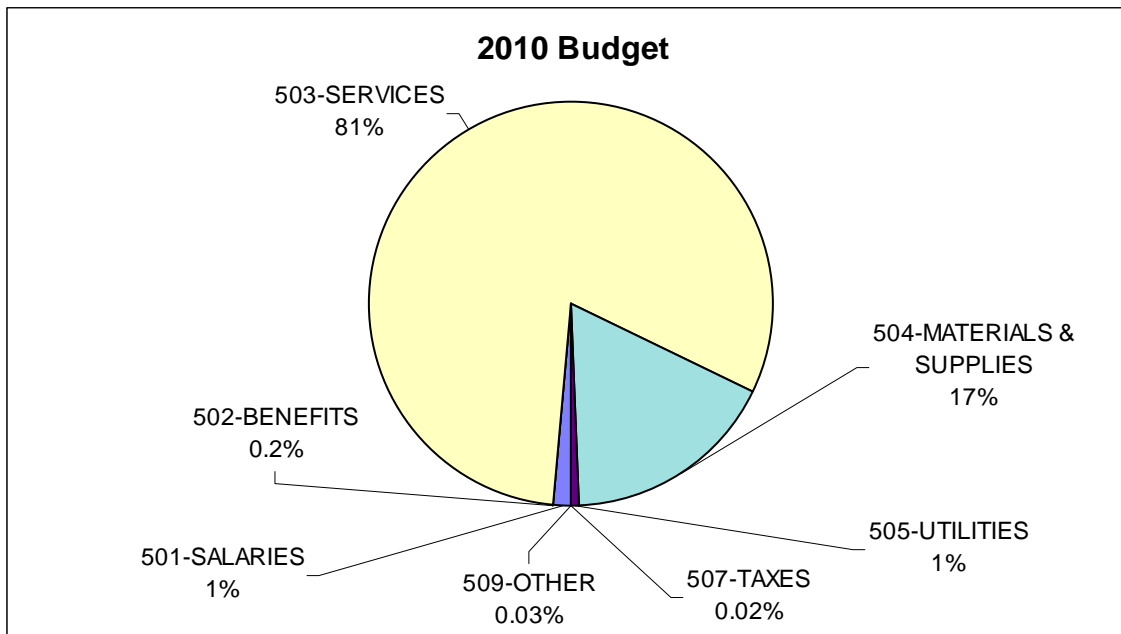
- ◆ Replace one of the largest bridges along the freight line which will allow for heavier loads and has opportunity to increase capacity on the east end of the rail line
- ◆ Develop a bridge management plan for inspections and repairs which will emphasize managed care, keeping costs of repair and replacement to a minimum in the long-term, and allowing for capital planning as necessary in order to budget for long-term replacement when necessary
- ◆ Work with Maintenance of Way contractor to ensure class level of track is maintained assuring operational effectiveness of freight movements
- ◆ Work closely with freight rail operators and the Class I railroads to ensure smooth and uninterrupted service as a result of MetroRail operations coming online in FY10

## Freight Railroad

### Major Budgetary Changes

- ◆ **Salaries & Benefits** – Rail security officers moved into this department; early retirement reduced number of employees. Benefits decreased as security officers are part time
- ◆ **Materials & Supplies** – Fuel costs drive the major component of this expense category. In addition, this line will increase due to the expense classification of rail material used in minor repairs and/or maintenance performed on the rail line.
- ◆ **Utilities** – Electricity for rail crossings and control points is now being budgeted in this department.

<i>Account Category</i>	<i>FY 2009 Budget</i>	<i>FY 2009 Forecast</i>	<i>FY 2010 Budget</i>	<i>% Var Budget 2010 vs Forecast 2009</i>	<i>% Variance Budget 2010 vs. Budget 2009</i>
<b>501-SALARIES</b>	\$185,513	\$249,075	\$140,296	-43.7%	-24.4%
<b>502-BENEFITS</b>	104,811	76,105	19,890	-73.9%	-81.0%
<b>503-SERVICES</b>	8,960,831	9,501,183	8,979,803	-5.5%	0.2%
<b>504-MATERIALS &amp; SUPPLIES</b>	1,507,527	1,689,260	1,915,681	13.4%	27.1%
<b>505-UTILITIES</b>	1,140	2,535	67,272	2553.7%	5801.1%
<b>507-TAXES</b>	1,881	2,494	2,322	-6.9%	23.4%
<b>509-OTHER</b>	4,480	2,238	3,085	37.8%	-31.1%
<b>TOTALS</b>	<b>\$10,766,184</b>	<b>\$11,522,889</b>	<b>\$11,128,348</b>	<b>-3.4%</b>	<b>3.4%</b>

