

APPROVED

FY2021 Operating & Capital Budget

& 5-Year Capital Improvement Plan





GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

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Capital Metropolitan Transportation Authority

Texas

For the Fiscal Year Beginning

October 1, 2019

Christopher P. Morill

Executive Director



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Comments regarding any of the information contained in this document may be addressed to:

Executive Vice President, Chief Financial Officer
Capital Metropolitan Transportation Authority
2910 East Fifth Street
Austin, TX 78702



Organization of the Budget Document

This document is the approved annual budget for Capital Metropolitan Transportation Authority (Capital Metro or the Authority) for the period October 1, 2020 - September 30, 2021. 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) 2020.

Major Sections

Capital Metro's budget document is divided into nine sections: Introduction and Overview, Financial Policies, Financial and Service Summary, Capital Budget, Long-Range Financial Plan, Operating Detail by Department, Glossary, Index and Appendices. Each section contains information on the process for budget approval.

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This section provides an overview of Capital Metro's mission, history, infrastructure, service area, long-range strategic goals and organization by department.	
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This section describes the policies that guide financial decisions at Capital Metro	
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Introduction and Overview



To the People of Central Texas,

Capital Metro's Guiding Principles are the basis of every decision the agency makes. These principles influence the board-approved Strategic Plan, which informs our budgeting process: Collaboration, Adaptability, Participation, Mission, Engagement, Transparency, Respect, Ownership.

In FY2020, Capital Metro experienced continued ridership growth, the advancement of Project Connect to a community decision this November and a host of customer- and community-facing successes. Like the rest of the region, country and world, we have experienced the twin shocks of COVID-19 and an economic crisis. Following 17 consecutive months of ridership growth and 24 consecutive months of service area sales tax growth, Capital Metro experienced significant impacts on both fronts. With our rapid response and careful recovery, Capital Metro has demonstrated to the community how resilient we are.

Our CARE Recovery Plan, which prioritizes safety and equity, encompasses our multidisciplinary approach to the pandemic, including additional supplemental leave, modified flexible work plans, reporting protocols for positive COVID-19 cases, enhanced vehicle and facility sanitation, customer and operator personal protective equipment (PPE) distribution, rear-door boarding and fare-free service, and our longer-term approach to rebuilding ridership and ensuring organizational resiliency.

With the FY2021 budget, we aim to be thoughtful, effective stewards of the resources entrusted to our organization. Capital Metro has set goals that are challenging yet realistic, and we are well-positioned to execute the vision of the board and community. On behalf of the Capital Metro board of directors and agency staff, I present the FY2021 budget to our community. It is our plan for navigating a COVID-19 recovery and building a more sustainable, equitable and mobile future for Central Texas.

FY2020 Significant Activities and Achievements

- The COVID-19 crisis has tested Capital Metro and brought out the best in our team. As part of our pandemic response, we have distributed more than 215,000 masks, 65,000 gloves and hundreds of gallons of hand sanitizer to our operators, staff and customers. Through our All Hands program, staff has logged 13,146 hours of midday vehicle cleaning, PPE supply runs, temperature scan assistance and installation of face mask and onboard social distancing signage.
- During the first four months of the COVID-19 public health orders, Capital Metro provided nearly 5,000,000 essential trips, including transport of 265 individuals experiencing homelessness to safe temporary housing.
- COVID-19 has impacted the most vulnerable in our community the most. Capital Metro operators and staff volunteers put in 10,000 hours of service to deliver more than 600,000 meals to our neighbors in need. This program is the result of our strong partnerships with the Central Texas Food Bank, HEB, Good Apple and ATX Farmshare.
- The pandemic has disrupted the lives of young people across Central Texas. To ensure that students and parents had access to reliable internet service, MetroAccess vehicles were deployed to 10 internet desert communities to provide free Wi-Fi six hours a day.
- Capital Metro continued to move Project Connect forward, significantly advancing technical work and reaching more than 60,000 people through an unprecedented community engagement effort. With the System Plan, locally preferred alternatives and the Initial Investment package unanimously approved by our board and the Austin City Council this summer, Project Connect is now up to the voters.
- The investments made in Capital Metro services over the past few years have paid dividends, with year-over-year ridership increases every month of 2019 and 20 of 21 months between June 2018 and the COVID-19 outbreak in March.

- In August 2019, our board approved the largest contract in agency history with the consolidation of fixed-route bus operations and maintenance services under MV Transportation. Major transitions are complex, but Capital Metro is confident that the work we've done with MV and the ATU will enable the combined contract to improve employment opportunities in the community, provide operational flexibility and give our customers the highest level of service.
- The holiday season once again gave Capital Metro the opportunity to partner with the Central Texas Food Bank and Whole Foods for our Stuff the Bus campaign. This year, staff volunteers collected enough food and cash to provide more than 25,000 meals for our neighbors in need.
- Construction of the new Downtown Station has continued on-time and on-budget, with revenue service scheduled to begin in early FY2021. In January, Capital Metro opened a temporary platform that brought MetroRail service back to downtown following a six-month construction hiatus. The temporary station let us proceed with construction while simultaneously serving our customers. The new Downtown Station will enable us to fully realize the potential of the Red Line and proposed Green Line through increased capacity, frequency and customer amenities.
- In August, Capital Metro received FRA certification for our Positive Train Control (PTC) system. Our rail team met the FRA deadline for PTC while simultaneously completing double-tracking, signalization and other MetroRail capital improvements.
- In November, the Norwood Transit Center opened, culminating years of work with our partners from the City of Austin, Walmart and adjacent neighborhoods. The new facility provides real-time departure information, solar-powered lighting, shade structures and other customer-focused improvements for this high-ridership location. Capital Metro also opened the new Pinnacle Park & Ride in Oak Hill and accelerated installation of more than 150 bus stop shelters, benches and litter containers, and 80 additional solar-powered lights at stops throughout the system.
- The CapMetro Cares program launched, providing local nonprofits with high-visibility advertisements on our buses at no cost, to showcase their great work in the community. So far, our partners have included the Central Texas Food Bank, Austin Pets Alive, Dress for Success, the SAFE Alliance and LifeWorks.
- Capital Metro's first electric bus hit the street with artwork from Austin ISD elementary school students. This year, we will put 12 electric buses into service, including the first 60-foot electric buses in Texas. We have also made significant progress converting a portion of our bus yard in North Austin into a vehicle charging facility with capacity for 180 buses.

FY2021 Planned Projects and Initiatives

The FY2021 budget was drafted with a focus on our continuing response to the COVID-19 pandemic, the CARE Recovery Plan and Project Connect. The budget will enable Capital Metro to return to full-capacity service on bus, rail and paratransit, continue projects outlined in the 5-year Capital Improvement Plan and provide services that support our region's growing population.

We will continue to focus on the agency's four strategic priorities: providing a high-quality customer experience, promoting an engaged workforce, ensuring the sustainability of our system and maintaining community partnerships. Highlights of the approved FY2021 budget include:

- Capital Metro will continue our response to and recovery from COVID-19, building new resiliency into our organization as part of the CARE Recovery Plan. This includes a return to pre-pandemic levels of MetroRail, MetroRapid, MetroExpress and MetroBus service. We will also implement new standard operating procedures for the sourcing of PPE stockpiles, enhanced vehicle and facility cleaning, and other customer safety protocols.

- The COVID-19 initiated suspension of fares gave us the opportunity to test all-door boarding and reduced customer-operator interactions, which will be a critical part of a future contactless account-based payment system that reduces the use of cash on board and allows for the introduction of fare capping systemwide.
- Should voters approve a city tax rate election in November, the agency will contribute to the Project Connect Initial Investment with \$73 million to fund preliminary design and NEPA for the Orange, Blue and Gold Lines; Red Line Phase I improvements; and project development for new Expo Center, Pleasant Valley and South Lamar MetroRapid lines.
- The grand opening of the new Downtown Station on-time and on-budget will provide more operational flexibility for MetroRail and create a new public space in the heart of Austin for customers and future customers alike.
- Roll out of new, advanced customer technologies will make our system more accessible, affordable and user-friendly, while also improving operational efficiency. This includes a fare capping pilot to evaluate ways to make paying for service fairer and more cost-effective for our customers.
- Construction will start on a new Broadmoor Station for MetroRail, which will serve a new, large mixed-use development. We will also initiate design and coordinate construction of a rail station at the new MLS stadium at McKalla Place.
- Capital Metro will open the new Eastside Bus Plaza in partnership with CARTS, start renovation of the North Lamar Transit Center and relocate our major transfer center at the ACC Riverside campus, in partnership with the school.
- Continue expansion of on-demand Pickup service zones, to better connect customers and communities to the greater Capital Metro system.

These enhanced services and facilities can only succeed if we manage our limited financial resources prudently. Capital Metro is committed to transparency, accountability and serving as good stewards of public funds. We are equally committed to a thorough and thoughtful FY2021 budgeting process.

As Central Texas continues to recover from COVID-19 and experience rapid growth, Capital Metro must work harder than ever to lead a regional effort to solve our community's mobility challenges. We are committed to a culture of continuous improvement, one that is always willing to listen, learn and adapt. Serving our community is at the heart of Capital Metro's mission. I am deeply grateful for your trust and support.

Sincerely,

A handwritten signature in blue ink, appearing to read "Randy Clarke".

Randy Clarke
President & CEO

Austin Area Information, History and Economy

Capital Metropolitan Transportation Authority is the regional public transportation leader for Central Texas. The Central Texas region is one of the fastest-growing areas in the country, and mobility and traffic congestion remain top concerns. Austin's population has almost tripled since 1980, while the five-county MSA (metropolitan statistical area) of Travis, Hays, Bastrop, Caldwell and Williamson counties has almost quadrupled. Capital Metro was created in 1985 in accordance with Chapter 451 of the Texas Transportation Code and was established by a voter referendum on January 19, 1985, to provide mass transportation service to the metropolitan area and is funded in part by a 1 percent sales tax levied by its service area members.

Over the past 10 years, Austin's population increased by approximately 26% or 202,326 residents and is the 8th fastest-growing metro of its size in the U.S. According to the Capital Area Metropolitan Planning Organization (CAMPO) 2040 Regional Transportation Plan, the total population in the six-county Central Texas region of Bastrop, Burnet, Caldwell, Hays, Travis and Williamson Counties is projected to continue to increase, growing from 1.7 million in 2010 to more than 4.1 million in 2040.

The Austin area is host to six universities, a robust community college system and numerous other institutions of higher learning. In Austin, 49% of adults 25 years or older hold a bachelor's or advanced degree, compared to 29% for Texas and 31% for the U.S. The University of Texas at Austin (UT), a world-class center of education and research, is the 7th largest public university in the U.S. in terms of undergraduate enrollment.

Austin is nationally recognized as a great place to live due in part to its diverse and eclectic population, as well as an environment that allows a year-round outdoor active lifestyle. Austin's quality of life has become its biggest economic development engine, and the city's increasingly diverse demographics serve to support and enrich its quality of life.

History

Starting off as a small town to be called Waterloo, Austin was selected to be the capital of the Republic of Texas in 1839 and then renamed after Stephen F. Austin. By using the electricity generated by the Great Granite Dam, manufacturers utilized a well-established power grid to assist the U.S. in the war effort during World War Two and pulling itself out of the Great Depression as much of the rest of the country had. After that several research laboratories and high-tech companies were brought to the area by the stable power and established educational base in the area. A growth that continues to this day. Population growth and a creative cultural wave continued from the 1960s to the current day and a musical boom drew national attention to the city because of artists such as Stevie Ray Vaughan and Willie Nelson. Music festivals such as Austin City Limits (ACL) and art/culture/technology conventions such as South by Southwest (SXSW) continue to make the Greater Austin Area a destination for tourism as well as an excellent place to live, creating a fertile environment for various forms of transit.

Economy

Austin was ranked third in the 2018 Top Metro areas for Economic Growth Potential by Business Facilities and also placed third in the Milken Institute's Best Performing Cities 2018 report, noting "Its strength in a diverse set of industries has helped the region generate growth at different points of the business cycle." The Austin metropolitan area is consistently recognized among the most inventive, creative, wired, educated, fit and loved cities in which to live and work.

The overall economic activity of the Austin–Round Rock metropolitan area continued to grow at a brisk rate of 7.1% in 2019 per the Business Cycle Index by the Federal Reserve Bank of Dallas, compared to the U.S. average of 2.2% per the latest report by the Bureau of Economic Analysis based on 4th quarter 2019 data. The COVID-19 pandemic has disrupted the Austin area economy similar to most parts of the country and world, dropping the 2020 Austin Business Cycle Index through August to 3.8% below that of

the same period the previous year, and causing employment losses that dropped non-farming total jobs in August to 2.5% below August 2019 level.

Employment

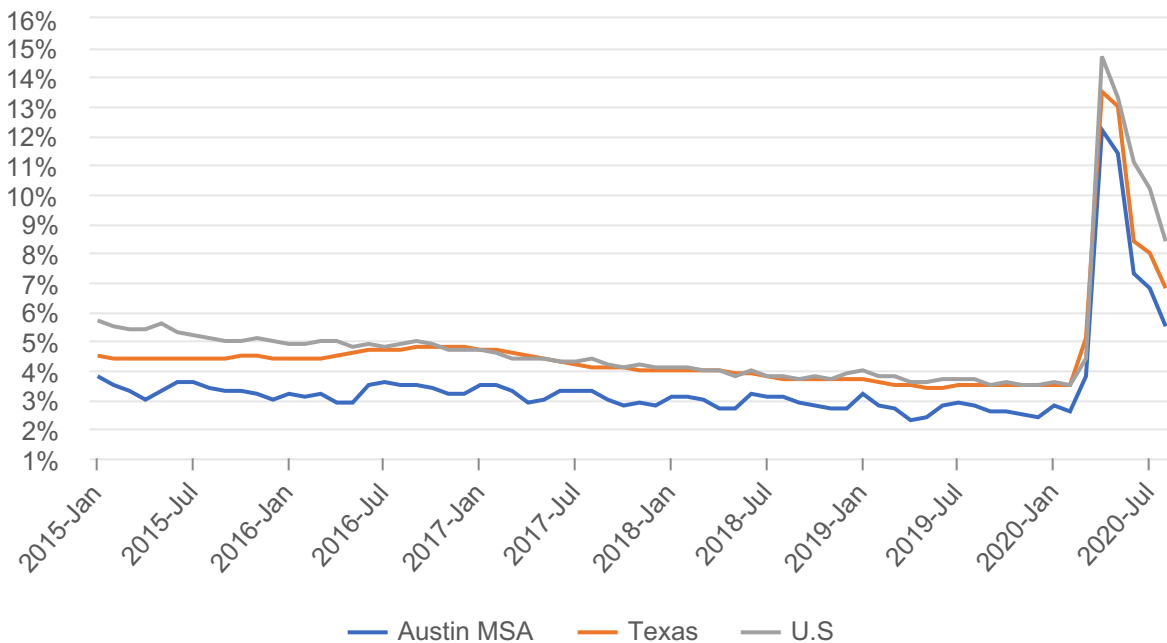
In 2019 the Texas economy continued to expand. This economic growth helped the statewide unemployment rate fall to a record low of 3.5% in 2019 with total new non-farm jobs reaching 282,300. Due to the COVID-19 pandemic, the Texas unemployment rate increased to 6.8% in August 2020.

Austin has a high demand for skilled workers as seen in the manufacturing sector, which continues to move from traditional to advanced manufacturing requiring specific, highly technical skills. High-tech companies are continuing to expand their presence in the Austin area, including Apple, Amazon, Tesla, Oracle, Google, Facebook and Indeed. Due to the demand for skilled labor, wages across the metro area increased for a sixth straight year.

Austin area employment growth continued to be solid in 2019 at 3.7%, with the addition of more than 40,300 net new non-farm jobs from January 2019 through December 2019 despite a tightening labor market in certain fields. Job growth in the Austin-Round Rock MSA was ranked second among the largest 51 metropolitan areas per the U.S. Bureau of Labor statistics. Due to the COVID-19 crisis, employment declined by 2.5% between August 2020 and August 2019.

The Austin area unemployment rate of 2.7% in December 2019 was well below the state and national unemployment rates of 3.5%. However, due to the COVID-19 pandemic, the Austin area unemployment grew to 5.5% as of August 2020. The area's largest employers are the State of Texas, the University of Texas, the city of Austin and many technology companies, such as Apple, Google, IBM and Samsung.

Historical Unemployment Rate



Source: Bureau of Labor Statistics and Texas Workforce Commission

COVID-19 Impact

The COVID-19 pandemic has affected all aspects of our lives and transit is no exception. Capital Metro ridership has experienced a sharp decline and the effects of the pandemic will continue to be felt for the foreseeable future. Public transit agencies, however, are confronted with the unique task of providing a much-needed mobility lifeline for essential workers while balancing the need for an unprecedented level of safety protections employed to keep transit operators and customers safe during this crisis. Added to that was an uncertain level of operator availability. The pandemic has caused significant impacts that may continue for months — or longer. As we emerge from the crisis in Austin and Central Texas, Capital Metro has developed a [Pandemic Recovery Plan](#) that offers a roadmap for the agency to move from improvised solutions that were needed in a crisis response situation to a well-planned path to recovery and improvement.

Task Force Goals and Objectives

The Pandemic Recovery and Improvement Task Force was formed in early April under the direction and guidance of the President and CEO. The task force includes the executive management team and subject matter experts from different departments and is managed by the Executive Vice President, Planning and Development. The goal is to forge a path forward from the COVID-19 pandemic crisis response phase to stabilization and recovery, and do so with C-A-R-E.



The process resembled an agile roadmap that reflects our values. With safety and equity as the hallmarks of our response and recovery, we were intentional about applying our resources wisely and equitably and relied on data to drive decision-making and evaluate our results. It was important to continue to learn, share and adapt through this unprecedented crisis.

Finance

In preparation for significant impacts on our revenue and increased operating expenses, we took a critical look at our financial resources and focused on applying them in a prudent, wise and equitable manner while prioritizing the safety of our employees and customers. At the very onset of the COVID-19 pandemic, Capital Metro implemented certain immediate austerity measures.

Hiring Freeze and Cost Reductions

All open positions were placed on a hiring freeze, followed by senior management review of positions the agency may exempt from the hiring freeze if deemed necessary for critical operation responsibilities. Capital and operating projects and budgets were reviewed for cost reductions or to delay spending during the crisis. This resulted in \$19.6 million in cost reductions and deferrals in March 2020 at the start of the lockdown period. These reductions have been reviewed on an as needed basis when necessary for the continuance of operations.

Revenue Loss Projections

During April and May, an estimated \$1.9 million of fare revenue was lost each month with no fare collection. Capital Metro has run a variety of scenarios for sales tax and fare revenue declines in the financial forecast model. Capital Metro's April 2020 sales taxes declined 19.6% compared to April 2019 and is \$4.4 million below April 2019 Actual Receipts. April was the first full month of the COVID-19 pandemic lockdown and exhibits what is most likely to be the deepest decline in the recession. The duration of the recession is still unknown and difficult to estimate. Additional data will become available with each passing month to estimate future revenue losses.

Free Fares

Keeping safety at the forefront, Capital Metro implemented free fares for all customers on bus, rail and paratransit services through April and May. Fare-free service helped social distancing by eliminating the need for customers to show their pass, pay the operator or use the farebox. The fare-free period also facilitated rear door boarding and reduced crowding at vehicle entrances. The goal was to protect our operators and customers from close physical proximity to reduce the spread of the virus.

As was emphasized in our customer and public communications, the fare-free period was not meant to encourage any additional ridership. Customers were asked to use transit only for essential trips during the "Stay Home, Work Safe" and shelter-in-place phases. The estimated cost of the fare-free period, based on revenue not collected, was \$3.8 million.

CARES Act

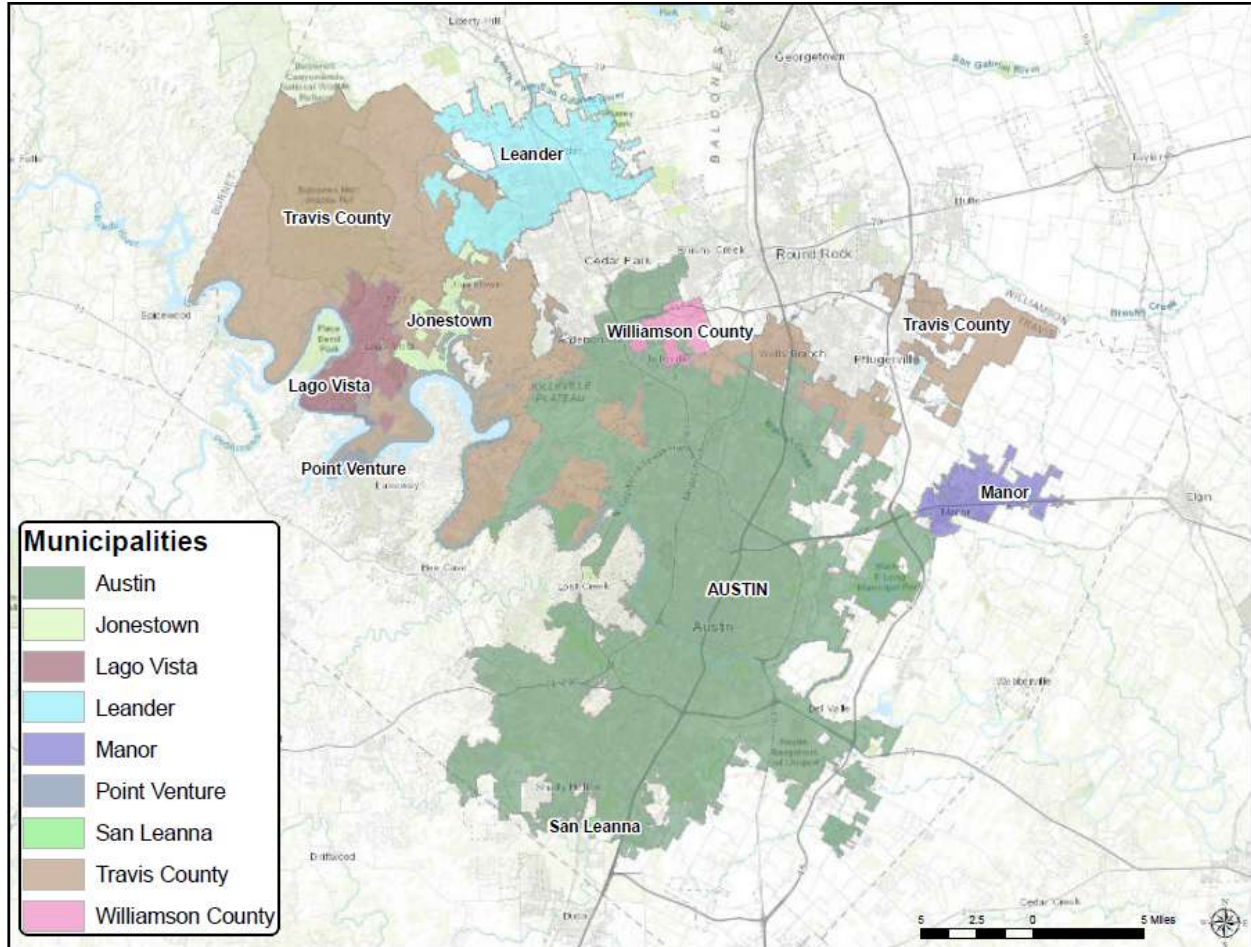
As part of the federal CARES Act, Capital Metro received \$101.9 million to help offset revenue losses and added safety and operations costs due to the pandemic. Additional costs have been incurred for cleaning crews and supplies, PPE, a service recognition bonus for frontline staff, supplemental sick leave benefits and retrofitting buses with vinyl seats and plexiglass shields to protect customers and bus operators.

Budget Scenarios Based on Service Restoration with 'Known Unknowns'

With a recession in mind, we employed a rigorous and fiscally conservative approach in which all capital and operating expenses were reviewed for the current fiscal year while key assumptions were carried forward in the budgeting process for FY2021.

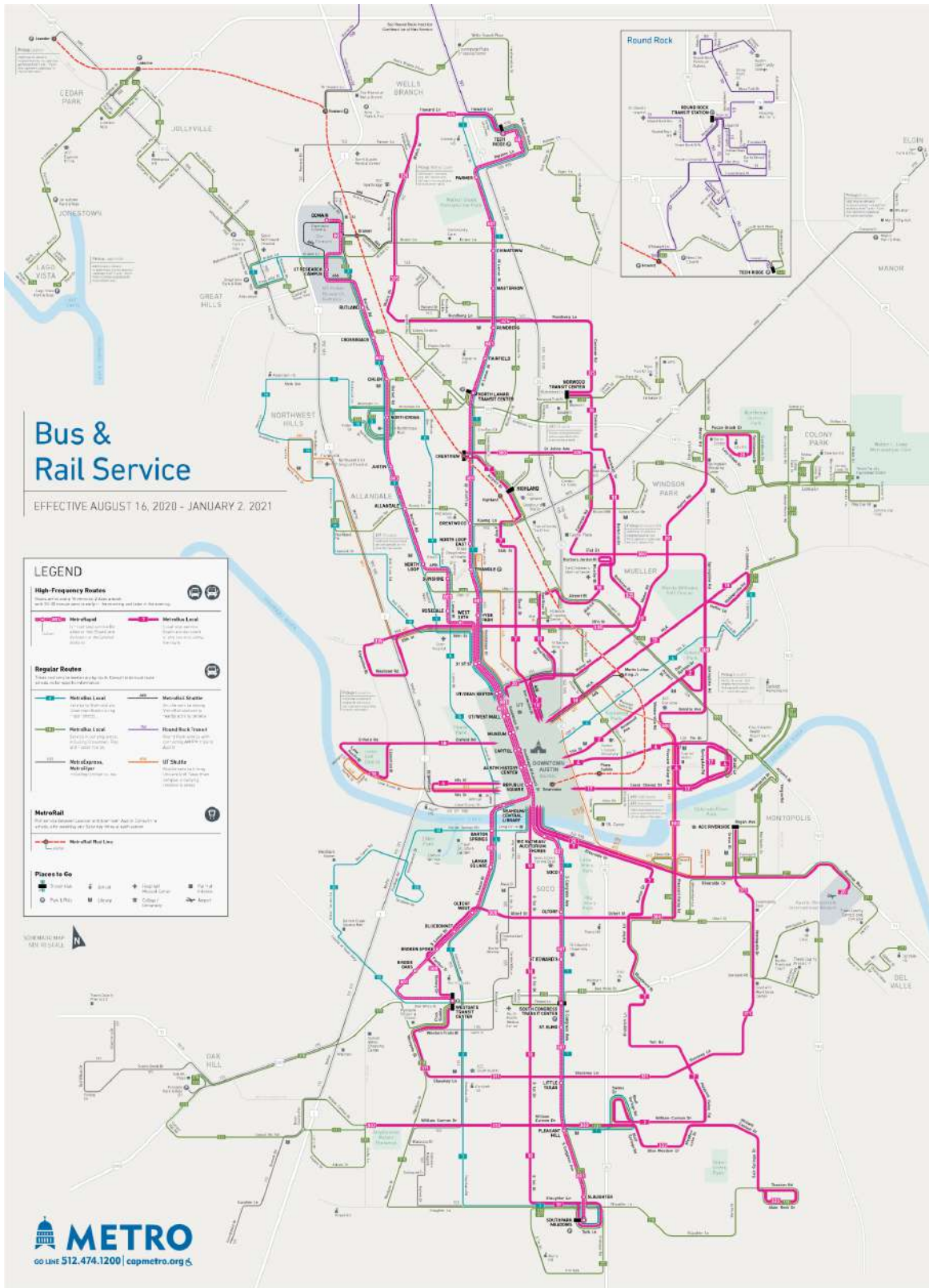
Service Area Member Cities and Communities

The Capital Metro service area extends across approximately 543 square miles and includes more than 1 million residents. The following map shows the Capital Metro service area. The areas that participate in the agency include the cities of Austin, San Leanna, Leander, Lago Vista, Point Venture, the Anderson Mill area of Williamson County, Precinct Two of Travis County and the suburban cities of Jonestown and Manor.



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System Map



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Community Information and Capital Metro Engagement

Capital Metro is invested in the Central Texas community and has adopted a Community Engagement Policy to ensure the community is part of its decision-making process. Capital Metro works with two citizen advisory committees appointed by the board of directors, which provide recommendations and feedback on planning, operations and services: the Customer Satisfaction Advisory Committee (CSAC) and the Access Advisory Committee (AAC). In addition, the agency is a partner with dozens of stakeholder organizations throughout the region to ensure their voices are considered.

Capital Metro partners with various nonprofit, cultural, business and social service organizations to serve the community. In 2019 and 2020, the agency continued our partnerships with organizations like the Paramount Theatre, Girl Scouts of Central Texas, ATX Kids Club and Central Texas Food Bank and forged new ones with groups like Dress for Success and the Austin Trails Foundation.

One of the agency's most significant partnerships is the Transit Empowerment Fund, a collaboration with One Voice Central Texas and the Austin Community Foundation, which helps ensure that low-income, transit-dependent neighbors have access to transportation. This program provides transit passes at a discount for social service agencies to distribute to their clients. Since its establishment in 2012, the program has provided more than 4 million rides.

Since 2012, Capital Metro has partnered with the Central Texas Food Bank and Whole Foods Market on the Stuff the Bus program, which collects funds and meals for our community in need. In 2019, the program collected enough to provide more than 25,000 meals to Central Texans.

Capital Metro supports emergency response operations, both within and outside of the service area, by sending buses to be used as temporary shelters during floods, fires and other emergencies. In addition, when temperatures fall below 32 degrees, Capital Metro sends "cold weather buses" for Austin-area residents experiencing homelessness, transporting them to local emergency shelters in cooperation with the city of Austin's Office of Emergency Management.

During the COVID-19 Pandemic, CapMetro's Demand Response team quickly pivoted to help deliver more than 600,000 meals to people in need in partnership with HEB, the Central Texas Food Bank, Farm-to-Home delivery services, Good Apple, and Farm Share, social service organizations like the Housing Authority of the City of Austin (HACA), the local chapter of the League of Latin American Citizens (LULAC), Avance and Any Baby Can. Dozens of CapMetro operators and staff mobilized to meet the needs of our community. In a collaborative effort with the Austin Independent School District, Capital Metro enabled underutilized MetroAccess vehicles with Wi-Fi hot spots and deployed them to internet "deserts," providing students and families with much needed access to school resources and other critical services.

Benefits of Public Transportation

Saves Money:

Riding transit is an affordable option. The average cost of car ownership in Texas is \$985 a month. Capital Metro has some of the lowest fares in the nation. A 31-Day Pass costs our customers just \$41.25, which is 25 times less than the cost of owning and maintaining a car.

Protects the Environment and Improves Air Quality:

Switching to riding public transportation is one of the most effective actions individuals can take to reduce their carbon footprint. Car transportation accounts for nearly half of the carbon footprint of a typical American family with two cars; it is by far the largest source of household emissions and, as such, the largest target for potential reductions. The average passenger car in the U.S. produces just under one pound of carbon dioxide per mile traveled. If just one driver per household switched to taking public transportation for a daily commute of 10 miles each way, it would save 4,800 pounds of carbon dioxide per household per year.

Improves Health:

Riding Capital Metro is a healthy choice. Studies have shown that regular transit riders tend to be healthier because of the exercise they get walking to and from bus stops, train stations and their homes or offices. Compared to car travel, traveling by bus carries 23 times less risk of fatal injury and five times less risk of non-fatal injury. Additionally, those who drive less frequently tend to have lower levels of stress. Reduced stress levels can decrease the risk of cardiovascular disease and improve mental health. Riding transit also increases the opportunity for social connections. Stronger social networks within a community have been shown to have positive correlations with physical and mental well-being.

Manages Traffic Congestion:

According to Texas A&M's Texas Transportation Institute, (TTI), Austin ranked 12th in travel-time delay for medium-sized cities with an index of 1.33, meaning peak-hour travel takes an average of 33 percent longer than free-flow travel, particularly on I-35 and MoPac. Drivers in the region are wasting millions of hours annually stuck in traffic.

Transit agencies play an important role in reducing congestion by providing transportation alternatives and supporting land use patterns that reduce vehicle travel. Based on the most recent TTI report on congestion, public transportation saved travelers 865 million hours in travel time and 450 million gallons of fuel. During rush hour, a full 40-foot bus takes 35 cars off the road; a full train takes more than 100 cars off the road.



Governance

An eight-member board of directors has governance responsibilities over Capital Metro. The 2009 Texas Legislature changed the composition of the Capital Metro board as shown below:

- ◆ Three members appointed by CAMPO, of whom
 - One must be an elected official.
 - One must have at least 10 years of experience as a financial or accounting professional.
 - One must have at least 10 years of experience in an executive-level position.
- ◆ Two members appointed by the city of Austin, of whom
 - One must be an elected official.
- ◆ One member appointed by Travis County.
- ◆ One member appointed by Williamson County.
- ◆ One 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 percent of the total service area population.
- ◆ Requires two of the three CAMPO representatives to be qualified voters residing in Austin.
- ◆ Requires the two county representatives to work in the service area and within the county that appointed them or be qualified voters within the county that appointed them.
- ◆ Specified that future terms are three years long and staggered.

<u>BOARD MEMBER</u>	<u>APPOINTING BODY</u>	<u>TERM EXPIRES</u>
Wade Cooper, Chair	Capital Area Metropolitan Planning Organization	June 1, 2023
Delia Garza, Vice Chair	City of Austin	June 1, 2022
Eric Stratton, Secretary	Williamson County	June 1, 2023
Terry Mitchell	Capital Area Metropolitan Planning Organization	June 1, 2021
Jeffrey Travillion	Travis County	June 1, 2021
Troy Hill	Small Cities	June 1, 2021
Sabino "Pio" Renteria	City of Austin	June 1, 2022
Ann Kitchen	Capital Area Metropolitan Planning Organization	June 1, 2022



Management

Capital Metro's executive management team has diverse experience and the skills to lead the organization into the future.

Executive Management Team	
President and Chief Executive Officer	Randy Clarke
Chief Customer Officer and Chief Operating Officer	Dottie Watkins
Executive Vice President, Chief of Staff, Chief Counsel, External Affairs	Kerri Butcher
Executive Vice President and Chief Financial Officer	Reinet Marneweck, CPA
Executive Vice President, Strategic Planning and Development	Sharmila Mukherjee
Executive Vice President, Administration and Diversity and Inclusion Officer	Donna Simmons
Program Officer, Project Connect	David Couch
Vice President, Demand Response and Innovative Mobility	Chad Ballentine
Vice President, Marketing and Communications	Brian Carter
Vice President, Capital Projects	Kenneth Cartwright
Vice President, Real Estate, Property and Asset Management	Shanea Davis
Vice President, Rail Operations	David Dech
Vice President, Internal Audit	Terry Follmer, CPA, CIA, CMA, CISA, CISSP
Vice President, Bus Operations and Maintenance Oversight	Tangee Mobley
Vice President and Chief Information Officer	Jane Schroter
Vice President, Safety, Risk Management and Accessibility Services Management	Gardner Tabon



System Facility and Fleet Characteristics

Capital Metro Facilities

Capital Metro Headquarters

2910 E. Fifth St.
Austin, Texas 78702
Administration: 42,840 square feet, 1986
Maintenance: 140,000 square feet, 1986

Transit Store, MetroAccess Eligibility,

209 W. Ninth St.
Austin, Texas 78701
7,052 square feet, 2013

Capital Metro Administrative Annex/Child Care Facility

624 Pleasant Valley
Austin, Texas 78702
25,500 square feet, 2006

Administrative Office

507 Calles Street
Austin, Texas 78702
12,000 square feet, 2019

Administrative Office

700 Lavaca
Austin, Texas 78701
19,671 square feet, 2019

MetroAccess Services Facility

509 Thompson Lane
Austin, Texas 78742
24,000 square feet, 2000

MetroAccess Overflow Parking and Facility

414 Thompson Lane
Austin, Texas 78742
3,648 square feet, 2018

North Operations Facility

9315 McNeil Road
Austin, Texas 78758
137,377 square feet, 2008

Project Connect Community Office

607 Congress Avenue
Austin, Texas 78701
2,283 square feet, 2018

Park & Ride Facilities

Austin

Great Hills Park & Ride
Howard Station Park & Ride
Lakeline Station Park & Ride
New Life Park & Ride
North Lamar Transit Center
Pavilion Park & Ride
Pinnacle Park & Ride
South Congress Transit Center
Tech Ridge Park & Ride
Triangle Park & Ride
Westgate Transit Center

Elgin

Elgin Park & Ride, owned by the Capital Area Rural Transportation System (CARTS)

Jonestown

Jonestown Park & Ride

Lago Vista

Lago Vista Park & Ride

Leander

Leander Station Park & Ride

Manor

Manor Park & Ride

Round Rock

Round Rock Transit Center

Rail Stations

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

Fleet Description

Diesel buses: 351
Electric buses: 12
MetroRapid buses: 55
Fixed-route vans: 7
Paratransit vans: 108
Rail vehicles: 10

Business Planning and Budget Process

Overview

Chapter 451 of the Texas Transportation Code mandates that Capital Metro's board adopt an annual operating and capital 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.

Capital Metro's governing legislation further provides that the board shall hold a public hearing on the proposed operating budget prior to its adoption and shall, at least 14 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.

Business and Service Planning Linked to Strategic Goals

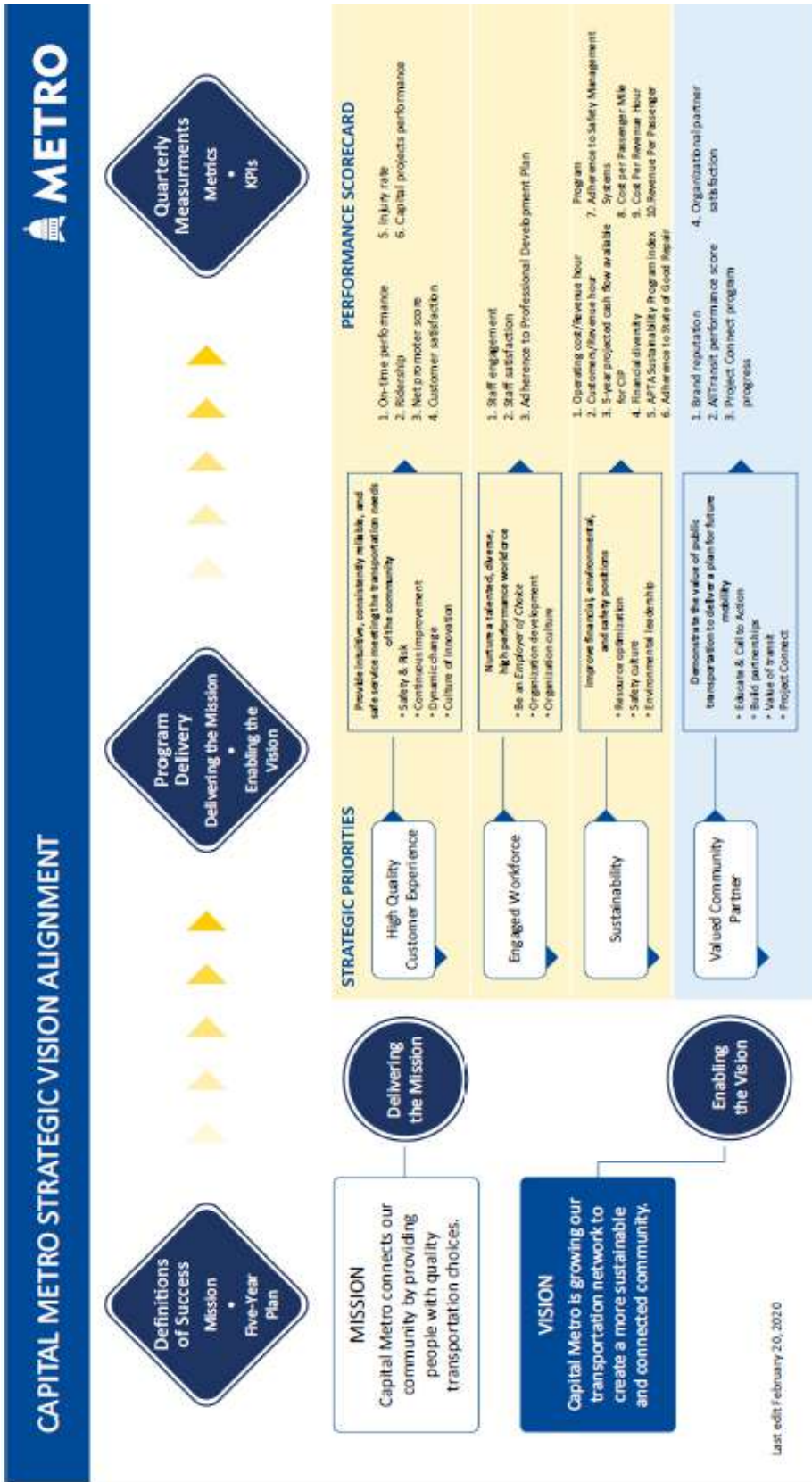
The strategic planning process begins when the board and management meet to review and discuss Capital Metro's long-range vision and organizational mission and goals.

The board and the management team worked together to develop the FY2020-2024 Strategic Plan to focus on four strategic goal areas:

- ◆ High-Quality Customer Experience
- ◆ Engaged Workforce
- ◆ Sustainability
- ◆ Valued Community Partner

Annual service levels are developed based on the strategic goals, objectives and tasks identified in the plan. Each department develops a business plan and a budget that supports the service levels and the objectives in the strategic plan.

The board receives semiannual reports on the status of the strategic plan and the progress of the strategic initiatives and performance measures within the plan.



Annual Calendar	Month
Board provides strategic direction for the coming year	January
Management team develops objectives and strategies to achieve organizational goals	February
Budget development begins	February
Department managers develop business plans that support achievement of objectives	April
Board reviews strategic plan	May
Board reviews proposed budget Staff provides budget update to the Access Advisory Committee Staff provides budget update to Customer Satisfaction Advisory Committee Staff holds meetings with stakeholders	July/August
Proposed budget document is posted online for public review (14-day requirement)	August
Staff conducts budget outreach across service area for public input	Late August
Board holds public hearing on proposed budget	Mid-September
Board is scheduled to adopt budget	Late September
Approved budget document is published	October

Basis of Budget and Basis of Accounting

Capital Metro accounts for its operations as a proprietary (enterprise) fund. Proprietary funds are used to account for operations that: (a) are financed and operated in a similar manner to private business 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 revenue earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

As a proprietary 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, expenses must be justified to the president and chief executive officer, the chief customer officer and chief operations officer, the chief financial officer, the executive team and budget staff. Revenue projections are developed based on service levels, ridership estimates and the economic outlook. It is Capital Metro's policy to prepare a structurally balanced budget such that estimated ongoing revenue is sufficient to fund ongoing operating expenses and to use the accumulated fund balance prudently for capital investment or one-time needs.

Budget Assumptions

Service Area

It is assumed that the service area will sustain minimal changes.

Sales Tax Rate

The sales tax rate is anticipated to remain at 1 percent.