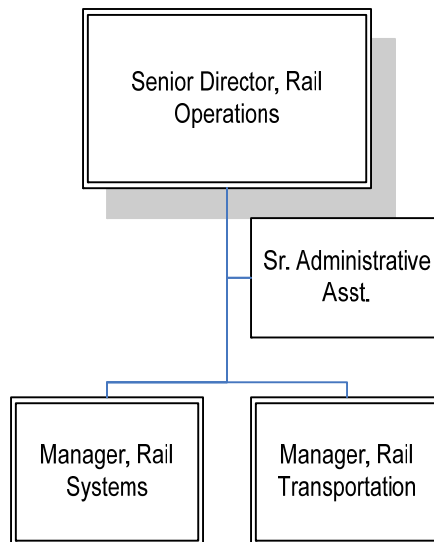


# Commuter Rail Operations

## Functions and Responsibilities

The Commuter Rail Operations Department is responsible for the implementation, management and oversight of commuter rail, anticipated to begin offering services to the community between Leander and the Downtown Convention Center in FY 2010.

### Commuter Rail Operations Department Organizational Chart



### FY09 Accomplishments

- ◆ Completed the following stations & sidings for revenue service: MLK, Kramer, Howard, Crestview/Wooten Stations and Kramer & MLK Siding
- ◆ Completed Quiet Zones within the Commuter Rail Corridor (Cedar Park and Austin)
- ◆ Completed Hazard Analysis/Risk Assessment of Commuter Rail Corridor in conjunction with FRA
- ◆ Finalized commuter rail schedule using four rail cars thereby providing an operational spare
- ◆ Received conditional waiver from FRA to operate commuter rail service
- ◆ Completed installation and testing of wayside and grade crossing systems
- ◆ Installed computer aided dispatching system for railroad operations

### FY10 Initiatives

- ◆ Complete signal upgrades and complete integration of the CTC for rail operations
- ◆ Complete critical infrastructure upgrades to extend longevity of track and bridges
- ◆ Realign the track at the Austin Junction to optimize commuter and freight movements
- ◆ Initiate Commuter Rail (MetroRail) service for the public by March 31, 2010
- ◆ Upgrade railroad radio system by installing a UHF radio solution



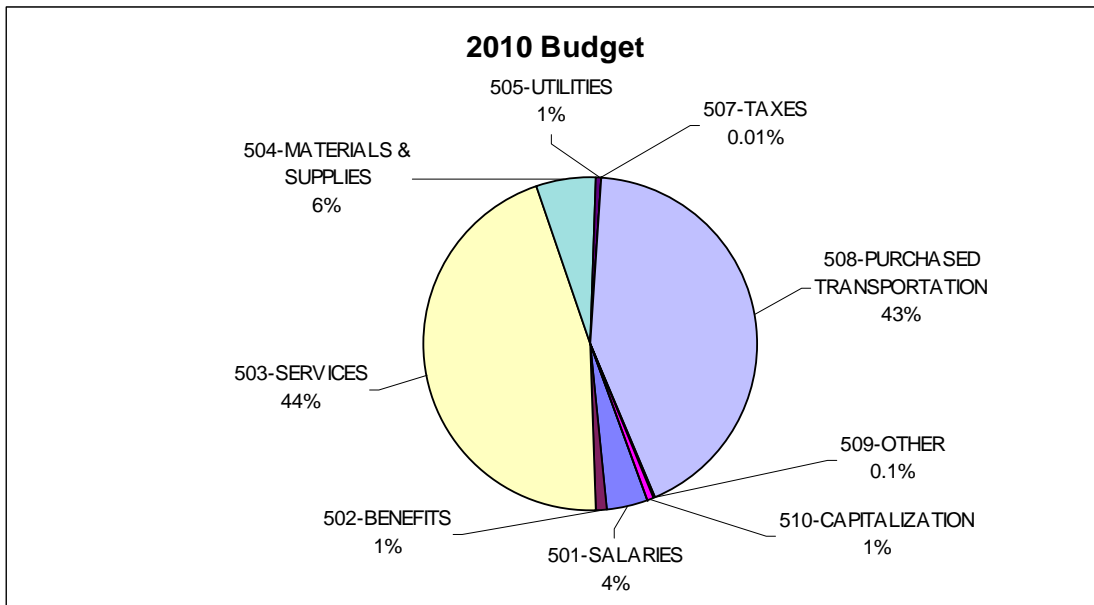
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**Major Budgetary Changes**