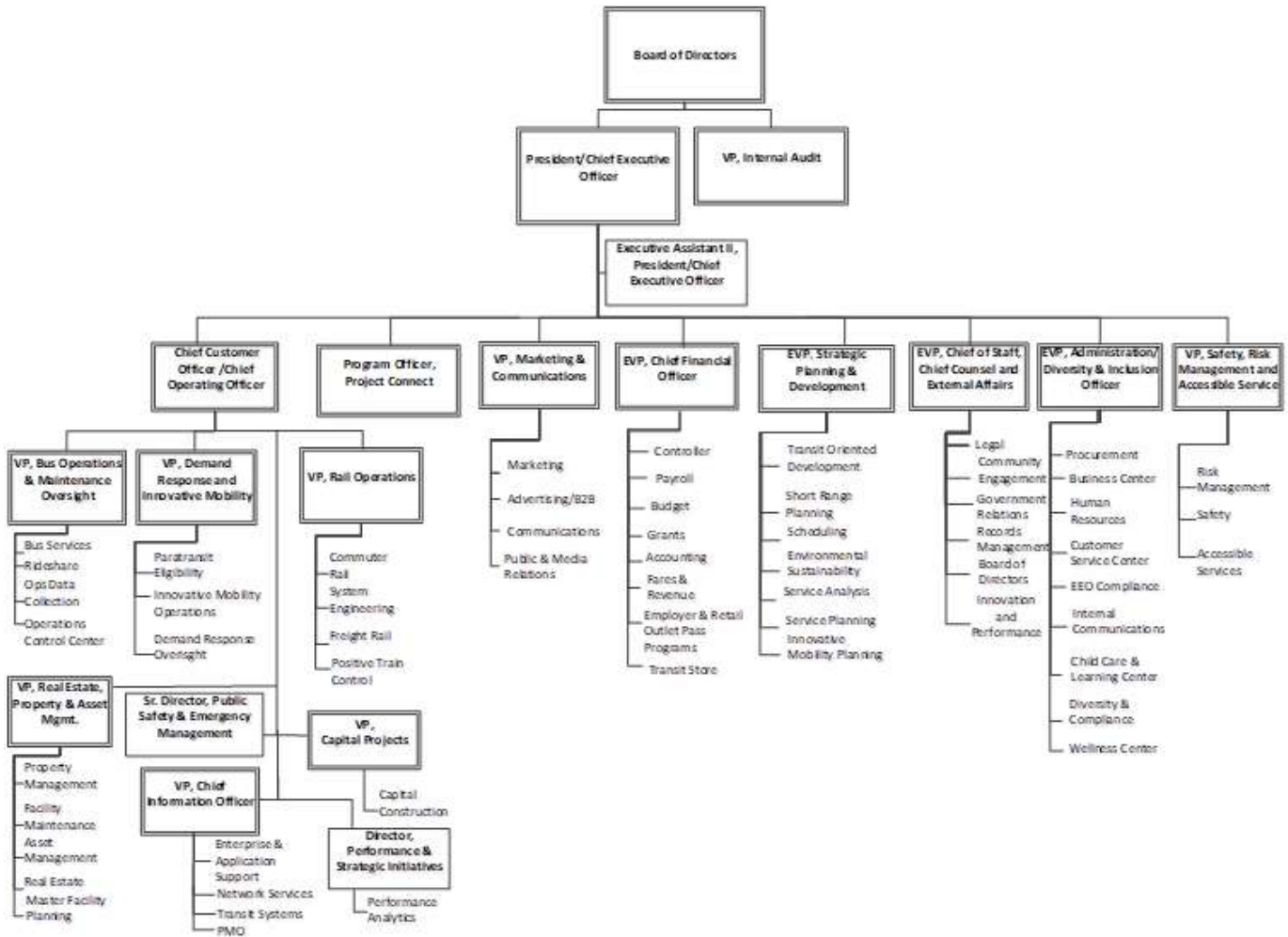
Service Levels

It is assumed that bus and rail service miles and hours traveled will be funded at budgeted levels. Further details are available in the Financial and Service Summary section.

Staffing Levels

The Full-Time Equivalent (FTE) Staffing Chart shows the staffing levels by department. Staffing levels will remain flat in FY2021 due to the economic crisis created by the COVID-19 pandemic.

Organizational Chart



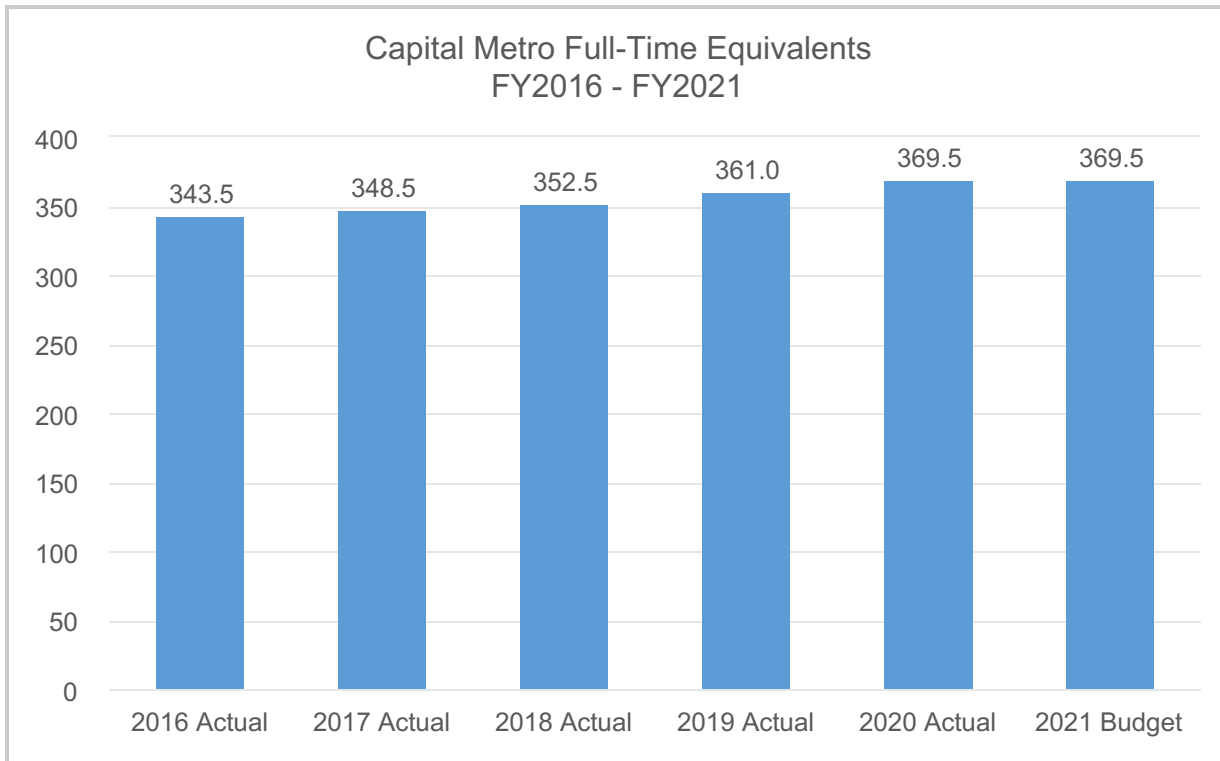


Full-Time Equivalent Staffing Chart

Department	FY2019 Actual	FY2020 Budget	FY2020 Staffing Changes	FY2021 Staffing Changes	FY2021 Approved Budget	Notes
Board of Directors Support	1.0	1.0	—	—	1.0	
Business Center	—	—	—	—	—	
Capital Projects	12.0	12.0	—	—	12.0	
Child Care Center	—	—	—	—	—	
Communications	3.0	—	—	—	—	
Community Engagement	5.0	5.5	—	—	5.5	
Customer Service	18.5	18.5	—	—	18.5	
Demand Response Oversight	3.5	4.5	(1.0)	—	3.5	Transferred 1 FTE to Paratransit Reservations and Control Center
Diversity and Compliance	2.0	2.0	1.0	—	3.0	Added a new Diversity Coordinator
Executive Staff	3.0	4.0	—	—	4.0	
Finance	30.0	30.0	1.0	—	31.0	Added a new Senior Financial Analyst
Government Relations	2.5	2.5	—	—	2.5	
Information Technology	38.5	40.5	—	—	40.5	
Innovative Mobility	1.5	1.5	1.0	—	2.5	Transferred 1 FTE from Operations and Maintenance Oversight
Internal Audit	3.0	3.0	—	—	3.0	
Legal	6.5	6.5	—	—	6.5	
Marketing and Communications	14.0	18.0	—	—	18.0	
Operations and Maintenance Oversight	30.0	30.0	(1.0)	—	29.0	Transferred 1 FTE to Innovative Mobility
Paratransit Eligibility	10.0	10.0	1.0	—	11.0	Transferred 1 FTE from Paratransit Reservations and Control Center
Paratransit Reservations and Control Center	33.0	32.0	—	—	32.0	Transferred 1 FTE from Demand Response Oversight and 1 FTE to Paratransit Eligibility
People and Culture	13.0	13.0	—	—	13.0	
Procurement	16.0	16.0	—	—	16.0	
Project Connect	5.0	5.0	—	—	5.0	
Property and Asset Management	8.0	8.0	—	—	8.0	
Public Facilities	16.0	16.0	—	—	16.0	
Public Safety and Emergency Management	28.0	29.0	4.0	—	33.0	Eliminated 2 full-time equivalent APD part-time shifts and added a new Dispatcher Supervisor and 5 Dispatchers
Rail Commuter Operations	15.0	10.5	—	—	10.5	
Rail Freight Management	1.0	1.0	—	—	1.0	
Real Estate Management	4.0	4.0	—	—	4.0	
RideShare	1.0	1.0	—	—	1.0	
Safety, Risk Management and Accessible Services Management	9.0	9.5	—	—	9.5	
Strategic Operations Management and Administration	5.0	5.0	—	—	5.0	
Strategic Planning and Development	23.0	24.0	—	—	24.0	
Wellness	—	—	—	—	—	
Total Capital Metro FTEs	361.0	363.5	6.0	—	369.5	



The following chart shows full-time equivalents for Capital Metro from FY2016 to FY2021.



2

Financial Policies





Summary of Financial Policies

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 policy decisions, select the president and chief executive officer of Capital Metro and maintain primary accountability for fiscal matters. Capital Metro is in compliance with its financial policies.

Capital Metro’s primary financial goal focuses on 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 to achieve these goals:

- 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.
- Capital Metro utilizes the zero-based budgeting concept.
- Capital assets are recorded at cost and are depreciated over their useful life using the straight-line method.
- Fixed assets for capitalization and financial reporting purposes are purchased items that have a useful life of 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 is accrued monthly based on information provided by the Texas Comptroller of Public Accounts.
- Capital Metro funds its capital improvements with sales taxes and grants, primarily 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.

Reserves and Contingencies Policy

Capital Metro will maintain the following reserve and budgetary contingency accounts in addition to any cash balances that must be maintained to support current spending requirements. Capital Metro management will report quarterly to the board of directors and annually as part of budget development and long-range planning processes the reserve and budgetary contingency balances and any significant changes to the balances.

- A statutory operating reserve equal to at least two months of operating expenses. The prior fiscal year’s actual audited operating expenses will be used when calculating the allocation. The statutory operating reserve is to be used at the discretion of the board only if the board considers the expenditure necessary to address circumstances that could not have been planned or anticipated. Expenditures from the reserve should provide temporary financing for emergencies or unforeseen extraordinary needs.
- A capital project reserve equal to at least 10 percent of the five-year annual average capital expenditure of the adopted Five-Year Capital Improvement Plan, but not less than \$2 million. The capital reserve is to be used at the discretion of the board or the chief executive officer for needed capital costs not already included in Capital Metro’s budget for a given year.

- A budgetary operating contingency account equal to 2 percent of the prior fiscal year's actual operating expenses, but not less than \$1 million. The operating contingency account is to be used at the discretion of the board or the chief executive officer to provide for unforeseen needs that arise during the year, including new service needs that are identified after the budget process. Transfers to and from the contingency account of \$150,000 or more are to be reported to the board of directors quarterly.
- A self-insurance reserve equal to at least 25 percent of the prior fiscal year's actual claim payments. The self-insurance reserve is to be used at the discretion of the board only to fund claims not already included in Capital Metro's budget for a given year.
- A budget stabilization reserve ("rainy day fund") equal to one month of annual average operating expenses. The budget stabilization reserve is to be used at the discretion of the board of directors, in times of unexpected revenue shortfall caused by events such as significant economic downturns.
- Additional reserves may be created by the agency to set aside funds for specific future purposes. These reserves are to be used at the discretion of the chief executive officer.

Capital Metro is in compliance with its reserve and contingency policy.

Summary of Debt Policy

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 with the following conditions:

- The board, by resolution, may authorize the issuance of bonds payable solely from revenue.
- Bonds, any portion of which is payable from taxes, may not be issued until authorized by a majority of the votes received in an election ordered and held for that purpose.
- Capital Metro's bonds may be sold at a public or private sale as determined by the board to be more advantageous.
- The board, by resolution, may issue short-term bonds secured from revenue or taxes received if the debt has a term not exceeding 12 months, and the bond is payable with taxes or other revenue received on or after the date of issuance and before the end of the fiscal year following the fiscal year during which the bonds were issued.
- Capital Metro may not issue short-term debt (less than 12 months in duration) or bonds secured by the revenue of the agency to finance the purchase, acquisition, construction, operation or maintenance of a fixed rail transit system without a voter referendum.

Pension Obligation Bonds: Section 451.139 of the Transportation Code gives Capital Metro the authority to issue bonds in the amounts necessary for managing or funding retiree pension benefit obligations for pension plans existing as of January 1, 2011, and that result from the competitive bidding of transit services required by Section 451.137. The use of this bonding authority is strictly limited, and it is the board's policy to use the authority only in a manner that is consistent with the original intent of the law and only at such a time as it can be justified in terms of the long-term financial sustainability of Capital Metro.

Contractual Obligations: Chapter 271, subchapter A of the Local Government Code authorizes Capital Metro to execute, perform and make payments under a contract with any person for the use or the purchase or other acquisition of personal property, or the financing thereof. This provision specifically applies to the purchase or lease of personal property or for financing the acquisition of personal property, such as vehicles. Projects involving purchases of real property or improvements to real property cannot be financed using contractual obligations under state law.

- The contract must (1) be on the terms considered appropriate by the board, (2) be in the form of a lease, a lease with an option or options to purchase, an installment purchase or any other form considered appropriate by the board, including that of an instrument that would be required to be approved by the attorney general, provided that contracts in such form must be approved by the attorney general, (3) be for a term approved by the board and contain an option or options to renew or extend the term and (4) be made payable from a pledge of all or any part of any revenues, funds or taxes available to Capital Metro for its public purposes.
- Subject only to applicable constitutional restrictions, the board may obligate taxes or revenues for the full term of a contract for the payment of the contract. The contract may be for any term not to exceed 25 years.

Lease Financing: Lease obligations may also be considered appropriate for financing capital. Lease financing should be considered when determined to be more beneficial, either economically or from a policy perspective. Factors to be considered and evaluated include the useful life of the capital, the terms and conditions of the lease, market convention and the impact on debt capacity and budget flexibility.

The primary goal of the board is to minimize the use of debt and to use debt financing prudently when it is utilized. Capital Metro will keep outstanding debt within the limits prescribed by state law and at levels consistent with its creditworthiness objectives. Capital Metro will maintain debt service coverage ratios consistent with the best practices for local government debt issuance. At a minimum, the debt service coverage ratio for financial planning purposes will be set at an average coverage ratio of two times net revenue over annual debt service costs. The debt-to-net-revenue coverage ratio will be calculated and presented to the board annually and included in Capital Metro's Comprehensive Annual Financial Report.

Capital Metro is in compliance with its debt policy.

Summary of Fare Policy

Purpose

The purpose of this policy is to establish goals, objectives and guidelines to assist Capital Metro's board and staff in making decisions regarding adjustments to fares. All such decisions will also be made in accordance with Capital Metro's enabling legislation, Texas Transportation Code Section 451, as amended, and FTA fare requirements including 49 Code of Federal Regulations (CFR) section 609 for reduced fares. When considering increasing or restructuring fares, Capital Metro will conduct a comprehensive review of ways to reduce costs and increase ridership and the corresponding effects on farebox recovery, to minimize the effects of fare changes on customers. Capital Metro's fare recovery ratio remained relatively stable over the last four fiscal years, at close to 10 percent.

Goal

The goal of this fare policy is to support Capital Metro's overall strategic mission to provide quality public transportation choices for our community that meets the needs of our growing region. To accomplish this mission, Capital Metro must develop and use its resources in a manner that ensures sustainable business growth.

Fare Policy Review

Capital Metro will review its fare policy and pricing annually with the expectation that fares may need to be adjusted to keep pace with the increase in the cost of transit operations. Generally, fare changes will become effective in conjunction with service changes in January or August. Recommendations for fare adjustments will be developed in conjunction with the budget process for the following fiscal year. No fare changes are planned during FY2021 due to the COVID-19 economic crisis.

Capital Metro is in compliance with its fare policy.

Current Fare Structure

Fare Type	Local	Local Reduced	Commuter	Commuter Reduced	MetroAccess
Single Ride	\$1.25	\$0.60	\$3.50	\$1.75	\$1.75
Day Pass	\$2.50	\$1.25	\$7.00	\$3.50	None
7-Day Pass	\$11.25	None	\$27.50	None	None
31-Day Pass	\$41.25	\$20.60	\$96.25	\$48.10	None

Additional Passes	
MetroAccess 10-Ride Ticket Booklet	\$17.50
MetroAccess Monthly Pass	\$46.50
Stored Value Card (\$20.00 value)	\$20.00
Stored Value Card (\$40.00 value)	\$40.00

Local: MetroBus, High-Frequency routes, UT Shuttle, MetroRapid and Pickup.

Commuter: MetroRail and MetroExpress (Commuter passes are also valid on all Local services.) All MetroRail tickets will be purchased at the Commuter rate. A MetroRail Single Ride ticket is valid only for a one-way trip.

Reduced Fares are available to qualified riders with a Capital Metro Reduced Fare ID. Seniors 65 and older, Medicare cardholders and people with disabilities may obtain the ID for \$3.00 from the Capital Metro Transit Store. Active or reserve military with a valid ID also qualify for reduced fares.

Kids 18 and Younger ride free on all Capital Metro services.

MetroAccess Monthly Passes are valid for all Local and Commuter services. Customers riding Local or Commuter services with a valid MetroAccess Monthly Pass also need a valid Capital Metro issued MetroAccess ID.

MetroAccess Single Ride and 10-Ride Ticket Booklets are valid only for MetroAccess services. The tickets are not valid for Local or Commuter services.

MetroRideShare program provides eligible groups of five to 12 people with a month-to-month vanpool lease agreement including maintenance, insurance, 24-hour roadside assistance and a fuel purchasing program. The cost of a MetroRideShare vanpool varies and is based on vehicle selection, commute distance and number of riders sharing the monthly vanpool lease, plus fuel and tolls. Capital Metro provides a monthly subsidy to offset the monthly lease of the vanpool vehicle. Groups that operate wholly within the Capital Metro service area receive a monthly subsidy of \$500, while groups that either start or end their trip outside of the Capital Metro service area receive a monthly subsidy of \$450.

Expense Policies

Expenditure Accountability

All invoices are reviewed on multiple levels. Monthly and quarterly reports that provide operational accountability are provided to department directors, the executive team and the board. Capital project budgets and progress are monitored and reported to the department directors, the senior management team and the board at predetermined intervals. Capital Metro has an Internal Audit department that reports directly to the board and is an independent source of objective advice.

Income Taxes

Capital Metro is a political subdivision of the state of Texas and is not subject to income taxation. The business relationship with the Authority's only component unit, StarTran, ended in August 2012.

Procurement Policy and Procurement Methods

Capital Metro's Procurement department is responsible for purchasing all required goods and services 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 the 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.
- Obtaining maximum value from supplier relationships.
- Providing education tools for procurement teams, customers and suppliers.

Capital Metro is in compliance with its procurement policy, which is entitled "Acquisition Policy."

Capital Metro uses a variety of procurement methods. Selecting the best method is dependent on several factors. One important factor is estimated price. Small purchases expected to cost less than \$50,000 are purchased via Capital Metro's "small purchases" method of procurement. Other infrequently used procurement methods include sole source, emergency procurements and Statement of Qualifications for statutory professional services that must comply with the Texas Professional Services Act.

Micro Purchases

Purchases less than \$10,000 are micro-purchases and can be completed without securing competitive quotes if the price is 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

A Request for Quotes (RFQ) is used when a good or service is expected to cost between \$10,000 and \$50,000. A brief description of the item is provided to vendors, who submit written quotes to Capital Metro by an established deadline. Whenever possible, Capital Metro distributes an RFQ through PlanetBids, a third-party solicitation distribution website. Vendors can register with PlanetBids and receive a free subscription. Registered vendors will automatically receive notification of Capital Metro solicitations that match their profile.

Large Purchases

Purchases in excess of \$50,000 require more comprehensive methods than those used for small purchases. These purchases are solicited using a full and open competitive process to allow all prospective bidders an opportunity to do business with Capital Metro. Special efforts are made to make the vendor community aware of Capital Metro's requirements. Solicitations are advertised in newspapers and transit industry publications, and Capital Metro distributes solicitation notifications to registered vendors on PlanetBids.

Occasionally, if it is deemed to be in the best interest of the Authority, we may utilize state and local governmental cooperatives. These cooperatives use procurement methods that are in full compliance with all federal and state best practices for full and open competition.

The basic types of procurement methods used for large purchases are Invitation for Bids (IFB) and Request for Proposals (RFP). Generally, goods/commodities are procured via IFB, and services through RFP. The solicitation includes a detailed purchase description and/or statement of work, contractual terms and conditions, and instructions on how to submit an offer. Solicitations generally remain open for 30 days.

For IFBs, Capital Metro awards contracts to the responsive and responsible bidder offering the lowest price. A bid is responsive if it meets all the material requirements of a solicitation. A bidder is responsible if it can demonstrate the capacity and willingness to meet the requirements (e.g., proper equipment, manpower, financial resources and technical expertise). An award is made to the “low bidder” only if the bidder meets both tests of responsiveness and responsibility.

For RFPs, awards are not based on price alone but include additional weighted factors of importance specified in the solicitation. An independent evaluation team reviews the proposals submitted, and the vendor/contractor offering the best value to the Authority is selected.

For each solicitation, Capital Metro assigns a contract administrator as the primary point of contact. In addition, a conference is generally scheduled well in advance of the bid/proposal submission deadline so vendors may obtain clarification. Information contained in the proposals or concerning the number or identity of offerors is unavailable to the public or Capital Metro staff members who do not have a legitimate need to know prior to the recommendation of award of a contract. After evaluation of all offers, Capital Metro awards a contract. Contracts in the amount of \$150,000 and above require approval by Capital Metro's board of directors.

Summary of Revised Financial Policies

Per policy, Capital Metro will establish accounting practices that conform to generally accepted accounting principles as set forth by the authoritative standard-setting body.

An annual audit will be performed by an independent certified public accounting firm and a comprehensive annual financial report (CAFR) shall be issued no later than six months following the end of the fiscal year.

The independent certified accounting firm shall report the results of the annual audit to the board's Finance, Audit and Administration Committee no later than 60 days after the issuance of the CAFR. The chief financial officer shall be responsible for establishing processes to ensure timely resolution of audit recommendations, if applicable.

Capital Metro shall provide its annual share of contributions to retirement plans in accordance with actuarial recommendations.

Investments shall be made prudently in conformance with Capital Metro's Investment Policy and state statute.

All grants and other federal and state funds shall be managed to comply with the laws, regulations and guidance of the grantor.

A five-year financial forecast shall be prepared annually projecting revenue and expenditures. The forecast shall be used as a planning tool in developing the following year's budget and five-year capital improvement plan.

A financial forecast that spans a longer planning horizon shall be prepared at least every five years, or more frequently if dictated by changing conditions or priorities. The long-range financial forecast shall be developed in conjunction with Capital Metro's comprehensive service plan development to evaluate whether estimated funding sources are sufficient to address service priorities over the planning period.

The board shall adopt a budget for the coming fiscal year as required by Section 451.102 of the Code, and a five-year capital improvement plan as required by Section 451.135, no later than its September board meeting. As required by statute, the proposed budget will be made available for public review at least 14 days prior to the board meeting.

Budget accountability rests primarily with individual departments. Department directors and the Finance department shall review budget variances on a monthly basis. Significant budget variances will be further evaluated by the Finance department, the respective department director and business unit vice president to determine whether remedial action is required. If remedial action is required, the Finance department will make recommendations to the CEO and Chief Customer Officer & Chief Operating Officer to address the variance.

Section 451.103 of the Code states that an agency may not spend on operations in excess of the total amount specified for operating expenses in the annual operating budget. Capital Metro maintains budget control at the departmental level for purposes of operational spending. Section 451.133 of the Code states that an agency may not spend for capital improvements in excess of the total amount allocated for major capital expenditures in the annual budget. Capital Metro maintains budget control at the project level for capital expenditures.

3

Financial and Service Summary





Fund Balance, Reserves and Contingency Requirements

Sound governmental financial practices require the accumulation and maintenance of funds to help stabilize the budget when needed or to accumulate funds for future spending requirements. An entity's accumulated fund balance provides funds that may be needed to address shortfalls that can occur periodically, such as temporary cash flow shortages, emergencies, global pandemics or other unforeseen events. These balances also help provide funding for long-term capital needs. Through years of responsible budgeting and prudent fiscal management, Capital Metro is in a strong financial position with fully funded reserves. These reserves, bolstered by \$102 million of CARES Act Grant funding, will provide financial resiliency and provide the funding needed to provide transit services to the community and ensure that a stable financial position is maintained with the recent economic crisis. In FY2020, Capital Metro completed a comprehensive assessment of its transit assets and developed a long-range financial forecast that includes a funding framework for the systematic replacement of assets.

Senate Bill 650 was passed by the Texas Legislature in 2011. This legislation requires Capital Metro to establish a reserve account in an amount equal to or greater than actual operating expenses for two months. The amount held in reserve shall be adjusted annually based on Capital Metro's actual operating expenses for the 12 months immediately preceding the adjustment. This reserve account is referred to as the "statutory operating reserve."

In FY2021, Capital Metro's budget includes spending from accumulated-fund balance to help invest in critical capital needs. Despite this expenditure, Capital Metro has met the operating reserve requirements set forth by the Texas Legislature. The statutory operating reserve account is fully funded at \$41 million based on the immediately preceding 12 months and is expected to increase to approximately \$46.3 million in FY2021 as depicted in the table that follows. Capital Metro established the statutory operating reserve account in advance of the September 1, 2016 deadline set by the Legislature. The reserve amount will be adjusted annually when audited financial information becomes available. In addition to the statutory operating reserve, the board approved an operating contingency account to be funded at a minimum of \$1 million each year.

Capital Metro has set aside funding for other reserves to help provide for critical needs that might arise in the future or for outstanding commitments, including a capital expansion fund of \$60 million that is programmed to be used for Project Connect Red Line improvements and project development of three MetroRapid lines, with the remaining amount scheduled to be transferred to a new Local Government Corporation (LGC) named the Austin Transit Partnership (ATP) once formed. The budget also includes a self-insurance reserve at \$1.3 million and a reserve of \$4.4 million to fund estimated commitments beyond FY2021 under interlocal agreements with the city of Austin for mobility programs. The operating budget includes \$3.5 million in appropriations for potential billings from the city in FY2021.

While sales tax receipts were increasing, Capital Metro began funding a budget stabilization reserve in FY2016. This reserve was approved by the board in 2010 and was established to set aside excess revenue for use in times of unexpected revenue shortfall caused by emergencies or economic downturns. The reserve was fully funded at the targeted one month of annual average operating expenses in FY2018. In FY2021, the budget stabilization reserve is expected to increase to approximately \$23.2 million. Projections are depicted in the table that follows.



FY2021 Estimated Ending Fund Balance:

Projected Beginning Balance	\$281,899,884
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FY2021 Projected Activity:

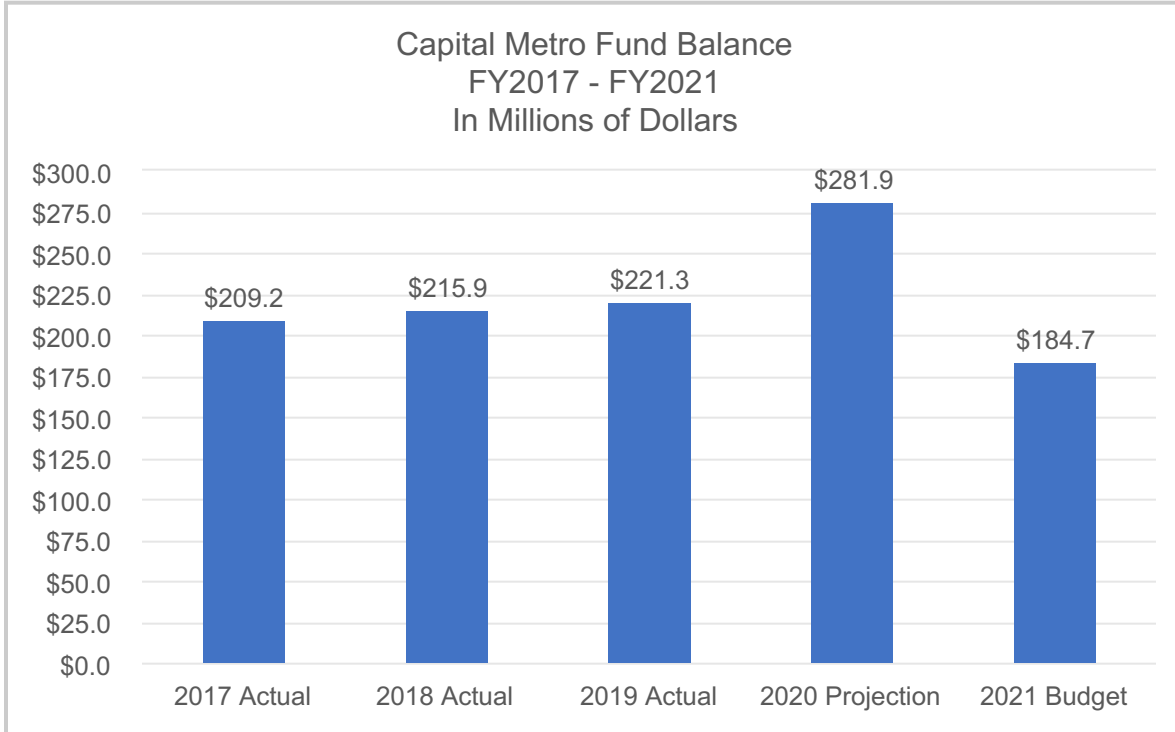
+ Revenue	331,825,685
- Operating Expenses	278,172,712
- Interlocal Agreements	5,959,948
- Contribution to Austin Transit Partnership	38,500,000
- Capital Projects	106,388,036
= Projected Ending Balance	184,704,873

Breakdown of Ending Balance:

Statutory Operating Reserve Requirement	46,362,119
Budget Stabilization Reserve	23,181,059
Self-Insurance Reserve	1,314,600
City of Austin Mobility Programs	4,446,933
Capital Expansion Fund	—
Funding for 5-Year Capital Improvement Plan	109,400,162
= Projected Ending Balance	\$184,704,873



The following chart depicts history and projection of ending fund balance for five fiscal years. A reduction in fund balance is projected as capital projects are completed and reduce the funding set aside for the 5-year capital improvement plan.



Revenue by Category

The following schedule summarizes FY2021 revenue projections by category and shows the increase or decrease compared to the FY2020 budget. The schedule also depicts FY2019 actual revenue, as well as FY2020 forecast revenue. Sales tax revenue represents the primary source of revenue for Capital Metro, contributing approximately 76 percent of the total revenue budget.

	FY2019 ACTUAL	FY 2020 BUDGET	FY 2020 FORECAST	FY 2021 BUDGET	Var \$ FY 2021 vs. FY 2020	Var % FY 2021 vs. FY 2020
Sales Tax	\$261,540,589	\$265,679,360	\$258,695,110	\$251,667,165	(\$14,012,195)	(5.3%)
Passenger Revenue	22,331,948	22,523,608	14,001,124	15,016,405	(7,507,203)	(33.3%)
Freight Railroad Revenue	5,110,050	5,248,768	5,989,236	5,567,378	318,610	6.1%
Miscellaneous Revenue	9,756,933	7,762,596	7,094,191	5,613,583	(2,149,013)	(27.7%)
Operating Contributions and Grants	40,798,618	32,346,717	127,916,654	43,154,000	10,807,283	33.4%
Capital Grants - Federal	10,855,223	12,323,103	17,702,841	9,083,354	(3,239,749)	(26.3%)
Capital Grants - State	8,343,309	14,758,832	15,998,303	—	(14,758,832)	(100.0%)
Other Capital Contributions	—	605,000	2,457,669	1,723,800	1,118,800	184.9%
Total Revenue	\$358,736,670	\$361,247,984	\$449,855,128	\$331,825,685	(\$29,422,299)	(8.1%)

Factors Affecting Revenue

Sales Tax Revenue

Sales tax represents the largest component of Capital Metro’s total revenue. Sales tax revenue can fluctuate significantly from year to year since collections are directly related to economic conditions. For FY2021, sales tax revenue is budgeted at \$14 million, or 5.3%, below the amount budgeted in FY2020 due to the impact of the COVID-19 pandemic in the Austin area for both fiscal years. FY2020 forecasted sales tax collections are \$11.8 million, or 4.4%, less than originally budgeted.

Sales tax is levied on the sale, lease or rental of all taxable goods and services within the Capital Metro service area. Certain foods and drugs as well as governmental purchases are exempted from sales tax. Sales tax revenue is very volatile and future collections are dependent on recovery from the economic disruptions and loss of employment in the Austin region due to the COVID-19 pandemic.

Passenger Revenue

No fare increase is planned in FY2021. In total, \$10.3 million is projected in passenger revenue. Revenue collected in the farebox is estimated at \$2.9 million, and \$5.1 million is projected from the sale of passes for bus, rail and paratransit services.

Included in the passenger revenue category are payments from the University of Texas for shuttle services for their students, faculty and staff which total \$4 million in FY2021, down \$2.2 million from FY2020. Service hours are planned to decrease due to COVID-19 pandemic service reductions and could decline further if UT reverts to online learning versus on-campus and UT Shuttle services are suspended.

Capital Metro has seen a dramatic decline in passenger ridership and revenue due to the COVID-19 pandemic. Passenger revenue for FY2020 and FY2021 is projected to be below FY2020 budget by 38% and 33% respectively, with the anticipation that ridership will slowly return to pre-pandemic levels.

Freight Rail Revenue

In June 2015, the board approved a contract with Watco Companies, LLC, for freight operations and maintenance services on Capital Metro's railroad. The contract provides for a base period of 20 years with six five-year options and Watco assumed complete operation of the assigned services on October 1, 2015. The contract includes a revenue-sharing component, under which Capital Metro will receive 16.5 percent of gross revenue each year. In FY2021, Capital Metro's share of gross revenue is expected to be \$4.3 million based on estimated shipping activity. In addition to projected revenue, maintenance costs previously budgeted directly by Capital Metro have shifted to the operator. As the owner of the railroad, Capital Metro will continue to be responsible for certain capital investments, such as its bridge replacement program.

In January 2005, the United States Congress enacted the Railroad Track Maintenance Tax Credit—section 45G of the U.S. Tax Code. The 45G tax credit is a federal income tax credit for track maintenance conducted by short lines and regional railroads in the United States. The credit is equal to 50 percent of qualified track maintenance expenditures and other qualifying railroad infrastructure projects. Congress approved an extension of the tax credit that covers 2020, 2021 and 2022. The annual estimate is approximately \$544,000.

The remainder of the freight rail revenue is approximately \$675,000 and is related to licenses and fees associated with the use of Capital Metro's railroad right-of-way.

Miscellaneous Revenue

Revenue in this category includes \$1.6 million of lease income, \$1 million in interest earnings, \$1 million in purchased transportation agreement revenue, \$1 million projected in advertising revenue on Capital Metro buses and \$871,000 from fees generated at the Child Care Center. Other projected revenue sources include Wellness Center fees, photographic identification and shipping and handling fees.

Operating Contributions from Grants

Grants are the second-largest component of Capital Metro's total revenue. They account for approximately 13 percent of operating revenue. In FY2020, Capital Metro received \$102 million in CARES Act funding that was and will be used to continue operating transit service during the COVID-19 pandemic public health emergency. Most of the grant funding contributed to operating activities is provided through the FTA.

Capital Metro does not use its employees to operate or maintain its transit vehicles. Instead, it turns to public or private contractors to operate the transit service. The FTA makes grant funds available to reimburse the capital consumed during the course of the service contract, which the FTA refers to as the "capital cost of contracting." In FY2021, Capital Metro has projected \$33.1 million in Urbanized Area Formula (Section 5307) program funds for the capital cost of contracting. Other operating expenses that will be reimbursed by federal grants during FY2021 include approximately \$140,000 for expenses related to the Office of Mobility Management for short-range planning and coordination activities with other public transportation providers and human service agencies.

Capital Grants

Capital Metro receives grant funding through a variety of grant programs for various capital projects. These projects include purchasing new buses, amenities for bus stops, rail infrastructure improvements and technology. Some of the federal grant funds are apportioned to Capital Metro annually by the FTA under a prescribed formula. The Grants for Buses and Bus Facilities Formula Program (Section 5339(a)) is one example. Capital Metro programs its annual Section 5339(a) funds to replace buses that have exceeded their minimum useful life. The State of Good Repair Program (Section 5337) is another formula grant Capital Metro receives annually. It programs the funds for rail maintenance and rehabilitation projects to maintain a state of good repair.

Other grants have been awarded to Capital Metro for specific capital projects at the discretion of the funding agency instead of by formula. Discretionary grants will provide revenue for various projects in FY2021. Existing capital projects funded by discretionary grants include replacement of buses and implementation of positive train control.

Capital Metro continues to pursue other grant opportunities to maximize transit benefits available to the region. Because many of these grant programs are highly competitive, capital grant projections only reflect grants for projects that have already been awarded or for project selections that have been announced.

Other Capital Contributions

Other capital contributions include \$255,000 in reimbursement funding from TxDOT for crossing improvements along the commuter rail corridor; \$640,000 from private developer Two Oaks Ventures, owner of Austin FC, for MetroRapid Stations at the new soccer park at McKalla Place; and \$723,800 from the city of Austin for stormwater improvements at the new Downtown Station.

Types of Grants

Most of Capital Metro's grants are provided through programs authorized in legislation and administered by the Federal Transit Administration, one of 10 modal administrations within the U.S. Department of Transportation. The FTA's most recent authorizing legislation is the Fixing America's Surface Transportation (FAST) Act (Pub. L. 114-94), signed into law on December 4, 2015.

- **Urbanized Area Formula Grant (Section 5307)**

The Urbanized Area Formula Program (Section 5307) provides annual grants to Urbanized Areas (UZA) for public transportation capital, planning, job access and reverse commute projects. These funds constitute a core investment in the enhancement and revitalization of public transportation systems in the nation's urbanized areas, which depend on public transportation to improve mobility and reduce congestion. This grant funding is apportioned to recipients using factors that are specified in the law. Capital Metro was apportioned approximately \$33.1 million in Section 5307 grant funds for FY2020 and will budget a similar amount for FY2021. Most of these funds will be applied to the capital cost of public transit services acquired through third-party service providers.

- **Enhanced Mobility of Seniors and Individuals with Disabilities (Section 5310)**

The Enhanced Mobility of Seniors and Individuals with Disabilities (Section 5310) program is intended to enhance mobility for seniors and persons with disabilities by providing funds for programs to serve the special needs of transit-dependent populations. Since it became a designated recipient in 2014, Capital Metro has been responsible for administering Section 5310 funds apportioned to the Austin UZA. Capital Metro has established a competitive project selection process to award grants to sub-recipients. Although most Section 5310 projects are carried out by local nonprofit agencies, Capital Metro allocates a portion of the funds for its own activities including mobility management and for operating assistance for specific transit services.

- **State of Good Repair Grants Program (Section 5337)**

The State of Good Repair Grants Program (Section 5337) provides capital assistance for maintenance, replacement and rehabilitation projects of high-intensity fixed guideway and bus systems to help transit agencies maintain assets in a state of good repair. This grant funding is apportioned annually to states and Urbanized Areas with fixed guideways and high-intensity motorbus systems in service for at least seven years. In FY2020, Capital Metro was apportioned \$2.8 million and has budgeted a similar amount for FY2021. The funds will be used for activities that maintain the MetroRail in a state of good repair.

- **Bus and Bus Facilities Formula and Discretionary Grants (Section 5339)**

The Bus and Bus Facilities Formula (Section 5339(a)) program provides funding to replace, rehabilitate and purchase buses, related equipment and bus-related facilities. This grant funding is apportioned annually to states and Urbanized Areas using factors that are specified in the law. Capital Metro was apportioned approximately \$2.9 million in Section 5339(a) grant funds for FY2020 and has budgeted a similar amount for FY2021. These funds will be used to acquire new buses to replace vehicles that have exceeded their useful lives in terms of years and/or miles of service.

In addition to the formula bus program, the FAST Act established two programs, the Bus and Bus Facilities Competitive (Section 5339(b)) program and the Low or No Emission Vehicle (Section 5339(c)) program, for projects selected through an annual competitive process. Section 5339(b) grants may be awarded to states and transit agencies to replace, rehabilitate and purchase buses and related equipment and to construct bus-related facilities. The competitive allocation provides funding for major improvements to bus transit systems that would not be achievable through formula allocations. In FY2017, Capital Metro in partnership with the Capital Area Rural Transportation System (CARTS) was awarded \$11.2 million to implement a bus replacement project. Most of the buses acquired by CARTS and a portion of those acquired by Capital Metro under this award were delivered in FY2019. Capital Metro expects this project to be completed and all funds spent by FY2022.

Section 5339(c) grants are awarded for the purchase or lease of zero-emission and low-emission transit buses as well as acquisition, construction and leasing of required supporting facilities. In FY2020, Capital Metro was awarded \$2.3 million to replace diesel buses with battery-electric buses and evaluate the performance and interoperability of various technology providers and platforms.

- **Other Grants**

On March 27, 2020, President Donald J. Trump signed into law the Coronavirus Aid, Relief, and Economic Security (CARES) Act. The CARES Act included a total of \$25 billion in federal funding allocations through the FTA to help the nation's public transportation systems respond to the COVID-19 pandemic. Capital Metro was allocated approximately \$102 million in CARES Act funding that will be used to continue operating transit service during the FY2020 public health emergency and offset the lasting economic impact of the COVID-19 pandemic.

Capital Metro monitors and pursues other grant opportunities to maximize transit benefits available to the region. Recent efforts have resulted in great success. For example, during FY2019 Capital Metro was awarded \$600,000 for planning activities for the Green Line Corridor through the FTA's Pilot Program for Transit-Oriented Development (TOD) Planning grant program.

The Texas Commission on Environmental Quality awarded \$2.25 million through the Texas Clean Fleet Program and \$3.5 million through the Texas Volkswagen Environmental Mitigation Program for lower-emission diesel buses. In 2018, CAMPO awarded \$71,208 to expand the MetroRideShare program. Capital Metro was awarded four grants totaling \$24.4 million from the FRA and FTA for deployment of its positive train control (PTC) system as part of a federal mandate. Also, the Federal Emergency Management Agency (FEMA) awarded \$80,000 to Capital Metro under its Transit Security Grant Program for security training.

Operating Expenses by Category

The following schedule summarizes FY2021 operating expenses projections by category and shows the increase or decrease compared to the FY2020 budget. The schedule also depicts FY2019 actual expenses, as well as FY2020 forecast expenses. Purchased transportation services represent approximately 59.4 percent of the total operating budget.

	FY2019 ACTUAL	FY 2020 BUDGET	FY 2020 FORECAST	FY 2021 BUDGET	Var \$ FY 2021 vs. FY 2020	Var % FY 2021 vs. FY 2020
Labor and Benefits	\$45,800,634	\$49,243,140	\$48,446,410	\$49,557,022	\$313,882	0.6%
Professional Services	21,334,473	43,472,507	39,939,055	29,894,314	(13,578,193)	(31.2%)
Material and Supplies	1,568,192	2,153,312	1,297,914	2,062,838	(90,474)	(4.2%)
Fluids	13,419,745	13,673,755	13,537,103	12,218,056	(1,455,699)	(10.6%)
Utilities	3,016,639	3,239,700	3,180,725	3,355,736	116,036	3.6%
Insurance	640,414	968,286	968,286	874,991	(93,295)	(9.6%)
Purchased Transportation	158,795,657	165,145,360	163,307,893	168,660,655	3,515,295	2.1%
Other	3,564,968	7,191,707	14,127,880	8,296,517	1,104,810	15.4%
Interest Expense	—	—	—	—	—	N/A
Lease and Rent	1,540,393	2,045,199	2,725,135	3,252,583	1,207,384	59.0%
Interlocal Agreements	7,934,825	6,887,950	5,462,498	5,959,948	(928,002)	(13.5%)
Total Operating Expenses, including Interlocal Agreements	\$257,615,940	\$294,020,916	\$292,992,899	\$284,132,660	(\$9,888,256)	(3.4%)

Factors Affecting Operating Expenses

Labor and Benefits

FY2021 labor decreases by \$393,000 or 1.2% with no new positions added and a salary and wage freeze in effect due to the economic uncertainties brought on by the COVID-19 pandemic. Another factor in the decrease in labor costs is a decline of \$673,000 of Project Connect labor expense moving to the capital budget.

Funding for healthcare claims is projected based on current claims utilization, national medical trends and increases in eligible participants. Capital Metro’s health care claims for FY2021 are expected to remain flat while the overall benefits expense is increasing by 5.1 percent due to an estimated actuarial expense increase for the administrative pension plan. Capital Metro offers premium and cash incentives to help manage these costs by encouraging employees and spouses to complete health risk assessments and biometric testing. The goal is to help participants identify any potential health issues proactively. The medical plan network discounts through United Healthcare (UHC) were 60 percent with local providers, which also contributes to controlling costs. In addition to these discounts, UHC offers wellness, health education and disease management programs for participants. Capital Metro also has an on-site wellness and fitness program. Estimated employer cost related to the pension plans for FY2021 is included in this category as well.

Professional Services

External services are needed for various operational and planning purposes in FY2021. Examples of these services include various planning studies, child care center operations, janitorial and landscaping services and building maintenance. In FY2021, budgeted costs will decrease by approximately \$13.7 million compared to the FY2020 budget. This is primarily due to professional services costs for

preliminary engineering and environmental assessments of Project Connect moving to the capital budget and the newly formed Austin Transit Partnership.

Fluids

The budget for fluids consists primarily of funding for diesel fuel, but also includes gasoline and is estimated to decline by \$1.5 million from the prior year due to favorable pricing. Both diesel fuel and unleaded gasoline costs are projected at an average of \$2.05 per gallon for FY2021, which includes taxes. Over 90 percent of the FY2021 projected diesel consumption is secured through a fuel hedging program. During FY2020, Capital Metro incurred average fuel prices closer to \$2.30 per gallon for diesel, including taxes and net of its diesel hedging program.

Purchased Transportation

Purchased transportation costs are expected to increase by approximately \$3.5 million. The increase is for a variety of contracted services and primarily due to contractual price increases. An increase of \$577,000 is projected for bus services due to contractual increase partially offset by the first full year of a new combined bus contract that will produce synergy savings and reclassification of building maintenance expense to the Property and Asset Management department. Costs associated with MetroAccess, Capital Metro's paratransit service, are expected to increase by \$867,000 due to contractual rate increases partially offset by a projected decrease of 34,000 hours of service due to the COVID-19 pandemic crisis. Innovative Mobility has additional funding of \$424,000 for a new MetroBike bike-share program in collaboration with the city of Austin and Austin BCycle along with other mobility projects. Service costs associated with commuter rail services are expected to increase by approximately \$1.1 million due to service provider contractual increases and additional maintenance expense for PTC and Transportation Investment Generation Economic Recovery (TIGER) infrastructure improvements.

Other Operating Expense

The FY2021 budget increased by \$1.1 million in other operating expense. This is due to an additional \$2 million of contingency reserve to be in compliance with Board Policy and to provide flexibility for COVID-19 pandemic related expenses or additional initiatives if the Austin area sees a more rapid economic recovery than anticipated. This is partially offset by \$826,000 lower communication expenses for Project Connect in FY2021.

Lease and Rent

The FY2021 budget includes an additional \$1.2 million in lease and rent expense. This includes an additional \$906,000 for a new leased administrative office at 700 Lavaca and an additional \$293,000 for Innovative Mobility leased vehicles for expanded Pickup service.

Interlocal Agreements

Capital Metro entered into an interlocal agreement with the city of Austin, which was amended in April 2010, to pay the city its pro-rata share of 25 percent of Capital Metro's one-cent sales tax from 2001 to 2004 in consideration for the city to carry out transportation mobility projects approved by Capital Metro. The amount is payable annually based on eligible expenditures incurred during the previous fiscal year. The Austin City Council approved a new allocation for the funding that remains under this interlocal agreement and plans to begin moving forward with a revised list of priority projects. Accordingly, costs in FY2021 are expected to be lower compared to FY2020, and \$3.5 million is budgeted for this mobility program compared to \$4.5 million in the FY2020 budget. The city of Austin amended the agreement in August 2018 to allow Capital Metro to utilize \$6 million of the remaining fund balance for preliminary engineering of Project Connect. Capital Metro has also set aside estimated funding in a separate reserve account so that funds will be available beyond FY2021 as the city continues to work on these project priorities. In addition, this category includes funding for the Build Central Texas Program for transportation projects in suburban communities that are supportive of transit in an annual amount of \$250,000.

Budget Summary

The table below summarizes Capital Metro’s structurally balanced budget for FY2021 and includes projected funding and expenses.

Budget Summary	
Funding	FY2021
Sales Tax	\$251,667,165
Passenger Revenue	15,016,405
Freight Railroad Revenue	5,567,378
Miscellaneous Revenue	5,613,583
Operating Contributions and Grants	43,154,000
Capital Grants - Federal	9,083,354
Capital Grants - State	—
Other Capital Contributions	1,723,800
Fund Balance	<u>58,695,011</u>
Total Funding	\$390,520,696
Expenses	FY2021
Operating Expenses	\$278,172,712
Interlocal Agreements	5,959,948
Capital Project Expense	<u>106,388,036</u>
Total Expenses	\$390,520,696

Debt Amortization

In FY2018, Capital Metro paid off all outstanding debt and no borrowing is projected in the FY2021 budget. As part of the planning effort for Project Connect funding sources, Capital Metro obtained a credit rating in FY2019. S&P Global Ratings (“S&P”), a leading national rating agency, has assigned an issuer credit rating of AA- to Capital Metro with a stable outlook. In its report published January 28, 2019, S&P cited Capital Metro’s “very strong management and governance” bolstered by “prudent financial policies”, “very strong liquidity position” and “extremely strong economic fundamentals” due to service area “population and employment growth” as key factors underpinning the strong credit rating.

In April 2020, S&P Global Ratings affirmed its AA- issuer credit rating on Capital Metro with a negative outlook. In its report published April 29, 2020, S&P cited Capital Metro "management's flexibility to adjust capital spending and operating expenses", "\$147 million in unrestricted reserves as of March 2020, equal to 218 days' cash on hand, that we expect will be bolstered by an additional \$102 million in federal stimulus aid received from the CARES ACT" and "no debt outstanding" as key factors for affirming its rating. S&P's negative outlook reflected an opinion that "the sudden drop in activity levels and sales tax revenues due to the COVID-19 pandemic will strain Cap Metro's financial matrix over the next few months, followed by a potentially slow recovery as measures to control the outbreak become more effective and widespread, allowing for gradual improvements in overall mobility and consumer spending. In addition, a prolonged recession following the pandemic could also strain Cap Metro's financial metrics over the longer term, depending on the severity of the recession."

A credit rating is a measure of the risk associated with an agency's ability to repay its obligations. For transit agencies such as Capital Metro, a credit rating is an independent assessment of overall financial performance and position, economic trends, ridership trends, management and governance, and debt and pension liabilities. A high credit rating of AA- will allow Capital Metro to borrow at low-interest rates.

A rating in the AA-category puts Capital Metro in the top tier of mass transit entities with credit ratings from S&P.

Service Overview

MetroBus

MetroBus fixed-route service is the mainline service of Capital Metro's transit system. Capital Metro operates 60 MetroBus routes, including local and cross-town routes. The transit authority operates approximately 13.9 million total bus miles over its fixed-route system. The fleet of buses provided riders with an average of 65,928 weekday boardings in FY2019. Capital Metro's 350 buses operate seven days a week, providing service to more than 1 million residents of the service area.

MetroExpress

MetroExpress service is a limited-stop service to and from the University of Texas, Capitol complex, downtown and Park & Rides. There are seven routes that service North and Northwest Austin as well as the cities of Leander and Manor. Average weekday boardings were 3,067 in FY2019.

MetroRapid

MetroRapid is a fixed-route service. In January 2014, the first line began operation along North Lamar/South Congress (Route 801). The second service, Burnet/South Lamar (Route 803), began in August 2014. MetroRapid offers faster, more convenient service for the community. Some of the features include frequent service, limited stops, boarding from all doors, unique and upgraded stops with real-time arrival information and vehicles equipped with signal priority technology. The fleet of 55 buses carried more than 5.1 million riders in its fifth year of operation. Average weekday boardings were 16,145 in FY2019.

MetroRail

The MetroRail Red Line runs on 32 miles of tracks between downtown Austin and Leander. The Red Line provides convenient service for suburban and Central Austin residents. Service is typically provided six days per week with increased service levels for special events. Average weekday boardings were 2,643 in FY2019.

Pickup

Pickup by Capital Metro is an on-demand transit service, introduced in June 2019, that operates in several neighborhood zones in the Greater Austin Metro Area. This service takes multiple passengers heading in the same direction and schedules them into a shared vehicle. There's no set route for the service, customers can be picked up and transported anywhere within a zone, and all vehicles are wheelchair accessible. Average weekday boardings were 21 in FY2019.

University of Texas Shuttle

Student shuttle service is provided in partnership with the University of Texas. There are 10 routes that provide connections between housing and the downtown campus. Routes move students between the greater UT campus area and areas with high-density student populations. Each year, Capital Metro operates approximately 1.1 million total bus miles over the UT Shuttle system. Average weekday boardings were 7,501 in FY2019.

MetroRideShare Program

The MetroRideShare program provides eligible groups of 5-12 people with a month-to-month lease agreement of a passenger van that includes insurance, maintenance, 24-hour roadside assistance, administrative support and fuel purchasing program. The cost of a MetroRideShare vanpool varies and is based on van selection, commute distance and number of riders sharing the monthly fare, plus fuel and tolls. Average weekday boardings were 2,082 in FY2019.

MetroAccess

The MetroAccess paratransit program is for people who have a disability or medical condition that limits or prevents them from independently using accessible bus service some or all of the time as defined in the Americans with Disabilities Act. People certified by Capital Metro under this program may ride MetroAccess within $\frac{3}{4}$ miles of Capital Metro's non-commuter fixed-route bus service on the same days and during the same hours as the fixed-route service in their area. Average weekday boardings were 2,328 in FY2019.

Suburban Service

Capital Metro provides service to suburban communities within the service area such as Jonestown, Manor and Del Valle. Additional interest has been expressed by these and other communities within the Capital Metro service area. In addition, Capital Metro is working with jurisdictions outside the service area, including Georgetown, Round Rock, Pflugerville, Hutto, Buda and Travis County to help them plan and develop transit services. Georgetown and Round Rock began receiving transit services in August 2017. Round Rock's is provided by Capital Metro and Georgetown's by CARTS. Travis County receives transit service from both Capital Metro and CARTS in the urbanized, unincorporated portions of the county. Capital Metro has partnered with these jurisdictions to provide transit service through interlocal agreements where the cities reimburse Capital Metro directly for the cost of service to their communities.

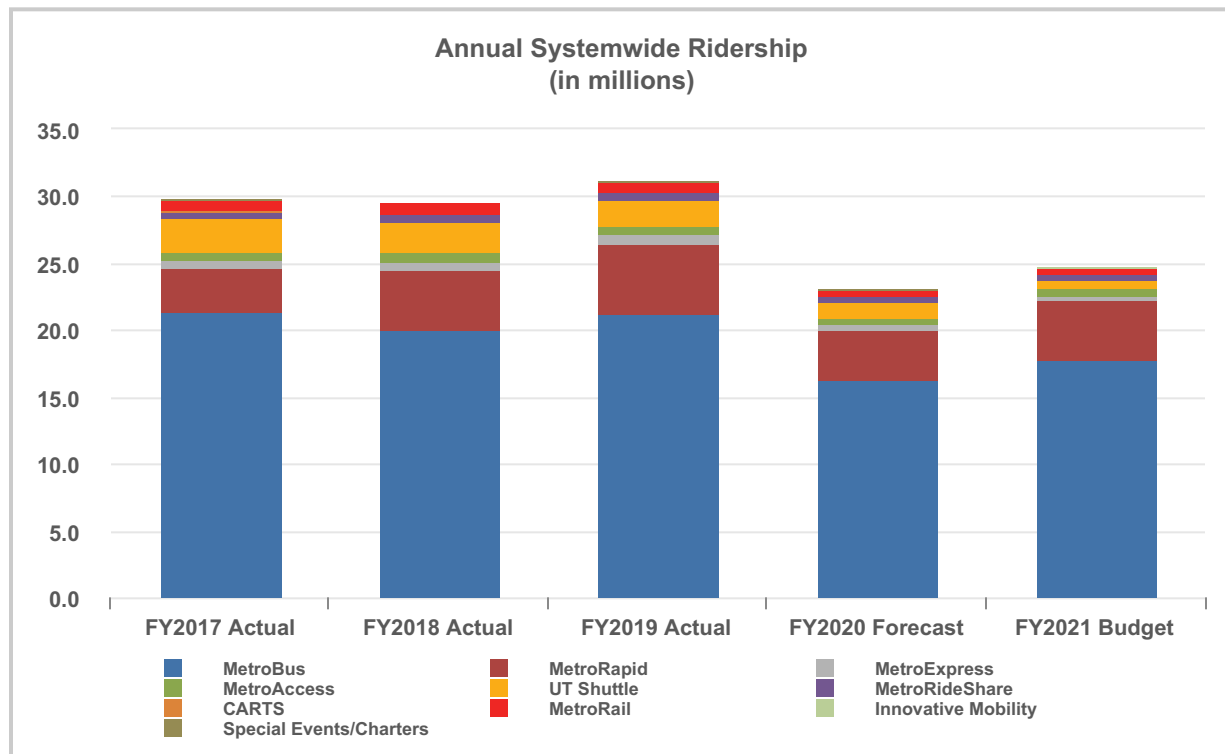
Ridership

The table below reflects ridership by mode of service.

Mode of Service	FY2019 Actual	FY2020 Budget	FY2020 Forecast *	FY2021 Budget	Var FY2021 vs. FY2020	Var % FY2021 vs. FY2020
MetroBus(1)	21,270,629	21,226,970	16,354,445	17,742,807	(3,484,163)	(16.4%)
MetroRapid(1)	5,134,615	5,097,987	3,752,349	4,505,550	(592,437)	(11.6%)
MetroExpress(2)	755,118	828,309	404,020	269,919	(558,390)	(67.4%)
MetroAccess(1)	701,579	704,257	473,020	596,718	(107,539)	(15.3%)
UT Shuttle(3)	1,923,191	1,743,295	1,099,441	645,413	(1,097,882)	(63.0%)
MetroRideShare(1)	553,679	671,434	467,633	470,800	(200,634)	(29.9%)
Capital Area Rural Transportation System (CARTS)(3)	43,002	44,372	29,407	33,036	(11,336)	(25.5%)
Capital Area Rural Transportation System (CARTS) - Express	24,769	25,048	16,103	24,729	(319)	(1.3%)
MetroRail(1)	729,509	568,020	392,652	428,221	(139,799)	(27.7%)
Innovative Mobility(4)	6,423	75,552	81,182	104,020	28,468	0.0%
Special Events/Charters(5)	97,241	166,436	50,090	29,411	(137,025)	(82.3%)
Total	31,239,755	31,151,680	23,120,342	24,850,624	(6,301,056)	(20.2%)

* FY2020 Forecast completed in July 2020.

- (1) - Decrease in ridership due to COVID-19 reduced demand.
- (2) - Decrease in ridership due to COVID-19 reduced demand. Anticipated slower return than other modes.
- (3) - Decrease in ridership due to UT Shuttle COVID-19 reduced on-campus learning (shift to online learning).
- (4) - Full year of Pickup neighborhood circulators in FY2021 with the launch in FY2020 and the introduction of 1 additional Pickup zone.
- (5) - Cancellation of special events in FY2021 due to the COVID-19 pandemic.



Vehicle Hours of Service

The table below reflects vehicle hours of service by mode.

Mode of Service	FY2019 Actual	FY2020 Budget	FY2020 Forecast *	FY2021 Budget	Var FY2021 vs. FY2020	Var % FY2021 vs. FY2020
MetroBus(1)	1,202,489	1,205,414	1,113,180	1,231,420	26,006	2.2%
MetroRapid	211,186	211,930	185,244	211,047	(883)	-0.4%
MetroExpress(1)	82,230	67,965	46,695	71,266	3,301	4.9%
MetroAccess(2)	474,014	488,459	450,124	453,909	(34,550)	-7.1%
UT Shuttle(3)	93,336	92,747	49,641	90,654	(2,093)	-2.3%
MetroRideShare(2)	119,948	130,919	94,286	118,992	(11,927)	-9.1%
Capital Area Rural Transportation System (CARTS)	17,389	14,249	17,105	14,412	163	1.1%
Capital Area Rural Transportation System (CARTS) - Express	3,002	2,100	3,192	2,091	(9)	-0.4%
MetroRail(4)	22,193	29,490	16,680	27,466	(2,024)	-6.9%
Innovative Mobility(5)	5,254	69,232	41,536	59,334	(9,898)	-14.3%
Special Events/Charters	3,365	7,195	1,675	7,195	—	0.0%
Total	2,234,406	2,319,700	2,019,358	2,287,786	(31,914)	-1.4%

* FY2020 Forecast completed in July 2020.

- (1) - Increase to select routes for adjustments to address physical distancing due to the COVID-19 pandemic and on-time performance.
- (2) - Decrease in hours based on anticipated service demand.
- (3) - Decrease in hours due to operational efficiencies moving to a combined bus operations contract and decreased deadhead hours.
- (4) - Decrease in hours due to a lower DMU car commitment.
- (5) - Decrease due to a delay in the number of Pickup zones initiated in FY2020 due to the COVID-19 pandemic.

Vehicle Miles of Service

The table below reflects vehicle miles of service by mode.

Mode of Service	FY2019 Actual	FY2020 Budget	FY2020 Forecast *	FY2021 Budget	Var FY2021 vs. FY2020	Var % FY2021 vs. FY2020
MetroBus(1)	12,961,803	13,761,727	12,840,654	13,836,426	74,699	0.5%
MetroRapid	2,748,862	2,735,732	2,432,047	2,716,664	(19,068)	-0.7%
MetroExpress(1)	1,426,313	1,521,915	941,058	1,545,154	23,239	1.5%
MetroAccess(2)	6,502,380	6,890,070	5,605,778	5,013,420	(1,876,650)	-27.2%
UT Shuttle(3)	1,220,775	1,058,354	545,633	973,373	(84,981)	-8.0%
MetroRideShare(2)	4,342,824	4,891,360	4,217,281	3,971,688	(919,672)	-18.8%
Capital Area Rural Transportation System (CARTS)	284,090	256,131	294,927	256,001	(130)	-0.1%
Capital Area Rural Transportation System (CARTS) - Express	70,562	40,312	75,238	40,154	(158)	-0.4%
MetroRail(4)	382,589	557,615	341,038	485,437	(72,178)	-12.9%
Innovative Mobility(5)	80,645	151,104	368,933	487,026	335,922	222.3%
Special Events/Charters	40,517	57,560	14,802	57,560	—	0.0%
Total	30,061,360	31,921,880	27,677,389	29,382,903	(2,538,977)	-8.0%

* FY2020 Forecast completed in July 2020.

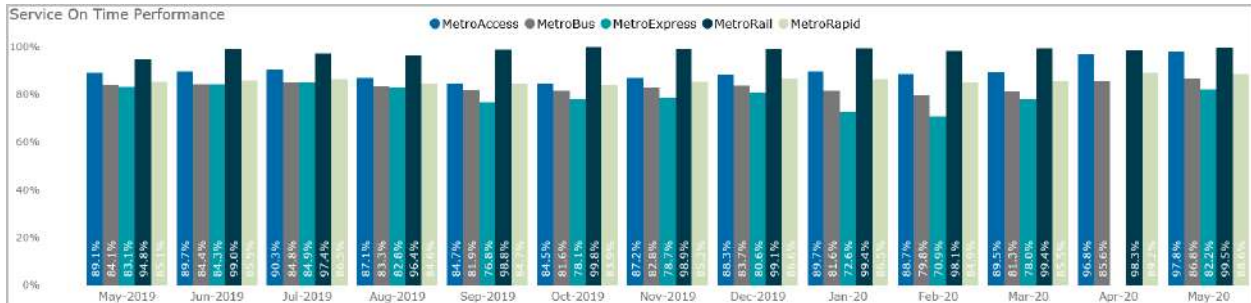
- (1) - Increase to select routes for adjustments to address physical distancing due to the COVID-19 pandemic and on-time performance.
- (2) - Decrease in miles based on anticipated service demand.
- (3) - Decrease in miles due to operational efficiencies moving to a combined bus operations contract and decreased deadhead miles.
- (4) - Decrease in miles due to a lower DMU car commitment.
- (5) - Increase reflects refined data after pilot initiation in late fiscal year 2019.

Performance Measures

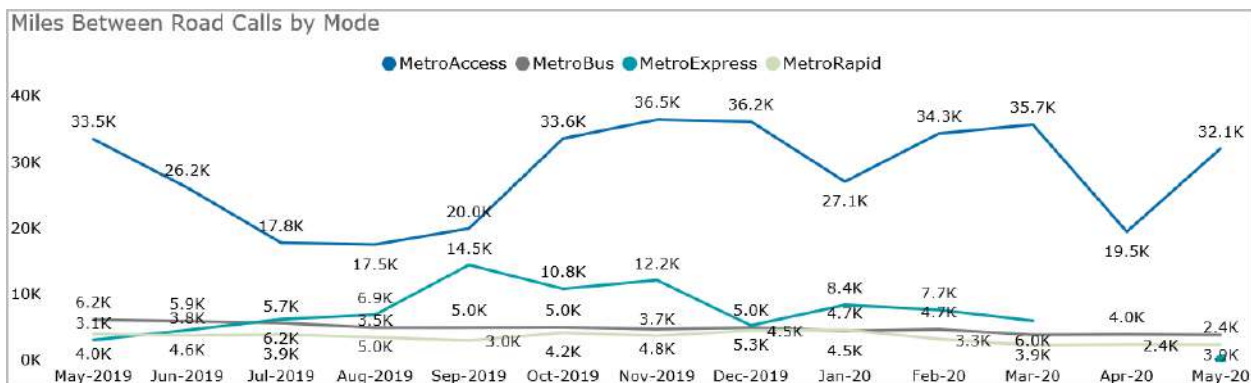
Capital Metro utilizes performance dashboards to provide transparency of quarterly summary activity reported to the board of directors and the public in a more efficient manner. The dashboards track on-time performance or reliability, safety incidents reported to the National Transit Database (NTD), financial revenue and expenses and ridership. Performance dashboards reside on the Capital Metro website and are updated each month. They are available at: capmetro.org/dashboard/

Reliability Dashboard¹

Capital Metro recognizes that reliability is key to providing an excellent customer experience. Key components of reliability include timeliness and mechanical failures. Timeliness of the service is tracked as on-time performance and mechanical failure that interrupts a trip is measured as miles between road calls.



Route Name	On Time	Early	Late
1-North Lamar/South Congress	82.3%	2.9%	14.8%
2-Rosewood	90.8%	4.7%	4.5%
3-Burnet/Manchaca	83.9%	3.9%	12.2%
4-7th Street	84.2%	10.8%	5.0%
5-Woodrow/Lamar	87.8%	8.2%	4.0%
6-East 12th	89.5%	4.3%	6.2%
7-Duval / Dove Springs	88.2%	4.8%	7.0%
10-South 1st/Red River	88.5%	3.8%	7.7%
17-Cesar Chavez	91.1%	4.0%	4.9%
18-Martin Luther King	89.8%	3.2%	7.0%
19-Bull Creek	90.2%	1.5%	8.3%
20-Manor Rd/Riverside	84.1%	7.1%	8.7%



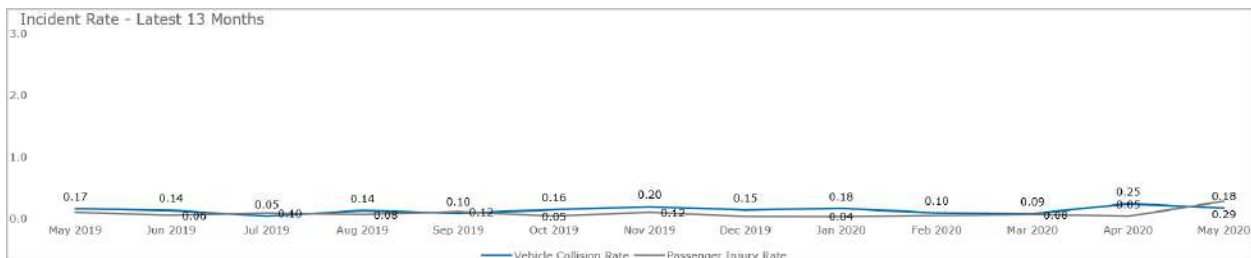
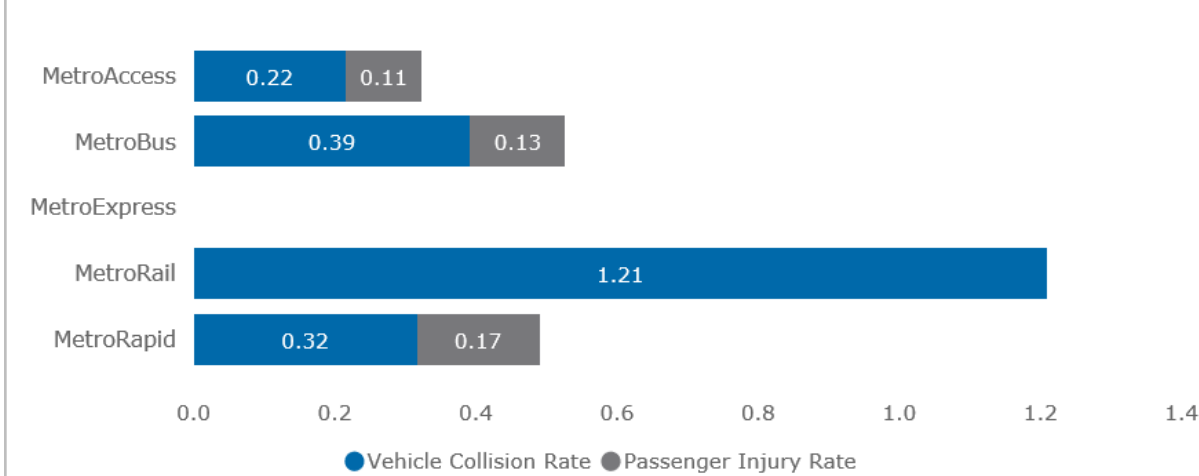
¹ All dashboards and graphs are representative of data available and not reflective of current data.

Safety Dashboard²

Safety is not only a priority but a core value at Capital Metro. We collect and closely analyze safety-related data that assists in maintenance, facility repair, training, communication, change management and hazard mitigation decisions, all helping to provide our customers with the safest possible ride. Safety data is collected in accordance with Federal Transit Administration and Federal Railroad Administration regulations.

Route	Vehicle Collision Rate	Passenger Injury Rate
1-North Lamar/South Congress	0.01	0.01
2-Rosewood	0.01	0.00
3-Burnet/Manchaca	0.01	0.02
6-East 12th	0.00	0.01
7-Duval / Dove Springs	0.05	0.02
10-South 1st/Red River	0.05	0.01
17-Cesar Chavez	0.00	0.01
20-Manor Rd/Riverside	0.05	0.01
217-Montopolis Feeder	0.00	0.01
228-VA Clinic	0.01	0.00
300-Springdale/Oltorf	0.06	0.02
310-Parker/Wickersham	0.01	0.00
311-Stassney	0.01	0.01
322-Chicon/Cherrywood	0.01	0.00

Incident Rates By Service ?

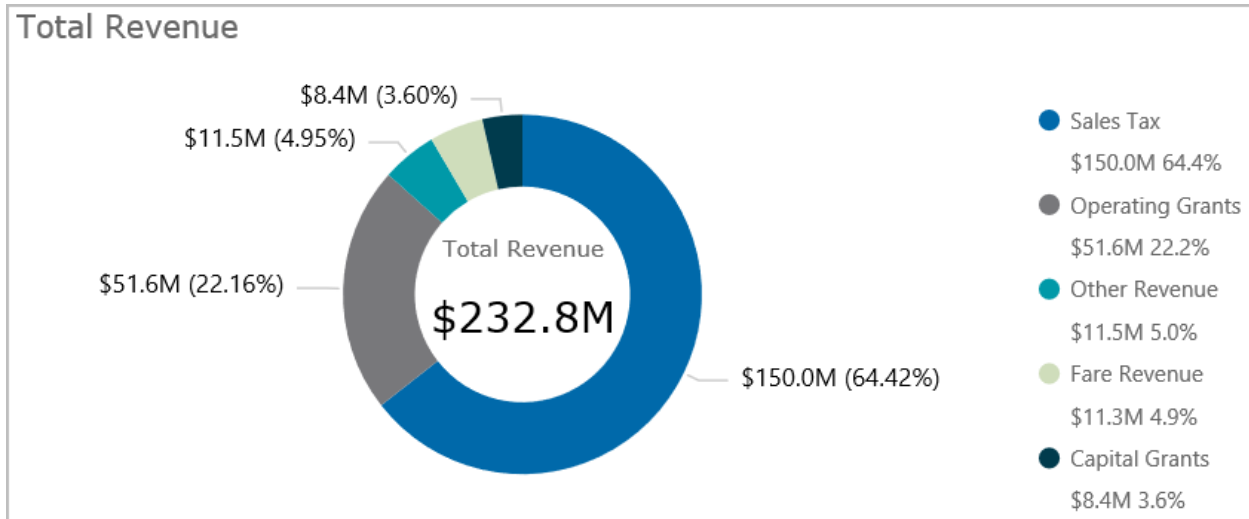


² All dashboards and graphs are representative of data available and not reflective of current data.

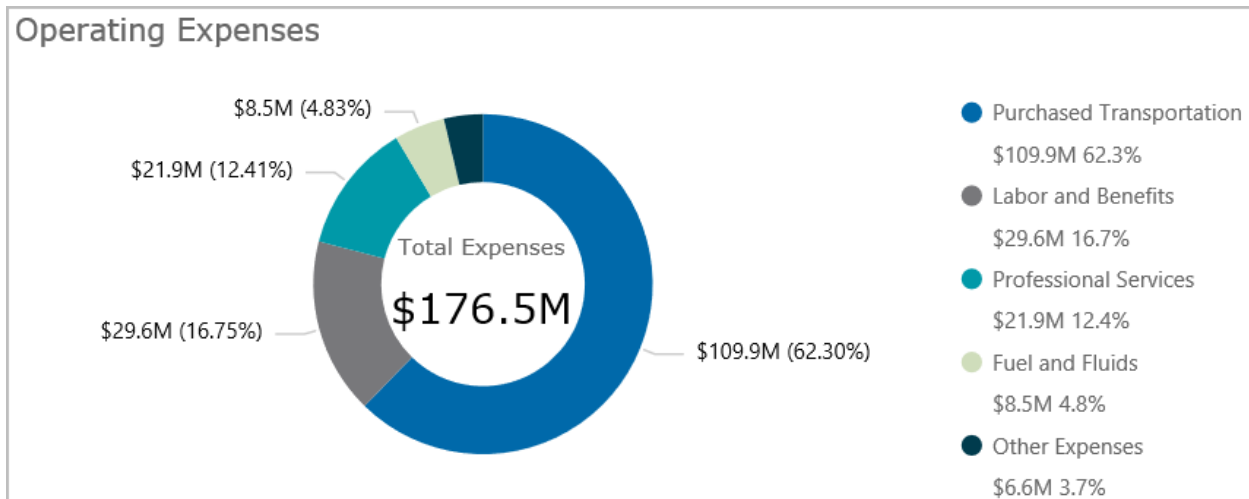
Finance Dashboard³

The operating budget projects both operating expenses and revenues. Revenues include sales taxes, operating grants, other revenue, fare revenue and capital grants. Operating expenses include purchased transportation, labor and benefits, professional services, fuel and fluids, other expenses. Capital Metro budgets for each of these on an annual basis and then compares actual revenues and expenditures each month to the targets to ensure that we stay on track.

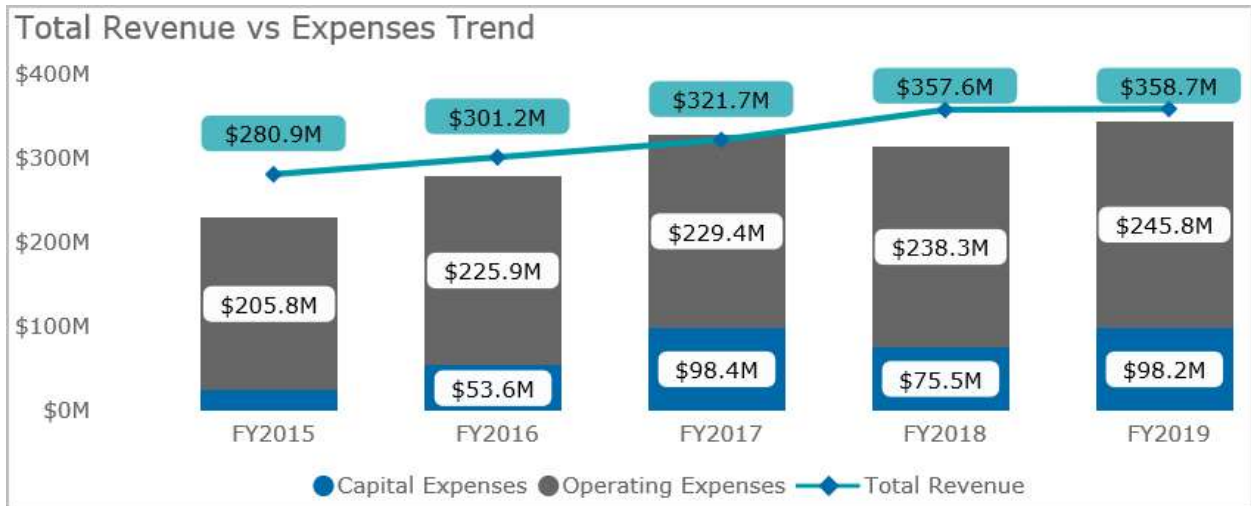
Operating Revenue



Operating Expenses

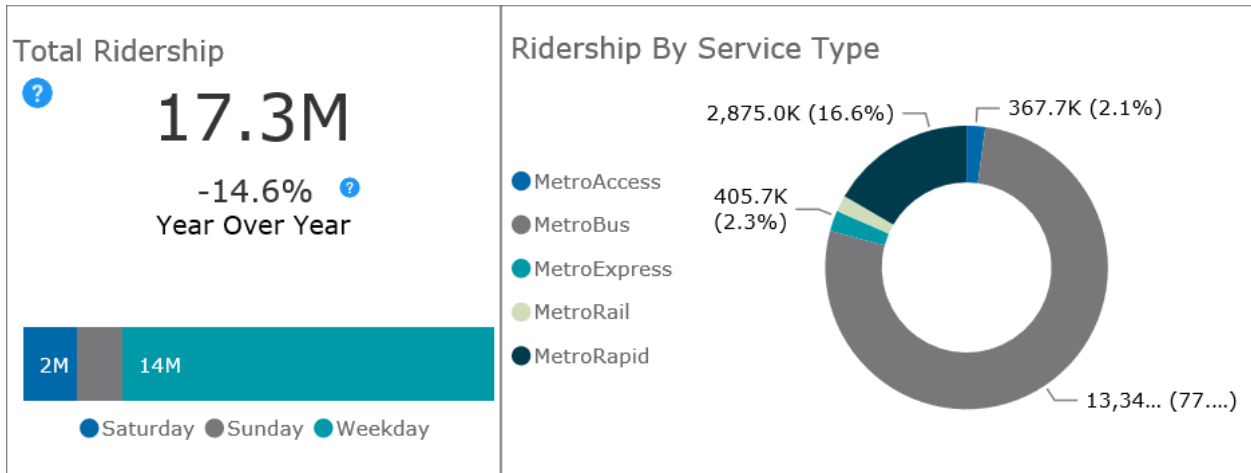


³ All dashboards and graphs are representative of data available and not reflective of current data.



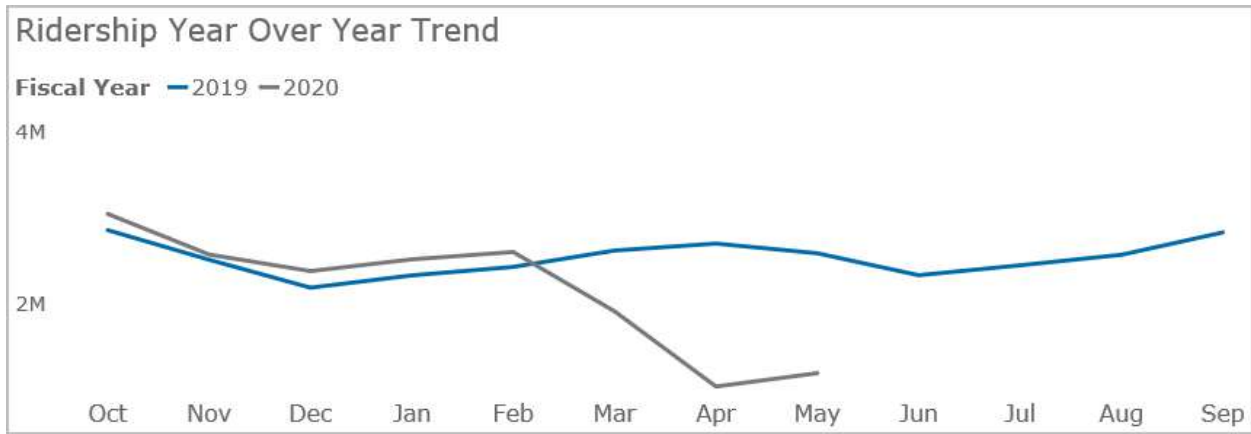
Ridership Dashboard⁴

Ridership data represents how many trips are taken on Capital Metro services. The ridership figures are the total boardings of all Capital Metro bus, rail and paratransit services in a selected time period. Ridership is calculated using various methods for different services. The data shows individual rides on vehicles (not trips), so customers making transfers are counted on each vehicle they take.

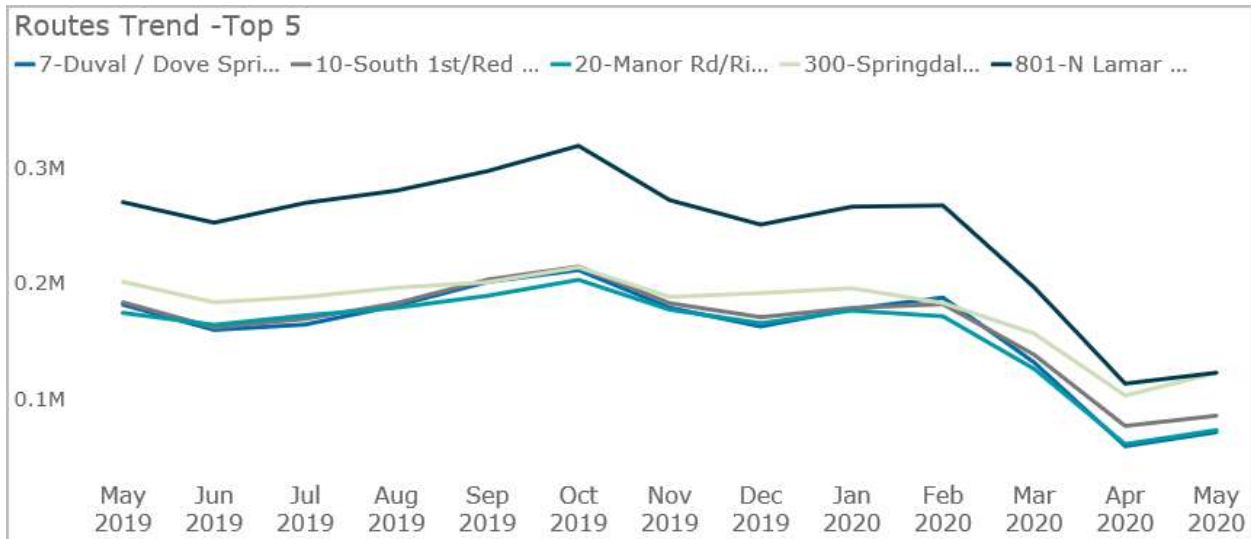


⁴ All dashboards and graphs are representative of data available and not reflective of current data.

Ridership Year Over Year Trend



Routes Trend - Top 5



Route Performance⁵

Each Capital Metro route serves different segments of our community. The data in this dashboard shows how a selected route performs on a variety of metrics by month.

801-N Lamar S Congress	
Weekday Data	
Customers per Hour	Vehicle Hours
(?) 32	(?) 335
Customer Average	
10,582	

⁵ All dashboards and graphs are representative of data available and not reflective of current data.

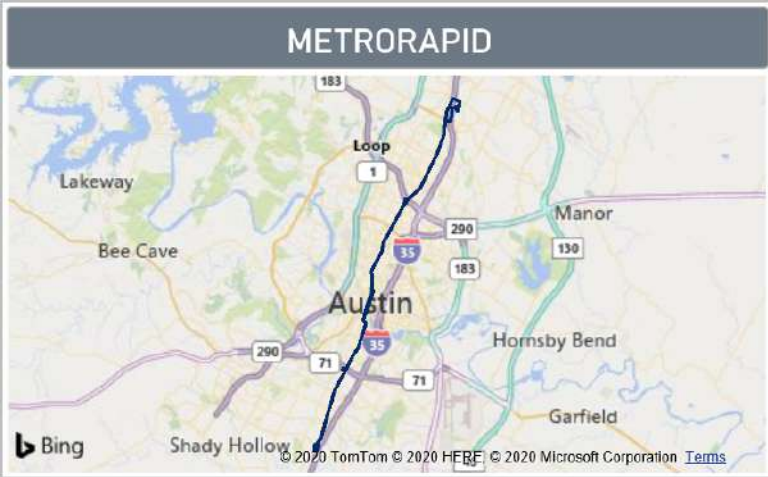


February 2020

Route Frequency

Service Day	Day	Evening	Peak	Schedule
Weekday	10	20	10	🔗
Saturday	15	20	-	🔗
Sunday	15	30	-	🔗

Follow the link above to view this route's complete schedule and map.



Monthly Data

Total Monthly Route Cost 🔗 ? \$892,853	Total Ridership 🔗 ? 267,492
Vehicle Collision Rate 🔗 ? 0.00 <small>per 100K miles</small>	Passenger Injury Rate 🔗 ? 0.00 <small>per 100K riders</small>
On Time Performance 🔗 ? 83.0 %	

[See Detailed Data](#)

4

Capital Budget



Capital Budget

Consistent with Texas State Senate Bill 650, Capital Metro prepared a five-year Capital Improvement Plan (CIP) for capital projects that support its strategic goals. The CIP is updated annually and addresses replacement and expansionary requirements for public transportation service in Central Texas. The five-year CIP describes each planned project, including project type, estimated funding sources and anticipated impact on operational costs.

Capital Metro's Capital Improvement Program Policy guides funding decisions during the budget review process and subsequent reporting of progress on individual projects. Capital Metro's planning process typically covers a five-year period but extends longer into the future when a major service plan update is undertaken every five years. The Capital Improvement Program policy addresses several areas, including project financing, project monitoring and criteria for prioritization of projects. The projects included in the five-year CIP were selected based upon board-approved criteria regarding project priorities. These criteria are outlined in the policy and include:

- Customer Experience – Providing innovations that improve the individual experience of customers, that make the use of Capital Metro services easier and more convenient and that enhance the reliability of Capital Metro services from a customer perspective.
- Environmental/Quality of Life Impact – Investing in equipment, adapting facilities or enhancing service infrastructure to support overall environmental/quality of life benefits such as improved air quality.
- Health and Safety – Ensuring the physical well-being of customers, employees and the public.
- Mandates – Ensuring compliance with federal and state mandates, such as the Americans with Disabilities Act.
- Regional Economic Development – Investing in projects that enhance the general economic development of the region, including improvements to the transportation infrastructure, the development of new and expanded business opportunities and job creation.
- Ridership – Maintaining current riders and attracting new customers.
- State of Good Repair – Maintaining the current “core business” through investments in projects that are necessary to operate the existing infrastructure or add an additional dimension/mode to existing systems and including adherence to maintenance and replacement cycles.
- Technologies/Efficiencies – Instituting improvements that can produce quantifiable operating efficiencies and make better use of resources or implementing projects that minimize additional operating expenses.
- Transit-Oriented Development – Investing in projects that stimulate the development of current property with opportunities for private investment, increased revenue and ridership and encouraging partnerships with other organizations.

Capital acquisitions represent the purchase of equipment and other assets of \$5,000 or more with a useful life greater than one year.