- ◆ **Salaries & Benefits** – Eliminated vacancies and moved the cost associated with security personnel to Freight Rail department.
- ◆ **Services** – Continuing pre-revenue service contract for the MetroRail line
- ◆ **Materials & Supplies** – Increase due to fuel based on hours of service for commuter rail in FY 2010.
- ◆ **Purchased Transportation** – Costs associated with revenue service of the MetroRail Red Line
- ◆ **Utilities** – Telephone charges for all railroad crossing houses and control points
- ◆ **Other** – Reduced travel expenses
- ◆ **Capitalization** – Capitalized labor for effort on capital projects associated with commuter rail

<i>Account Category</i>	<i>FY 2009 Budget</i>	<i>FY 2009 Forecast</i>	<i>FY 2010 Budget</i>	<i>% Var Budget 2010 vs Forecast 2009</i>	<i>% Variance Budget 2010 vs. Budget 2009</i>
<b>501-SALARIES</b>	\$324,405	\$309,275	\$263,897	-14.7%	-18.7%
<b>502-BENEFITS</b>	91,013	51,874	73,926	42.5%	-18.8%
<b>503-SERVICES</b>	1,512,314	6,617,811	3,028,366	-54.2%	100.2%
<b>504-MATERIALS &amp; SUPPLIES</b>	250,399	106,910	400,504	274.6%	59.9%
<b>505-UTILITIES</b>	3,480	22,371	33,660	50.5%	867.2%
<b>506-INSURANCE</b>	0	153,556	0	-100.0%	0.0%
<b>507-TAXES</b>	548	86	607	606.1%	10.8%
<b>508-PURCHASED TRANSPORTATION</b>	4,138,110	0	2,856,982	100.0%	-31.0%
<b>509-OTHER</b>	13,390	18,678	3,749	-79.9%	-72.0%
<b>510-CAPITALIZATION</b>	0	0	-45,752	100.0%	100.0%
<b>512-LEASE &amp; RENT</b>	0	21,413	0	-100.0%	0.0%
<b>TOTALS</b>	<b>\$6,333,659</b>	<b>\$7,301,973</b>	<b>\$6,615,938</b>	<b>-9.4%</b>	<b>4.5%</b>





## Business Center

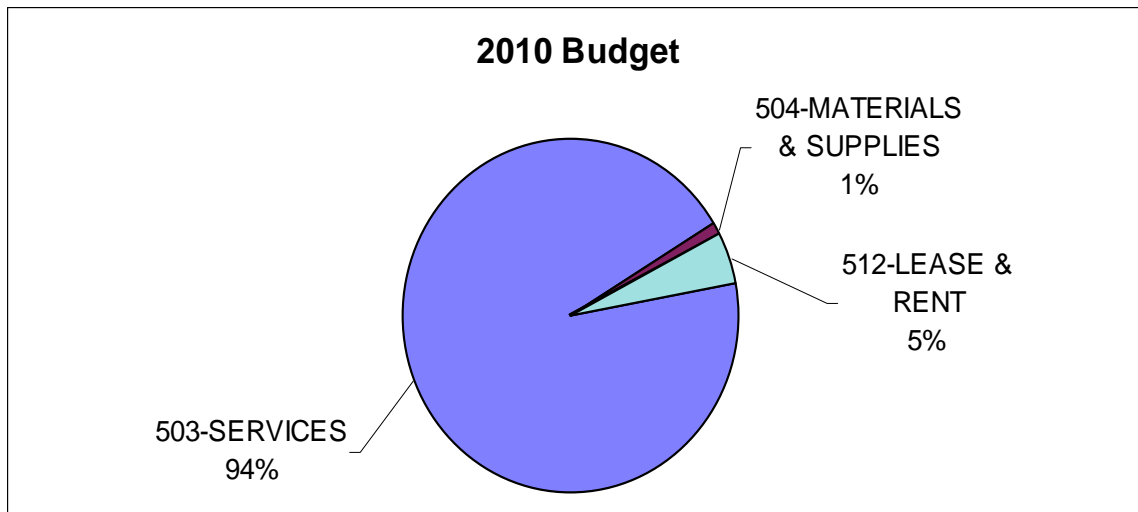
### Functions and Responsibilities

The Business Center provides support services to Capital Metro facilities including printing, copying, postage and messenger services.