Capital projects typically include construction, fleet acquisition or technology projects that are developmental in nature and span more than one fiscal year. Capital projects often involve two or more components of cost (equipment, labor, professional services).



Capital Metro anticipates grant funding of \$8.9 million in FY2021 for projects that meet eligibility requirements. Other capital contributions of \$1.6 million are also anticipated and are funded by reimbursements from TxDOT for work completed along Capital Metro's commuter rail line, MetroRapid stations at the new soccer park at McKalla Place from private developer Two Oaks Venture, owner of Austin FC, and the city of Austin for stormwater improvements at the Downtown Station.

The approved capital budget for FY2021 and the five-year CIP are included in Appendix A. Project summaries, funding sources, benefits and the applicable strategic goals and objectives for each capital project summary are provided. When a planned project summary will have an impact on operating costs, the estimated impact is identified.



FY2021 Capital Projects

Project Name	FY2021 Approved Budget
Facilities and Real Estate	
Facility State of Good Repair	\$ 721,781
Facilities and Real Estate Total	721,781
Information Technology Systems and Infrastructure	
Information Technology - Enterprise Systems	5,453,053
Information Technology - Infrastructure	1,763,500
Information Technology - Transit Systems	6,463,918
Information Technology Systems and Infrastructure Total	13,680,471
Infrastructure Development	
Bus Stop Amenities and Enhancements	2,409,975
Bus Stops - New	915,000
Bus Stops - New Grants and Capital Contributions	(640,000)
Downtown Station	10,909,559
Downtown Station Grants and Capital Contributions	(723,800)
Facility Enhancements	11,170,263
Facility Enhancements Grants and Capital Contributions	(3,919,557)
Infrastructure Development Total	20,121,440
Project Connect	
Project Connect	33,480,520
Project Connect Total	33,480,520
Public Safety and Emergency Management	
Public Safety and Emergency Management Equipment and Enhancements	1,622,000
Public Safety and Emergency Management Total	1,622,000
Railroad Commuter	
Railroad Commuter Enhancements	5,254,000
Railroad Commuter Enhancements Grants and Capital Contributions	(105,000)
Railroad Commuter Regulatory	6,308,417
Railroad Commuter State of Good Repair	5,553,860
Railroad Commuter State of Good Repair Grants and Capital Contributions	(3,103,227)
Railroad Commuter Total	13,908,050



Project Name	FY2021 Approved Budget
Railroad Freight	
Railroad Freight State of Good Repair	4,045,000
Railroad Freight State of Good Repair Grants and Capital Contributions	(2,315,570)
Railroad Freight Total	1,729,430
Vehicles	
Bus Fleet	50,000
Fleet System Enhancements	890,000
Non-Revenue Fleet	228,190
Paratransit Fleet	2,149,000
Vehicles Total	3,317,190
Capital Project Contingency	7,000,000
Grand Total Capital Spending	\$ 106,388,036
Grand Total Grants and Capital Contributions	\$ (10,807,154)
Grand Total Capital Spending Net of Grants and Capital Contributions	\$ 95,580,882

5

Long-Range Financial Plan



Long-Range Financial Plan Fiscal Years 2021 to 2030

Long-Range Financial Plan Overview

The Long-Range Financial Plan (LRFP) is a 10-year plan for the Capital Metropolitan Transportation Authority that forecasts the Authority's financial resources and projected expenditures based on planned levels of service and the strategic goals of Capital Metro.

The LRFP focuses primarily on the forecast of future revenue and the operating and capital expenditures of the agency. The LRFP analyzes future expenditure trends with an emphasis on the agency's negotiated purchased transportation contracts, administrative wages and benefits, outside services, state of good repair needs and capital priorities. Capital Metro's Strategic Plan identifies the vision, mission and strategic priorities for the next five years. The LRFP was developed using the adopted strategic priorities as guidelines.

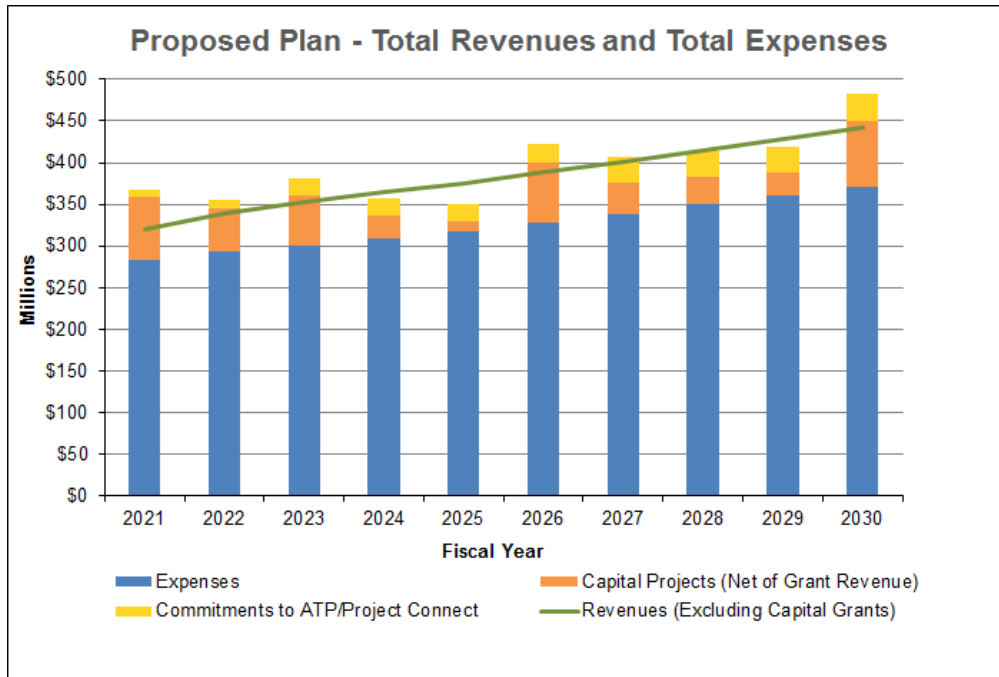
Long-Range Financial Plan Modeling Tool

The agency has developed a 10-year flexible financial modeling tool, which can model various financial and service level scenarios. The Long-Range Financial Plan was modeled for 3 scenarios: the first scenario is the proposed plan that takes into account the current recession and the most likely timing of a recovery. Two additional scenarios were run assuming a slower recovery and faster recovery. 10-year projections of revenue and expenditures are used to evaluate Capital Metro's future financial condition and capacity to fund existing and future commitments. The growth assumptions in the plan are based primarily on historical growth, projected inflation and existing contractual obligations. Any major budget decision impacting the agency's budget can be modeled, showing the financial impact on the budget and the 10-year forecast.

The modeling tool has been beneficial for the agency as it has navigated through the uncertainty of the COVID-19 pandemic and the tool continues to be used and updated to understand various revenue scenarios and decreases in sales tax and fare revenues that the agency is experiencing. The model has assisted in aligning Capital Metro's financial capacity with long-term service objectives and identifying and analyzing financial challenges to fiscal stability due to the impacts of the COVID-19 pandemic.

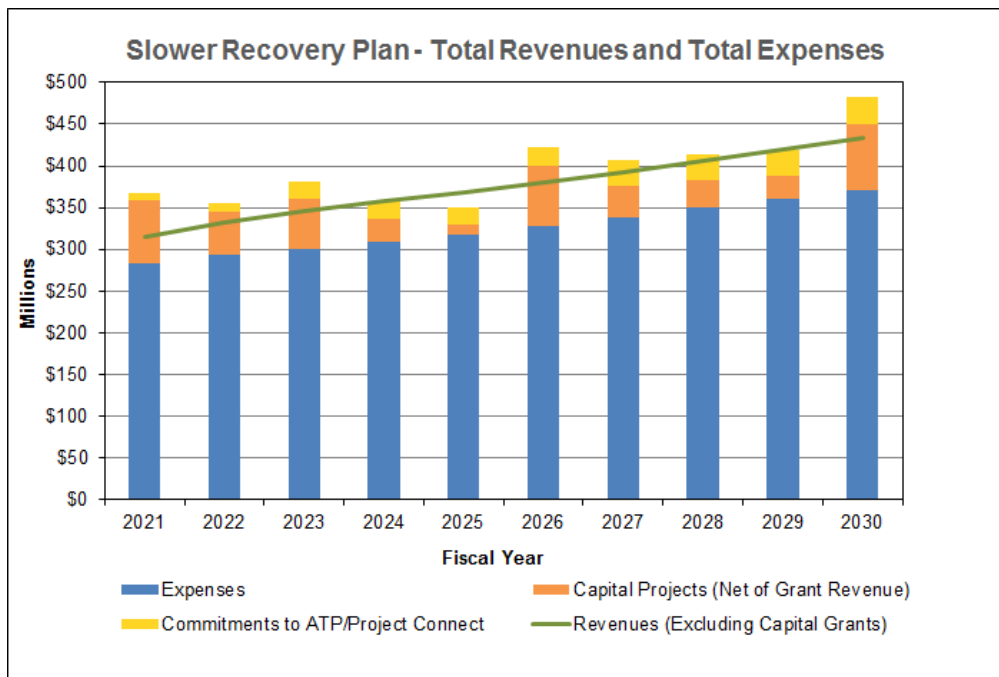
Proposed Plan

The Proposed plan is a recession scenario that demonstrates a balanced budget over the next 10 years for financial sustainability by aligning cost growth with revenue growth. The scenario is based on current conditions and estimated future impacts of the COVID-19 pandemic along with agency commitments. The plan uses the agency's "Most Likely" sales tax scenario and has declining sales tax revenue through Fiscal Year 2021 with an upturn in Fiscal Years 2022 and 2023 and growth of 3.75% thereafter. Periodic fare increases are included to keep pace with inflation. Small increases in service hours are included for FY2021 and beyond. Contractual increases are included for purchased transportation contractor rates and 2 percent for longer-term fuel cost growth based on current markets. This scenario correlates operating and capital expenditures to sales tax growth and provides the ability to increase spending if higher sustained sales tax growth is obtained. Included in the Proposed plan are commitments to Project Connect and the Austin Transit Partnership (ATP) as Capital Metro looks forward to the future and opportunities in the region.



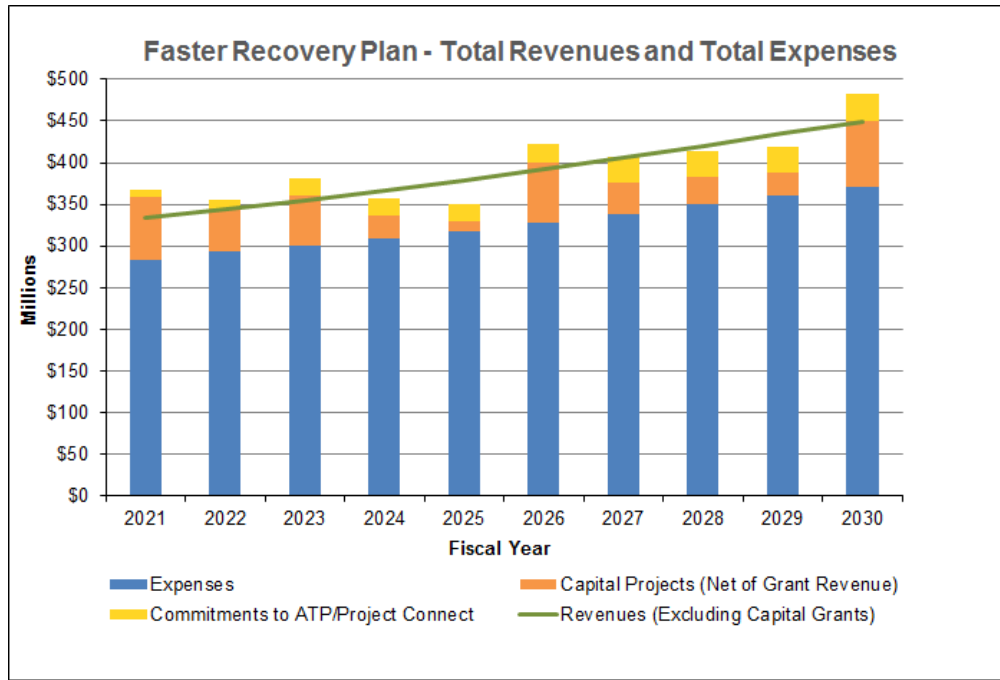
Slower Recovery Plan

Capital Metro modeled a Slower Recovery plan that demonstrates the impact that a sales tax recovery lag would have on the agency over the next 10 years. This scenario is also based on current conditions and estimated future impacts of the COVID-19 pandemic along with agency commitments and uses the agency's "Slower Recovery" sales tax scenario and has a steeper decline in sales tax revenue through Fiscal Year 2021. With this scenario, an anticipated cash shortage will develop in FY2027. If the recession is deeper or longer as represented in this plan, then recurring costs will need to be reduced to align with revenues and to ensure that the agency's sustainability is continued. Commitments to Project Connect and the Austin Transit Partnership (ATP) are also included in this scenario as Capital Metro looks forward to the future and opportunities in the region.



Faster Recovery Plan

Capital Metro modeled a Faster Recovery plan that shows a more optimistic recovery in sales tax for the region and a higher sustained growth over the next 10 years. This scenario is also based on current conditions and estimated future impacts of the COVID-19 pandemic along with agency commitments and uses the agency's "Faster Recovery" sales tax scenario and has a slight year over year increase in sales tax revenue for Fiscal Year 2021. With this scenario, increased revenues could potentially fund additional service expansion and/or infrastructure. Commitments to Project Connect and the Austin Transit Partnership (ATP) are included in this scenario as Capital Metro looks forward to the future and opportunities in the region.



Long-Range Financial Plan Risks

The purpose of the Long-Range Financial Plan is to provide a forecast of the Authority's financial resources and projected expenditures based on planned levels of service and the strategic goals of Capital Metro. While the LRFP uses the most current estimates and data available, there are inherent risks to long-term projections. Significant risks to the plan include, but are not limited to:

- COVID-19 uncertainty, duration and impact
- Slow recovery in sales tax growth
- Significant recession
- Changes to Federal grant funding programs
- Unforeseen regulatory or capital needs
- Future contracted rates with service providers
- Compensation and benefit plan increases
- Unforeseen technological changes

Conclusions and Recommendations

During this time of revenue uncertainty, Capital Metro will continue to monitor and quickly respond to the pandemic and related economic developments. The agency needs to proceed with caution and ensure that future spending is aligned with revenue growth for both the short-term and long-term. The agency needs to maintain at least \$46 million in annual net cash flow to maintain assets in a state of good repair.

6

Operating Detail by Department





Summary of Department Expenses

	FY2019 Actual	FY2020 Budget	FY2020 Forecast	FY2021 Budget	FY2021 v. FY2020 (\$)	FY2021 v. FY2020 (%)
Board of Directors Support	\$ 206,130	\$ 216,521	\$ 153,126	\$ 195,532	\$ (20,989)	-9.7%
Business Center	375,287	382,952	361,380	361,378	(21,574)	-5.6%
Capital Projects	1,821,874	2,067,055	1,933,663	2,021,952	(45,103)	-2.2%
Child Care and Learning Center	938,404	995,100	995,100	1,037,505	42,405	4.3%
Community Engagement	962,549	1,343,783	1,032,820	1,409,417	65,634	4.9%
Customer Care	929,626	1,089,800	1,021,283	1,089,310	(490)	0.0%
Demand Response Oversight	26,647,690	29,463,626	29,368,394	29,748,758	285,132	1.0%
Diversity and Compliance	225,082	226,920	226,617	304,466	77,546	34.2%
Executive Staff	799,214	895,083	711,453	717,034	(178,049)	-19.9%
Finance	3,462,380	7,200,438	14,472,943	9,633,515	2,433,077	33.8%
Government Relations	953,434	986,242	951,882	637,302	(348,940)	-35.4%
Information Technology	10,417,497	12,117,860	12,166,433	13,335,134	1,217,274	10.0%
Innovative Mobility	827,475	4,474,781	3,943,110	4,990,649	515,868	11.5%
Internal Audit	337,537	376,707	508,225	513,404	136,697	36.3%
Legal	822,784	1,020,524	994,354	1,045,203	24,679	2.4%
Marketing and Communications	3,119,605	4,118,596	3,481,819	4,100,438	(18,158)	-0.4%
Mobility Interlocal Agreements	7,637,588	6,065,188	4,639,736	4,844,496	(1,220,692)	-20.1%
Non-Allocated Employee Benefits	14,806,896	14,302,571	14,965,473	15,030,470	727,899	5.1%
Operations and Maintenance Oversight	134,458,499	130,536,575	130,046,640	131,217,544	680,969	0.5%
Paratransit Eligibility	866,387	969,283	916,032	1,014,846	45,563	4.7%
Paratransit Reservations and Control Center	1,907,453	2,004,141	1,981,253	2,070,741	66,600	3.3%
People and Culture	2,024,606	2,427,577	2,262,173	2,447,163	19,586	0.8%
Procurement	1,502,224	1,713,479	1,708,042	1,757,061	43,582	2.5%
Project Connect	3,895,780	17,623,800	17,149,108	1,100,795	(16,523,005)	-93.8%
Property and Asset Management	1,666,711	2,981,449	2,829,990	3,605,771	624,322	20.9%
Public Facilities	4,807,039	5,281,132	5,092,371	5,355,178	74,046	1.4%
Public Safety and Emergency Management	4,401,348	5,161,623	5,311,999	5,864,731	703,108	13.6%
Rail Commuter Operations	14,707,328	21,160,113	18,558,397	21,653,520	493,407	2.3%
Rail Freight Management	1,663,084	2,016,060	1,593,964	2,009,996	(6,064)	-0.3%
Real Estate and Facility Planning	2,028,813	2,468,420	2,997,174	3,079,903	611,483	24.8%
RideShare	2,930,074	3,303,363	3,196,520	3,774,235	470,872	14.3%
Safety, Risk Management, & Accessible Services Management	2,155,429	2,844,755	2,677,012	2,788,933	(55,822)	-2.0%
Strategic Operations Management and Administration	748,347	846,074	751,616	763,054	(83,020)	-9.8%
Strategic Planning and Development	2,299,092	5,060,626	3,731,424	4,334,525	(726,101)	-14.3%
Wellness and Fitness Centers	262,674	278,701	261,375	278,701	—	0.0%
CMTA Total	\$257,615,940	\$294,020,918	\$292,992,901	\$284,132,660	\$ (9,888,258)	-3.4%

Board of Directors Support

The Board of Directors Support department provides support to the board of directors and president and chief executive officer to achieve the strategic mission and vision of Capital Metro. The department coordinates monthly board and committee meetings and periodic work sessions on strategic issues. The department works with the Legal department to ensure compliance with the Texas Transportation Code, Section 451 and Texas Open Meetings Act requirements. The department also facilitates communication between the board of directors, Capital Metro staff and members of the public.

FY2020 Accomplishments

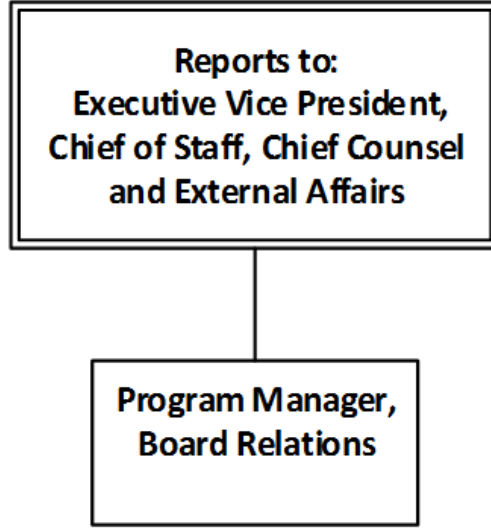
- ◆ High-Quality Customer Experience
 - Hosted off-site Austin City Council/Capital Metro board of directors joint meetings in support of Project Connect initiatives.
 - Successfully implemented remote video conference board meetings during the COVID-19 pandemic.

FY2021 Planned Initiatives

- ◆ High-Quality Customer Experience
 - Continue to look at ways to improve access to Capital Metro board meeting backup materials, broadcasts and meeting archives.
 - Host meetings at locations other than Capital Metro's headquarters and at other times of day to encourage additional public participation.



Board of Directors Support Department Organizational Chart



Budget Changes

Other Expenses

Decrease of \$22,060 primarily in Other Services because the FY2020 budget included closed captioning and audio-visual expenses for joint Project Connect meetings with the city of Austin. The few remaining work sessions will occur via remote meeting at no cost.

	FY2019 ACTUAL	FY2020 BUDGET	FY2020 FORECAST	FY2021 BUDGET	Var \$ FY2021 vs. FY2020	Var % FY2021 vs. FY2020
LABOR & BENEFITS						
Salaries & Wages - Admin.	\$117,378	\$112,018	\$113,416	\$112,838	\$820	0.7 %
FICA-Admin	9,713	8,384	8,384	8,636	252	3.0 %
State Unemployment-Admin	266	179	179	178	(1)	(0.6)%
TOTAL LABOR & BENEFITS	127,357	120,581	121,979	121,652	1,071	0.9 %
OTHER EXPENSES						
Courier And Delivery Services	3	60	—	—	(60)	(100.0)%
Other Services	30,081	40,000	17,917	19,600	(20,400)	(51.0)%
Office Supplies	1,685	900	721	600	(300)	(33.3)%
Supplies-Board Of Directors	544	900	850	600	(300)	(33.3)%
Other Supplies	10	—	—	—	—	N/A
Telephone-Local	480	300	300	420	120	40.0 %
Airfare - Transportation	9,470	15,600	187	15,600	—	0.0 %
Travel - Per Diem	3,681	3,000	279	3,200	200	6.7 %
Seminar, Conferences, Registration	17,999	12,600	2,220	12,600	—	0.0 %
Lodging	5,515	13,500	2,163	13,500	—	0.0 %
Travel - Other	540	60	60	60	—	0.0 %
Business Meals - Local	6,897	6,000	6,000	7,200	1,200	20.0 %
Postage	—	20	—	20	—	0.0 %
Food and Ice	1,865	3,000	450	480	(2,520)	(84.0)%
TOTAL OTHER EXPENSES	78,773	95,940	31,147	73,880	(22,060)	(23.0)%
TOTAL OPERATING EXPENSES	\$206,130	\$216,521	\$153,126	\$195,532	(\$20,989)	(9.7)%

Business Center

Functions and Responsibilities

The Business Center department provides support services to Capital Metro, including printing, copying, lost and found delivery to the Transit Store and mail and delivery services through a contracted solution.

FY2020 Accomplishments

- ◆ High-Quality Customer Experience
 - Continued uninterrupted delivery of lost customer items to the Transit Store to facilitate returning items to customers.
 - Completed short deadline projects to provide communications to customers during the COVID-19 pandemic.
- ◆ Engaged Workforce
 - Provided uninterrupted services during COVID-19 pandemic including short deadline projects to express thanks to frontline employees.
- ◆ Sustainability
 - Reduced number of printed pages by 32% compared to FY 2019.
 - Provided document, delivery and mail services to meet department needs at a reduced cost compared to the prior year.

FY2021 Planned Initiatives

- ◆ High-Quality Customer Experience
 - Daily delivery of lost customer items to the Transit Store to facilitate returning items to customers.
 - Provide printing services to facilitate customer communications.
- ◆ Engaged Workforce
 - Develop and implement streamlined process for delivery of recognition items to employees.
- ◆ Sustainability
 - Identify strategies to further reduce printing of documents to save paper resources.
 - Document delivery and mail services to meet department needs at a competitive cost.

Budget Changes

Other Expenses

Decrease of \$21,574 due to an anticipated \$64,390 decrease to Other Services related to reduced courier use, partially offset by a \$22,000 increase in Office Supplies and \$20,816 in Office Equipment.

	FY2019 ACTUAL	FY2020 BUDGET	FY2020 FORECAST	FY2021 BUDGET	Var \$ FY2021 vs. FY2020	Var % FY2021 vs. FY2020
OTHER EXPENSES						
Courier And Delivery Services	111	—	—	—	—	N/A
Other Services	253,845	286,848	222,460	222,458	(64,390)	(22.4)%
Office Supplies	4,027	2,000	24,000	24,000	22,000	N/A
Other Miscellaneous Expenses	51	—	—	—	—	N/A
Office Equipment	117,253	94,104	114,920	114,920	20,816	N/A
TOTAL OTHER EXPENSEX	375,287	382,952	361,380	361,378	(21,574)	(5.6)%
<hr/>						
TOTAL OPERATING EXPENSES	375,287	382,952	361,380	361,378	(21,574)	(5.6)%

Capital Projects

Functions and Responsibilities

The Capital Projects department is responsible for the planning, design, development and construction of capital projects to provide customer, operational and administrative facilities. The department serves as the central area for the project management, design and construction of all capital facilities projects, including bus stops, grant-funded projects, Park & Rides, transit centers, rail stations and rail infrastructure.

FY2020 Accomplishments

◆ High-Quality Customer Experience

- Continued construction of the new Downtown Station, scheduled to open in Spring 2021.
- Completed the new temporary rail platform downtown to continue rail service during construction.
- Completed construction of Stage 1 of the new North Operations electric bus yard.
- Installed charging pedestals for Cap Metro's first 12 electric buses.
- Completed the Pinnacle Park & Ride to replace the former Oak Hill Park & Ride.
- Completed improvements at the Norwood Transit Center including an art installation.
- Initiated construction of the new transit service improvements adjacent to the ACC Riverside campus.
- Completed the installation of 154 bus stop shelters, benches and litter containers.
- Installed solar lighting at 124 bus stops with shelters.
- Added additional shade panels to 12 existing shelters.
- Completed 45 concrete bus stop improvements for new bus stops and relocated existing bus stops for safety and consolidation.
- Completed and updated all Capital Metro bus stops with new neighborhood signs.
- Completed engineering design for the North Lamar Transit Center renovation.
- Coordinated with CARTS on the implementation of the Eastside Bus Plaza.
- Installed an additional fuel dispenser at the North Operations Rail Maintenance Facility.
- Completed the signal system for the new double track between Plaza Saltillo Station and I-35.
- Completed installation of 2 ticket vending machines, ePaper digital sign and security camera at Republic Square.
- Completed installation of 7 additional ADA parking spaces for Capital Metro customers at New Life Park & Ride.

◆ Engaged Workforce

- Completed remodel of 624 North Pleasant Valley Administrative Annex to accommodate the Demand Response, Security, People & Culture departments.
- Completed remodel and relocation of administrative staff to Travis County building at 700 Lavaca.
- Began design for Administrative Headquarters remodel.

◆ Valued Community Partner

- Assisted with Project Connect project development initiative.
- Assisted with the implementation of the positive train control system.
- Developed prototype renderings for a future bus stop and MetroRapid station.

FY2021 Planned Initiatives

◆ High-Quality Customer Experience

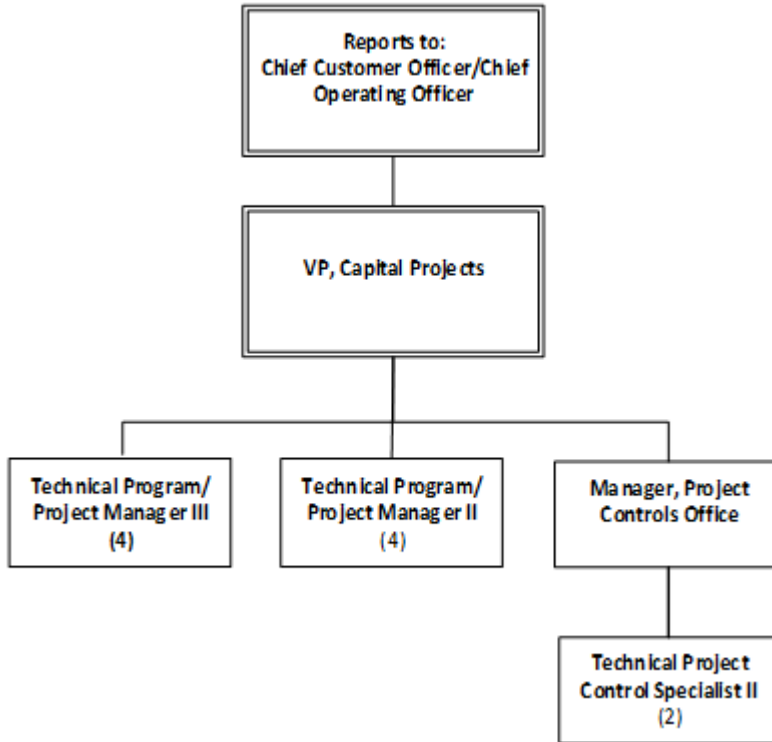
- Complete the construction of the new Downtown Station.
- Coordinate with the city of Austin to improve safety at the I-35/4th Street pedestrian crossing.
- Complete the final stage of construction of the new North Operations electric bus yard.
- Complete construction of the ACC Riverside Transit Center relocation and improvements.
- Construction of two additional MetroRapid stations near the intersection of Braker Lane and Burnet Road.
- Complete renovation at North Lamar Transit Center.
- Install 15 additional bus stop shelters, benches and litter containers.
- Install 30 additional solar lighting at bus stops with shelters.
- Coordinate and install ePaper digital message signs at designated Park & Rides and Transit Centers.
- Complete coordination and construction at the CARTS Eastside Bus Plaza.
- Complete the installation of four solar towers with surveillance cameras at Pinnacle Park & Ride and ACC Riverside Transit Center.

◆ Engaged Workforce

- Remodel and relocate administrative staff to 2910 East 5th Street.



Capital Projects Department Organizational Chart



Budget Changes

Labor and Benefits

Decrease of \$14,564 due to vacant position budgeted at mid-point.

Other Expenses

Decrease of \$30,539 driven by \$150,000 in Non-Capital Projects due to administrative facilities moving expenses in FY2020 and reduced transit street improvement projects. Increase of \$76,320 in Temporary Help due to the need for additional administrative help. Increase of \$75,000 for Capital Contributions-Other Jurisdictions due to new pedestrian hybrid beacons to increase safety at bus stops that the city of Austin will own and maintain.



	FY2019 ACTUAL	FY2020 BUDGET	FY2020 FORECAST	FY2021 BUDGET	Var \$ FY2021 vs. FY2020	Var % FY2021 vs. FY2020
LABOR & BENEFITS						
Salaries & Wages - Admin.	\$1,157,897	\$1,397,382	\$1,304,807	\$1,385,067	(\$12,315)	(0.9%)
FICA-Admin	83,758	104,550	104,550	102,300	(2,250)	(2.2%)
State Unemployment-Admin	1,494	2,159	2,159	2,160	1	0.0%
TOTAL LABOR & BENEFITS	1,243,148	1,504,091	1,411,516	1,489,527	(14,564)	(1.0%)
OTHER EXPENSES						
Other Professional Fees	72,163	100,000	55,150	100,000	—	0.0%
Permits And Fees	—	20,000	5,040	5,000	(15,000)	(75.0%)
Temporary Help	—	—	55,000	76,320	76,320	N/A
Other Services	81,059	130,000	120,943	108,000	(22,000)	(16.9%)
Office Supplies	6,423	5,000	5,000	1,000	(4,000)	(80.0%)
Other Supplies	1,861	600	600	300	(300)	(50.0%)
Maintenance Materials	—	—	—	7,500	7,500	N/A
Non-Capital Projects	219,998	290,000	272,031	140,000	(150,000)	(51.7%)
Telephone-Local	960	960	960	960	—	0.0%
Dues And Subscriptions	3,201	3,804	3,804	3,545	(259)	(6.8%)
Airfare - Transportation	1,264	2,000	—	2,000	—	0.0%
Travel - Per Diem	538	1,000	—	1,000	—	0.0%
Seminar, Conferences, Registration	2,334	5,250	3,019	5,550	300	5.7%
Lodging	1,660	3,750	—	3,750	—	0.0%
Travel - Other	244	—	—	—	—	N/A
Business Meals - Local	766	600	600	2,500	1,900	316.7%
Postage	25	—	—	—	—	N/A
Other Miscellaneous Expenses	56	—	—	—	—	N/A
Expense Reimbursement	—	(200,000)	(200,000)	(200,000)	—	0.0%
Capital Contributions-Other Jurisdictions	186,174	200,000	200,000	275,000	75,000	37.5%
TOTAL OTHER EXPENSES	578,726	562,964	522,147	532,425	(30,539)	(5.4%)
TOTAL OPERATING EXPENSES						
	\$1,821,874	\$2,067,055	\$1,933,663	\$2,021,952	(\$45,103)	(2.2%)

Child Care and Learning Center

Functions and Responsibilities

The Capital Metro Child Care and Learning Center opened July 31, 2006. It is operated by Bright Horizons Family Solutions through a contract with Capital Metro. The center provides an onsite child development environment to the families of Capital Metro, service contractors and the community. During its years of operation, a lower turnover and absenteeism rate for employees using the center has been achieved. The subsidy for Capital Metro employees is about 20 percent of operating costs and community members pay full tuition. The cost of the facility is offset by tuition revenue, estimated to be \$871,500 in FY2021. This contract is managed by the People and Culture department.

FY2020 Accomplishments

- ◆ Sustainability
 - Reviewed and adjusted tuition levels to further reduce subsidy.
- ◆ Valued Community Partner
 - Provided opportunities for free childcare for families who qualified for Texas Workforce Commission (TWC) COVID-19 pandemic Frontline Essential Worker Child Care program.
 - Continued operation of Childcare Center as a benefit to the community during the COVID-19 pandemic and implemented safety protocols as required by the Centers for Disease Control and Austin Public Health.

FY2021 Planned Initiatives

- ◆ Engaged Workforce
 - Education and Training: In addition to existing mandatory training, will launch new education and training on unconscious bias and anti-racism for employees. Staff will complete training through the Texas A&M AgriLife Extension Service.
 - Classroom Curriculum: Strengthen existing Toward a Better World curriculum element focused on anti-racism, inclusion and equity.
 - Parent Communication: The center will continue to utilize My Bright Day as the main mode of written communication with parents. Through the use of My Bright Day, parents receive pictures of their children actively engaged in learning activities.
 - Parent Training: As a Bright Horizons family, parents have access to weekly webinars and child activities to complete at home through our World at Home website.
- ◆ Sustainability
 - Review and adjust tuition levels to further reduce subsidy.
 - Maintain existing National Association for the Education of Young Children accreditation.
 - Bright Horizons will continue to implement enhanced protocols to support the health and safety of children, employees, and parents. The center will also strive to maintain Eco Healthy Child Care certification.

Budget Changes

Other Expenses

Increase of \$42,405 due to a contractual increase in Other Professional Fees offset by \$7,000 in reduction of supplies needed for FY2021.

	FY2019 ACTUAL	FY2020 BUDGET	FY2020 FORECAST	FY2021 BUDGET	Var \$ FY2021 vs. FY2020	Var % FY2021 vs. FY2020
OTHER EXPENSES						
Other Professional Fees	938,404	988,100	988,100	1,037,505	49,405	5.0 %
Other Supplies	—	7,000	7,000	—	(7,000)	(100.0)%
TOTAL OTHER EXPENSES	938,404	995,100	995,100	1,037,505	42,405	4.3 %
TOTAL OPERATING EXPENSES	938,404	995,100	995,100	1,037,505	42,405	4.3 %

Community Engagement

Functions and Responsibilities

The Community Engagement department builds trust by meaningfully engaging our community in decision-making, serving as the agency's primary liaisons with community groups and organizations and managing several programs to facilitate community engagement with Capital Metro.

FY2020 Accomplishments

◆ High-Quality Customer Experience

- Supported Operations' and Marketing and Communications' efforts to ensure a great customer service experience during special events.
- Developed placemaking/keeping and public art projects via MetroArt program, including a partnership with Campbell Elementary School and Creative Action to create art for new electric buses and launched a new MetroMusic program to provide customers with an enjoyable at-stop experience and provide local musicians an opportunity to perform and enhance their visibility in the community.

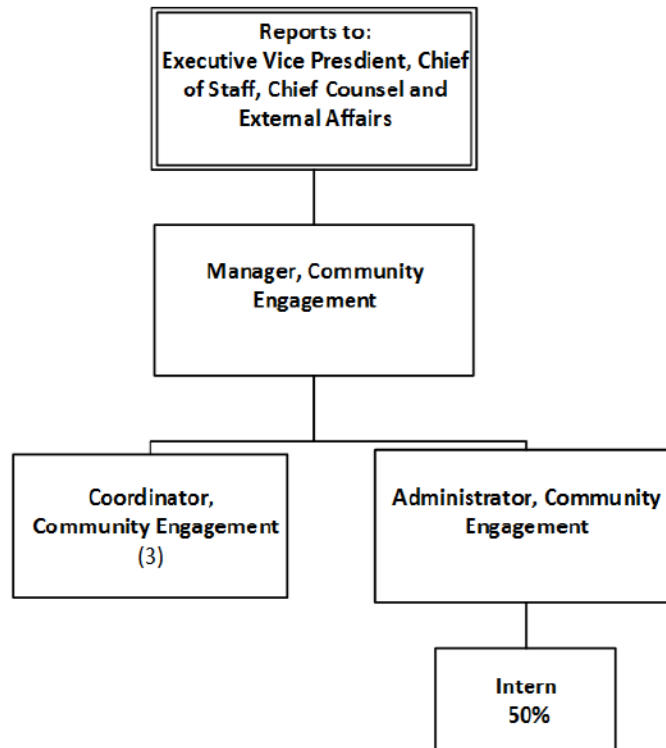
◆ Valued Community Partner

- Directed community engagement for Project Connect to create awareness and educate the public about the initiative. Launched street team initiative to conduct high-level outreach at events and gathering spots. Engagement efforts connected with over 57,000 community members.
- Collected critical feedback for Project Connect alternatives analysis process to ensure wide and diverse community participation, including input from hard-to-reach communities. Provided feedback opportunities via in-person public open house events, neighborhood outreach, online engagement and stakeholder meetings.
- Launched engagement dashboard to demonstrate transparency and progress of Project Connect community engagement efforts.
- Launched and directed Project Connect Ambassador Network to act as a community sounding board for public-facing information and communications and collected feedback to inform alternatives analysis.
- Implemented outreach strategies and tactics to ensure diverse segments of the community, including those of limited English proficiency and other hard-to-reach populations, are aware of and understand, the impacts of service changes in January, June and August.
- Identified potential partners and strengthened existing partnerships to achieve success in targeted areas of interest. Developed an inventory of Capital Metro partnerships and evaluated their impact in advancing strategic agency objectives.
- Continued partnership with the city of Austin and other local entities to develop a community infrastructure for public dialogue to enable Capital Metro to more meaningfully engage the public in the decision-making process.
- Launched new CapMetro Cares program to provide nonprofit organizations the opportunity to promote their initiatives via bus ads.

FY2021 Planned Initiatives

- ◆ High-Quality Customer Experience
 - Develop policies and engagement plan for placemaking and public art for Project Connect capital projects (i.e., stations).
 - Launch Adopt-a-Stop and grow MetroMusic program to provide customers with an enjoyable at-stop experience and to provide local musicians with the opportunity to perform and amplify their visibility.
- ◆ Valued Community Partner
 - Continue engagement for Project Connect into engineering, design and implementation following potential community referendum in November.
 - Develop Teen Ambassador program for Project Connect.

Community Engagement Department Organizational Chart



Budget Changes

Labor and Benefits

Increase of \$20,870 due to position reclassifications.

Other Expenses

Increase of \$44,764 driven by additional Temporary Help need.



	FY2019 ACTUAL	FY2020 BUDGET	FY2020 FORECAST	FY2021 BUDGET	Var \$ FY2021 vs. FY2020	Var % FY2021 vs. FY2020
LABOR & BENEFITS						
Salaries & Wages - Admin.	\$309,226	\$373,691	\$373,879	\$396,969	\$23,278	6.2 %
Overtime - Administrative	1,328	6,228	6,228	—	(6,228)	(100.0 %)
Intern Pay	4,292	—	—	—	—	N/A
FICA-Admin	22,270	26,545	26,545	30,368	3,823	14.4 %
State Unemployment-Admin	746	1,083	1,083	1,080	(3)	(0.3 %)
TOTAL LABOR & BENEFITS	337,862	407,547	407,735	428,417	20,870	5.1 %
OTHER EXPENSES						
Consultation Fees	214,791	236,400	221,400	236,400	—	0.0 %
Other Professional Fees	273,551	586,799	318,427	584,913	(1,886)	(0.3 %)
Temporary Help	49,356	50,000	50,000	94,000	44,000	88.0 %
Courier And Delivery Services	50	300	300	300	—	0.0 %
Other Services	2,994	—	—	—	—	N/A
Office Supplies	9,926	5,000	2,994	5,000	—	0.0 %
Training Materials	2,850	—	—	—	—	N/A
Other Supplies	21,532	—	—	—	—	N/A
Telephone-Local	240	2,880	1,440	2,880	—	0.0 %
Dues And Subscriptions	17,215	13,000	13,000	15,000	2,000	15.4 %
Airfare - Transportation	969	1,800	—	1,800	—	0.0 %
Travel - Per Diem	1,007	900	—	900	—	0.0 %
Seminar, Conferences, Registration	7,269	6,749	3,054	7,399	650	9.6 %
Lodging	1,277	3,000	—	3,000	—	0.0 %
Business Meals - Local	7,546	7,200	7,200	7,200	—	0.0 %
Advertising/Promotion Media	212	1,200	1,200	1,200	—	0.0 %
Postage	42	200	200	200	—	0.0 %
Other Miscellaneous Expenses	8,173	15,000	62	15,000	—	0.0 %
Food and Ice	2,119	1,800	1,800	1,800	—	0.0 %
Lease-Operating Yard/Storage	3,362	4,008	4,008	4,008	—	0.0 %
Office Equipment	207	—	—	—	—	N/A
TOTAL OTHER EXPENSES	624,687	936,236	625,085	981,000	44,764	4.8 %
TOTAL OPERATING EXPENSES	\$962,549	\$1,343,783	\$1,032,820	\$1,409,417	\$65,634	4.9 %

Customer Care

Formerly Customer Service

Functions and Responsibilities

The Customer Care department's goal is to improve our customers' experience by assisting with trip planning, fares, riding rules, lost-and-found reports, questions and responses to comments, compliments and requests. Representatives are available seven days a week by telephone, email, social media and web-based correspondence. The department also works closely with the Operations and Maintenance Oversight department to quickly address service issues.

FY2020 Accomplishments

◆ High-Quality Customer Experience

- For the 12 months ended March 2020, 141,543 customer calls were answered by live agents representing a decrease of 25% compared to the prior 12 months.
- For the 12 months ended March 2020, the goal of answering 80% of calls within 60 seconds was met.
- For the 12 months ended March 2020, 18,365 customer comment reports were processed, down 3% compared to the prior 12 months.
- And served non-telephone customers through email, web, social media, mail and walk-in modes.
- Increased customer comment quality assurance reviews and installed an integrated quality assurance review process.
- Conducted weekly customer comment debriefs with Operations, expanding use of customer feedback received. Utilized Power BI reporting to identify trends and pinpoint issues.
- Responded to the COVID-19 pandemic by redeploying staff to work from home, while ensuring uninterrupted service to customers.

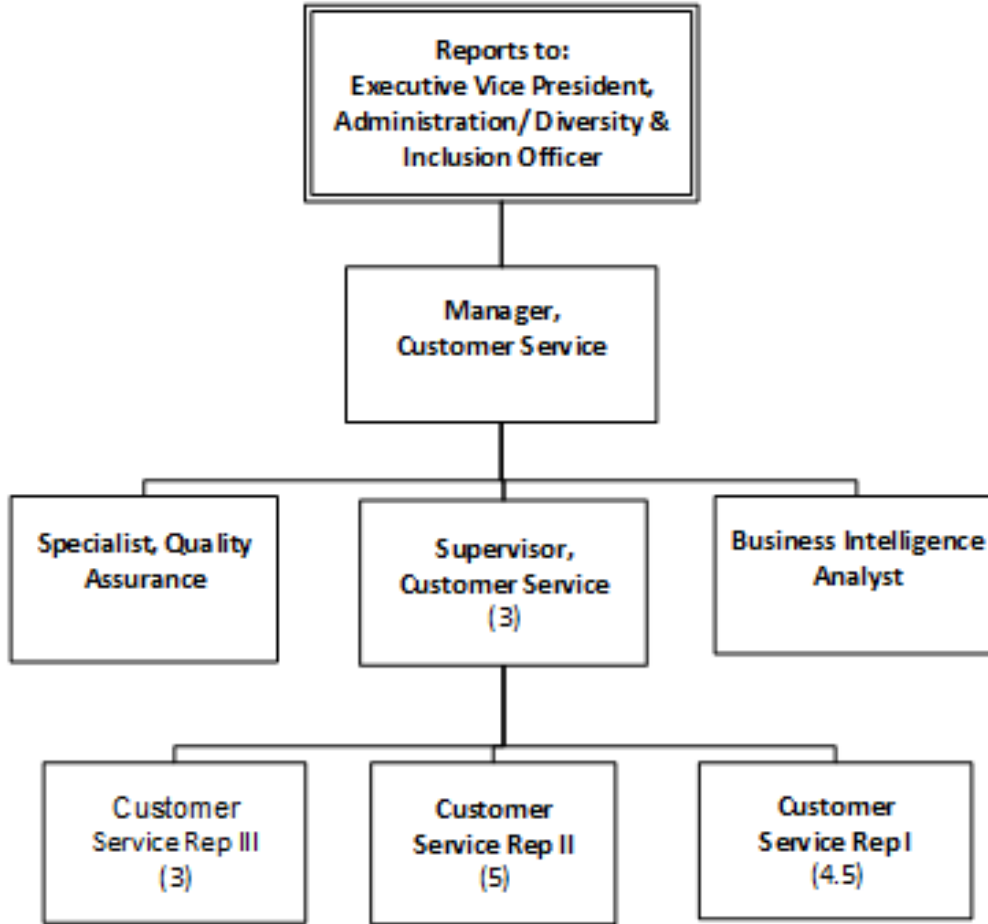
FY2021 Planned Initiatives

◆ High-Quality Customer Experience

- Support the Project Connect initiative through the education of customers and the reporting of their feedback.
- Deploy a major phone system/contact center system upgrade.
- Continue to explore contact center best practices, including the development of enhancements to or replacement options for the Service One customer comments system.
- Continue conducting weekly debriefs with Operations, expanding use of customer feedback.
- Serve as a resource for training and assisting departments in bringing customer comment reports to resolution.



Customer Service Department Organizational Chart



Budget Changes

Labor and Benefits

Increase of \$24,780 due departmental position re-classifications partially offset by a reduction in Overtime - Administrative.

Other Expenses

Decrease of \$25,270 is primarily due to a reduction in Temporary Help of \$21,600.

	FY2019 ACTUAL	FY2020 BUDGET	FY2020 FORECAST	FY2021 BUDGET	Var \$ FY2021 vs. FY2020	Var % FY2021 vs. FY2020
LABOR & BENEFITS						
Salaries & Wages - Admin.	\$752,310	\$901,403	\$801,409	\$953,433	\$52,030	5.8 %
Overtime - Administrative	79,661	71,916	71,916	39,349	(32,567)	(45.3 %)
FICA-Admin	60,991	67,438	67,438	72,938	5,500	8.2 %
State Unemployment-Admin	2,280	3,600	3,600	3,417	(183)	(5.1 %)
TOTAL LABOR & BENEFITS	895,242	1,044,357	944,363	1,069,137	24,780	2.4 %
OTHER EXPENSES						
Temporary Help	14,606	21,600	61,600	—	(21,600)	(100.0 %)
Maintenance-Office Equipment	—	1,000	1,000	1,000	—	0.0 %
Other Services	9,935	10,200	8,976	8,850	(1,350)	(13.2 %)
Office Supplies	3,458	4,800	2,760	1,800	(3,000)	(62.5 %)
Telephone-Local	480	1,920	1,456	1,920	—	0.0 %
Airfare - Transportation	529	800	—	800	—	0.0 %
Travel - Per Diem	303	303	—	303	—	0.0 %
Seminar, Conferences, Registration	3,747	3,750	1,125	3,750	—	0.0 %
Lodging	764	800	—	800	—	0.0 %
Postage	521	120	3	60	(60)	(50.0 %)
Other Miscellaneous Expenses	41	150	—	150	—	0.0 %
Food and Ice	—	—	—	240	240	N/A
Rent-Event Space	—	—	—	500	500	N/A
TOTAL OTHER EXPENSES	34,384	45,443	76,920	20,173	(25,270)	(55.6 %)
TOTAL OPERATING EXPENSES	\$929,626	\$1,089,800	\$1,021,283	\$1,089,310	(\$490)	0.0 %

Demand Response Oversight

Functions and Responsibilities

The Demand Response Oversight department oversees Capital Metro's paratransit service contractors. Costs related to contracted paratransit services compliant with the ADA are budgeted in this department.

FY2020 Accomplishments

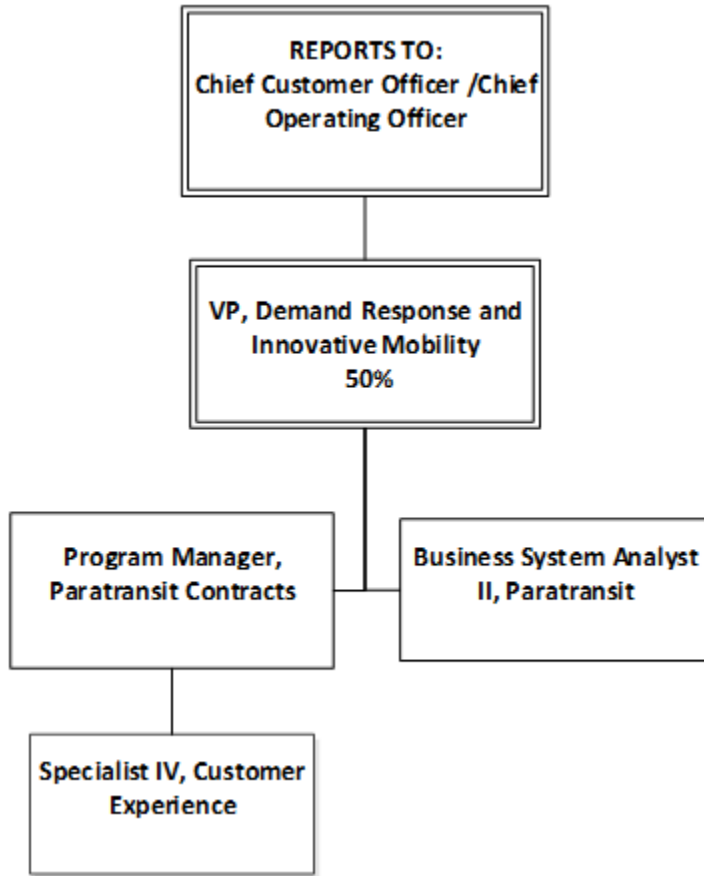
- ◆ High-Quality Customer Experience
 - Enhanced cleaning, safety policies and procedures for staff and customers, scheduling methodologies for social distancing, reporting for contact tracing.
 - Updated communication initiatives through telephone message blast, email, interactive voice response and in-vehicle, emergency eligibility procedures.
- ◆ Engaged Workforce
 - Supported work-from-home initiative for staff safety and continued efficient operation.
 - Deployed a new tracked incident management solution through existing cloud platform.
- ◆ Sustainability
 - Completed contract modifications to facilitate living wage adjustments for service provider workers.
 - Upgraded five versions of Trapeze, completed health check, system improvements and training.
 - Developed Power BI dashboards for internal department use to improve real-time data-driven decision making.
- ◆ Valued Community Partner
 - Delivered more than 600,000 meals through grocery delivery partnerships with Central Texas Food Bank, HEB, Good Apple, Farm Share, Avance and Any Baby Can.
 - Provided Wi-Fi-enabled vehicles to infrastructure-limited neighborhoods in partnership with Austin Independent School District.

FY2021 Planned Initiatives

- ◆ High-Quality Customer Experience
 - Provide sensitivity training initiative for all staff and contractors.
 - Procure new paratransit scheduling and eligibility software solution.
- ◆ Valued Community Partner
 - Support Project Connect planning and customer initiatives related to Demand Response.



Demand Response Oversight Organizational Chart



Budget Changes

Labor and Benefits

Decrease of \$76,074 due to one FTE transferred to Paratransit Reservations and Control Center

Other Expenses

Increase of \$361,206 driven by an increase in contractual rates for the North Base Paratransit location and enhanced cleaning due to the COVID-19 pandemic, reduced service hours for South Base and Georgetown Paratransit operations, net decrease of \$380,286 in Diesel, Gasoline, and associated taxes primary driven by a decrease in fuel costs. Fuel is budgeted at \$2.05 per gallon, a decrease of 25 cents over FY2020.

	FY2019 ACTUAL	FY2020 BUDGET	FY2020 FORECAST	FY2021 BUDGET	Var \$ FY2021 vs. FY2020	Var % FY2021 vs. FY2020
LABOR & BENEFITS						
Salaries & Wages - Admin.	\$243,527	\$395,353	\$330,172	\$324,411	(\$70,942)	(17.9 %)
FICA-Admin	19,610	28,716	23,488	23,855	(\$4,861)	(16.9 %)
State Unemployment-Admin	584	902	723	631	(\$271)	(30.0 %)
TOTAL LABOR & BENEFITS	263,722	424,971	354,383	348,897	(76,074)	(17.9 %)
OTHER EXPENSES						
Maintenance-Radios	35,547	1,500	1,500	2,860	1,360	90.7 %
Other Services	836	1,500	1,125	—	(1,500)	(100.0 %)
Diesel	607,404	476,606	476,606	256,607	(219,999)	(46.2 %)
Gasoline	679,250	711,855	711,855	551,568	(160,287)	(22.5 %)
Fuel Risk Management	(33,258)	—	—	—	—	N/A
Office Supplies	1,636	8,500	8,500	12,000	3,500	41.2 %
Maps And Schedules	—	700	—	600	(100)	(14.3 %)
Other Supplies	1,433	8,000	2,000	3,300	(4,700)	(58.8 %)
Telephone-Local	600	1,920	1,920	3,360	1,440	75.0 %
Diesel Fuel Tax	59,687	38,204	38,204	27,741	(10,463)	(27.4 %)
Gasoline Fuel Tax	48,634	25,045	25,045	59,629	34,584	138.1 %
North Base Paratransit	7,561,149	8,521,827	8,521,827	9,706,595	1,184,768	13.9 %
Georgetown Paratransit	—	409,212	409,212	259,200	(150,012)	(36.7 %)
South Base Paratransit	17,398,998	18,816,911	18,807,723	18,499,526	(317,385)	(1.7 %)
Dues And Subscriptions	1,107	375	375	375	—	0.0 %
Airfare - Transportation	5,345	5,200	2,570	5,200	—	0.0 %
Travel - Per Diem	2,883	2,800	1,570	2,800	—	0.0 %
Seminar, Conferences, Registration	1,075	1,500	—	1,500	—	0.0 %
Lodging	8,366	7,000	3,979	7,000	—	0.0 %
Travel - Other	2,943	—	—	—	—	N/A
Postage	333	—	—	—	—	N/A
TOTAL OTHER EXPENSES	26,383,968	29,038,655	29,014,011	29,399,861	361,206	1.2 %
TOTAL OPERATING EXPENSES	\$26,647,690	\$29,463,626	\$29,368,394	\$29,748,758	\$285,132	1.0 %

Diversity and Compliance

Functions and Responsibilities

The Diversity and Compliance Department manages, coordinates and implements federal civil rights programs including Disadvantaged Business Enterprise (DBE) and Small Business Enterprise (SBE), Title VI of the Civil Rights Act of 1964 and Equal Employment Opportunity (EEO) in accordance with federal regulations and provides technical assistance to stakeholders. The department also promotes cultural diversity, small business networking events and compliance training for Capital Metro employees, contractors and vendors throughout the year.

FY2020 Accomplishments

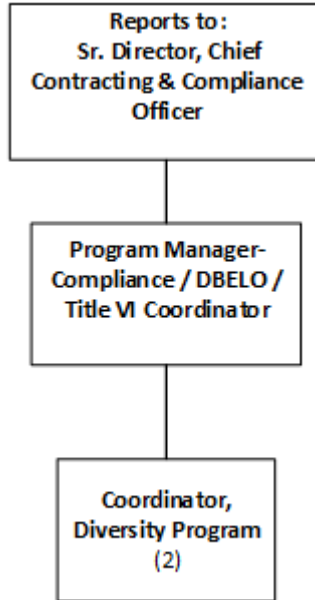
- ◆ High-Quality Customer Experience
 - Investigated discrimination complaints regarding Capital Metro services.
 - Arranged EEO training for employees for continuous improvement.
- ◆ Sustainability
 - Continued to ensure contract compliance and achieve our goals.
 - Updated Capital Metro's EEO program and submitted to FTA.
- ◆ Valued Community Partner
 - Built partnerships with minority chambers, local governments and the Women's Business Council – Southwest.
 - Conducted networking events for DBE and SBE businesses to increase their participation in Capital Metro projects.

FY2021 Planned Initiatives

- ◆ High-Quality Customer Experience
 - Monitor equity in Capital Metro services.
 - Arrange virtual Title VI and EEO training for employees and contractors for continuous improvement.
- ◆ Sustainability
 - Continue to ensure contract compliance, prompt payment and goal attainment to achieve our goals.
 - Accomplish a successful federal Triennial Review.
- ◆ Valued Community Partner
 - Build partnerships with minority chambers, local governments and the Women's Business Council – Southwest.
 - Conduct virtual networking events for D/SBE to increase their participation in Capital Metro projects.



Diversity and Compliance Department Organizational Chart



Budget Changes

Labor and Benefits

Increase of \$77,546 due to the addition of a Diversity Coordinator position.

	FY2019 ACTUAL	FY2020 BUDGET	FY2020 FORECAST	FY2021 BUDGET	Var \$ FY2021 vs. FY2020	Var % FY2021 vs. FY2020
LABOR & BENEFITS						
Salaries & Wages - Admin.	\$144,071	\$151,659	\$164,641	\$223,288	\$71,629	47.2%
FICA-Admin	9,277	11,346	11,346	17,081	5,735	50.5%
State Unemployment-Admin	261	360	360	542	182	50.6%
TOTAL LABOR & BENEFITS	153,610	163,365	176,347	240,911	77,546	47.5%
OTHER EXPENSES						
Temporary Help	15,779	—	—	—	—	N/A
Other Services	5,167	5,000	5,000	5,000	—	0.0%
Office Supplies	856	775	775	900	125	16.1%
Dues And Subscriptions	34,100	34,100	34,100	34,100	—	0.0%
Airfare - Transportation	1,234	1,800	—	1,800	—	0.0%
Travel - Per Diem	694	1,250	—	1,420	170	13.6%
Seminar, Conferences, Registration	3,316	3,100	1,645	3,100	—	0.0%
Lodging	1,019	1,950	—	2,750	800	41.0%
Travel - Other	7	—	—	500	500	N/A
Business Meals - Local	5,525	—	—	5,040	5,040	N/A
Postage	1	—	—	—	—	N/A
Other Miscellaneous Expenses	3,627	15,580	8,750	8,945	(6,635)	(42.6%)
Food and Ice	147	—	—	—	—	N/A
TOTAL OTHER EXPENSES	71,472	63,555	50,270	63,555	—	0.0%
TOTAL OPERATING EXPENSES	\$225,082	\$226,920	\$226,617	\$304,466	\$77,546	34.2%

Executive Staff

Functions and Responsibilities

The Executive Staff department provides leadership and direction to ensure that Capital Metro meets its mission, goals and objectives. The department coordinates initiatives, including Project Connect, to ensure the highest standards for the organization. The department ensures sound ethics and fiscal management consistent with federal, state and local laws and sound public practices, which emphasize the most effective use of taxpayer funds through the continuous improvement of Capital Metro's operations.

Executive Staff ensures activities across the organization are properly coordinated and oversees the dissemination of information to ensure follow-through and timely communications with concerned stakeholders. This department serves as the liaison to the board of directors on policy issues. The Executive Staff ensures that members of the Senior Management Team have the resources they need to achieve their departmental goals.

FY2020 Accomplishments

◆ High-Quality Customer Experience

- Experienced 17 months of consecutive ridership growth prior to the COVID-19 pandemic, including 20+ percent increases month-over-month on MetroExpress and impressive gains on MetroRapid and local bus services. Average weekday ridership was consistently more than 100,000, including 10,000 or more per day on MetroRapid 801.
- Continued expansion of Pickup, Capital Metro's on-demand microtransit service, to seven zones across the service area. As part of the Project Connect Initial Investment, 15 additional zones will be implemented in the coming years.
- Constructed and installed 154 new shelters, benches and litter containers. 12 existing new-style shelters were enhanced with additional shade panels. 124 shelter solar lights installed, along with 4 solar towers with surveillance cameras at Pinnacle Park & Ride and ACC Riverside Transit Transit Center.

◆ Engaged Workforce

- Obtained approval of \$1.4 billion combined bus operations and maintenance contract with MV Transit, followed by the approval (94 percent of members) of a new collective bargaining agreement with ATU Local 1091. The operational efficiencies found in the combined contract and establishment of a new agreement with our frontline workforce sets Capital Metro up for continued success in the new fiscal year.

◆ Sustainability

- Launched Capital Metro's transition to a zero-emission fleet with the addition of 12 electric buses including 2 60-foot articulated vehicles to our fleet. By 2024, Capital Metro aims to have 80 zero-emission buses in service.
- Through February 2020, sales tax receipts were 9.2 percent above prior year, continuing an extended period of revenue growth for Capital Metro. Responsible financial management has well-positioned the agency to weather this trying period for the region's economy, with our \$102.7 million reserve balance.

◆ Valued Community Partner

- Project Connect has been the focus of our external relations and community empowerment efforts for more than a year. Staff has engaged almost 60,000 people, convened nine joint meetings of the Capital Metro board of directors and Austin City Council and built hundreds of new partnerships with businesses, neighborhoods, government agencies and faith communities. At the end of this multi-year, multi-agency process, we have had unanimous approval by the board and city council of the Project Connect Vision Plan, Austin Strategic Mobility Plan, Project Connect System Plan, Initial Investment package and interlocal agreement to form the Austin Transit Partnership.
- The COVID-19 pandemic is one of the greatest challenges this region has ever faced. As a public health and economic crisis, the impact on Capital Metro's bottom line, workforce and customers has been significant. In the face of this crisis, the agency has risen to the challenge, doubling down on vehicle and bus stop sanitation, equipping our operators with the tools to stay healthy, engaging our workforce through the All Hands operations support program and supporting our most vulnerable community members. The All Hands program has provided more than 15,000 hours of support to operations and the community. Through a partnership with the Central Texas Food Bank, Good Apple and HEB, Capital Metro has delivered more than 600,000 meals to homebound MetroAccess clients. We also stand with our fellow essential services and have provided thousands of masks to emergency personnel and frontline workers.

FY2021 Planned Initiatives

◆ High-Quality Customer Experience

- Continue installation of new bus stop amenities, including benches, shelters, real-time information, shading, lighting and cameras.
- Introduce replacement and additional buses to the Capital Metro fleet, including electric buses, commuter coaches, MetroRapid buses and transit buses.
- Continue improvements to MetroRail, including new station plans, double-tracking, the completion of Positive Train Control, new ticket vending machines and real-time information displays.

◆ Engaged Workforce

- Continue staff engagement and identification of new professional development opportunities across all departments. Continue scheduling of employee town halls and expansion of program to all frontline employees. Continue cross-training between departments to encourage professional development.

◆ Sustainability

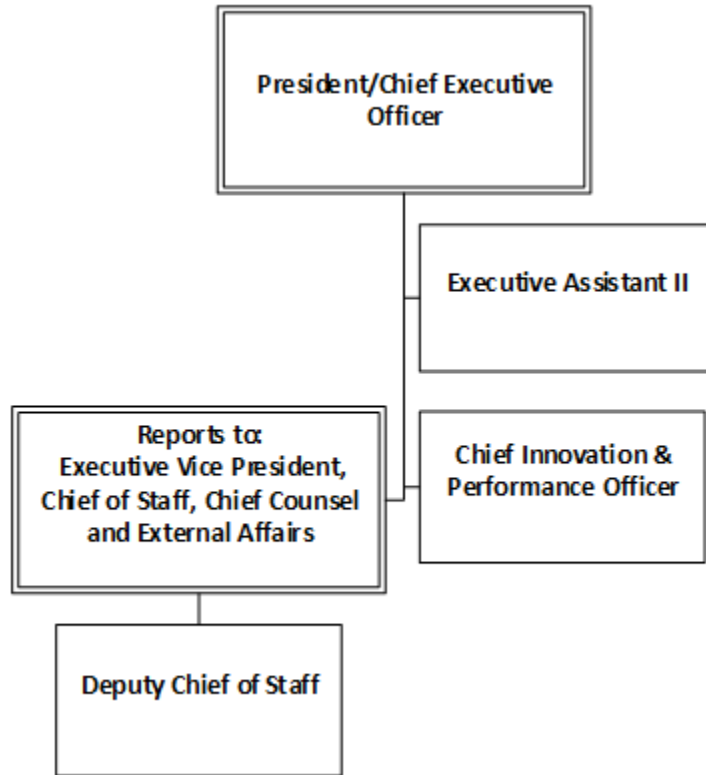
- Continue expansion of electric bus fleet and complete first phase of the 200+ space North Operations zero-emissions smart-charging yard.

◆ Valued Community Partner

- Continue coordination with the city of Austin on bus priority treatments in city-owned right-of-way, as part of a larger transit speed and reliability effort that will further demonstrate the value of transit to existing and future Capital Metro customers.
- Continue robust community engagement efforts to build community support for Project Connect, foster new and innovative partnerships to educate the community on the benefits of high-capacity transit and obtain a community decision on the locally preferred alternative.



Executive Staff Department Organizational Chart



Budget Changes

Labor and Benefits

Decrease of \$169,578 due to the vacant VP, Chief Innovation & Performance Officer position moved to the recovery budget in FY2021.

	FY2019 ACTUAL	FY2020 BUDGET	FY2020 FORECAST	FY2021 BUDGET	Var \$ FY2021 vs. FY2020	Var % FY2021 vs. FY2020
LABOR & BENEFITS						
Salaries & Wages - Admin.	609,690	611,763	530,345	502,686	(109,077)	(17.8%)
Executive Compensation	—	41,940	41,940	41,938	(2)	0.0%
FICA-Admin	26,184	35,406	27,284	27,284	(8,122)	(22.9%)
401K	25,000	52,199	—	—	(52,199)	(100.0%)
State Unemployment-Admin	486	723	543	545	(178)	(24.6%)
TOTAL LABOR & BENEFITS	661,360	742,031	600,112	572,453	(169,578)	(22.9%)
OTHER EXPENSES						
Office Supplies	3,275	2,000	1,580	1,800	(200)	(10.0%)
Telephone-Local	480	960	481	960	—	0.0%
Dues And Subscriptions	94,003	114,542	99,591	113,891	(651)	(0.6%)
Airfare - Transportation	14,223	4,500	745	4,492	(8)	(0.2%)
Travel - Per Diem	623	2,250	203	2,246	(4)	(0.2%)
Seminar, Conferences, Registration	7,640	13,000	5,212	12,992	(8)	(0.1%)
Lodging	10,729	9,000	2,178	7,000	(2,000)	(22.2%)
Travel - Other	215	—	—	—	—	N/A
Business Meals - Local	517	1,800	590	1,200	(600)	(33.3%)
Postage	1	—	—	—	—	N/A
Other Miscellaneous Expenses	5,822	5,000	761	—	(5,000)	(100.0%)
Food and Ice	327	—	—	—	—	N/A
TOTAL OTHER EXPENSES	137,854	153,052	111,341	144,581	(8,471)	(5.5%)
TOTAL OPERATING EXPENSES	799,214	895,083	711,453	717,034	(178,049)	(19.9%)

Finance

Functions and Responsibilities

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

FY2020 Accomplishments

◆ Sustainability

- Received the Government Finance Officers Association Distinguished Budget Presentation Award for the FY2020 budget document.
- Received the Government Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting for the FY2018 Comprehensive Annual Financial Report (CAFR). FY2019 CAFR has been completed, submitted and is currently under review.
- Received an unmodified opinion from Capital Metro's independent accounting firm on the FY2019 financial statements and no single audit findings or internal control deficiencies were noted.
- Completed a comprehensive long-range financial plan spanning FY2021 to FY2040.
- Developed a funding plan for Project Connect initiatives.
- Developed the plan for replacement of the Enterprise Resource Planning System (ERP).
- Awarded CARES Act Grant and Low or No Emission Vehicle Program – 5339(c) Grant.
- Pending grant applications submitted and pending project selection announcements for Bus and Bus Facilities Program – 5339(b), Alternative Fueling Facilities Program, Better Utilizing Investments to Leverage Development Transportation Grants, Accelerating Innovative Mobility Challenge Program, Consolidated Rail Infrastructure and Safety Improvements Grant, Texas Clean Fleet Program and Texas Emissions Reduction Plan (TERP) Rebate Grant.

◆ High-Quality Customer Experience

- Developed a strategy and completed the procurement to modernize the agency's fare collection systems, by implementing an account based backend system that will provide modern fare products and be simple to use, convenient for the customer and cost-effective to implement and maintain.
- Completed the procurements and started the implementation of new ticket vending machines and bus onboard validators.

FY2021 Planned Initiatives

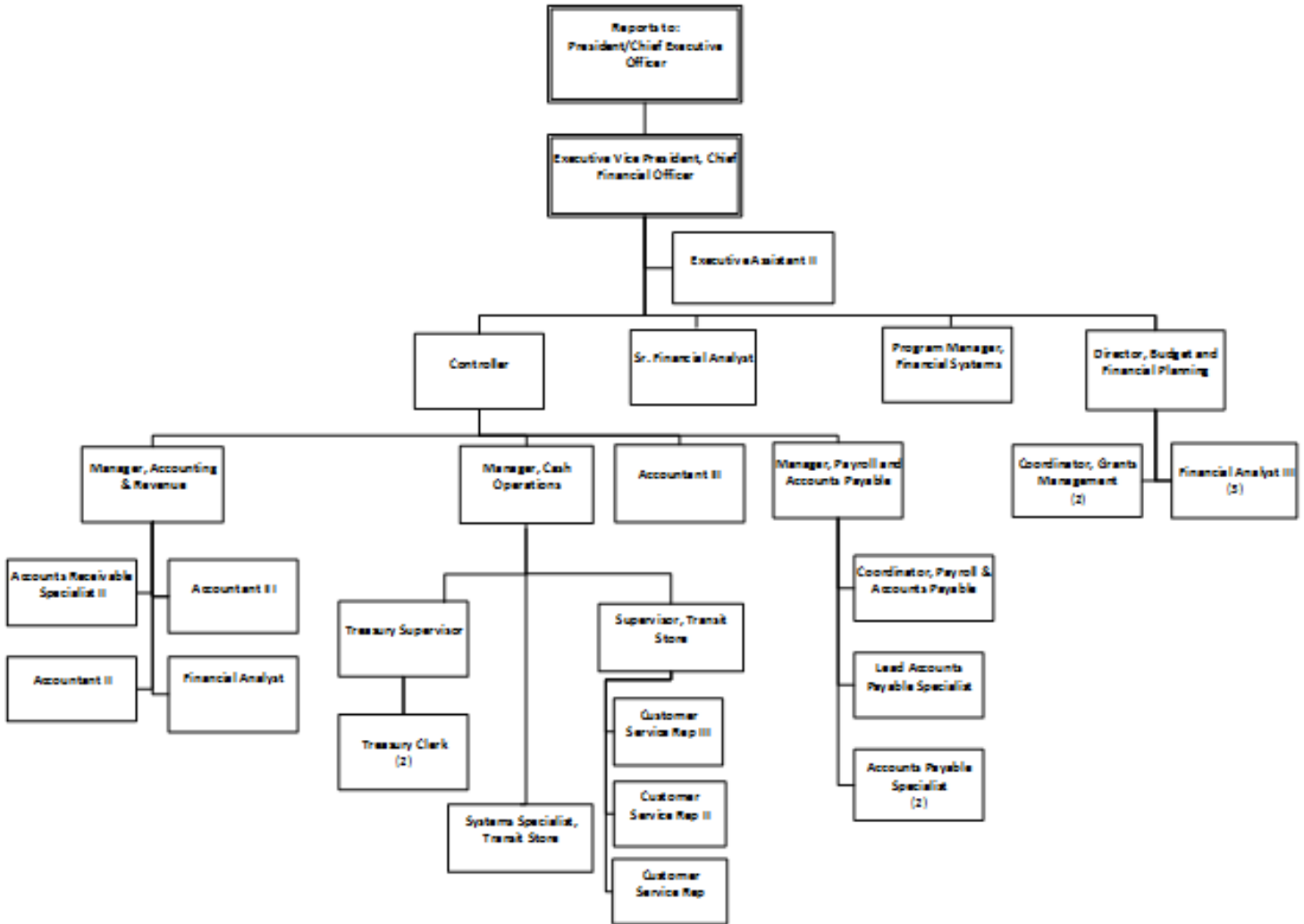
◆ Sustainability

- Pursue additional funding opportunities that align with the agency's objectives.
- Support the creation and financial start up activities of the Austin Transit Partnership, the new Local Government Corporation that is a joint venture with the City of Austin for the implementation of the Project Connect program of projects.
- Implement automated inventory management and recordkeeping system to control and distribute bus passes.
- Complete the FY2022 Budget and submit the FY2021 budget document to the Government Finance Officers Association for award consideration.
- Complete the FY2020 Comprehensive Annual Financial Report (CAFR) and submit it to the Government Finance Officers Association for award consideration.
- Receive an unmodified opinion from Capital Metro's independent accounting firm on the FY2020 financial statements and no single audit findings or internal control deficiencies.
- Update the long-range financial plan (LRFP) to prioritize the agency's operating and capital expenditure and plan for strategic initiatives.
- Complete ERP solution research and initiate the procurement for a new system.

◆ High-Quality Customer Experience

- Continue with the implementation of the agency's strategy to replace the fare collection systems by implementing an account based backend system that will be simple to use, convenient for the customer and cost-effective to implement and maintain. Complete installation of the ticket vending machines, which were procured in FY2020, at the rail stations. Complete the installation of bus onboard validators.
- Evaluate and plan for the potential revision of the Fare Policy to include fare capping and new fare programs.

Finance Department Organizational Chart



Budget Changes

Labor and Benefits

Increase of \$164,241 due to 1 new FTE and positions hired at a cost higher than budgeted.

Other Expenses

Increase of \$2,268,836 due to increases of \$59,800 in Audit Fees, \$350,000 in Consultation Fees for Project Connect, as well as fuel hedging services, \$350,000 for the Transit Empowerment Fund (TEP) in Other Services, which was previously budgeted in Government Relations, plus an increase of \$2,000,000 to Contingency for flexibility for COVID-19 related expenses or recovery budget items. This is partially offset by a decrease of \$343,283 in Other Professional Fees, which has been reduced overall in reaction to economic conditions as well as \$131,700 in passes and tickets due to predicted reduction in physical ticket usage.

	FY2019 ACTUAL	FY2020 BUDGET	FY2020 FORECAST	FY2021 BUDGET	Var \$ FY2021 vs. FY2020	Var % FY2021 vs. FY2020
LABOR & BENEFITS						
Salaries & Wages - Admin.	2,356,955	2,431,372	2,456,382	2,581,224	149,852	6.2%
Overtime - Administrative	4,822	3,000	3,000	2,999	(1)	0.0%
FICA-Admin	170,307	177,338	177,338	191,731	14,393	8.1%
State Unemployment-Admin	4,814	5,582	5,582	5,579	(3)	(0.1%)
TOTAL LABOR & BENEFITS	2,536,898	2,617,292	2,642,302	2,781,533	164,241	6.3%

OTHER EXPENSES

Audit Fees	269,216	240,000	221,351	299,800	59,800	24.9%
Consultation Fees	168,384	42,000	61,515	392,000	350,000	833.3%
Other Professional Fees	239,137	573,896	430,674	230,613	(343,283)	(59.8%)
Maintenance-Office Equipment	2,276	180	180	—	(180)	(100.0%)
Courier And Delivery Services	10,672	28,200	14,111	30,000	1,800	6.4%
Other Services	70	—	—	350,000	350,000	N/A
Office Supplies	24,987	16,200	16,200	10,800	(5,400)	(33.3%)
Passes And Tickets	54,181	220,200	101,996	88,500	(131,700)	(59.8%)
Training Materials	467	—	—	—	—	N/A
Other Supplies	6,743	4,800	4,800	10,000	5,200	108.3%
Non Capital Equipment	3,260	—	—	—	—	N/A
Telephone-Local	2,400	2,400	2,400	2,400	—	0.0%
Dues And Subscriptions	12,994	4,210	9,350	12,393	8,183	194.4%
Airfare - Transportation	605	3,500	1,750	1,700	(1,800)	(51.4%)
Travel - Per Diem	984	1,750	1,750	900	(850)	(48.6%)
Seminar, Conferences, Registration	5,301	16,259	14,672	4,300	(11,959)	(73.6%)
Lodging	3,679	3,325	1,093	2,500	(825)	(24.8%)
Travel - Other	520	1,200	122	1,200	—	0.0%
Business Meals - Local	182	—	—	—	—	N/A
Bad Debt Expense	(142,421)	24,996	24,996	12,000	(12,996)	(52.0%)
Contingency Reserve	—	3,000,000	3,000,000	5,000,000	2,000,000	66.7%
Budget Reallocation Account	—	—	1,016,778	—	—	N/A



	FY2019 ACTUAL	FY2020 BUDGET	FY2020 FORECAST	FY2021 BUDGET	Var \$ FY2021 vs. FY2020	Var % FY2021 vs. FY2020
Budget Reallocation COVID-19	—	—	6,506,873	—	—	N/A
Postage	3,837	4,750	4,750	7,200	2,450	51.6%
Bank Charges	378,322	395,280	395,280	389,676	(5,604)	(1.4%)
Computer Software	7	—	—	—	—	N/A
Other Miscellaneous Expenses	3,171	—	—	—	—	N/A
Extraordinary Items	(87,865)	—	—	—	—	N/A
Asset Disposal Exp And Admin Fees	948	—	—	6,000	6,000	N/A
Expense Reimbursement	(36,575)	—	—	—	—	N/A
TOTAL OTHER EXPENSES	925,482	4,583,146	11,830,641	6,851,982	2,268,836	49.5%
TOTAL OPERATING EXPENSES	3,462,380	7,200,438	14,472,943	9,633,515	2,433,077	33.8%

Government Relations

Functions and Responsibilities

The purpose of the Government Relations department is to develop relationships with local, state and federal elected officials and community leaders and to research and develop legislative strategies and policies relevant to the agency's interest in providing regional transportation services.

FY2020 Accomplishments

◆ High-Quality Customer Experience

- Used stakeholder feedback to assist with transit planning inside and outside the service area.
- Pursued transit-friendly policy and advocated against policy that is detrimental to supporting multi-modal transportation and land use.
- Worked with community leaders to strengthen ties throughout the region to develop transportation solutions to meet the needs of those communities.

◆ Sustainability

- Worked with Operations, Capital Projects and Rail to meet PTC deadlines.
- Worked with staff to develop Fast Act best practices to enhance organizational development.
- Promoted federal initiatives to internal stakeholders, coordinated responses and pursued federal funding opportunities.

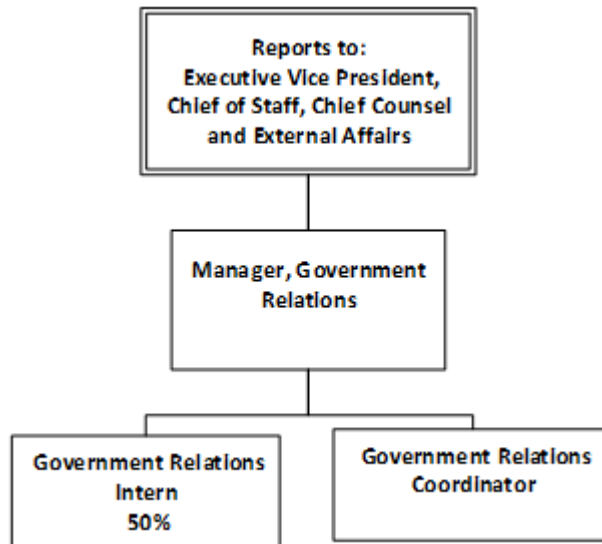
◆ Valued Community Partner

- Used opportunities through Project Connect to educate partner agencies and elected officials throughout the region about the value of transit.
- Worked with Planning staff to educate elected and stakeholders on future changes to service.
- Educated federal policymakers and the Central Texas delegation on Project Connect.
- Ensured feedback from elected and stakeholders was considered in policy development and the decision-making processes of the agency in coordination with the Planning, Project Connect and Community Engagement teams.
- Engaged other transit authorities across the state to pursue common goals during the interim and developed the agency's legislative agenda for the 87th Legislature.

FY2021 Planned Initiatives

- ◆ High-Quality Customer Experience
 - Pursue transit-friendly policy and advocate against policy that is detrimental to supporting multi-modal transportation and land use.
 - Work with community leaders and strengthen ties throughout the region to develop transportation solutions to meet the needs of those communities.
- ◆ Sustainability
 - Work with Operations, Capital Projects and Rail to meet PTC and other project deadlines.
 - Identify federal grant opportunities and coordinate responses for competitive applications.
- ◆ Valued Community Partner
 - Continue to use opportunities to educate partner agencies and elected officials at all levels throughout the region about Project Connect and the value of transit.
 - Build support for entry into the Capital Investment Grants Program.
 - Engage other transit authorities across the state to pursue common goals and advocate for the agency's legislative agenda during the 87th Legislature.

Government Relations Department Organizational Chart



Budget Changes

Other Expenses

Decrease of \$350,655 due to \$350,000 for Transit Empowerment Fund budgeted in the Finance department in FY2021.

	FY2019 ACTUAL	FY2020 BUDGET	FY2020 FORECAST	FY2021 BUDGET	Var \$ FY2021 vs. FY2020	Var % FY2021 vs. FY2020
LABOR & BENEFITS						
Salaries & Wages - Admin.	\$150,455	\$182,932	\$183,984	\$184,266	\$1,334	0.7%
FICA-Admin	13,157	13,719	13,719	14,094	375	2.7%
State Unemployment-Admin	437	536	536	542	6	1.1%
TOTAL LABOR & BENEFITS	164,050	197,187	198,239	198,902	1,715	0.9%
OTHER EXPENSES						
Consultation Fees	377,407	364,474	364,474	372,007	7,533	2.1%
Other Services	350,000	350,000	350,000	—	(350,000)	(100.0%)
Office Supplies	760	1,551	522	1,548	(3)	(0.2%)
Telephone-Local	960	960	960	960	—	0.0%
Dues And Subscriptions	30,007	32,175	32,175	38,590	6,415	19.9%
Airfare - Transportation	6,414	4,950	311	4,200	(750)	(15.2%)
Travel - Per Diem	2,370	2,400	30	1,650	(750)	(31.3%)
Seminar, Conferences, Registration	7,672	13,495	2,798	11,345	(2,150)	(15.9%)
Lodging	4,992	5,550	748	4,350	(1,200)	(21.6%)
Travel - Other	49	—	—	—	—	N/A
Business Meals - Local	275	6,000	—	—	(6,000)	(100.0%)
Other Miscellaneous Expenses	8,480	7,500	1,625	3,750	(3,750)	(50.0%)
TOTAL OTHER EXPENSES	789,384	789,055	753,643	438,400	(350,655)	(44.4%)
TOTAL OPERATING EXPENSES	\$953,434	\$986,242	\$951,882	\$637,302	(\$348,940)	(35.4%)

Information Technology

Functions and Responsibilities

The Information Technology (IT) department delivers exceptional customer service and technology solutions through strategic planning and implementation of technology systems and ensures the integrity, availability, reliability and security of all Capital Metro systems. In addition, the IT department is responsible for procurement, installation and day-to-day, 24/7 support of all installed hardware, software, data and communications networks.

FY2020 Accomplishments

◆ High-Quality Customer Experience

- Completed implementation of enterprise project and portfolio management system.
- Implemented additional public-facing performance dashboards on our website.
- Implemented the next major release of the CapMetro App to include additional enhancements.
- Replaced MetroRail and MetroRapid DMS with ePaper digital signs and added them to selected MetroBus stops to improve the display and accuracy of real-time information and other customer information.
- Implemented software enhancements to support Pickup, our on-demand neighborhood service.
- Developed additional KPIs for system availability to improve reliability and delivery of services.
- Implemented technology solutions and infrastructure for the new Downtown Station.
- Finalized technology solutions and infrastructure design for new Broadmoor Station.
- Began implementation of onboard validators that align with the fare strategy.

◆ Engaged Workforce

- Rapidly enabled telework capability of the agency in response to COVID-19 pandemic.
- Enhanced training for employees for increased awareness and to reduce cybersecurity attacks.
- Completed infrastructure upgrade of 624 Pleasant Valley facility.
- Expedited build-out of technology and infrastructure for new 700 Lavaca location.

◆ Sustainability

- Completed technology support for PTC implementation.
- Completed implementation of a new web content management system.
- Completed a major upgrade to Scheduling System.
- Continued replacement of enterprise asset management system.
- Completed upgrade to Farebox Management System.
- Replaced existing TVMs at rail stations and installed new TVMs at selected stops.

- Replaced infrastructure components maintaining lifecycle to ensure reliability and stability.
- Continued progress for replacement of paratransit software to meet current ADA accessibility requirements, improve operational efficiency and lower costs.
- Further improved cybersecurity posture by implementing recommendations from vulnerability assessment engagements.
- Began replacement of phone system and related communications capabilities.

◆ Valued Community Partner

- Developed public-private partnerships with mobility and technology partners to reduce costs or improve traveler tools for customers through integration with BCycle with city of Austin.
- Set up vehicle technology for Wi-Fi Hotspot program in response to COVID-19 pandemic.

FY2021 Planned Initiatives

◆ High-Quality Customer Experience

- Complete accessibility enhancements to enterprise project and portfolio management system.
- Implement additional public-facing performance dashboards on our website.
- Implement the next major release of the CapMetro App to include additional enhancements.
- Add ePaper dynamic message signs to selected High-Frequency route stops.
- Add ticket vending machines to selected High-Frequency route stops.
- Implement enhancements to support Pickup, our on-demand neighborhood service.
- Continue to develop KPIs for system availability to improve reliability and delivery of services.
- Complete implementation of onboard validators that align with the fare strategy.
- Implement account-based components for adopted fare strategy for fast, easy and equitable payment options and well-featured fare programs.
- Complete technology infrastructure implementation for Downtown Station.
- Continue technology support for implementation of Broadmoor Station.

◆ Engaged Workforce

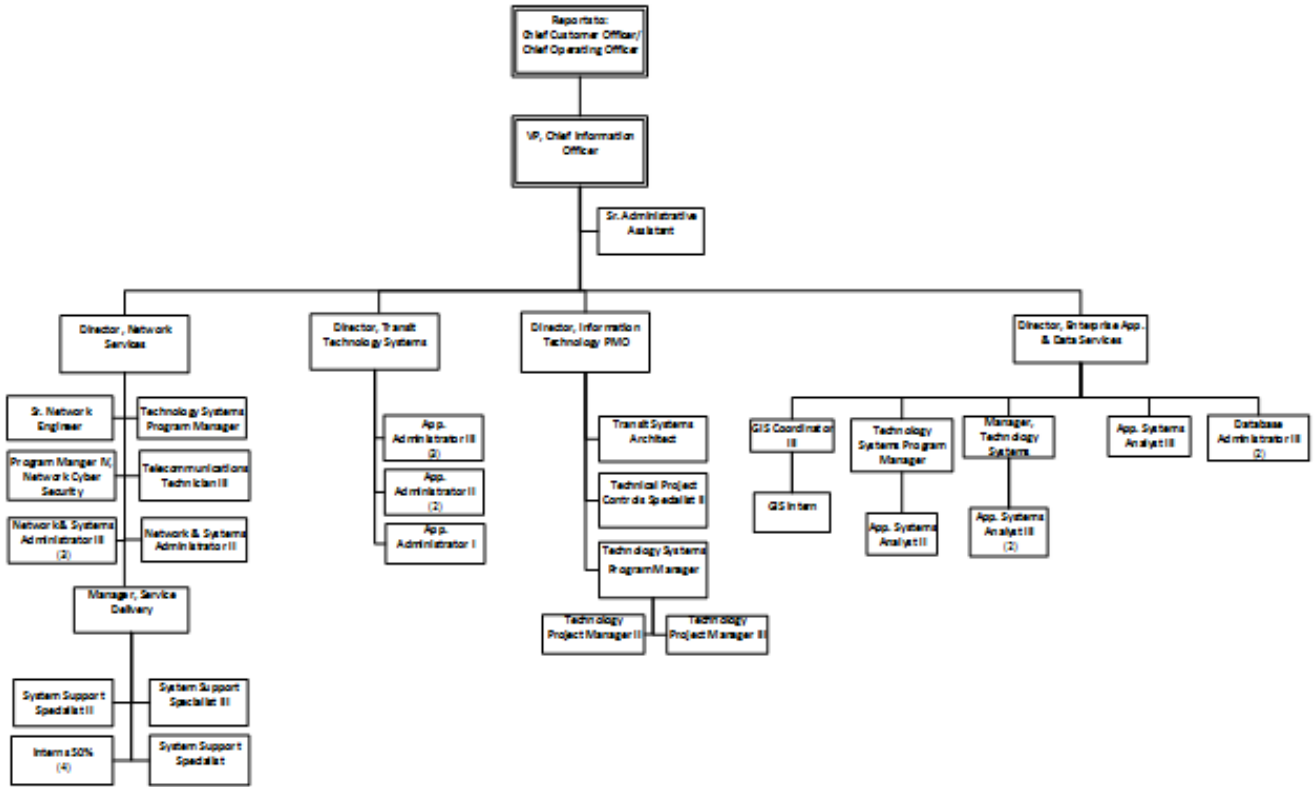
- Enhance training for employees for increased awareness and to reduce cyber attacks.
- Improve technology access via implementation of single sign-on solution.