### Major Budgetary Changes

- ◆ **Services** – Decrease in provider contract costs
- ◆ **Materials & Supplies** – Decrease associated with decrease in contract costs

<i>Account Category</i>	<i>FY 2009 Budget</i>	<i>FY 2009 Forecast</i>	<i>FY 2010 Budget</i>	<i>% Var Budget 2010 vs Forecast 2009</i>	<i>% Variance Budget 2010 vs. Budget 2009</i>
<b>503-SERVICES</b>	\$ 357,713	\$ 255,886	\$ 301,200	17.7%	-15.8%
<b>504-MATERIALS &amp; SUPPLIES</b>	3,738	3,014	3,300	9.5%	-11.7%
<b>509-OTHER</b>	0	106	0	-100.0%	0.0%
<b>512-LEASE &amp; RENT</b>	15,475	50,360	15,475	-69.3%	0.0%
<b>TOTALS</b>	<b>\$ 376,926</b>	<b>\$ 309,366</b>	<b>\$ 319,975</b>	<b>3.4%</b>	<b>-15.1%</b>



# Wellness and Fitness Centers

## Functions and Responsibilities

The Wellness and Fitness Centers department's mission is to partner with our employees to improve and maintain healthy long term lifestyle habits to create a workforce that fulfills Capital Metro's mission. The Department's primary responsibilities are to:

- Develop innovative programs to identify and find solutions to Capital Metro's health risk problems;
- Create awareness, working to change employee behaviors, and to develop healthy patterns and habits to achieve the dual goal of reducing health care costs and improving employee morale;
- Coordinate wellness initiatives to improve employees' knowledge of health issues; and
- Develop and manage fitness centers for Capital Metro.

## FY 2009 Accomplishments

- ◆ Outlined the Return on Investment for our Wellness Program which demonstrates that CMTA saves approximately \$3 in healthcare and absenteeism costs for every dollar spent on the program.
- ◆ Capital Metro's Wellness Program was featured on a television report which included interviews with a number of employees who have been successful in their fitness goals through our program.
- ◆ Capital Metro's Wellness Program was featured in a very positive article in Bus Ride Magazine that focused on the CDC recognizing our program for its effectiveness.
- ◆ Began our "Positivity Campaign" including posting a variety of inspirational messages around our facilities.
- ◆ Improved focus on employee wellness through incentives for lifestyle improvements.
- ◆ Introduced nutritional services by adding a part-time Dietician to assist employees and present nutritional programs monthly.

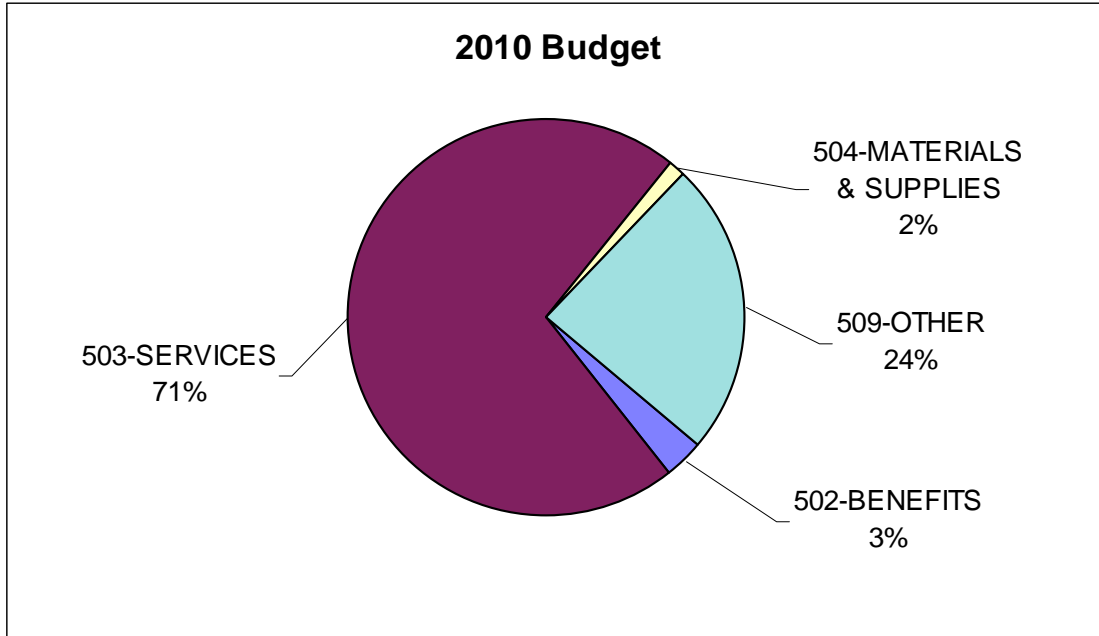
## Planned Initiatives

- ◆ "Yes I Can": Implement programs and initiatives to attract and retain members to our employee fitness center and to increase participation in our Wellness Program.
- ◆ Conduct a full assessment on the personal trainers and other staff to determine how and where they can be best utilized and reach CMTA employees in all job and shifts.
- ◆ Continue working with COA and HHS to identify and develop grant opportunities to fund ongoing initiatives such as the Healthy Options Coupon Program or new initiatives to improve employee health.
- ◆ Create a Wellness and Fitness Committee that will officially recommend incentives and programs based on feedback from employees to Capital Metro management.
- ◆ Continue to promote a wellness culture by offering new programs and contests to encourage healthy lifestyles.

### Major Budgetary Changes

- ◆ **Benefits** – Moved costs from this category to other in FY10
- ◆ **Services** – Adding one junior wellness coach
- ◆ **Other** – Inclusion of the Flu shots and H1N1 Flu shots

<i>Account Category</i>	<i>FY 2009 Budget</i>	<i>FY 2009 Forecast</i>	<i>FY 2010 Budget</i>	<i>% Var Budget 2010 vs Forecast 2009</i>	<i>% Variance Budget 2010 vs. Budget 2009</i>
<b>502-BENEFITS</b>	\$ 38,833	\$ 23,798	\$ 13,212	-44.5%	-66.0%
<b>503-SERVICES</b>	254,326	282,143	283,764	0.6%	11.6%
<b>504-MATERIALS &amp; SUPPLIES</b>	6,800	3,515	6,000	70.7%	-11.8%
<b>509-OTHER</b>	31,280	22,523	95,150	322.5%	204.2%
<b>TOTALS</b>	<b>\$ 331,239</b>	<b>\$ 331,978</b>	<b>\$ 398,126</b>	<b>19.9%</b>	<b>20.2%</b>



# Childcare Facility

## Functions and Responsibilities

The Capital Metro Child Care and Learning Center opened on July 31, 2006. It is being operated by Bright Horizons Family Solutions through a contract with Capital Metro. The Center provides families of Capital Metro with an on-site, high quality child development environment. During all three years of operation, a lower turnover and absenteeism rate for employees using the Center has been achieved.

### 2009 Accomplishments

- ◆ Negotiated contract extension with Bright Horizons to lower administrative and overhead costs while maintaining high quality.
- ◆ Opened to the community to increase enrollment and reduce Capital Metro subsidy.
- ◆ Increased enrollment by 16% compared to previous year.
- ◆ Received recertification as a “Texas Rising Star” Center in recognition of high quality of care offered by the Center.
- ◆ Completed requirements to receive Department of Agriculture food subsidy, resulting in approximately \$25,000 in revenue for FY 2010 to offset the cost of the program.
- ◆ Worked with parent committee to form a non-profit foundation to raise funds to offset the Capital Metro subsidy.

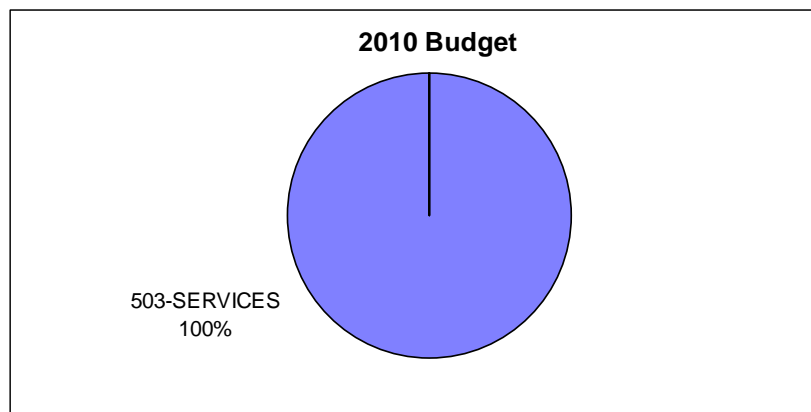
### Planned Initiatives

- ◆ Continue efforts to market to Capital Metro employees and the community to increase enrollment.
- ◆ Research grant opportunities to further reduce Capital Metro’s subsidy of the Center.

### Major Budgetary Changes

- ◆ **Services** – Annual contract increase

<i>Account Category</i>	<i>FY 2009 Budget</i>	<i>FY 2009 Forecast</i>	<i>FY 2010 Budget</i>	<i>% Var Budget 2010 vs Forecast 2009</i>	<i>% Variance Budget 2010 vs. Budget 2009</i>
<b>503-SERVICES</b>	\$ 588,982	\$ 585,181	\$601,608	2.8%	2.1%
<b>504-MATERIALS &amp; SUPPLIES</b>	0	7,182	0	-100.0%	0.0%
<b>509-OTHER</b>	0	150	0	-100.0%	0.0%
<b>TOTALS</b>	<b>\$ 588,982</b>	<b>\$ 592,514</b>	<b>\$601,608</b>	<b>1.5%</b>	<b>2.1%</b>