◆ Sustainability

- Implement monitoring and alerting solution for the PTC vital network.
- Complete replacement of phone system and related communications capabilities.
- Complete replacement of enterprise asset management system.
- Replace infrastructure components maintaining lifecycle to ensure reliability and stability.

- Continue progress for replacement of paratransit software to meet current ADA accessibility requirements, improve operational efficiency and lower costs.
 - Begin the analysis to replace the intelligent transportation systems onboard vehicles.
 - Begin the analysis to replace the cash farebox system onboard vehicles.
 - Complete acquisition and begin implementation of a new Enterprise Resource Planning (ERP) system.
 - Continue to improve cybersecurity posture by implementing additional edge device protections.
- ◆ Valued Community Partner
- Continue to seek out and develop public-private partnerships with mobility and technology partners to reduce costs or improve traveler tools for customers.

Information Technology Department Organizational Chart



Budget Changes

Labor and Benefits

Decrease of \$59,397 due to hiring new employees at a cost lower than budgeted.

Other Expense

Increase of \$1,276,672 driven by various expense categories. Other Professional Fees have been decreased by \$53,000 for budget austerity measures, an increase of \$320,200 is related to the contracted staffing required for maintenance as salaried staff have project assignments. \$317,000 increase in Phone System Maintenance for an updated phone system organization-wide. Increases to Hardware Maintenance Contracts of \$105,146 for PTC fiber and other hardware, \$163,146 increase in Telephone Local expense for new circuits at 700 Lavaca office as well as revised MetroAccess cell services. Finally an increase in Computer Systems Subscriptions and Maintenance of \$459,851 for new software service requests, maintenance post project completion, and any potential unknown software needs.

	FY2019 ACTUAL	FY2020 BUDGET	FY2020 FORECAST	FY2021 BUDGET	Var \$ FY2021 vs. FY2020	Var % FY2021 vs. FY2020
LABOR & BENEFITS						
Salaries & Wages - Admin.	3,622,745	4,263,002	3,883,164	4,201,543	(61,459)	(1.4)%
Overtime - Administrative	5,269	—	—	—	—	N/A
Salary & Wages - Temp	8,135	—	—	—	—	N/A
Intern Pay	40,750	—	—	—	—	N/A
FICA-Admin	264,644	311,812	311,812	313,874	2,062	0.7 %
State Unemployment-Admin	5,510	7,738	7,738	7,738	—	0.0 %
Boot Allowance-Admin	960	—	—	—	—	N/A
TOTAL LABOR & BENEFITS	3,948,013	4,582,552	4,202,714	4,523,155	(59,397)	(1.3)%
OTHER EXPENSES						
Other Professional Fees	223,527	283,000	269,076	230,000	(53,000)	(18.7)%
Temporary Help	148,852	194,800	571,731	515,000	320,200	164.4 %
Phone System Maintenance	370,589	241,500	275,061	558,500	317,000	131.3 %
Hardware Maintenance Contracts	328,065	497,904	520,080	603,050	105,147	21.1 %
Software Maintenance Contracts	2,369,451	4,716,485	4,755,526	5,176,326	459,841	9.7 %
Other Services	14,771	12,000	746	—	(12,000)	(100.0)%
Non-Capital Training	131,908	—	3,000	8,000	8,000	N/A
Office Supplies	9,129	7,800	7,800	7,800	—	0.0 %
Other Supplies	28	—	—	—	—	N/A
Non-Capital Projects	121,056	—	—	—	—	N/A
Telephone-Local	1,182,519	1,204,116	1,210,676	1,367,440	163,324	13.6 %
Dues And Subscriptions	3,953	2,824	3,020	2,824	—	0.0 %
Airfare - Transportation	2,146	3,784	2,075	4,184	400	10.6 %
Travel - Per Diem	1,137	1,830	709	1,830	—	0.0 %
Seminar, Conferences, Registration	18,251	37,925	28,662	37,925	—	0.0 %
Lodging	3,017	5,100	3,750	5,100	—	0.0 %
Travel - Other	456	—	—	—	—	N/A



	FY2019 ACTUAL	FY2020 BUDGET	FY2020 FORECAST	FY2021 BUDGET	Var \$ FY2021 vs. FY2020	Var % FY2021 vs. FY2020
Postage	29	—	—	—	—	N/A
Computer Software	1,209,955	85,600	58,500	44,000	(41,600)	(48.6)%
Safety Equipment	365	—	—	—	—	N/A
Computer Hardware	329,000	240,640	253,307	250,000	9,360	3.9 %
Other Miscellaneous Expenses	1,280	—	—	—	—	N/A
TOTAL OTHER EXPENSES	6,469,484	7,535,308	7,963,719	8,811,979	1,276,672	16.9 %
TOTAL OPERATING EXPENSES	10,417,497	12,117,860	12,166,433	13,335,134	1,217,275	10.0 %

Innovative Mobility

Functions and Responsibilities

Innovative Mobility is responsible for exploring the future of public transportation technologies, platforms, modes and initiatives, and for creating and managing alternative shared public transit service solutions in areas where fixed-route transit is not a good mobility option.

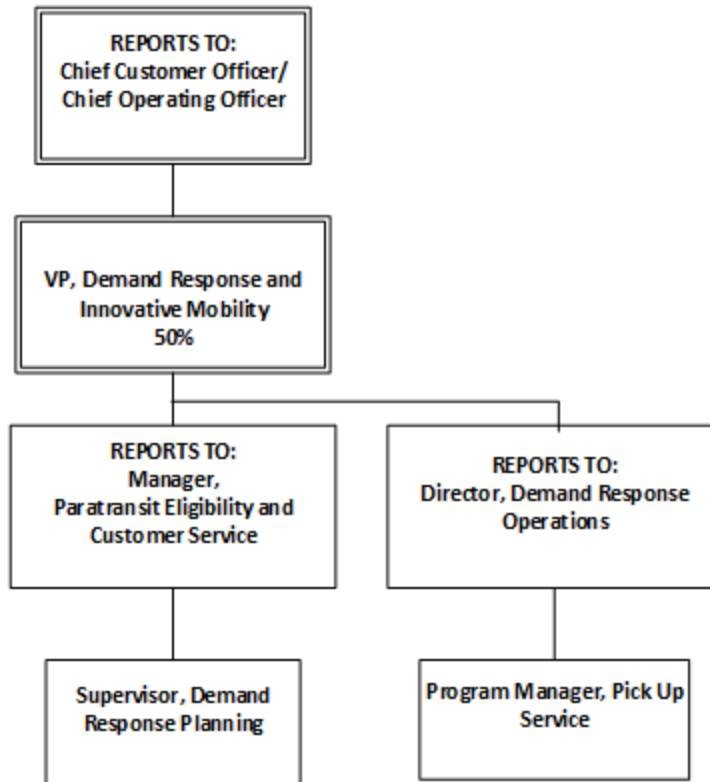
FY2020 Accomplishments

- ◆ High-Quality Customer Experience
 - Launched two new Pickup zones, Leander and Lago Vista.
 - Pursued bike-share program in partnership with city of Austin.
 - Completed contract modifications to facilitate living wage adjustments for service provider workers.
- ◆ Valued Community Partner
 - Worked with Texas Transportation Institute to document best practices of the Pickup service for industry sharing.

FY2021 Planned Initiatives

- ◆ High-Quality Customer Experience
 - Provide sensitivity training initiative for all staff and contractors.
- ◆ Valued Community Partner
 - Launch bike-share program in partnership with city of Austin.
 - Support Project Connect initiatives for Pickup service.

Innovative Mobility Department Organizational Chart



Budget Changes

Labor and Benefits

Increase of \$105,677 due to one FTE transferred from the Operations and Maintenance Oversight department.

Other Expenses

Increase of \$410,191 due to reallocating funds from Other Professional Fees of \$107,214, from Other Services \$300,000 and from Innovative Mobility initiatives \$2,983,935 to support an increase of \$2,907,956 in Pickup services and \$500,000 for the new bike-share program. Gasoline expense of \$81,905 was previously captured in the Demand Response Oversight department. Fuel is budgeted at \$2.05 per gallon, a decrease of 25 cents over FY2020. Leased-Vehicles increased by \$292,680 to support expansion of Pickup service. Expense Reimbursement from Travis County for the Manor neighborhood circulators increased by \$28,310.



	FY2019 ACTUAL	FY2020 BUDGET	FY2020 FORECAST	FY2021 BUDGET	Var \$ FY2021 vs. FY2020	Var % FY2021 vs. FY2020
LABOR & BENEFITS						
Salaries & Wages - Admin.	171,606	\$161,963	\$156,705	\$259,884	\$97,921	60.5 %
FICA-Admin	11,250	11,254	11,254	18,920	7,666	68.1 %
State Unemployment-Admin	243	360	360	450	90	25.0 %
TOTAL LABOR & BENEFITS	183,099	173,577	168,319	279,254	105,677	60.9 %
OTHER EXPENSES						
Consultation Fees	—	5,000	—	—	(5,000)	(100.0)%
Other Professional Fees	57,476	214,427	117,579	107,213	(107,214)	(50.0)%
Temporary Help	292,580	501,600	501,600	501,600	—	0.0 %
Maintenance-Radios	—	—	54,600	16,770	16,770	N/A
Other Services	—	300,000	—	—	(300,000)	(100.0)%
Gasoline	—	—	—	81,905	81,905	N/A
Office Supplies	151	—	—	—	—	N/A
Other Supplies	37,529	—	—	—	—	N/A
Telephone-Local	440	480	480	960	480	100.0 %
Gasoline Fuel Tax	—	—	—	34,859	34,859	N/A
Innovative Mobility initiatives	209,469	2,983,935	2,682,447	—	(2,983,935)	(100.0)%
Pickup CARTS	—	—	—	779,868	779,868	N/A
Pickup North	—	—	—	1,029,713	1,029,713	N/A
Pickup South	—	—	—	1,098,375	1,098,375	N/A
Bikeshare	—	—	—	500,000	500,000	N/A
Dues And Subscriptions	41	—	—	—	—	N/A
Travel - Per Diem	165	—	—	—	—	N/A
Lodging	227	—	—	—	—	N/A
Travel - Other	239	—	—	—	—	N/A
Business Meals - Local	878	—	—	—	—	N/A
Advertising/Promotion Media	44,790	20,000	20,000	20,000	—	0.0 %
Postage	391	12,000	9,055	12,000	—	0.0 %
Lease-Vehicles	—	441,000	441,000	733,680	292,680	66.4 %
Expense Reimbursement	—	(177,238)	(51,970)	(205,548)	(28,310)	16.0 %
TOTAL OTHER EXPENSES	644,376	4,301,204	3,774,791	4,711,395	410,191	9.5 %
TOTAL OPERATING EXPENSES	827,475	\$4,474,781	\$3,943,110	\$4,990,649	\$515,868	11.5 %

Internal Audit

Functions and Responsibilities

The Internal Audit department reports directly to the board of directors and is an independent and objective source of assurance and advisory services. Internal Audit provides assurance on Capital Metro's governance, risk management and control processes to help the organization achieve its strategic, operational, financial and compliance objectives. In addition, Internal Audit is a catalyst for process improvement by providing insight and recommendations based on a systematic analysis and assessment of data and business processes. Internal Audit also shares best practices and suggests ways for reducing costs and enhancing revenues.

FY2020 Accomplishments

◆ High-Quality Customer Experience

- Leveraged data analytics in the performance of audit projects to make the projects more efficient and effective.
- Developed FY2021 risk-based flexible audit plan that supports organizational objectives and best practices related to governance, risk and compliance.
- Provided advisory, consulting and risk management services to management and the board in support of Capital Metro strategic priorities.
- Restructured audit work-paper methodology for better alignment with Institute of Internal Auditors' best practice manual.

◆ Sustainability

- Executed the FY2020 Internal Audit Services Plan and assisted management by assessing operational and business risks and focusing internal audit resources in the most cost-effective and efficient manner.
- Started exploring opportunities to phase out the TeamMate audit system and replace it with a Governance Risk & Compliance system that can be used across Capital Metro.

◆ Valued Community Partner

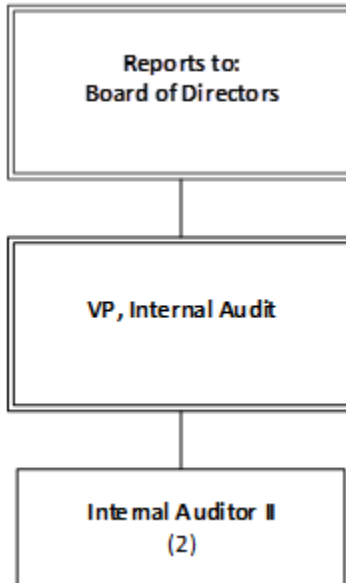
- Continued the UT Audit Intern Program. Recruited and developed UT Audit Interns and leveraged their skills to drive process improvement within Capital Metro.
- Led the coordination of the Quadrennial Review.
- Provided leadership and assisted with promoting or participating in professional (e.g., IIA, ALGA, ISACA, etc.) and industry (e.g., APTA) organizations.
- Shared best practices and provided assistance, as needed, to peer transit and local government internal audit functions.

FY2021 Planned Initiatives

- ◆ High-Quality Customer Experience
 - Develop FY2022 risk-based flexible audit plan that supports organizational objectives and best practices related to governance, risk and compliance.
 - Provide advisory, consulting and risk management services to management and the board in support of Capital Metro strategic priorities.
- ◆ Valued Community Partner
 - Continue UT Audit Intern Program – recruit and develop UT Audit Interns and leverage their skills to drive process improvement within Capital Metro.
 - Lead the coordination and successful completion of the Quadrennial Review.
 - Provide leadership and assist with promoting or participating in professional (e.g., IIA, ALGA, ISACA, etc.) and industry (e.g., APTA) organizations.
 - Share best practices and provide assistance as needed, to peer transit and local government internal audit functions.
- ◆ Sustainability
 - Execute the FY2020 Internal Audit Services Plan and assist management by assessing operational and business risks and focusing internal audit resources in the most cost-effective and efficient manner.
 - Continue UT Audit Intern Program – recruit and develop interns from UT and leverage their skills to drive process improvement within Capital Metro.
 - Continue to explore opportunities to phase out the TeamMate audit system and replace with a Governance Risk & Compliance system that can be used across Capital Metro.
- ◆ Valued Community Partner
 - Lead the coordination and successful completion of the Quadrennial Review.
 - Share best practices and provide assistance, as needed, to peer transit and local government internal audit functions.



Internal Audit Department Organizational Chart



Budget Changes

Other Expenses

Increase of \$133,075 driven by the Quadrennial Performance Audit that started in FY2020, though not budgeted, and will complete in FY2021.

	FY2019 ACTUAL	FY2020 BUDGET	FY2020 FORECAST	FY2021 BUDGET	Var \$ FY2021 vs. FY2020	Var % FY2021 vs. FY2020
LABOR & BENEFITS						
Salaries & Wages - Admin.	\$307,148	\$341,625	\$344,202	\$344,544	\$2,919	0.9%
FICA-Admin	21,242	22,404	22,404	23,101	697	3.1%
State Unemployment-Admin	409	536	536	542	6	1.1%
TOTAL LABOR & BENEFITS	328,800	364,565	367,142	368,187	3,622	1.0 %
OTHER EXPENSES						
Audit Fees	—	—	134,054	134,054	134,054	N/A
Other Professional Fees	94	—	—	—	—	N/A
Courier And Delivery Services	48	—	—	—	—	N/A
Office Supplies	113	400	218	400	—	0.0%
Other Supplies	—	400	100	400	—	0.0%
Telephone-Local	1,320	1,440	1,440	1,440	—	0.0%
Dues And Subscriptions	490	1,580	1,236	1,510	(70)	(4.4%)
Airfare - Transportation	1,093	1,350	112	900	(450)	(33.3%)
Travel - Per Diem	549	400	76	646	246	61.5%
Seminar, Conferences, Registration	3,173	5,372	2,815	4,254	(1,118)	(20.8%)
Lodging	1,618	1,200	1,032	1,538	338	28.2%
Travel - Other	239	—	—	—	—	N/A
Business Meals - Local	—	—	—	75	75	N/A
TOTAL OTHER EXPENSES	8,737	12,142	141,083	145,217	133,075	1096.0 %
TOTAL OPERATING EXPENSES	\$337,537	\$376,707	\$508,225	\$513,404	\$136,697	36.3 %

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; and manages outside legal services.

FY2020 Accomplishments

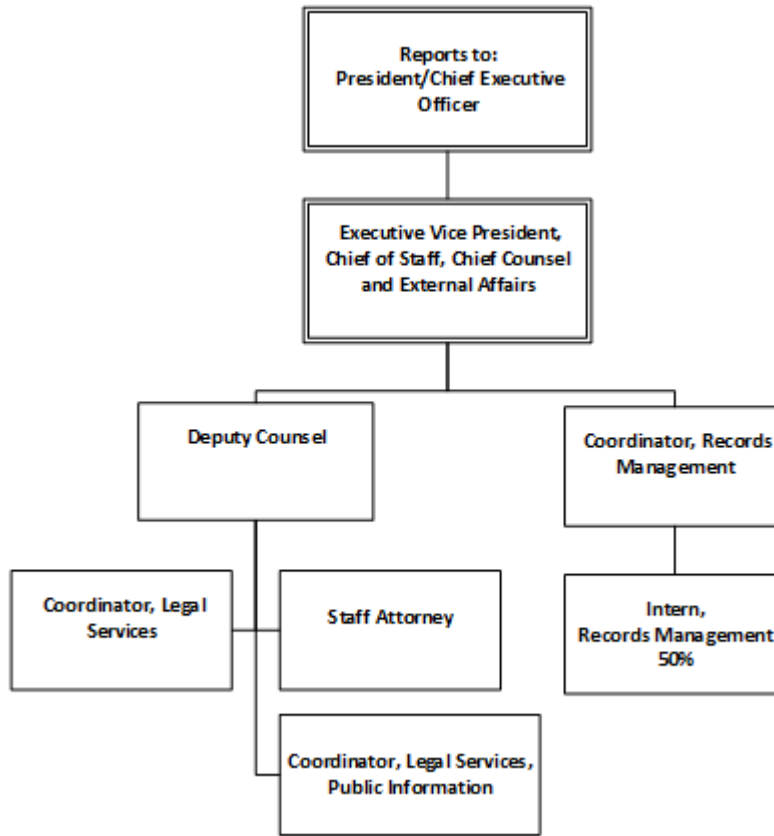
- ◆ High-Quality Customer Experience
 - Collaborated with other departments on effective and efficient ways to develop and implement a wide array of projects in accordance with applicable laws and regulations.
 - Revised and streamlined agency policies.
 - Assisted in the development and delivery of staff training on ethical issues and guidance on legal matters.
 - Ensured Capital Metro meets its legal obligations associated with transparency and public information.
 - Continued to develop and implement processes and strategies for reducing legal risk and exposure.

FY2021 Planned Initiatives

- ◆ High-Quality Customer Experience
 - Collaborate with other departments on effective and efficient ways to develop and implement a wide array of projects in accordance with applicable laws and regulations.
 - Assist in the development and delivery of staff training on legal matters.
 - Ensure Capital Metro meets its legal obligations associated with transparency and public information.
- ◆ Sustainability
 - Continue to develop and implement processes and strategies for reducing legal risk and exposure.



Legal Department Organizational Chart



Budget Changes

Labor and Benefits

Increase of \$27,195 due to reclassification of several positions.

	FY2019 ACTUAL	FY2020 BUDGET	FY2020 FORECAST	FY2021 BUDGET	Var \$ FY2021 vs. FY2020	Var % FY2021 vs. FY2020
LABOR & BENEFITS						
Salaries & Wages - Admin.	\$557,251	\$638,064	\$640,891	\$662,418	\$24,354	3.8 %
Overtime - Administrative	1,148	—	—	—	—	N/A
FICA-Admin	36,515	43,091	43,091	45,936	2,845	6.6 %
State Unemployment-Admin	884	1,262	1,262	1,258	(4)	(0.3 %)
TOTAL LABOR & BENEFITS	595,798	682,417	685,244	709,612	27,195	4.0 %
OTHER EXPENSES						
General Legal Services	199,814	300,000	280,023	300,000	—	0.0 %
Temporary Help	9,847	—	—	—	—	N/A
Courier And Delivery Services	30	50	50	48	(2)	(4.0 %)
Other Services	—	11,000	11,000	11,750	750	6.8 %
Office Supplies	2,616	3,000	1,628	2,000	(1,000)	(33.3 %)
Telephone-Local	960	1,920	1,920	1,920	—	0.0 %
Dues And Subscriptions	6,793	8,076	7,646	8,069	(7)	(0.1 %)
Airfare - Transportation	657	1,979	1,218	1,889	(90)	(4.5 %)
Travel - Per Diem	462	927	366	789	(138)	(14.9 %)
Seminar, Conferences, Registration	3,826	8,087	3,916	6,062	(2,025)	(25.0 %)
Lodging	1,426	2,668	943	2,668	—	0.0 %
Travel - Other	222	—	—	—	—	N/A
Postage	303	400	400	396	(4)	(1.0 %)
Other Miscellaneous Expenses	32	—	—	—	—	N/A
TOTAL OTHER EXPENSES	226,987	338,107	309,110	335,591	(2,516)	(0.7 %)
TOTAL OPERATING EXPENSES	\$822,784	\$1,020,524	\$994,354	\$1,045,203	\$24,679	2.4 %

Marketing and Communications

Functions and Responsibilities

The Marketing and Communications department furthers Capital Metro's mission through promoting transit use and value, public relations, business development, providing creative support to other departments' initiatives. The department generates revenue through advertising sales on transit vehicles and through the development of programs designed to increase ridership in a collaborative effort with private and public entities. Major responsibilities include the promotion of routes and services, internal marketing, schedule/signage design, website management and fleet graphics. The department also carries out market research to measure levels of awareness and customer satisfaction. The department serves as the primary contact point for the news media. It provides communications strategy and support to other departments and the board, allowing Capital Metro to drive positive messages and enhance its position in the community. The department establishes and implements Capital Metro's social media platforms, presenting user-friendly information through multiple channels for customers, stakeholders and employees.

FY2020 Accomplishments

◆ High-Quality Customer Experience

- Provided fast, effective customer communication of service and fare changes in response to the COVID-19 pandemic.
- Developed a new UT ridership program, informed by customer satisfaction research, designed to inform students of their ridership benefit and to promote ridership through the introduction of a "where can CapMetro take me" campaign promoting a "bucket list" of destinations and events that are served by transit.
- Promoted fall and summer upgrades of the CapMetro app and saw positive adoption of the new tools.
- Updated capmetro.org content management system to add flexibility and options for improving customer experience.
- Continued MetroRideShare promotion campaign to build ridership in growing areas outside the city core that have no or limited access to fixed-route service.
- Supported launch of the new Norwood Transit Center with print information, signage and promoted social media.
- Launched promotion of MetroAlerts program that allows customers to get service updates delivered to their phones.
- Launched e-lerts app promotion that allows customers to report security and safety concerns directly to our Operations Control Center.

◆ Sustainability

- Developed branding, events and promotion of new electric buses, their innovative properties and their contribution to a cleaner, more sustainable community environment featuring the artwork of elementary school children.

- Completed new third-party contract for the sale of transit advertising designed to increase revenues and better utilize Capital Metro's transit assets.
- Continued collaboration with Safety, Security and Innovative Mobility to promote programs and initiatives within those departments.
- ◆ Valued Community Partner
 - Educated and informed customers and community members on the changes, impacts and opportunities during construction of the Downtown Station. This included signage, schedule information and branding of the temporary station.
 - Completed community survey to test perceptions of Capital Metro.
 - Developed brochures, transit advertising, videos and events that educate the community on the value of transit and the innovations that Capital Metro is bringing to the community.
 - Led communications and media relations efforts on agency initiatives like the addition of new electric buses, pilot programs that allow Capital Metro to determine the effectiveness of possible new services, promotional service programs intended to increase ridership and the continued implementation and promotion of Cap Remap.
 - Supported agency's Project Connect initiative through communications and media relations efforts. This included seeking and arranging media appearances for agency staff and leadership; working closely with the Marketing and technical teams, contractors and Community Engagement to ensure a coordinated message is maintained, with the goal to make sure the agency's priorities and goals are well understood by the general public and major stakeholders. Provided marketing, videography, print and website support for Project Connect.
 - Continued to increase the media exposure of the agency and its initiatives to ensure the value of transit is communicated as widely as possible.

FY2021 Planned Initiatives

- ◆ High-Quality Customer Experience
 - Promote COVID-19 pandemic crisis response by Capital Metro and rebuild ridership as the community reopens. This will include consultation, multi-channel advertising, email marketing, social media and a media partnership with DO512.
 - Complete four customer satisfaction surveys in 2021 in support of the strategic plan and performance scorecard.
 - Provide quality customer information and promote use of transit for special events when required. Develop web, print, social media and advertising in support of these events.
 - Support three annual service changes plus service adjustments to ensure customers have the information to plan travels on our services. This will include brochures, at-stop information, system maps and web updates.
 - Conduct user experience testing supporting continual improvements necessary to keep Capital Metro's website content and usability optimized. Tests will include ADA testing of schedule tool; site architecture improvements; and usability testing of the new content management system.
 - Enhance customer communication by streamlining communication programs across multiple new channels, including MetroAlerts, the expansion of e-Paper signs across the system, additional opt-in e-mail communication and social media.

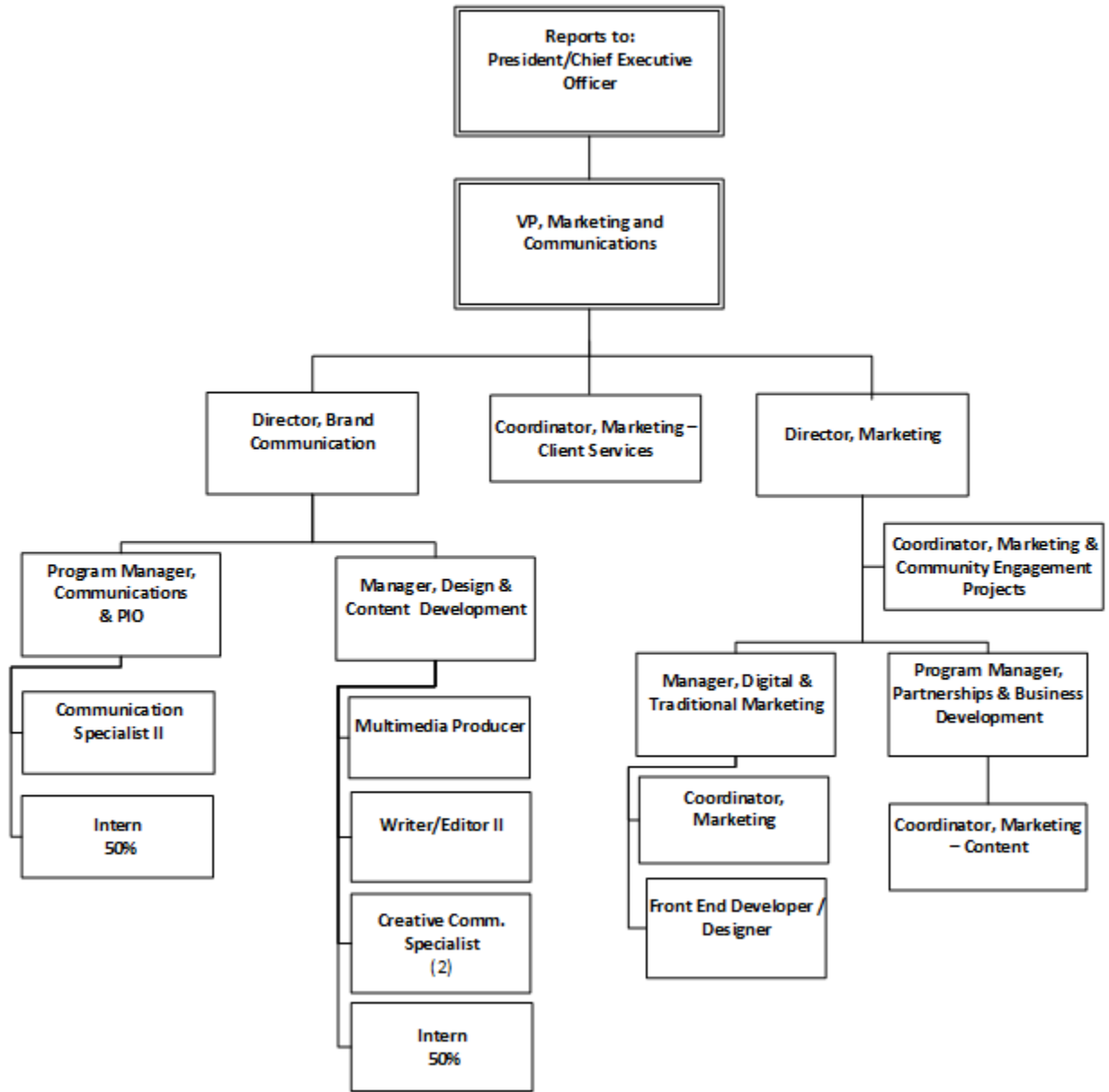
◆ Sustainability

- Provide multi-channel education, advertising and branding services for the implementation of new fare collection technology. This will include branding for the program, customer communications and promotions and the inclusion of fare payment information in corporate publications.
- Continue collaboration with Safety and Security to promote programs and initiatives within those departments.
- Support Sustainability and Innovative Mobility with BCycle branding and promotions, new Pickup service areas and pilots designed to improve first-mile/last-mile connectivity.

◆ Valued Community Partner

- Lead communications and media relations efforts on agency initiatives including the agency's COVID-19 pandemic response, the addition of new electric buses and infrastructure, pilot programs that allow Capital Metro to determine the effectiveness of possible new services and promotional service programs intended to increase ridership.
- Support the agency's Project Connect initiative through educational brochures, advertising, website, communications and media relations efforts. That will include the first quarter education campaign; seeking and arranging media appearances for agency staff and leadership; working closely with the Marketing and technical teams, contractors and Community Engagement to ensure a coordinated message is maintained.
- Continue to increase the media exposure of the agency and its initiatives to assure the value of transit is communicated as widely as possible. We will be proactive in our efforts to increase Capital Metro's visibility to both stakeholders and the Central Texas community.
- Launch the grand opening of the Downtown Station and other key capital investments through media, social media and opening/groundbreaking events.

Marketing and Communications Department Organizational Chart



Budget Changes

Labor and Benefits

Decrease of \$23,876 due to a position reclassification.

Other Expenses

Increase of \$5,718. Decrease of \$333,000 Consultation Fees due to completed FY2020 projects, mainly Branding and Electric Bus, reductions in Special Events Support, UT Outreach, General Consulting, Value of Transit and Fall and Spring, partially offset by increases to Downtown Station and new FY2021 Fare Collection and Transit Is Safe campaigns. Net decrease of \$44,627 Other Professional Fees due to completed FY2020 projects, such as Branding, and increases in other projects, mainly Literature Distribution and Media Monitoring Services. Increase \$120,000 Temp Help for Creative Services Procurement. Increase \$75,000 Other Services from Value of Transit and Special Events Support. Decrease \$54,000 Advertising Installation Expense due to a change in Cap Metro's advertising business model in June 2020 that transferred advertising generation and installation expenses to a contracted third-party agency; the remaining installation cost is for Cap Metro's own advertising. Net increase \$94,000 Other Supplies due to new FY2021 projects, mainly Transit Is Safe and Fare Collection campaigns, Branding, Downtown Station, partially offset by completed FY2020 projects. Increase \$163,000 Advertising/Promotion Media due to new FY2021 Fare Collection and Transit Is Safe campaigns, increases in, mainly, Fall and Spring campaign, partially offset by completed FY2020 San Marcos, Downtown Station and TVM campaigns.



	FY2019 ACTUAL	FY2020 BUDGET	FY2020 FORECAST	FY2021 BUDGET	Var \$ FY2021 vs. FY2020	Var % FY2021 vs. FY2020
LABOR & BENEFITS						
Salaries & Wages - Admin.	\$1,219,984	\$1,500,200	\$1,405,032	\$1,478,126	(\$22,074)	(1.5 %)
Overtime - Administrative	7,262	—	—	—	—	N/A
FICA-Admin	88,803	112,240	112,240	110,439	(1,801)	(1.6 %)
State Unemployment-Admin	2,249	3,418	3,418	3,417	(1)	0.0 %
TOTAL LABOR & BENEFITS	1,318,297	1,615,858	1,520,690	1,591,982	(23,876)	(1.5 %)
OTHER EXPENSES						
Consultation Fees	539,723	1,078,000	643,640	745,000	(333,000)	(30.9 %)
Other Professional Fees	276,035	398,107	358,606	353,480	(44,627)	(11.2 %)
Temporary Help	39,084	30,000	114,000	150,000	120,000	400.0 %
Courier And Delivery Services	123	600	600	240	(360)	(60.0 %)
Other Services	5,940	—	10,000	75,000	75,000	N/A
Advertising Installation Expense	147,361	87,000	138,000	33,000	(54,000)	(62.1 %)
Office Supplies	9,216	8,100	8,100	8,100	—	0.0 %
Maps And Schedules	257,982	266,300	264,900	250,000	(16,300)	(6.1 %)
Other Supplies	85,904	139,000	101,665	233,000	94,000	67.6 %
Telephone-Local	2,400	2,880	2,880	2,880	—	0.0 %
Dues And Subscriptions	15,829	16,783	16,783	16,788	5	0.0 %
Airfare - Transportation	4,621	3,900	1,359	3,900	—	0.0 %
Travel - Per Diem	1,463	5,400	508	5,400	—	0.0 %
Seminar, Conferences, Registration	11,853	21,700	21,700	21,700	—	0.0 %
Lodging	7,610	11,100	1,318	11,100	—	0.0 %
Travel - Other	1,334	—	—	—	—	N/A
Business Meals - Local	2,178	—	—	—	—	N/A
Advertising/Promotion Media	381,056	428,000	262,650	591,000	163,000	38.1 %
Postage	171	—	—	—	—	N/A
Other Miscellaneous Expenses	5,703	—	10,550	—	—	N/A
Food and Ice	270	—	—	2,000	2,000	N/A
Lease-Operating Yard/Storage	5,453	5,868	3,870	5,868	—	0.0 %
TOTAL OTHER EXPENSES	1,801,308	2,502,738	1,961,129	2,508,456	5,718	0.2 %
TOTAL OPERATING EXPENSES	\$3,119,605	\$4,118,596	\$3,481,819	\$4,100,438	(\$18,158)	(0.4 %)

Non-Allocated Employee Benefits

Functions and Responsibilities

The Non-Allocated Employee Benefits department provides health and welfare benefits that are attractive, affordable, flexible and competitive. Our employee benefits package allows us to attract and retain talent from diverse groups and serves as a differentiation factor when deciding on whether or not the job is a good fit. This department captures costs of various employee benefits agency-wide, such as health, dental and life insurance, as well as the retirement plans.

FY2020 Accomplishments

◆ Engaged Workforce

- Implemented a new health care option with high deductible and health saving account to add to the Capital Metro benefit program that recruits and retains the best employees.
- Ensured employees receive the required tax notices under the Affordable Care Act (ACA) for the benefit plans by newly set deadlines.
- Maintained retirement plan administration in compliance with regulations and submitted pension information to the Texas Pension Review Board. Implement changes as recommended to the board based on the retirement program study for Capital Metro employees to improve programs that will help recruit and maintain the best employees.
- Implemented provisions of the Coronavirus Aid, Relief, and Economic Security (CARES) Act related to mandatory 100% payment for testing of participants.
- Implemented changes to the Family Medical Leave Act (FMLA) with the introduction of The Families First Coronavirus Response Act provisions.
- Completed the annual audit of the Capital Metro retirement plans as required by the Texas Pension Review Board.
- Completed procurement of new vendor for life insurance, disability and FMLA administration.
- Converted employee paid short term disability benefit to an employer paid benefit to maintain external competitiveness.
- Introduction of three weeks of paid parental leave to serve as your child's primary caregiver following the birth, placement or adoption of a child.
- Implemented three week paid supplemental pandemic sick leave program to provide a safety net for employees who are directly affected by -COVID-19 pandemic.
- Amended the health plan to ensure 100% coverage for both testing and treatment of participants affected by COVID-19 pandemic.
- Amended the 401(k) plan to allow coronavirus-related distributions and suspension of loan payments for one year for affected participants.

FY2021 Planned Initiatives

◆ Engaged Workforce

- Ensure timely communication of changes to health plans and other benefits to employees.
- Complete the annual audit of the Capital Metro retirement plans as required by the Texas Pension Review Board.
- Ensure employees receive the required tax notices under the ACA for benefit plans by established deadlines.
- Maintain retirement plan administration in compliance with regulations and submitted pension information to the Texas Pension Review Board. Implement changes as recommended to the board based on the retirement program study for Capital Metro employees to improve programs that will help recruit and maintain the best employees.

Budget Changes

Labor and Benefits

Increase of \$727,899 is due to a movement of 401k expenses from Executive Staff of \$77,304, increase in anticipated Pension-Admin expense of \$515,000, increase in anticipated Long-Term Disability of \$47,652, contractual increase in Health Plan Admin fees of \$30,564, increased Health Savings Account participation for \$24,000 and Life-Insurance Admin increases related to changes in salaries for \$37,152.

	FY2019 ACTUAL	FY2020 BUDGET	FY2020 FORECAST	FY2021 BUDGET	Var \$ FY2021 vs. FY2020	Var % FY2021 vs. FY2020
LABOR & BENEFITS						
401k Fees	38,065	48,000	48,000	48,000	—	0.0 %
401K	—	—	77,303	77,304	77,304	N/A
Pension - Bargain	5,561,937	4,000,002	4,000,002	4,000,000	(2)	0.0 %
Pension - Admin	5,272,617	4,985,000	5,576,758	5,500,000	515,000	10.3 %
L/T Disability - Admin.	83,883	63,348	63,348	111,000	47,652	75.2 %
L/T Disability - Bargaining	(17)	—	—	—	—	N/A
Buy Up Ltd/Std	103	—	—	—	—	N/A
S/T Disability	7,019	93,300	93,300	97,590	4,290	4.6 %
Health Plans-Admin	3,652,135	4,497,261	4,497,261	4,500,000	2,739	0.1 %
Health Plans- Bargaining	188	—	—	—	—	N/A
Health Plan - Fees	238,466	609,432	609,432	639,996	30,564	5.0 %
Health Savings Account Employer Contribution	—	—	—	24,000	24,000	N/A
Health Plan Employee Contribution-Admin	(608,817)	(597,600)	(597,600)	(608,403)	(10,803)	1.8 %
Dental Plans-Admin	209,683	225,300	225,300	225,302	2	0.0 %
Dental Plan Employee Contribution-Admin	(31,194)	(29,664)	(29,664)	(29,662)	2	0.0 %
Life Insurance-Admin	55,607	36,468	36,468	73,620	37,152	101.9 %
Rideshare Subsidy	5,220	9,240	5,565	9,239	(1)	0.0 %
B-Cycle Subsidy	—	2,484	—	2,482	(2)	(0.1 %)
Retirement Medicare Supplement Payments	322,001	360,000	360,000	360,002	2	0.0 %
TOTAL LABOR & BENEFITS	14,806,896	14,302,571	14,965,473	15,030,470	727,899	5.1 %
TOTAL OPERATING EXPENSES	14,806,896	14,302,571	14,965,473	15,030,470	727,899	5.1 %

Operations and Maintenance Oversight

Functions and Responsibilities

The Operations and Maintenance Oversight department is responsible for coordinating the operations and activities of all Capital Metro service providers for bus services. This includes coordination of contract management, data collection and analysis and quality assurance activities for both vehicle operations and vehicle maintenance.

FY2020 Accomplishments

◆ High-Quality Customer Experience

- Continued the on-going implementation of safety management system (SMS) in conjunction with service providers and the roll-out of agency-wide initiatives to reduce vehicle and customer accidents.
- Supported assembly of safety committees, including service provider local committee.
- Supported partnership with Texas A&M in creation of a Public Transportation Accident Safety Plan in accordance with SMS requirements.
- Provided customer support and feedback by evaluating environment within our transit system that our customers and operators experience daily.
- Implemented service intervention playbook to mitigate service disruptions with collaboration from service provider, ATU bargaining officials and MV stakeholders.
- Implemented new contracted operations and maintenance bus services contract that combined the East Fifth and North Ops garages bringing opportunities to leverage resources for gains in efficiency, customer experience responsiveness and costs.

◆ Sustainability

- Continued to implement the fleet replacement schedule as outlined in the long-range financial plan and accepted delivery of 23 diesel buses.
- Launched the fleet electrification program, with the implementation of the first battery-electric buses and accepted delivery of 12 electric buses.
- Supported the implementation of the replacement Enterprise Asset Management system for Infor-EAM System.
- Implemented a series of COVID-19 pandemic activities to enhance employee and customer safety
 - Install of driver barriers for driver protection
 - Install of yellow chains for social distancing
 - Personal protection equipment (PPE) distribution for employees
 - Face shields for drivers
 - Hand sanitizer dispensers installed on buses
 - Decal and signage (social distancing and skip-a-seat)



- Transport of people experiencing homelessness
- Coordinate and support service levels and social distancing in buses
- Supplemental leave package
- Environmental clinician to access the work environment
- Temperature scanning at all work locations
- Instituted mid-day, in-route cleaning service
- Upgrade to vinyl upholstery for local vehicles
- Introduced new standard operating procedures for the operations control center and staff.
- Launched service alert subscription service with GovDelivery.