## Non-Allocated General & Administrative Overhead

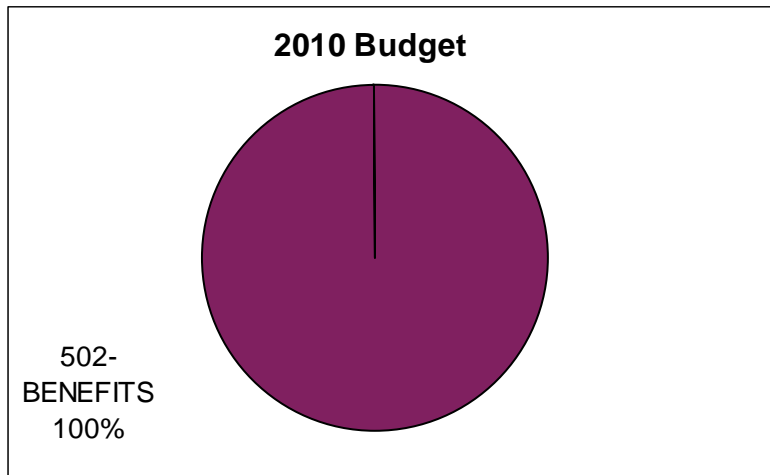
### Functions and Responsibilities

This department captures various costs of employee benefits such as health, dental, life insurance, and the pension plan.

### Major Budgetary Changes

- ◆ **Benefits** – The benefits budget will decrease in FY10. This is related to increase in network provider discounts, increase cost sharing with administrative employees, and lower utilization by the bargaining health plans. This contract included guaranteed discounts with network providers of up to 55%. Life insurance amounts will also decrease with the reductions due to early/enhanced retirement program and hiring freeze.

<i>Account Category</i>	<i>FY 2009 Budget</i>	<i>FY 2009 Forecast</i>	<i>FY 2010 Budget</i>	<i>% Var Budget 2010 vs Forecast 2009</i>	<i>% Variance Budget 2010 vs. Budget 2009</i>
<b>501-SALARIES</b>	\$ -	\$ 1,477.00	\$ -	-100%	0%
<b>502-BENEFITS</b>	19,713,464	19,905,970	17,671,592	-11.2%	-10.4%
<b>TOTALS</b>	<b>\$ 19,713,464</b>	<b>\$ 19,907,446</b>	<b>\$ 17,671,592</b>	<b>-11.2%</b>	<b>-10.4%</b>





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**GLOSSARY**

**Accounting Basis:** Capital Metro utilizes the proprietary fund method of accounting whereby revenue and expenses are recognized on an accrual basis.

**Accrual based accounting:** Revenue and expenses are recorded in the period in which they are earned or incurred regardless of whether cash is received or disbursed in that period.

**ADA:** Americans with Disabilities Act. Federal legislation that provides guidelines for assuring access to person with disabilities.

**American Public Transit Association (APTA):** Membership organization whose stated mission is to serve and lead its diverse membership through advocacy, innovation and information sharing to strengthen and expand public transportation.

**Associated Capital Maintenance (ACM):** A Federal Transit Administration capital program that subsidizes the cost of operations through the funding of certain bus and rail maintenance expenses.

**Average fare:** Operating revenue (fare box and third party fares) divided by the number of boardings.

**Boardings:** Number of passengers utilizing transit service, measured on entrance of vehicle.

**Build Greater Austin:** Created in 1994 to support the transportation infrastructure for the Austin metropolitan area. This is an ongoing program with funding of \$78.1 million with seven elements: 1) street maintenance; 2) emergency street repair; 3) transit corridor improvements; 4) pedestrian and bicycle safety/access; 5) sidewalks; 6) transit centers; and 7) transit capital improvements.

**CAAA:** Clean Air Act Amendments – Federal legislation that protects and enhances the quality of the nation's air resources; initiates and accelerates a national research and development program to prevent and control air pollution; provides technical and financial assistance to state and local governments for air pollution control programs; and encourages and assists regional air pollution control programs.

**Capital budget:** The portion of the budget that provides for the funding of improvements, projects, and other projects and major equipment purchases. Generally a capital item is one that has a cost in excess of \$5,000 and a useful life in excess of one year.

**Capital Expenditure:** Expenditures made to purchase capital assets or increase the efficiency, capacity, useful life, or economy of an existing asset.

**CMAQ:** The Congestion Mitigation & Air Quality Program is a Federal program which funds transportation projects that will contribute to meeting the attainment of national ambient air quality standards.

**Contingency funds:** Operating funds reserved for unexpected expenditures during the fiscal year that were not addressed in the annual budget.

**Commuter rail:** Railway for urban passenger train service consisting of local short distance travel operating between a central city and adjacent suburbs.

**CTC:** Centralized Train Control is a system that allows dispatchers to monitor and control the position of trains currently running on our operating tracks.

**Deadhead:** Hours of miles that the buses are in service, but there is not a reasonable expectation of carrying passengers. Examples include traveling between the garage and the start of a route and traveling between routes.



**Directly Operated Demand Response:** Service that is provided on an “as-needed” basis directly by Capital Metro. Includes special transit van and sedan service.

**Directly Operated Motor Bus:** Scheduled bus service that is provided directly by Capital Metro.

**Express route:** Limited stop service traveling to and from downtown and park & rides

**Fiscal year:** A 12-month period for which an organization plans the use of its funds, which does not necessarily correspond to a calendar year. The fiscal year adopted by Capital Metro is from October 1<sup>st</sup> through September 30<sup>th</sup>.

**Fixed Route:** Local bus service including Flyer and excluding fixed route van services.

**Fixed Route Van:** Local service (primarily in suburban neighborhoods) where ridership does not warrant a full size bus.

**Flyer:** Bus service that operates as local service in the suburban neighborhoods and then becomes express service to downtown. Ridership, miles and hours are included with Fixed Route.

**FTA:** Federal Transit Administration – The agency of the Federal government within the U.S. Department of Transportation that is responsible for providing, administering and monitoring funds to transit agencies.

**Full-time equivalent position (FTE):** A position converted to the decimal equivalent of a full time position based on 2,080 hours per year.

**Funds Equity:** Captures the aggregate of accumulated revenues and expenses from previous years. This balance is also labeled Net Assets.

**Grant:** Revenue from another government body or organization, usually in support of a specific program or function.

**High occupancy vehicle lanes (HOV):** A lane of traffic in a major roadway reserved for vehicles carrying two or more (sometimes three or more) persons.

**Interest Income:** Income gained from interest on funds that have been placed in reserves for capital placement.

**ITS:** Intelligent Transportation System is a large project with Orbital being the main vendor that is adding CAD/AVL (Computer Aided Dispatch/Automatic Vehicle Locator) capability to our bus fleet.

**MetroAccess Van:** Paratransit service for the mobility impaired that is provided by vans. Typically carries several passengers at one time.

**MetroAccess Sedan:** Paratransit service for the mobility impaired that is provided by sedans. Typically carries one passenger at one time.

**MetroAccess Voucher:** Paratransit service for the mobility impaired that is provided by various cab companies.

**Net Assets:** Captures the aggregate of accumulated revenues and expenses from previous years. This balance is also labeled Fund Equity.

**New Start:** Discretionary federal transit funds for new or extended fixed guideway systems.

**Non-attainment area:** U.S. region not attaining EPA standards for air pollutants.





**Obligation:** Funds that have been obligated to a specific purpose but have not been expended.

**On-Time Performance:** On-time performance is no more than 30 seconds early or 5 minutes and 30 seconds late. Only directly operated regular, flyer and park and ride trips are included.

**Operating budget:** The portion of the budget that provides for the day-to-day operation of Capital Metro including salaries, benefits, services, materials and other expenses.

**Paratransit services:** Complementary transportation services for elderly and disabled established in accordance with ADA.

**Park & Ride:** Supports express limited stop service to and from downtown.

**Passenger revenue:** Revenue earned through fares charged directly to passengers for transit services.

**Peak period:** The period during which the maximum amount of travel occurs.

**PRC & FSS:** Service to Pickle Research Center and the Faculty/Staff Shuttle.

**Prior years' carry-over:** Funds which are available to finance subsequent fiscal years for capital budget items.

**Purchased Transportation Motor Bus:** Scheduled service that is provided by a vendor under contract to Capital Metro.

**Purchased Transportation Demand Response:** Service that is provided on an "as needed" basis by a vendor under contract to Capital Metro.

**Recovery ration:** Operating revenue divided by operating expense.

**Revenue hours:** the number of hours that the buses are available to the general public and there is a reasonable expectation of carrying passengers (this includes layover time). May be scheduled or actual; see revenue service below.

**Revenue miles:** The number of miles that the buses are available to the general public and there is a reasonable expectation of carrying passengers.

**Revenue passengers:** Transit passengers who enter the system through the payment of a fare as distinguished from those who enter via an employee or complimentary pass.

**Revenue service:** Transit service run for the purpose of generating revenue, with a route beginning and end point, distinguished from trips run for maintenance purposes or trips which carry passengers without charge.

**Ridership:** The total number of boardings, including transfers. Also called "Unlinked Passenger Trips". May be based on fare box counts, driver counts, or estimates.

**Rural Demand Response:** Advance registration door-to-door service from Lago Vista, Jonestown, and Leander to Highland Mall, Northcross Mall and Central Medical Complex. Currently provided by CARTS.

**Rural Feeders:** The bus service that connects rural areas (Lago Vista and Manor) with downtown Austin. Currently provided by CARTS.