FY2021 Planned Initiatives

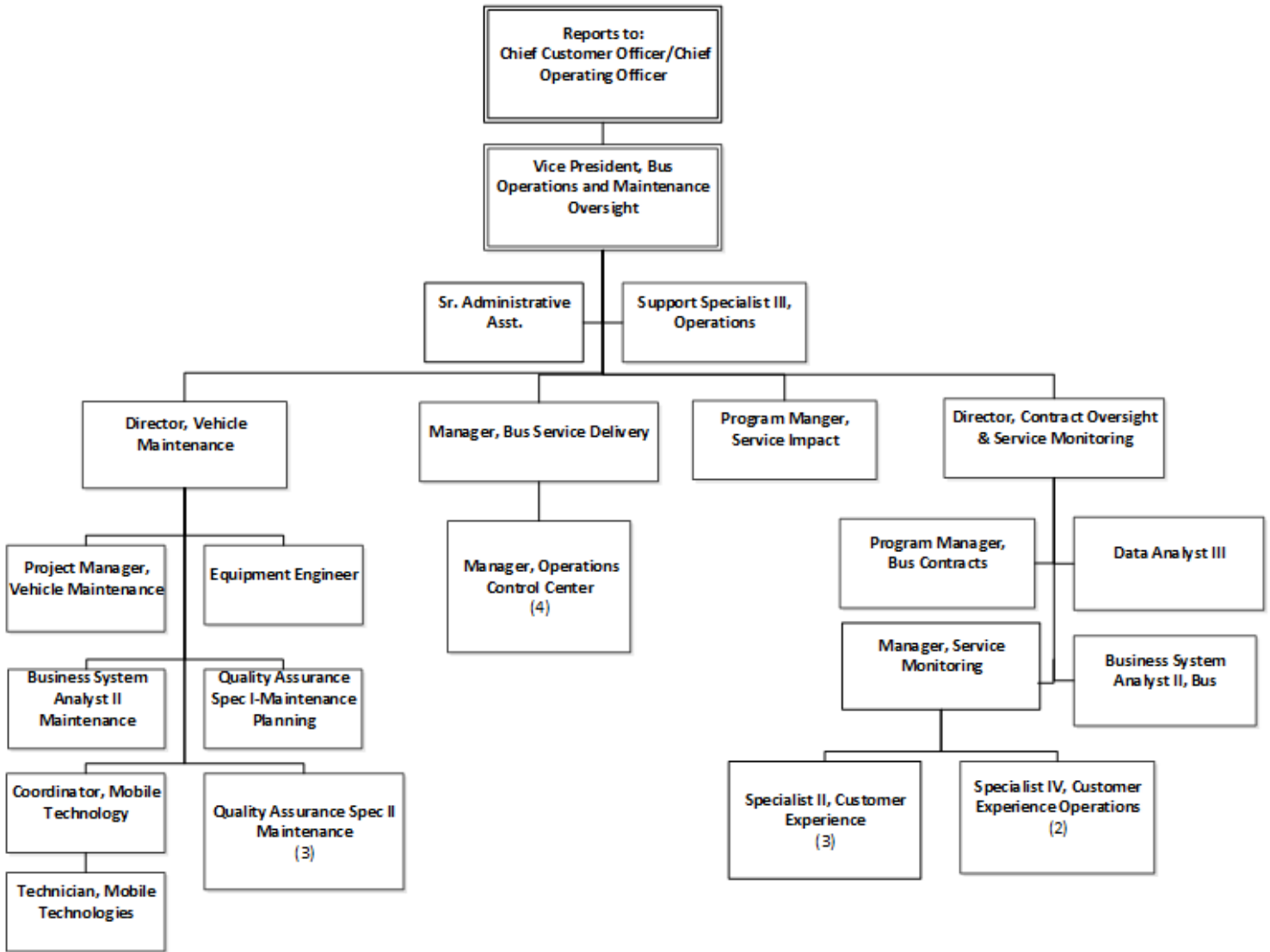
◆ High-Quality Customer Experience

- Continue improving SMS safety culture principles by taking a proactive approach in identifying safety initiatives, including communication with the collaboration of stakeholders, service providers and safety team.
- Continue to monitor and support MV efforts with their local Safety Committee.
- Work with Director of Safety & Training to reduce accidents and injuries and support safety initiatives, audits and action plans.
- Upgrade vehicle video systems on MetroRapid vehicles.
- Maintain operations to adapt to the changing pandemic environment.

◆ Sustainability

- Continue to be agile in the ever-changing landscape of COVID-19 pandemic operations incorporating steps driven by data to manage social distancing while providing revenue hours in line with service demands.

Operations and Maintenance Oversight Department Organizational Chart



Budget Changes

Labor and Benefits

Decrease of \$131,271 due to reclassification of vacancies and one FTE transferred to the Innovative Mobility department.

Other Expenses

Increase of \$812,241 mainly driven by the contractual increase for bus service at the East Fifth Street and North Operations Bus locations. Increase of \$730,500 in Other Supplies for personal protection equipment and cleaning supplies in response to the COVID-19 pandemic. Contractual rate increase of \$296,000 in Other Services for non-revenue vehicle repairs. Net increase in Other Professional Fees of \$92,500 for Center for Transportation and the Environment consulting for Low No grant related to bus electrification. Decrease of \$127,600 in Maintenance Radios realized by capitalizing cost for dispatch consoles for Security and Bus Operations. Decrease of \$276,950 in Repair and Maintenance-Other primarily due to new warranty expense for electric buses pushed to future to align with fleet plan. Net decrease of \$1,081,482 in Diesel, Gasoline and Fuel-North Operations driven by lower fuel prices. Fuel is budgeted at \$2.05 per gallon, a decrease of 25 cents over FY2020. Increase of \$240,000 in Capital Contributions-Other Jurisdictions for the Lower Colorado River Authority's state of good repair for updates to the Automatic Vehicle Location system and installation of 4 back-up radio networks at the Operation Control Center and Paratransit Dispatch.

	FY2019 ACTUAL	FY2020 BUDGET	FY2020 FORECAST	FY2021 BUDGET	Var \$ FY2021 vs. FY2020	Var % FY2021 vs. FY2020
LABOR & BENEFITS						
Salaries & Wages - Admin.	\$2,279,183	\$2,550,069	\$2,321,358	\$2,442,574	(\$107,495)	(4.2)%
Overtime - Administrative	4,363	21,600	21,600	—	(21,600)	(100.0)%
FICA-Admin	161,699	187,413	187,413	184,515	(2,898)	(1.5)%
State Unemployment-Admin	4,399	5,398	5,398	5,220	(178)	(3.3)%
Uniform Allowance-Admin.	6,756	5,100	5,100	6,000	900	17.6 %
TOTAL LABOR & BENEFITS	2,456,400	2,769,580	2,540,869	2,638,309	(131,271)	(4.7)%

OTHER EXPENSES

CTECC	506,483	525,406	525,406	573,224	47,818	9.1 %
Other Professional Fees	97,828	162,500	162,500	255,000	92,500	56.9 %
Temporary Help	75,753	—	—	72,000	72,000	N/A
Maintenance-Radios	650,544	739,600	739,600	612,000	(127,600)	(17.3)%
Repair & Maintenance-Other	165,772	1,015,250	1,015,250	738,300	(276,950)	(27.3)%
Other Services	49,541	24,000	24,000	320,000	296,000	1233.3 %
Diesel	6,942,059	6,468,653	6,468,653	6,349,754	(118,899)	(1.8)%
Gasoline	222,662	260,149	260,149	203,708	(56,441)	(21.7)%
Fuel-North Ops .	3,969,027	3,739,372	3,716,960	2,833,230	(906,142)	(24.2)%
Fuel Risk Management	(836,045)	—	—	—	—	N/A
Office Supplies	5,689	9,600	9,600	9,600	—	0.0 %
Other Supplies	290	65,700	65,700	796,200	730,500	1111.9 %
Telephone-Local	1,880	3,840	3,840	3,600	(240)	(6.3)%
Diesel Fuel Tax	1,071,707	972,193	969,355	978,640	6,447	0.7 %
Gasoline Fuel Tax	27,011	24,776	24,776	20,577	(4,199)	(16.9)%
E. Fifth Bus	81,935,352	73,226,459	73,226,459	72,912,812	(313,647)	(0.4)%
North Ops Bus	35,118,085	38,990,644	38,754,535	39,882,102	891,458	2.3 %
Rural Service Bus	1,783,832	1,310,712	1,539,818	1,551,323	240,611	18.4 %
Dues And Subscriptions	20,831	2,000	2,000	36,500	34,500	1725.0 %
Airfare - Transportation	39,908	44,870	10,684	28,790	(16,080)	(35.8)%
Travel - Per Diem	12,759	13,655	4,430	10,920	(2,735)	(20.0)%
Toll Road Charges	95,397	94,800	94,800	93,600	(1,200)	(1.3)%
Seminar, Conferences, Registration	9,637	19,575	773	18,775	(800)	(4.1)%
Lodging	25,041	48,040	6,550	35,280	(12,760)	(26.6)%
Travel - Other	(79)	—	—	—	—	N/A
Business Meals - Local	6,581	—	—	500	500	N/A



	FY2019 ACTUAL	FY2020 BUDGET	FY2020 FORECAST	FY2021 BUDGET	Var \$ FY2021 vs. FY2020	Var % FY2021 vs. FY2020
Postage	1,171	2,400	2,400	—	(2,400)	(100.0)%
Other Miscellaneous Expenses	1,597	—	—	—	—	N/A
Food and Ice	1,787	2,800	2,800	2,800	—	0.0 %
Expense Reimbursement	—	—	(125,268)	—	—	N/A
Capital Contributions- Other Jurisdictions	—	—	—	240,000	240,000	N/A
TOTAL OTHER EXPENSES	132,002,099	127,766,995	127,505,771	128,579,235	812,241	0.6 %
TOTAL OPERATING EXPENSES	\$134,458,499	\$130,536,575	\$130,046,640	\$131,217,544	\$680,970	0.5 %



Paratransit Eligibility

Functions and Responsibilities

The Paratransit Eligibility department includes staff members from eligibility, travel training and pathway assessment. It manages the eligibility certification process and promotes fixed-route use by providing training to people with disabilities and seniors.

FY2020 Accomplishments

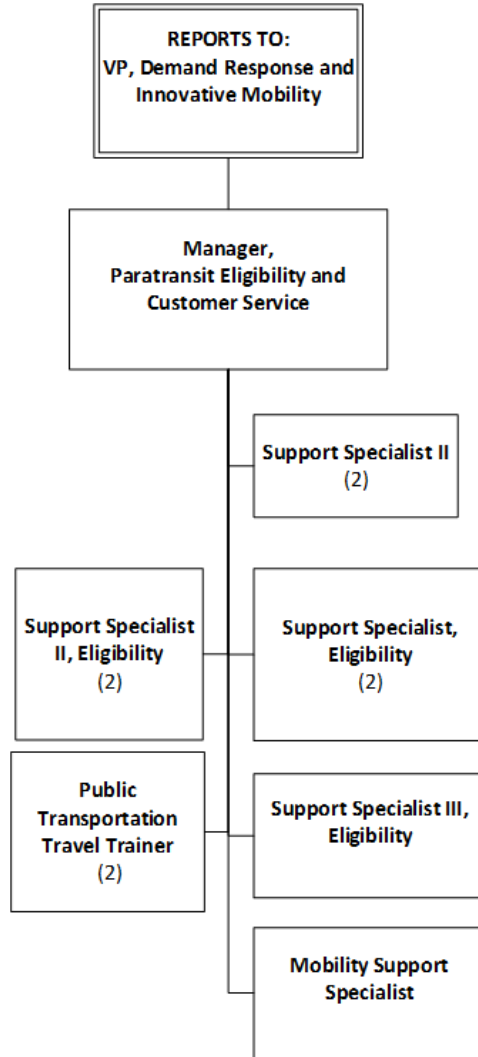
- ◆ High-Quality Customer Experience
 - Continued high rates of customer satisfaction, rating an average of 8.78 out of 10 on monthly eligibility customer satisfaction surveys.
 - Provided a seamless process to give our customers access to the accessible fixed-route services without requiring an additional trip to a healthcare professional and completion of an additional application process to automatically grant a reduced-fare ID card to individuals that are deemed ineligible for paratransit services.

FY2021 Planned Initiatives

- ◆ High-Quality Customer Experience
 - Provide sensitivity training initiative for all staff and contractors.
 - Procurement of vendor to complete in-person functional transit assessments.
 - Procurement of vendor for sign-language services.
 - Initiate auditing process of customer call reports ensuring customers are receiving timely feedback and resolutions.
- ◆ Valued Community Partner
 - Design new marketing methods to expand outreach.
 - Continue to build partnerships with local organizations.



Paratransit Eligibility Department Organizational Chart



Budget Changes

Labor and Benefits

Increase of \$45,560 due to one FTE transferred from Paratransit Reservations and Control Center department.

	FY2019 ACTUAL	FY2020 BUDGET	FY2020 FORECAST	FY2021 BUDGET	Var \$ FY2021 vs. FY2020	Var % FY2021 vs. FY2020
LABOR & BENEFITS						
Salaries & Wages - Admin.	\$475,148	\$524,051	\$500,921	\$568,173	\$44,122	8.4 %
Overtime - Administrative	3,618	6,000	6,000	2,999	(3,001)	(50.0 %)
FICA-Admin	38,508	39,208	38,060	43,466	4,258	10.9 %
State Unemployment-Admin	1,771	1,798	1,746	1,979	181	10.1 %
Uniform Allowance-Admin.	352	900	900	900	—	0.0 %
TOTAL LABOR & BENEFITS	519,397	571,957	547,627	617,517	45,560	8.0 %
OTHER EXPENSES						
Other Professional Fees	300,956	310,475	310,475	324,996	14,521	4.7 %
Temporary Help	18,802	52,800	31,680	38,282	(14,518)	(27.5 %)
Other Services	4,306	6,996	6,996	6,996	—	0.0 %
Office Supplies	3,762	—	—	—	—	N/A
Other Supplies	1,068	6,000	3,000	6,000	—	0.0 %
Telephone-Local	—	480	480	480	—	0.0 %
Dues And Subscriptions	—	375	375	375	—	0.0 %
Airfare - Transportation	1,237	1,200	—	1,200	—	0.0 %
Travel - Per Diem	655	600	—	600	—	0.0 %
Seminar, Conferences, Registration	1,005	1,000	248	1,000	—	0.0 %
Lodging	1,370	1,500	—	1,500	—	0.0 %
Travel - Other	87	—	—	—	—	N/A
Advertising/Promotion Media	—	1,500	750	1,500	—	0.0 %
TOTAL OTHER EXPENSES	346,990	397,326	368,404	397,329	3	0.0 %
TOTAL OPERATING EXPENSES	\$866,387	\$969,283	\$916,032	\$1,014,846	\$45,563	4.7 %

Paratransit Reservations and Control Center

Functions and Responsibilities

The Paratransit Reservations and Control Center department includes the MetroAccess call center, dispatch, scheduling and customer service. This department processes advance trip reservations, cancellations, inquiries, subscription service requests and group trips. This team manages and coordinates service through contracted providers. The department is also responsible for all customer service and outreach efforts for MetroAccess.

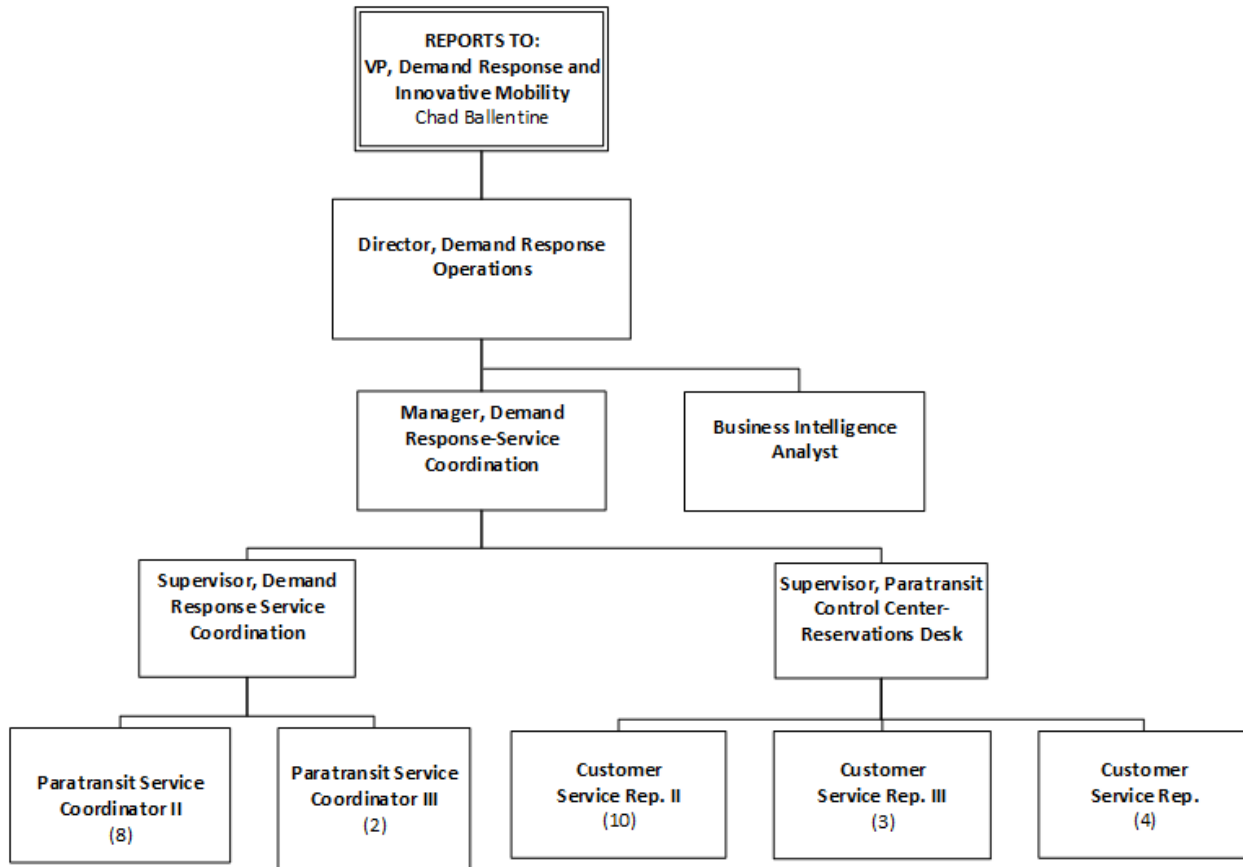
FY2020 Accomplishments

- ◆ High-Quality Customer Experience
 - Enhanced cleaning, safety policies & procedures for staff and customers, scheduling methodologies for social distancing, reporting for contact tracing.
 - Updated communication initiatives through telephone message blast, email, interactive voice response (IVR) and in-vehicle, emergency eligibility procedures.
- ◆ Engaged Workforce
 - Supported work from home initiative for staff safety and continued efficient operation. QA/tracking initiatives showed an improvement in call statistics and absenteeism.
 - Deployment of new tracked incident management solution through existing cloud platform.
- ◆ Sustainability
 - Completed contract modifications to facilitate living wage adjustments for service provider workers.
 - Upgraded five versions of Trapeze, completed health check, system improvements and training.
 - Developed Power BI dashboards for internal department use to improve real-time data-driven decision making.
- ◆ Valued Community Partner
 - Delivered more than 600,000 meals through grocery delivery partnerships with Central Texas Food Bank, HEB, Good Apple, Farm Share, Avance and Any Baby Can.
 - Provided Wi-Fi-enabled vehicle to infrastructure-limited neighborhoods in partnership with Austin Independent School District.

FY2021 Planned Initiatives

- ◆ High-Quality Customer Experience
 - Provide sensitivity training initiative for all staff and contractors.
 - Procure new paratransit scheduling and eligibility software solutions.
- ◆ Valued Community Partner
 - Support Project Connect planning and customer initiatives related to Demand Response.

Paratransit Reservation and Control Center Department Organizational Chart



Budget Changes

Labor and Benefits

Increase of \$17,779 due to one FTE transferred from Demand Response Oversight department and one FTE transfer to the Paratransit Eligibility department, offset by a lower projected Overtime-Administrative expense of \$27,896.

Other Expenses

Increase of \$48,821 primarily due to increase in Temporary Help used for staffing the call center.

	FY2019 ACTUAL	FY2020 BUDGET	FY2020 FORECAST	FY2021 BUDGET	Var \$ FY2021 vs. FY2020	Var % FY2021 vs. FY2020
LABOR & BENEFITS						
Salaries & Wages - Admin.	\$1,351,314	\$1,585,195	\$1,540,482	\$1,625,149	\$39,954	2.5 %
Overtime - Administrative	201,062	157,898	132,898	130,002	(27,896)	(17.7 %)
FICA-Admin	110,887	118,599	124,974	124,322	5,723	4.8 %
State Unemployment-Admin	4,278	5,764	6,000	5,762	(2)	0.0 %
TOTAL LABOR & BENEFITS	1,667,542	1,867,456	1,804,354	1,885,235	17,779	1.0 %
OTHER EXPENSES						
Temporary Help	217,065	105,600	155,600	152,506	46,906	44.4 %
Other Services	18,182	20,500	16,503	23,000	2,500	12.2 %
Office Supplies	1,816	—	—	—	—	N/A
Expendable Tools & Equipment	48	—	—	—	—	N/A
Other Supplies	—	2,750	1,571	3,600	850	30.9 %
Telephone-Local	480	1,440	1,440	—	(1,440)	(100.0 %)
Dues And Subscriptions	—	375	375	380	5	1.3 %
Airfare - Transportation	568	800	—	800	—	0.0 %
Travel - Per Diem	363	400	—	400	—	0.0 %
Seminar, Conferences, Registration	505	1,000	—	1,000	—	0.0 %
Lodging	631	1,000	—	1,000	—	0.0 %
Postage	253	2,820	1,410	2,820	—	0.0 %
TOTAL OTHER EXPENSES	239,911	136,685	176,899	185,506	48,821	35.7 %
TOTAL OPERATING EXPENSES	\$1,907,453	\$2,004,141	\$1,981,253	\$2,070,741	\$66,600	3.3 %

People and Culture

Formerly Human Resources

Functions and Responsibilities

The People and Culture department's mission is to recruit, attract, retain, develop, motivate and reward a diverse, high-performing and top-quality workforce. The department's primary responsibilities are to: facilitate staffing strategies required to meet Capital Metro's needs; manage benefits programs to meet employee needs; administer compensation and performance management programs; coordinate staff development and training programs to enhance employees' knowledge, skills and abilities; develop and deliver leadership training and career enrichment programs; develop and implement employee engagement and communications programs; and develop and administer human resources policies and procedures to comply with federal, state and local regulations.

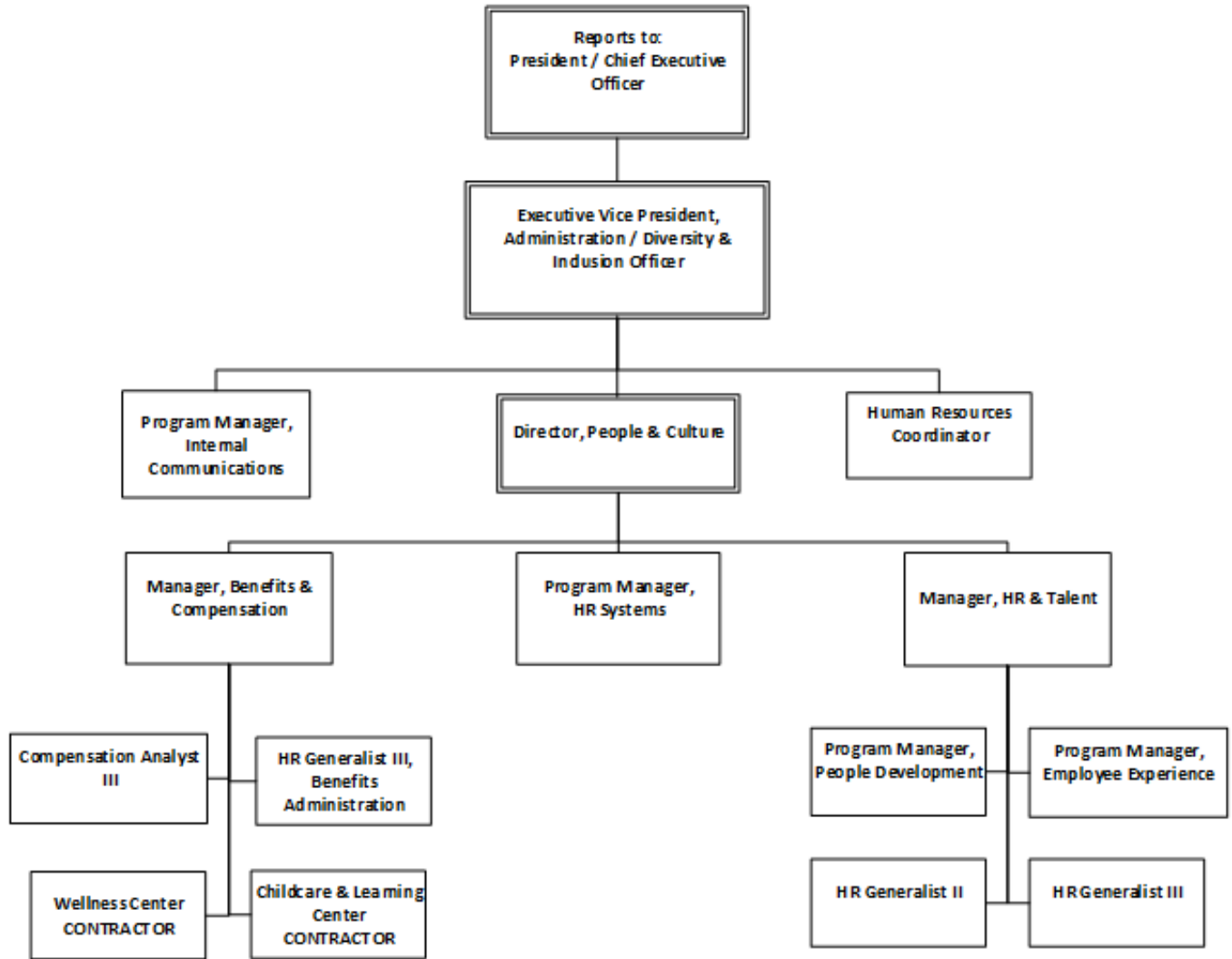
FY2020 Accomplishments

- ◆ High-Quality Customer Experience
 - Implemented and streamlined hiring process for the hiring of over 40 part-time bus cleaners during the pandemic.
 - Supported the Risk, Safety and Accessible Services Department to implement temperature checks for employees and service providers.
- ◆ Engaged Workforce
 - Launched Diversity, Equity and Inclusion program establishing a planning committee, community advisory group and program implementation plan.
 - Launched Learning Management system in partnership with LinkedIn Learning platform making available over 6,000 training courses.
 - Rolled out Spanish Learning pilot program to employees utilizing web-based courses and transit-based terms handbooks.
 - Implemented work from home program and related materials to assist managers during the pandemic and stay at home orders.
 - Managed on-going communications with employees on Capital Metro initiatives and regular updates related to the impact of COVID-19 pandemic.
 - Redesigned and rolled out an updated Performance Review Program linking performance evaluations to the Guiding Principles and Strategic Plan.
 - Completed an engagement survey to identify areas for improvement.

FY2021 Planned Initiatives

- ◆ High-Quality Customer Experience
 - Support operations and all customer-facing departments with customer experience training and education programs.
- ◆ Engaged Workforce
 - Develop and implement action plans to address areas identified for improvement in the FY2020 employee engagement survey.
 - Implement initiatives identified in the Diversity, Equity and Inclusion Program for FY2021.
 - Launch formal internship and mentor programs.
 - Develop and implement employer branding campaign to position Capital Metro as an employer of choice.
 - Launch improved internal communications tools for all Capital Metro family employees that keep employees up to date on Capital Metro news.
 - Redesign and implement a comprehensive orientation and onboarding program.

People & Culture Department Organizational Chart



Budget Changes

Labor and Benefits

Increase of \$19,586 due to new hires and replacing others and internal promotions.

Other Expenses

The total effect of budget changes are neutral year-over-year. This is primarily driven by a \$49,759 reduction in Consulting Fees some of which have been moved to Other Professional Services. Other Professional Services has an increase of \$30,092 along with an increase in Temporary Help of \$28,664.

	FY2019 ACTUAL	FY2020 BUDGET	FY2020 FORECAST	FY2021 BUDGET	Var \$ FY2021 vs. FY2020	Var % FY2021 vs. FY2020
LABOR & BENEFITS						
Salaries & Wages - Admin.	1,236,690	1,309,715	1,364,790	1,331,524	21,809	1.7%
FICA-Admin	86,597	93,200	93,200	97,256	4,056	4.4%
State Unemployment-Admin	1,953	2,338	2,338	2,337	(1)	0.0%
Housing	1,020	4,502	4,502	4,499	(3)	(0.1%)
Relocation Reimb.	80,794	15,002	15,002	8,721	(6,281)	(41.9%)
Tuition Reimbursement	18,238	24,994	24,994	25,000	6	0.0%
TOTAL LABOR & BENEFITS	1,425,292	1,449,751	1,504,826	1,469,337	19,586	1.4%
OTHER EXPENSES						
Consultation Fees	248,855	562,211	463,519	512,452	(49,759)	(8.9%)
Technical Services	8,866	9,504	9,504	9,556	52	0.5%
Other Professional Fees	152,082	65,812	65,812	95,904	30,092	45.7%
Temporary Help	9,354	64,800	55,857	93,464	28,664	44.2%
Courier And Delivery Services	—	300	—	300	—	0.0%
Other Services	212	18,956	—	19,310	354	1.9%
Office Supplies	18,475	13,000	13,000	13,000	—	0.0%
Other Supplies	2,810	15,600	15,600	11,400	(4,200)	(26.9%)
Non Capital Equipment	999	—	—	—	—	N/A
Telephone-Local	1,800	2,400	2,400	1,920	(480)	(20.0%)
Dues And Subscriptions	21,153	23,914	22,605	30,165	6,251	26.1%
Airfare - Transportation	19,581	11,000	3,007	9,650	(1,350)	(12.3%)
Travel - Per Diem	2,007	3,656	342	4,130	474	13.0%
Seminar, Conferences, Registration	16,028	26,668	8,387	22,349	(4,319)	(16.2%)
Lodging	12,667	11,940	3,431	10,890	(1,050)	(8.8%)
Travel - Other	963	200	31	200	—	0.0%
Business Meals - Local	4,596	25,185	1,218	22,680	(2,505)	(9.9%)
Newspaper Media	8,876	8,724	2,556	3,000	(5,724)	(65.6%)
Advertising/Promotion Media	150	—	—	—	—	N/A
Postage	431	600	187	600	—	0.0%
Other Miscellaneous Expenses	2,906	—	—	3,800	3,800	N/A
Other Misc. Expense-Vans	525	—	—	—	—	N/A
Food and Ice	4,951	14,952	3,986	14,652	(300)	(2.0%)



	FY2019 ACTUAL	FY2020 BUDGET	FY2020 FORECAST	FY2021 BUDGET	Var \$ FY2021 vs. FY2020	Var % FY2021 vs. FY2020
Recognition Program	61,012	98,404	85,905	98,404	—	0.0%
Office Equipment	15	—	—	—	—	N/A
TOTAL OTHER EXPENSES	599,314	977,826	757,347	977,826	—	0.0%
TOTAL OPERATING EXPENSES	2,024,606	2,427,577	2,262,173	2,447,163	19,586	0.8%

Procurement

Functions and Responsibilities

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

FY2020 Accomplishments

◆ High-Quality Customer Experience

- Awarded contracts for installation of electric bus charging stations at the North Operations facility.
- Procured additional commuter coaches.
- Procured new paratransit vehicles.
- Negotiated a contract to begin installing onboard validators fleet-wide.
- Awarded a combined north and south base contract for contracted bus and maintenance services.
- Assisted in creating and expediting modifications to our service provider contracts in response to the COVID-19 pandemic, resulting in modifications to our fleet vehicles and new procedures to protect our operators and our customers.

◆ Sustainability

- Updated our acquisition policy to align it with current regulations and best practices.
- Purchased electric buses, beginning the process to convert our fleet from diesel to electric.
- Awarded a contract for a new asset management system.

◆ Valued Community Partner

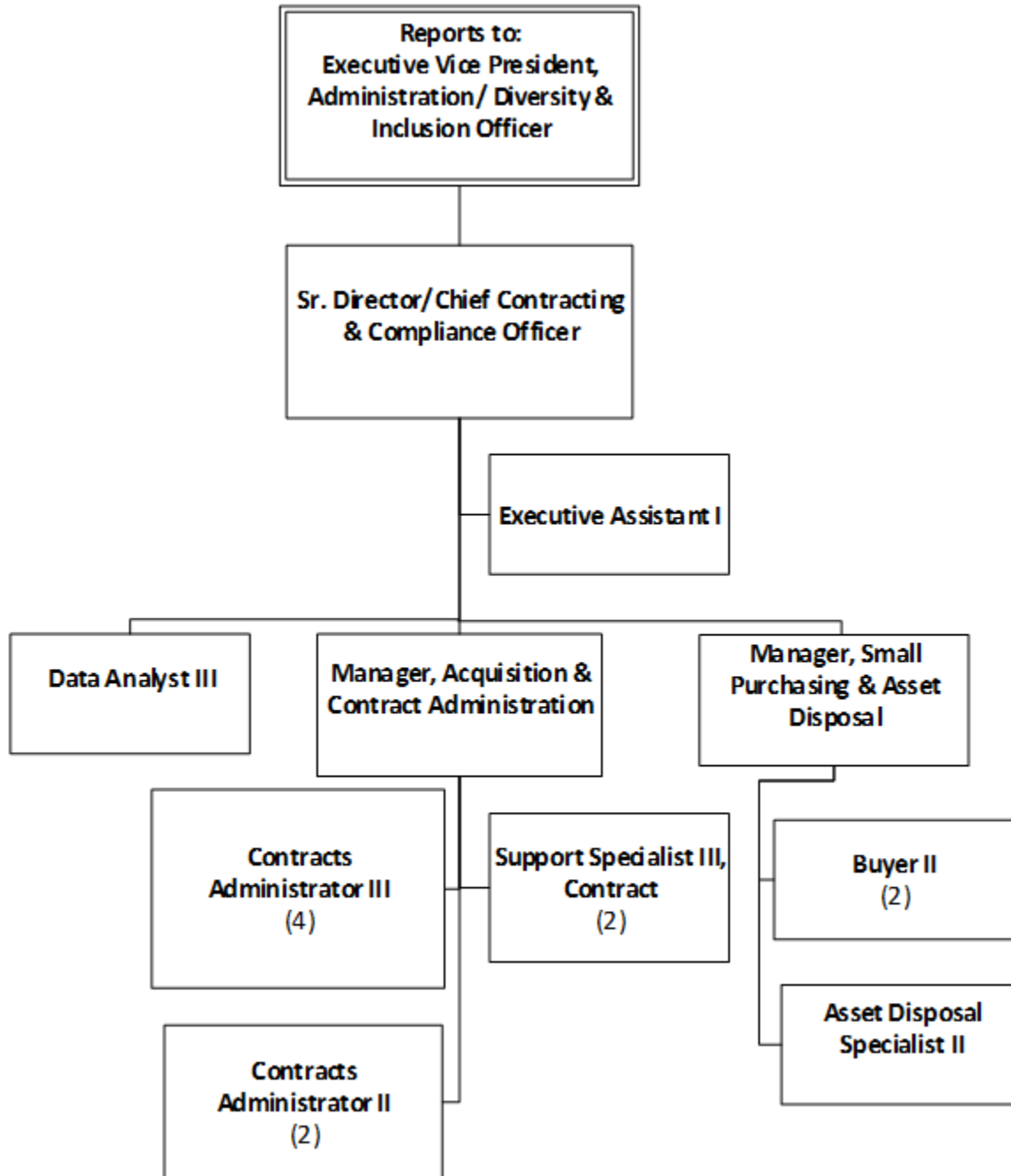
- Issued solicitations and awarded contracts in support of Project Connect.
- Awarded a contract for Leander Quiet Zones.
- Purchased emergency personal protective equipment and cleaning services to increase the frequency of our bus cleaning.

FY2021 Planned Initiatives

- ◆ High-Quality Customer Experience
 - Award a contract for a fare system upgrade.
 - Award contract modification for state of good repair for rail infrastructure.
 - Award contracts for marketing services.
- ◆ Engaged Workforce
 - Award employee benefits program contracts to ensure Capital Metro offers rich, competitive benefits.
 - Award a contract to conduct Procurement training courses with Capital Metro employees.
- ◆ Sustainability
 - Procure a new Enterprise Resource Planning system.
 - Award contracts for the renovation of the Capital Metro headquarters building.
- ◆ Valued Community Partner
 - Engage in vendor outreach events to encourage small and minority business participation in Capital Metro solicitations.
 - Conduct solicitations and award contracts upon passage of Project Connect initiatives.



Procurement Department Organizational Chart



Budget Changes

Labor and Benefits

Increase of \$39,762 due to midyear promotions.

Other Expenses

Increase of \$3,820 primarily due to increased Temporary Help of \$8,820 associated with contract management services. This is partially offset by a \$5,000 elimination of Consultation Fees.

	FY2019 ACTUAL	FY2020 BUDGET	FY2020 FORECAST	FY2021 BUDGET	Var \$ FY2021 vs. FY2020	Var % FY2021 vs. FY2020
LABOR & BENEFITS						
Salaries & Wages - Admin.	1,228,502	1,246,188	1,297,673	1,281,996	35,808	2.9 %
Overtime - Administrative	1,220	13,124	13,124	13,124	—	0.0 %
FICA-Admin	90,786	93,212	93,212	97,164	3,952	4.2 %
State Unemployment-Admin	2,355	2,736	2,736	2,738	2	0.1 %
TOTAL LABOR & BENEFITS	1,322,863	1,355,260	1,406,745	1,395,022	39,762	2.9 %
OTHER EXPENSES						
Consultation Fees	22,318	5,000	5,192	—	(5,000)	(100.0)%
Other Professional Fees	20,000	—	—	—	—	N/A
Temporary Help	63,886	240,296	235,202	249,116	8,820	3.7 %
Office Supplies	6,925	7,320	7,320	7,320	—	0.0 %
Dues And Subscriptions	4,704	3,960	3,960	3,960	—	0.0 %
Airfare - Transportation	3,005	5,895	5,895	5,895	—	0.0 %
Travel - Per Diem	1,877	4,103	4,103	4,103	—	0.0 %
Seminar, Conferences, Registration	34,411	62,645	13,145	62,645	—	0.0 %
Lodging	5,356	7,800	7,800	7,800	—	0.0 %
Travel - Other	241	1,100	1,100	1,100	—	0.0 %
Business Meals - Local	235	500	500	500	—	0.0 %
Newspaper Media	15,734	19,000	16,480	19,000	—	0.0 %
Postage	669	600	600	600	—	0.0 %
TOTAL OTHER EXPENSES	179,361	358,219	301,297	362,039	3,820	1.1 %
TOTAL OPERATING EXPENSES	1,502,224	1,713,479	1,708,042	1,757,061	43,582	2.5 %

Project Connect

Functions and Responsibilities

The Project Connect department advances high-capacity transit planning efforts with the purpose of identifying, evaluating, refining and advancing to implementation public transportation solutions and infrastructure. This highly collaborative work includes extensive internal coordination along with external partnerships with the city of Austin's mobility plans and initiatives, other public- and private-sector partners and broad community engagement.

FY2020 Accomplishments

◆ Sustainability

- Continued work with Finance and other stakeholders to develop financial plan for Project Connect.
- Obtained adoption by the Capital Metro board on the recommended System Plan including locally preferred alternatives for the Orange, Blue, Gold, Green and MetroRapid Lines, as well as the other system elements of the plan.

◆ Valued Community Partner

- Continued to engage the community in the development of the Project Connect program as the efforts moved into preliminary engineering and environmental analysis.
- Provided a welcoming environment for public interaction throughout the project at 607 Congress Avenue location.
- Continued development of Project Connect to meet future ridership demand throughout the region.
- Advanced preliminary engineering and environmental analysis on high-capacity transit corridors, including Orange and Blue Lines.
- Advanced preliminary engineering and environmental analysis on MetroRapid corridors, including the Burnet/Lamar to Oak Hill and Menchaca, Expo Center, Pleasant Valley, Crosstown, MLK and ACC Highland to Tech Ridge lines.
- Advanced preliminary engineering and environmental analysis on commuter rail transit corridors, including Red Line.
- Advanced planning studies on the Parmer Line corridor with the potential to advance further into preliminary engineering and environmental analysis upon completion of planning studies.
- Advanced transit-oriented development study on the Green Line to provide a plan for the corridor and initiated complementary zoning and land use regulations adjacent to proposed stations.
- Advanced preliminary engineering and final design on the regional component of the plan, including Park & Ride projects and related MetroExpress services.
- Obtained input from the community on all lines and transit centers within the Project Connect program.
- Organized a Project Connect Advisory Network (PCAN) that is in tune with the process and had working groups for specific communities or members with interests to particular aspects of the project.

- Continued to build community consensus to support the overall Project Connect program.
- Strategically developed a comprehensive approach to project phasing and prioritization.

FY2021 Planned Initiatives

◆ High-Quality Customer Experience

- Use digital means to engage the community on Project Connect through the use of virtual open houses and virtual community meetings.
- Provide a welcoming environment for public interaction throughout the project at 607 Congress Avenue location.
- Begin implementing Project Connect projects in order to provide additional ridership to the system.
- Update ridership models based on the completed CAMPO 2045 model.
- Enter into project development with FTA for the Orange, Blue, Gold and MetroRapid lines and advance the projects to engineering stage.
- Continue engineering of Park & Rides and fleet procurement for MetroExpress lines.
- Support procurement of fleet for neighborhood circulators and service implementation.

◆ Sustainability

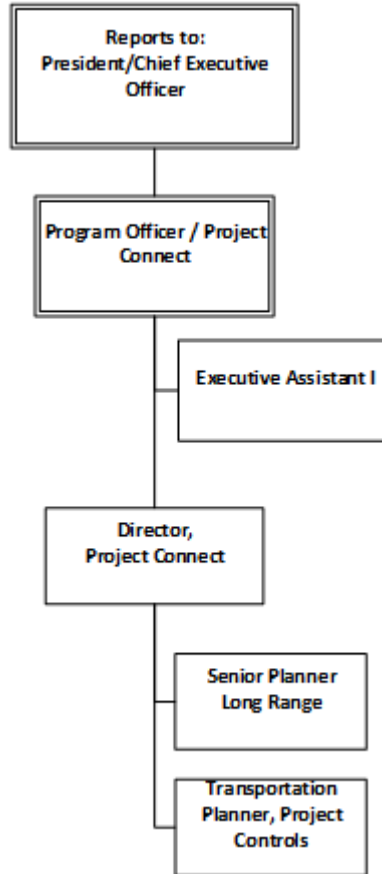
- Incorporate solar and renewable energy technology into Capital Metro facilities and assets.
- Order electric vehicles for MetroRapid and MetroExpress lines as part of Project Connect.
- Incorporate sustainability into the design of future Project Connect maintenance facilities and apply for Leadership in Energy and Environmental Design (LEED) certification of facilities.
- Incorporate green infrastructure into design of high-capacity transit corridors.
- Determine Capital Metro financing mechanism for funding Project Connect.
- Partner with municipalities to develop funding tools for Project Connect.
- Enter into Project Development with FTA for the Orange, Blue, Gold and MetroRapid lines in order to apply for federal funding.

◆ Valued Community Partner

- Obtain city of Austin endorsement for the recommended Project Connect system plan.
- Continue to partner with city of Austin to develop the Austin Transit Partnership to govern the implementation of the Project Connect program.
- Work with neighboring municipalities and agencies to implement aspects of the program.
- Strategically develop a comprehensive approach to project phasing and prioritization.
- Continue to build community consensus to support the overall Project Connect program.

- Incorporate local art and community culture into the design of shelters as part of Project Connect implementation.
- Continue operating the Project Connect Advisory Network (PCAN) and ensure it remains in tune with the process and maintains working groups for specific communities or members with interests to particular aspects of the project.

Project Connect Department Organizational Chart



Budget Changes

Project Connect budget amounts for FY2021 are a budget (procurement) mechanism covering the first four months of the year until the expenses are transferred to Austin Transit Partnership, under the assumption that a transit proposition will be approved in November 2020. Additionally, as Project Connect moves into project development, all allowable expenses have been moved to the capital budget in FY2021.

Labor and Benefits

Decrease of \$724,172 as all labor expenses are included in the capital budget in FY2021.

Other Expenses

Decrease of \$15,798,833 primarily due to \$13,238,565 of Consultation Fees for environmental and engineering services moved to the capital budget in FY2021 and \$2,466,722 combined reduction in marketing education campaign in Other Professional Fees, Advertising Installation Expense, Maps And Schedule and Advertising/Promo Media.