**SAFETEA-LU:** On August 10, 2005, President George W. Bush signed the Safe, Accountable, Flexible, Efficient Transportation Equity Act; A Legacy for Users (SAFETEA-LU). This authorizes the Federal surface transportation programs for highways, highway safety, and transit for the 5-year period 2005-2009.



**Sales tax:** A tax levied and collected by the State for the benefit of Capital Metro. Capital Metro currently collects 1% sales tax.

**Section 5307 Urbanized Area Formula (Formerly Section 9):** A Federal grant administered by the Federal Transit Administration (FTA) for urbanized areas, providing capital, operating, and planning assistance for mass transportation. Funds are apportioned to urbanized areas utilizing a formula based on population, population density and other factors associated with transit service and ridership.

**Section 5309 Capital Program Funds:** A Federal grant that provides assistance for the establishment of new rail transit projects, improvement and maintenance of existing rail transit and other fixed-guideway systems, buses and other bus-related capital projects. The bus-funding portion is a discretionary allocation program.

**Service span:** The length of time during the 24-hour day when service is provided.

**Service area:** City of Austin and several surrounding areas within Travis County and Williamson County extending over 500 square miles. The service area participates in a one percent (1%) sales tax for funding support and participation with Capital Metro.

**Special Events:** Service provided to major events such as the Trail of Lights, Austin City Limits Music Festival and South by Southwest (SXSW).

**Subscription service:** A standing trip reservation for a ride occurring at least once a week from the same origin to the same destination at the same time.

**Subsidy / Passenger:** The difference between the operating expense and operating revenue divided by the number of boardings.

**Third party fares:** Fares paid by a third party usually for continuous routine service.

**Transit operations:** Those authority functions directly or indirectly related to the provision of transportation service.

**TVM:** Ticket Vending Machine system that will encompass 1) the physical devices at various rail/bus stops where a customer can purchase a ticket/pass and 2) a central computer with software that communicates to the various machines in the field.

**UT Shuttle:** The bus service provided to connect student living areas with the University of Texas campus. Also provides circulator service around Campus. Currently provided by First Transit.

**Van Pool Program:** A service provided for a group of people who live and work in close proximity to each other. This service relieves congestion, and reduces pollution.

**Vehicle hours:** The total number of hours that the buses are in service. This includes both revenue and deadhead hours.

**Vehicle miles:** The total number of miles traveled while the buses are in service. This includes both revenue and deadhead miles.

**Wheelchair boardings:** The number of times the wheelchair lift was used on directly operated buses. It does not include MetroAccess or contracted services.

**Zero-based budgeting:** A method of budgeting in which all expenditures must be justified each new budget period, as opposed to only explaining the amounts requested in excess of the previous period's funding.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**Capital Metropolitan Transportation Authority  
Texas**

For the Fiscal Year Beginning

**October 1, 2008**

President

Executive Director



**RESOLUTION  
OF THE  
CAPITAL METROPOLITAN TRANSPORTATION AUTHORITY  
BOARD OF DIRECTORS**

**STATE OF TEXAS  
COUNTY OF TRAVIS**

**RESOLUTION CMTA-2009-66  
FY2010 Budget**


**WHEREAS**, pursuant to Section 451.102 of Chapter 451 of the Texas Transportation Code, the budget for FY2009 has been made available to the public and a public hearing has been conducted.

**NOW, THEREFORE BE IT RESOLVED** by the Capital Metropolitan Transportation Authority Board of Directors that the October 1, 2009 - September 30, 2010 budget as presented below be adopted.

Operating Expenses by Category	FY 2010 Budget
Salaries & Benefits	\$ 84,450,377
Services	12,513,672
Materials & Supplies	5,307,496
Fuel	13,752,926
Utilities	1,925,909
Insurance	1,512,126
Taxes	1,039,922
MetroRail	6,615,938
Freight Rail	11,282,040
Purchased Transportation	23,361,365
Other	2,234,374
Lease & Rent	707,789
<b>Total Operating Expenses</b>	<b>\$ 164,703,936</b>

Amended with use of one time money but further recommends we move as quickly as possible to revisit the proposal to move up the January 2010 Fare increase approved for August 2010 as originally recommended.

- RESULT:** ADOPTED AS AMENDED [4 TO 1]
- MOVER:** Margaret Gomez, Chair
- SECONDER:** John Cowman, Board Member
- AYES:** Margaret Gomez, Jamie Jatzlau, Mike Manor, John Cowman
- NAYS:** Chris Riley
- ABSENT:** Mike Martinez, John Trevino

  
 Gina Estrada  
 Executive Assistant/Board Liaison

Date: September 28, 2009



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Capital Metropolitan Transportation Authority  
Approved Fiscal Year 2010 Budget



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