	FY2019 ACTUAL	FY2020 BUDGET	FY2020 FORECAST	FY2021 BUDGET	Var \$ FY2021 vs. FY2020	Var % FY2021 vs. FY2020
LABOR & BENEFITS						
Salaries & Wages - Admin.	\$527,741	\$672,784	\$475,121	\$—	(\$672,784)	(100.0)%
FICA-Admin	34,830	50,340	50,340	—	(50,340)	(100.0)%
State Unemployment-Admin	736	1,048	1,048	—	(1,048)	(100.0)%
TOTAL LABOR & BENEFITS	563,307	724,172	526,509	—	(724,172)	(100.0)%
OTHER EXPENSES						
General Legal Services	34,239	150,000	60,000	66,664	(83,336)	(55.6)%
Consultation Fees	2,874,239	13,716,065	14,321,536	477,500	(13,238,565)	(96.5)%
Other Professional Fees	62,142	733,200	643,080	41,000	(692,200)	(94.4)%
Temporary Help	—	15,000	—	101,457	86,457	576.4 %
Repair & Maintenance-Other	1,237	—	—	—	—	N/A
Other Services	375	—	—	—	—	N/A
Advertising Installation Expense	2,104	210,250	3,979	—	(210,250)	(100.0)%
Office Supplies	3,361	—	4,515	1,400	1,400	N/A
Maps And Schedules	1,231	575,000	—	—	(575,000)	(100.0)%
Other Supplies	26,730	20,400	2,803	—	(20,400)	(100.0)%
Non-Capital Projects	5,020	—	—	—	—	N/A
Dues And Subscriptions	1,624	1,500	—	—	(1,500)	(100.0)%
Airfare - Transportation	3,222	2,600	11	650	(1,950)	(75.0)%
Travel - Per Diem	473	1,000	175	300	(700)	(70.0)%
Seminar, Conferences, Registration	2,590	3,000	60	750	(2,250)	(75.0)%
Lodging	2,399	1,600	146	400	(1,200)	(75.0)%
Travel - Other	523	—	474	—	—	N/A
Business Meals - Local	5,102	—	7,321	4,800	4,800	N/A
Advertising/Promotion Media	89,258	1,350,012	1,481,671	360,740	(989,272)	(73.3)%
Other Miscellaneous Expenses	320	—	112	—	—	N/A
Food and Ice	1,770	—	98	—	—	N/A
Rent-Event Space	—	—	6,618	3,000	3,000	N/A
Lease-Administrative Facility	214,515	120,000	90,000	42,134	(77,866)	(64.9)%
TOTAL OTHER EXPENSES	3,332,473	16,899,628	16,622,599	1,100,795	(15,798,833)	(93.5)%
TOTAL OPERATING EXPENSES	\$3,895,780	\$17,623,800	\$17,149,108	\$1,100,795	(\$16,523,005)	(93.8)%

Property and Asset Management

Functions and Responsibilities

The Property and Asset Management department's responsibilities include the management of properties and assets, building and facility maintenance and management of utility and asset usage.

FY2020 Accomplishments

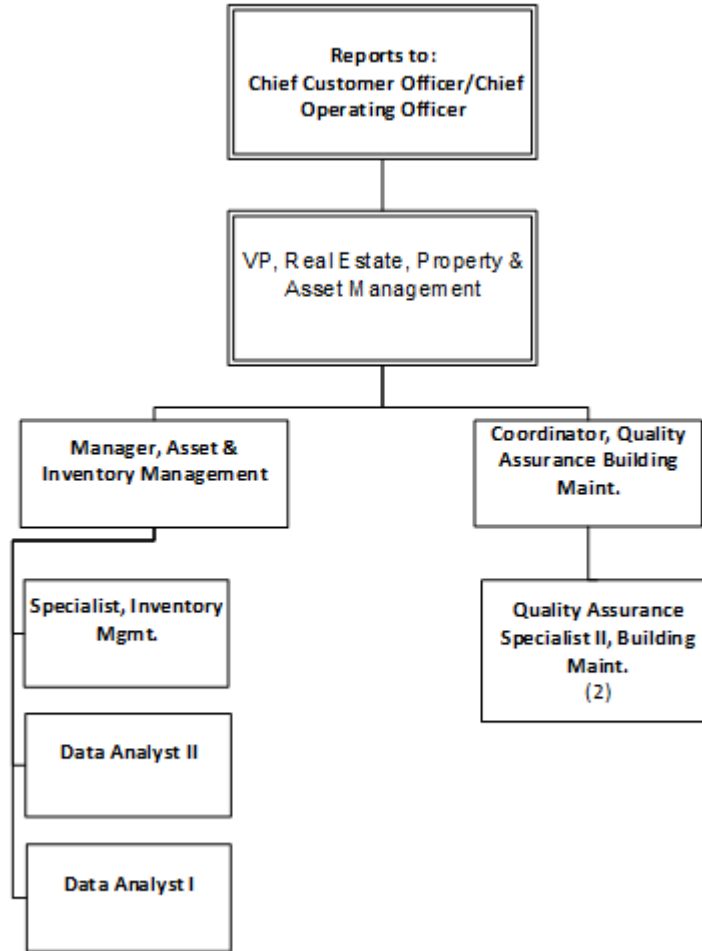
- ◆ High-Quality Customer Experience
 - Continued to foster good relations and provide technical support to building maintenance service providers regarding contract compliance through contract management and service monitoring plans.
 - Implemented American Public Transportation Association standards for safeguards in facilities in response to the COVID-19 pandemic.
- ◆ Sustainability
 - Submitted annual transit asset management plan to the National Transit Database.
 - Implemented facility maintenance portion of the new contract for bus service at the East Fifth Street and North Operations locations.
 - Completed all Capital Projects on time and at or below budget.
 - Continued support of the replacement Enterprise Asset Management system.

FY2021 Planned Initiatives

- ◆ High-Quality Customer Experience
 - Continue to foster good relations and provide technical support to building maintenance service providers regarding contract compliance through contract management and service monitoring plans.
- ◆ Sustainability
 - Complete all Capital Projects on time and at or below budget.
 - Submit annual transit asset management plan to the National Transit Database.
 - Support implementation of Enterprise Asset Management system.
 - Receive no findings in Federal Transit Administration Triennial Review.



Property and Asset Management Department Organizational Chart



Budget Changes

Labor and Benefits

Increase of \$23,100 to cover three-month transitional staffing cost related to retirement.

Other Expenses

Increase of \$601,222 mainly driven by contractual increase of \$669,141 for the building maintenance expense, which now includes the North Operations location, in Other Services, partially offset by a reduction of \$117,915 in Repair and Maintenance-Other from the previous contract.

	FY2019 ACTUAL	FY2020 BUDGET	FY2020 FORECAST	FY2021 BUDGET	Var \$ FY2021 vs. FY2020	Var % FY2021 vs. FY2020
LABOR & BENEFITS						
Salaries & Wages - Admin.	\$701,282	\$704,161	\$739,356	\$724,646	\$20,485	2.9 %
Overtime - Administrative	1,401	—	—	—	—	N/A
FICA-Admin	46,429	50,086	50,086	52,521	2,435	4.9 %
State Unemployment-Admin	1,146	1,438	1,438	1,618	180	12.5 %
TOTAL LABOR & BENEFITS	750,257	755,685	790,880	778,785	23,100	3.1 %
OTHER EXPENSES						
Other Professional Fees	44,729	200,004	60,000	250,000	49,996	25.0 %
Permits And Fees	360	1,500	1,200	1,500	—	0.0 %
Repair & Maintenance-Other	821,626	257,915	267,103	140,000	(117,915)	(45.7)%
Other Services	31,530	1,737,755	1,687,014	2,406,896	669,141	38.5 %
Office Supplies	2,508	7,000	6,685	7,000	—	0.0 %
Other Supplies	1,895	15,500	15,038	1,500	(14,000)	(90.3)%
Non Capital Equipment	282	—	—	14,000	14,000	N/A
Non-Capital Projects	6,582	—	—	—	—	N/A
Dues And Subscriptions	75	1,007	1,007	1,007	—	0.0 %
Airfare - Transportation	2,826	2,500	—	2,500	—	0.0 %
Travel - Per Diem	711	320	—	320	—	0.0 %
Seminar, Conferences, Registration	725	1,000	1,000	1,000	—	0.0 %
Lodging	1,977	1,200	—	1,200	—	0.0 %
Travel - Other	118	—	—	—	—	N/A
Postage	18	63	63	63	—	0.0 %
Office Equipment	491	—	—	—	—	N/A
TOTAL OTHER EXPENSES	916,454	2,225,764	2,039,110	2,826,986	601,222	27.0 %
TOTAL OPERATING EXPENSES	\$1,666,711	\$2,981,449	\$2,829,990	\$3,605,771	\$624,322	20.9 %

Public Facilities

Functions and Responsibilities

The Public Facilities department is responsible for maintaining all bus stops, Park & Rides, transit centers and rail stations. The primary functions include the cleaning of bus stops and transit centers, servicing litter containers, coordinating the installation and removal of bus stop amenities, supporting special events and performing service change support tasks, including the installation and removal of signage.

FY2020 Accomplishments

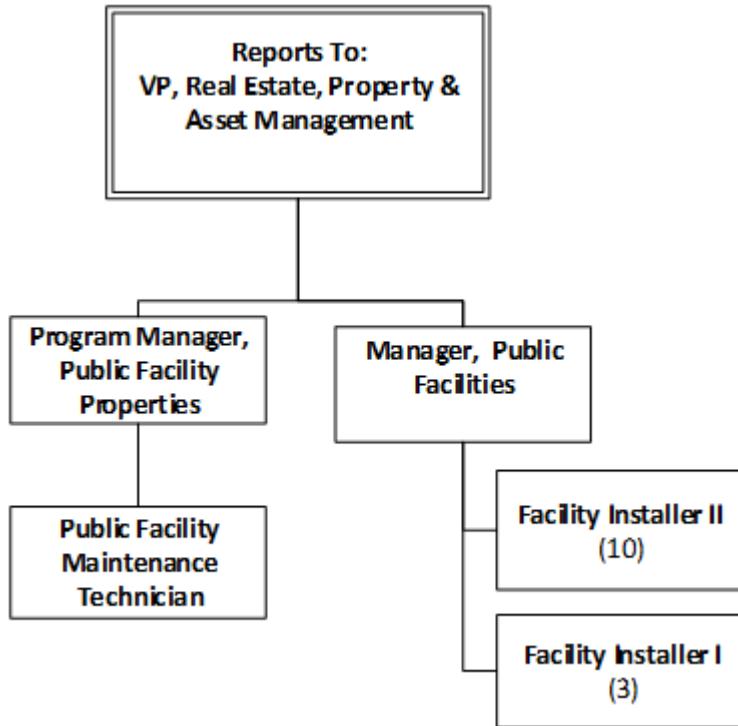
- ◆ High-Quality Customer Experience
 - Completed installation of new bus stop signage throughout the system.
 - Implemented American Public Transportation Association standards for safeguards in facilities in response to the COVID-19 pandemic.
 - Supported completion of Norwood Transit Center.
 - Supported placement of ePaper digital signs at Park & Rides and selected stops.
 - Supported completion of new Oak Hill Park & Ride.
 - Supported Creative Action on installation of murals at four bus stops.
 - Supported successful implementation of all service changes.

FY2021 Planned Initiatives

- ◆ High-Quality Customer Experience
 - Support successful implementation of all services changes.
 - Install 15 bus stop shelters and amenities, 30 stand-alone solar lights at bus stops and bus stop signage per service change.
 - Support Capital Projects Group with all bus stop and transit center enhancements.
 - Support all transit functions for city-wide special events.



Public Facilities Department Organizational Chart



Budget Changes

Labor and Benefits

Increase of \$41,485 due to reclassification of several positions.

Other Expenses

Increase of \$32,561 mainly driven by \$92,747 increase in Custodial Services for contractual rate increase and enhanced cleaning, partially offset by a decrease of \$67,000 in Repair and Maintenance-Other from completing repairs in FY2020, and lower expected cost in Electric and Other Utilities.



	FY2019 ACTUAL	FY2020 BUDGET	FY2020 FORECAST	FY2021 BUDGET	Var \$ FY2021 vs. FY2020	Var % FY2021 vs. FY2020
LABOR & BENEFITS						
Salaries & Wages - Admin.	\$821,239	\$867,271	\$850,012	\$881,967	\$14,696	1.7 %
Overtime - Administrative	137,514	113,571	113,571	137,520	23,949	21.1 %
FICA-Admin	69,738	64,884	64,884	67,471	2,587	4.0 %
State Unemployment-Admin	2,450	2,882	2,882	2,883	1	0.0 %
Uniform Allowance-Admin.	5,867	8,700	8,700	8,700	—	0.0 %
Boot Allowance-Admin	1,704	1,956	1,956	2,208	252	12.9 %
Boot Allowance-Bargaining	1,368	—	—	—	—	N/A
TOTAL LABOR & BENEFITS	1,039,880	1,059,264	1,042,005	1,100,749	41,485	3.9 %
OTHER EXPENSES						
Temporary Help	15,941	—	16,085	—	—	N/A
Repair & Maintenance-Other	194,353	239,244	200,000	172,244	(67,000)	(28.0)%
Electrical Services	190,154	129,996	129,996	140,000	10,004	7.7 %
Custodial Services	1,045,479	1,239,637	1,189,637	1,332,384	92,747	7.5 %
Other Services	433,653	479,851	450,000	483,046	3,195	0.7 %
Office Supplies	25	120	120	120	—	0.0 %
Other Supplies	34,117	94,600	80,000	124,850	30,250	32.0 %
Maintenance Materials	37,462	39,996	39,996	42,000	2,004	5.0 %
Electric	936,552	1,029,996	1,000,000	1,000,000	(29,996)	(2.9)%
Water And Sewer	254,650	320,004	320,004	320,004	—	0.0 %
Gas	145,812	129,996	129,996	145,812	15,816	12.2 %
Telephone-Local	760	—	—	—	—	N/A
Drainage Service	237,823	261,036	261,036	261,036	—	0.0 %
Garbage Collection	95,793	96,000	96,000	96,000	—	0.0 %
Street Service	141,158	132,996	132,996	132,684	(312)	(0.2)%
Other Utilities	168	24,996	—	—	(24,996)	(100.0)%
Tools And Equipment	1,515	1,800	2,500	2,250	450	25.0 %
Safety Equipment	1,393	1,600	2,000	2,000	400	25.0 %
Other Miscellaneous Expenses	351	—	—	—	—	N/A
TOTAL OTHER EXPENSES	3,767,159	4,221,868	4,050,366	4,254,429	32,561	0.8 %
TOTAL OPERATING EXPENSES	\$4,807,039	\$5,281,132	\$5,092,371	\$5,355,178	\$74,046	1.4 %

Public Safety and Emergency Management

Formerly Security

Functions and Responsibilities

The Public Safety and Emergency Management department's primary mission is to ensure the safety, protection and integrity of the transportation system. The department provides security and emergency preparedness related training for Capital Metro and service provider personnel to enhance system security in all areas. The department also continually collaborates with law enforcement and other regional first responders to ensure effective planning for and response to emergencies. The Public Safety and Emergency Management department maintains the access control and video systems for the agency.

FY2020 Accomplishments

◆ High-Quality Customer Experience

- Established a culture of visibility and deterrence for the Austin Police Department officers working throughout our system with annual and ongoing training in transit policing to enhance our customers' safety.
- Leveraged the Operations Control Center (OCC) to proactively deploy officers to security incidents using system video, especially security incidents, during major events and peak travel times.
- Invested in emerging security system technology platforms that integrate disparate systems.
- Brought 10 rapid deploy video systems into operation to give real-time situational information in areas that don't have video systems in place.
- Implemented security dispatch operations. A team of security dispatchers and a security dispatch supervisor were hired, trained and began dispatch operations. The team focuses on security-related incidents, proactive video monitoring and response to customer's concerns reported through the See Say Now app.
- Implemented a customer-facing app, See Say Now, which launched in July. See Say Now allows the public to report security-related issues in real-time directly to the security dispatch operation.

◆ Engaged Workforce

- Implemented the Homeland Security Exercise and Evaluation Program (HSEEP) for agency-wide exercises. This is a multi-year training and exercise program that provides a progressive approach to discussion-based, and operations-based exercises.

◆ Sustainability

- Consolidated APD patrol schedules from two, Bus and Rail, to one schedule to maximize efficiency, control labor cost, and increase frequency of system security patrols and inspections.
- Led the Video System Advisory Committee in coordinating the consolidation of the agency's video systems.
- Upgraded more than 200 end of life card readers at 15 sites throughout the agency.

◆ Valued Community Partner

- Coordinated with regional first responders and other emergency management agencies to ensure system safety, as well as providing support to their operations and planning.
- Coordinated emergency response operations with regional public safety partners. Examples include COVID-19 pandemic response emergency operations center work and demonstration/protest response to minimize service disruptions during road closures.
- Continued to partner with regional public and private entities to share video feeds and information. Currently, we are sharing video feeds with city of Austin Transportation, CTRMA and TXDOT.

FY2021 Planned Initiatives

◆ High-Quality Customer Experience

- Expand the existing network of rapid deploy video units in the system to enhance safety and security in previously inaccessible areas. Proactively monitor these areas and deploy security resources as needed to ensure a safe system.
- Replace end of life video systems on the bus fleet.

◆ Engaged Workforce

- Provide frontline employee emergency situation training by providing training for Capital Metro's frontline employees and equip them with the tools they need to deescalate volatile situations and reduce job-related stress while increasing safety in the workplace.
- Conduct emergency drills at facilities throughout the system.

◆ Sustainability

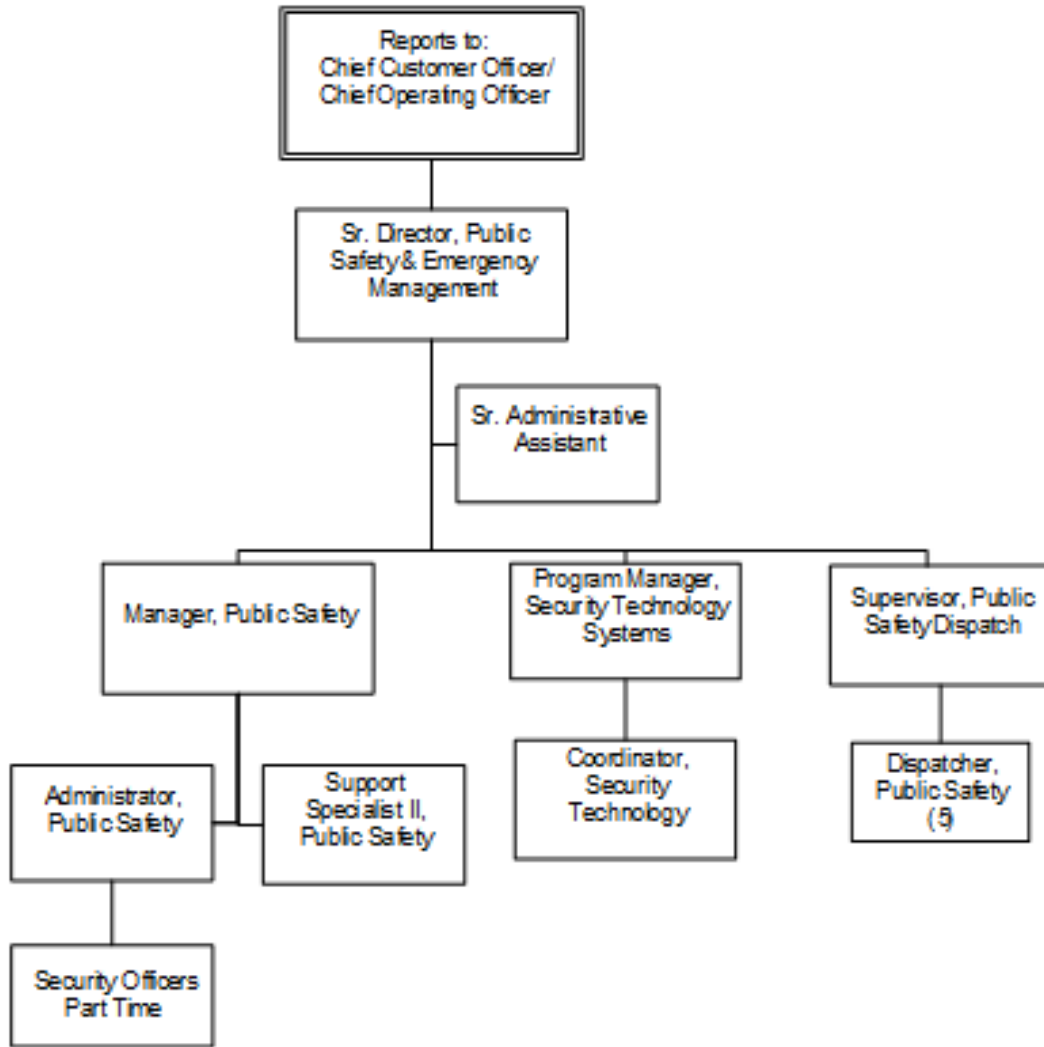
- Install 89 cameras at the MetroRapid stations to enhance the safety and security of the stations.
- Utilize security dispatchers to provide more detailed security operations data. This data will allow us to streamline our operations, provide more proactive responses to security issues and identify emerging trends that can be addressed from prevention rather than reaction mode of operation.

◆ Valued Community Partner

- Continue to work with regional public safety partners to prepare for and respond to emergencies and regional disasters.
- Fully implement the new video integration system to share more video feeds with community partners.



Public Safety and Emergency Management Department Organizational Chart



Budget Changes

Labor and Benefits

Increase of \$159,208 largely due to six additional FTEs for operations center dispatch and an emergency manager. This is partially offset by a decrease to Austin Police Department officer use of \$359,000.

Other Expenses

Increase of \$543,900 driven by an increase of \$106,000 for Security Services for contractual increases and \$15,000 increase in Repair and Maintenance. This is offset by a decrease of \$20,000 Other Professional Fees.

	FY2019 ACTUAL	FY2020 BUDGET	FY2020 FORECAST	FY2021 BUDGET	Var \$ FY2021 vs. FY2020	Var % FY2021 vs. FY2020
LABOR & BENEFITS						
Salaries & Wages - Admin.	\$ 484,722	\$ 563,561	\$ 722,422	\$ 1,027,996	\$ 464,435	82.4 %
Overtime - Administrative	4,250	16,003	16,003	16,004	1	0.0 %
Salaries & Wages - Apd Officers	2,497,784	2,997,000	2,997,000	2,638,000	(359,000)	(12.0 %)
FICA-Admin	229,881	225,759	225,759	279,531	53,772	23.8 %
State Unemployment-Admin	11,338	24,976	24,976	24,976	—	0.0 %
Uniform Allowance-Admin.	602	500	500	500	—	0.0 %
TOTAL LABOR & BENEFITS	3,228,577	3,827,799	3,986,660	3,987,007	159,208	4.2 %
OTHER EXPENSES						
Other Professional Fees	55,998	25,000	25,000	125,000	100,000	400.0 %
Temporary Help	16,509	—	—	114,000	114,000	N/A
Maintenance-Radios	55,555	—	—	—	—	N/A
Repair & Maintenance-Other	46,173	100,000	100,000	100,000	—	0.0 %
Security Services	971,138	1,140,000	1,140,000	1,471,300	331,300	29.1 %
Vehicle Towing	225	—	—	—	—	N/A
Other Services	6,541	2,500	2,500	2,500	—	0.0 %
Advertising Installation Expense	—	3,000	3,000	3,000	—	0.0 %
Office Supplies	1,782	8,004	8,004	8,004	—	0.0 %
Maps And Schedules	—	3,000	3,000	3,000	—	0.0 %
Expendable Tools & Equipment	—	1,000	1,000	1,000	—	0.0 %
Other Supplies	306	5,000	5,000	5,000	—	0.0 %
Non Capital Equipment	1,116	5,000	5,000	5,000	—	0.0 %
Non-Capital Projects	13,589	—	—	—	—	N/A
Telephone-Local	640	1,920	1,920	1,920	—	0.0 %
Dues And Subscriptions	1	—	—	—	—	N/A
Airfare - Transportation	984	2,000	—	2,000	—	0.0 %
Travel - Per Diem	427	1,000	—	1,000	—	0.0 %
Seminar, Conferences, Registration	400	2,000	134	600	(1,400)	(70.0 %)
Lodging	1,145	2,400	—	2,400	—	0.0 %
Business Meals - Local	95	500	26	500	—	0.0 %
Advertising/Promotion Media	—	30,000	30,000	30,000	—	0.0 %



	FY2019 ACTUAL	FY2020 BUDGET	FY2020 FORECAST	FY2021 BUDGET	Var \$ FY2021 vs. FY2020	Var % FY2021 vs. FY2020
Postage	18	—	—	—	—	N/A
Other Miscellaneous Expenses	—	1,000	500	1,000	—	0.0 %
Food and Ice	129	500	255	500	—	0.0 %
TOTAL OTHER EXPENSES	1,172,771	1,333,824	1,325,339	1,877,724	543,900	40.8 %
TOTAL OPERATING EXPENSES	\$ 4,401,348	\$ 5,161,623	\$ 5,311,999	\$ 5,864,731	\$ 703,108	13.6 %



Rail Commuter Operations

Functions and Responsibilities

The Rail Commuter Operations department provides management and oversight of commuter rail service between Leander and downtown Austin. The mission entails the provision of safe and efficient public transportation for the community. The commuter service operates 10 commuter trains out of one operations facility in Central Austin, along 32 miles of track that services nine stations along this right-of-way. Rail Commuter Operations also manages the positive train control contract, rail operations strategic planning, rail operations regulatory compliance and risk reduction through post-incident analysis.

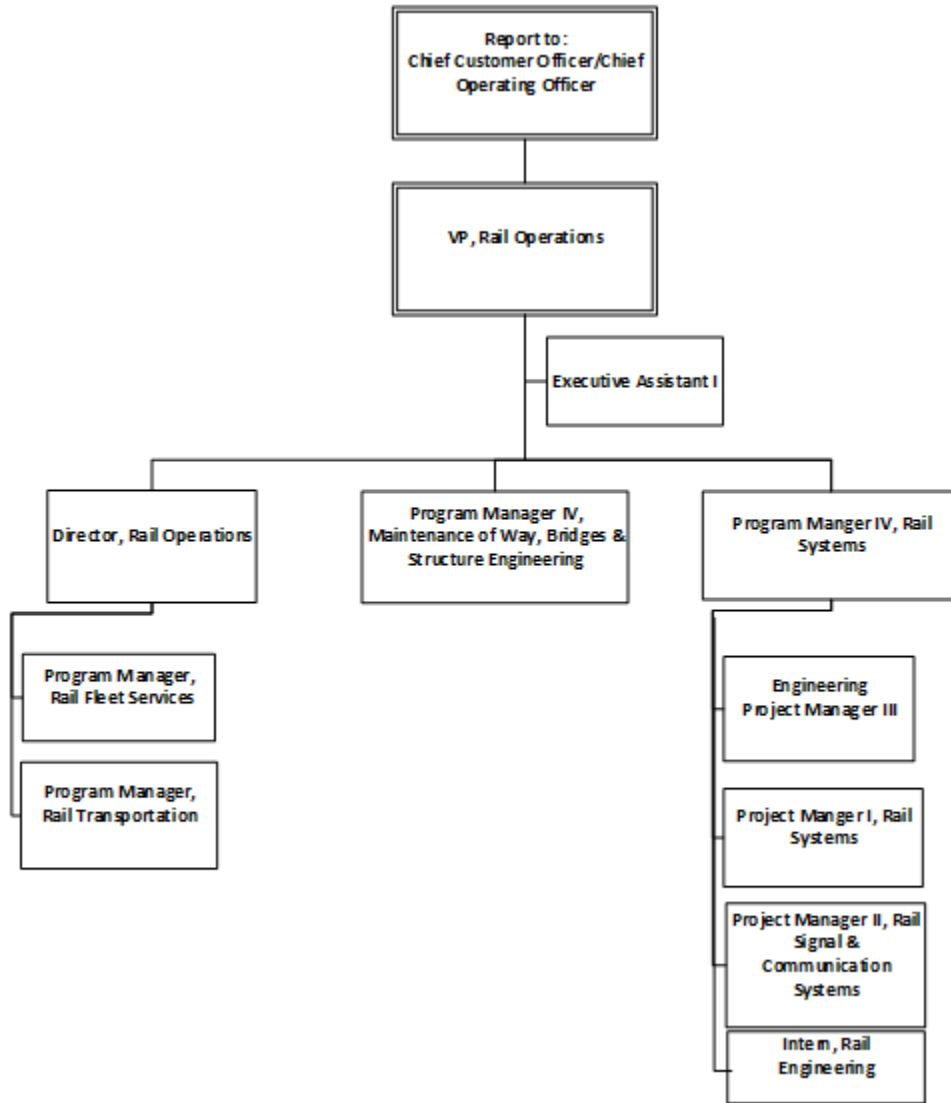
FY2020 Accomplishments

- ◆ High-Quality Customer Experience
 - Rehabilitated TxDOT crossings at TxDOT's direction.
 - Received AVT compliance waiver from the FRA.
 - Began installation of additional safety equipment on the rail line.
 - Implemented a state of good repair program for bridges, track and crossings.
 - Continued implementation of PTC.

FY2021 Planned Initiatives

- ◆ High-Quality Customer Experience
 - Fully implement PTC.
 - Increase capacity by constructing additional siding track.
 - Complete installation of additional safety equipment on the rail line.
 - Upgrade diesel multiple unit (DMU) security cameras.
 - Upgrade cooling system on DMU fleet.
 - Analyze service contract for best practices.
 - Continue state of good repair program for bridges, track and crossings.

Rail Commuter Operations Department Organizational Chart



Budget Changes

Other Expenses

Increase of \$509,500 driven by \$1,084,467 Commuter Rail Services due to service provider contractual increase and additional maintenance expense for PTC and Transportation Investment Generation Economic Recovery (TIGER) infrastructure. Net decrease of \$375,000 Consulting Fees due to \$700,000 in FY2020 projects for AVT and COTS waiver reliefs that FRA ended up not needing and for CAD drawing maintenance that will be completed internally, partially offset by a \$300,000 increase in existing Bridge Analysis and Comparative Analysis of Commuter Service Purchased Transportation Pricing, the latter of which was already budgeted in FY2020 but not done. Decrease of \$125,604 in Diesel due to reduced budgeted miles and fuel rate. Decrease of \$61,216 Maintenance Materials due to eight wheelset replacements budgeted and completed in FY2020.



	FY2019 ACTUAL	FY2020 BUDGET	FY2020 FORECAST	FY2021 BUDGET	Var \$ FY2021 vs. FY2020	Var % FY2021 vs. FY2020
LABOR & BENEFITS						
Salaries & Wages - Admin.	\$ 1,222,450	\$ 1,159,345	\$ 1,131,614	\$ 1,142,732	\$ (16,613)	(1.4%)
Overtime - Administrative	6,197	3,767	3,767	3,770	3	0.1%
FICA-Admin	94,111	83,420	83,420	83,938	518	0.6%
State Unemployment-Admin	2,517	1,980	1,980	1,979	(1)	(0.1%)
Uniform Allowance-Admin.	1,500	—	—	—	—	N/A
Boot Allowance-Admin	605	—	—	—	—	N/A
TOTAL LABOR & BENEFITS	1,327,380	1,248,512	1,220,781	1,232,419	(16,093)	(1.3)%
OTHER EXPENSES						
Consultation Fees	28,308	1,125,000	75,000	750,000	(375,000)	(33.3)%
Temporary Help	2,943	—	—	—	—	N/A
Maintenance-Radios	4,245	6,000	25,000	11,000	5,000	83.3 %
Other Services	4,400	—	—	—	—	N/A
Non-Capital Training	299,038	—	—	—	—	N/A
Diesel	534,176	836,422	726,000	710,818	(125,604)	(15.0)%
Gasoline	883	2,400	450	480	(1,920)	(80.0)%
Fuel-North Ops .	115,085	108,000	108,000	108,000	—	0.0 %
Office Supplies	10,659	7,000	7,000	6,996	(4)	(0.1)%
Maintenance Materials	231,750	61,216	61,216	—	(61,216)	(100.0)%
Non-Capital Projects	193,199	—	—	—	—	N/A
Telephone-Local	1,223	8,640	480	—	(8,640)	(100.0)%
Diesel Fuel Tax	11,358	9,600	11,000	480	(9,120)	(95.0)%
Gasoline Fuel Tax	106	480	50	60	(420)	(87.5)%
Commuter Rail Services	11,880,101	17,680,295	16,265,871	18,764,762	1,084,467	6.1 %
Performance Incentives	47,567	—	—	—	—	N/A
Performance Deficiency Credits PDC	(22,343)	—	—	—	—	N/A
Dues And Subscriptions	8,839	28,975	28,975	29,075	100	0.3 %
Airfare - Transportation	12,879	6,350	6,000	10,600	4,250	66.9 %
Travel - Per Diem	3,002	4,518	4,000	1,700	(2,818)	(62.4)%
Seminar, Conferences, Registration	3,699	9,675	6,000	10,400	725	7.5 %
Lodging	7,362	9,600	6,000	8,800	(800)	(8.3)%
Travel - Other	(97)	—	—	—	—	N/A
Business Meals - Local	—	—	444	600	600	N/A
Postage	40	30	30	30	—	0.0 %
Tools And Equipment	323	4,300	3,000	4,300	—	0.0 %
Other Miscellaneous Expenses	1,005	3,000	3,000	3,000	—	0.0 %
Food and Ice	198	100	100	—	(100)	(100.0)%
TOTAL OTHER EXPENSES	13,379,948	19,911,601	17,337,616	20,421,101	509,500	2.6 %
TOTAL OPERATING EXPENSES	14,707,328	21,160,113	18,558,397	21,653,520	493,407	2.3 %



Rail Freight Management

Functions and Responsibilities

The Rail Freight Management department is responsible for managing and preserving Capital Metro's railroad assets used for transportation of freight and transit use. Currently, the department manages approximately 162 miles of railroad right-of-way between Giddings and Llano. Management of the 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 marketing strategies to maximize revenue while providing efficient freight service.

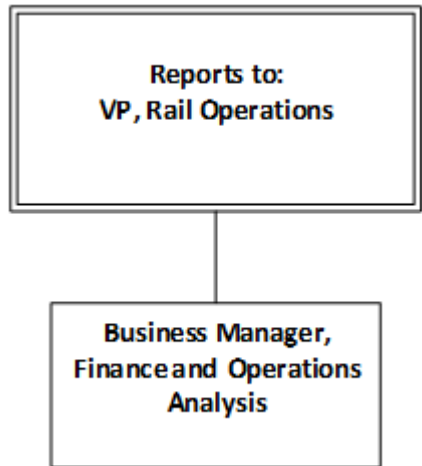
FY2020 Accomplishments

- ◆ High-Quality Customer Service
 - Rehabilitated TxDOT crossings at TxDOT's direction.
 - Began replacement of bridge at MP 52.44.

FY2021 Planned Initiatives

- ◆ High-Quality Customer Experience
 - Rehabilitate TxDOT crossings at TxDOT's direction.
 - Complete replacement of bridge at MP 52.44.

Rail Freight Management Department Organizational Chart



Budget Changes

Other Expenses

Decrease of \$7,126 mainly driven by \$15,000 Audit Fees for an independent audit of the freight operator's contractual billings and by \$10,000 reduced Consulting Fees, partially offset by \$18,054 increase in Right-of-way Transit Services for higher maintenance expenses allocation due to slightly increased volume of freight cars.

	FY2019 ACTUAL	FY2020 BUDGET	FY2020 FORECAST	FY2021 BUDGET	Var \$ FY2021 vs. FY2020	Var % FY2021 vs. FY2020
LABOR & BENEFITS						
Salaries & Wages - Admin.	\$113,245	\$111,154	\$111,789	\$111,969	\$815	0.7%
FICA-Admin	7,719	8,316	8,316	8,565	249	3.0%
State Unemployment-Admin	162	179	179	178	(1)	(0.6%)
TOTAL LABOR & BENEFITS	121,126	119,649	120,284	120,712	1,063	0.9%
OTHER EXPENSES						
Audit Fees	—	15,000	—	—	(15,000)	(100.0%)
Consultation Fees	—	390,000	65,000	380,000	(10,000)	(2.6%)
Software Maintenance Contracts	2,000	—	—	—	—	N/A
Right-of-way Transit Services	1,514,687	1,482,731	1,400,000	1,500,784	18,054	1.2%
Office Supplies	75	180	180	—	(180)	(100.0%)
Expendable Tools & Equipment	—	1,000	1,000	1,000	—	0.0%
Maintenance Materials	175	—	—	—	—	N/A
Non-Capital Projects	18,683	—	—	—	—	N/A
Telephone-Local	900	900	900	900	—	0.0%
Other Business Insurance	5,438	—	—	—	—	N/A
Dues And Subscriptions	—	5,400	5,400	5,400	—	0.0%
Other Miscellaneous Expenses	—	1,200	1,200	1,200	—	0.0%
TOTAL OTHER EXPENSES	1,541,958	1,896,411	1,473,680	1,889,284	(7,126)	(0.4%)
TOTAL OPERATING EXPENSES	\$1,663,084	\$2,016,060	\$1,593,964	\$2,009,996	(\$6,063)	(0.3%)

Real Estate and Facility Planning

Functions and Responsibilities

The Real Estate and Facility Planning department's responsibilities include leasing, purchase, sale and development of property; as well as right-of-way license agreements, master facility and space planning.

FY2020 Accomplishments

- ◆ High-Quality Customer Service
 - Collaborated on projects with Austin's regional transportation stakeholders on construction projects that enter the railroad right-of-way for toll road expansions, road and highway improvements and bicycle and pedestrian pathways.
 - Negotiated a bus service operation license agreement with Walmart to allow Capital Metro to continue to provide and enhance an existing bus transit center, which allows Capital Metro to maintain and operate the service stop with shelters, benches, scooter parking, shopping cart retrieval.
 - Secured a multi-year agreement with Austin Community College to utilize the Pinnacle campus as the location of the new Capital Metro Pinnacle Park & Ride.
 - Provided easements to Austin Energy to access the electric bus yard, in support of Capital Metro's bus electrification program.
 - Reached agreement with the city of Austin for rights on 5th street from Onion to Pedernales for transit purposes.
- ◆ Engaged Workforce
 - Leased additional administrative office space to allow more space for operations and operations staff.
 - Moved Customer Service and Metro Access out of leased space into Capital Metro-owned space.
 - Staff elected to the board of the International Railway Workers Association.
 - Staff served on the agency chapter board of Toast Masters International.
- ◆ Sustainability
 - Updated license agreements for public crossings.
 - Completed business plan and scope for implementation of revenue opportunities in the right-of-way, e.g., rental income, fiber and 5G connectivity.
 - Identified and confirmed railroad right-of-way ownership in the MOKAN Corridor between Pedernales Street and US Highway 183 and located physical encroachments and encumbrances lying within the railroad right-of-way.
 - Supported development of the GIS portion of the real estate right-of-way software system for integrating geo-data layers into the software system, allowing staff to locate and identify existing underground and overhead crossings.

◆ Valued Community Partner

- Assisted in coordinating and obtaining permits from the city of Austin to allow the relocation of the fiber optic for the Downtown Station project.
- Developed agreements and licensing with fiber optic providers, for the relocation of fiber optic lines and to accommodate 5G infrastructure.
- Completed an agreement and coordinated with Travis County officials as part of the Travis County 2017 Bond Project, to improve drainage and stream crossings.

FY2021 Planned Initiatives

◆ High-Quality Customer Experience

- Launch the GIS portion of the real estate right-of-way software system for integrating geodata layers into the software system, allowing cross-departmental staff to locate and identify existing underground and overhead crossings and to utilize the County Appraisal District data for accuracy in reporting.

◆ Sustainability

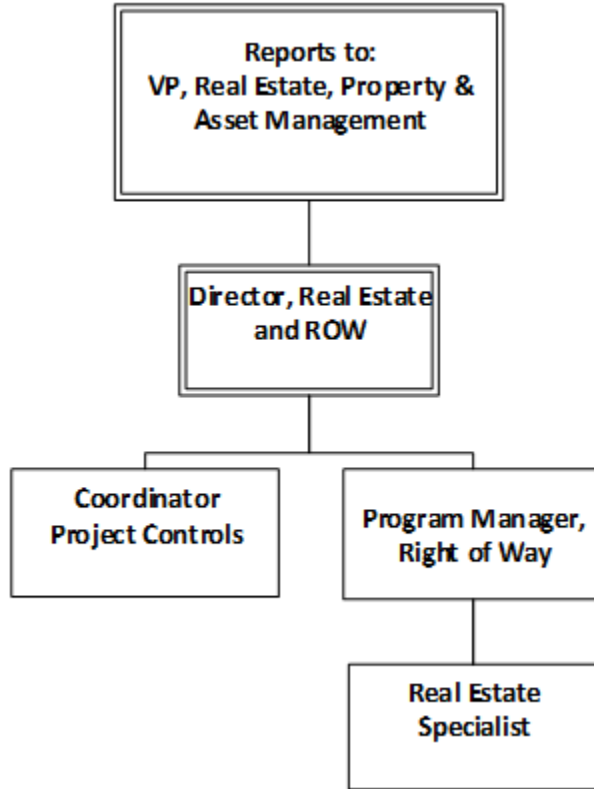
- Update license agreements for public crossings.
- Conduct current market rates study for utilities located within railroad right-of-way.
- Continue developing agreements and licensing with fiber optic providers, for the relocation of fiber optic lines and to accommodate 5G infrastructure.

◆ Valued Community Partner

- Coordinate with the State of Texas Film Commission staff and participate in the Film Friendly Texas training workshops, which includes guidance regarding best practices and how to effectively accommodate on-location filming activity.
- Support service expansion opportunities: Partner with the Central Texas Regional Mobility Authority (CTRMA), the Capital Area Metropolitan Planning Organization (CAMPO), The Texas Department of Transportation (TxDOT) and federal transportation agencies, to implement and support a complete regional transportation system.



Real Estate and Facility Planning Organization Chart



Budget Changes

Other Expenses

Increase of \$607,154 driven by \$230,000 reduction in Other Professional Fees related to postponement of ROW Encroachments East/West Sub Corridor survey, and \$70,000 postponement in Temporary Help for GIS system support. Other Services decreased by \$110,750 driven by completion or postponement of encroachment removal and cleanup. Increase of \$939,345 in Lease-Administrative Facility for contractual increases and first full year at the Lavaca location.

	FY2019 ACTUAL	FY2020 BUDGET	FY2020 FORECAST	FY2021 BUDGET	Var \$ FY2021 vs. FY2020	Var % FY2021 vs. FY2020
LABOR & BENEFITS						
Salaries & Wages - Admin.	\$384,984	\$378,621	\$382,275	\$382,092	\$3,471	0.9%
FICA-Admin	26,751	28,016	28,016	28,873	857	3.1%
State Unemployment-Admin	648	720	720	721	1	0.1%
TOTAL LABOR & BENEFITS	412,384	407,357	411,011	411,686	4,329	1.1%
OTHER EXPENSES						
Consultation Fees	—	—	—	40,000	40,000	N/A
Other Professional Fees	199,364	355,000	257,000	125,000	(230,000)	(64.8%)
Permits And Fees	3,430	1,500	1,500	1,500	—	0.0%
Temporary Help	34,651	70,000	32,000	—	(70,000)	(100.0%)
Repair & Maintenance-Other	148,102	90,000	105,000	95,000	5,000	5.6%
Other Services	18,595	148,000	105,250	37,250	(110,750)	(74.8%)
Office Supplies	1,114	1,500	1,500	1,500	—	0.0%
Other Supplies	6	—	5,000	5,000	5,000	N/A
Dues And Subscriptions	8,226	10,000	9,350	9,650	(350)	(3.5%)
Airfare - Transportation	44	877	877	877	—	0.0%
Travel - Per Diem	—	797	797	797	—	0.0%
Seminar, Conferences, Registration	1,645	1,920	1,920	1,920	—	0.0%
Lodging	—	1,200	1,200	1,200	—	0.0%
Advertising/Promotion Media	2,500	—	—	—	—	N/A
Postage	68	50	50	50	—	0.0%
Lease-Passenger Stations	76,255	80,000	80,000	63,000	(17,000)	(21.3%)
Lease-Passenger Parking Facilities	402,358	381,719	396,719	422,608	40,889	10.7%
Lease-Operating Yard/Storage	163,352	169,000	169,000	174,020	5,020	3.0%
Lease-Administrative Facility	556,719	749,500	1,419,000	1,688,845	939,345	125.3%
TOTAL OTHER EXPENSES	1,616,429	2,061,063	2,586,163	2,668,217	607,154	29.5%
TOTAL OPERATING EXPENSES	\$2,028,813	\$2,468,420	\$2,997,174	\$3,079,903	\$611,483	24.8%

RideShare

Functions and Responsibilities

The RideShare department oversees contracts that provide alternative transportation service to reduce the number of single-occupancy vehicles on area roads. The department oversees provider for vanpool operations, this includes ongoing performance and commuter ride-matching services. RideShare oversees the Guaranteed Ride Home program, which is provided through a contract with EAN Holdings, LLC d.b.a. Commute with Enterprise.

FY2020 Accomplishments

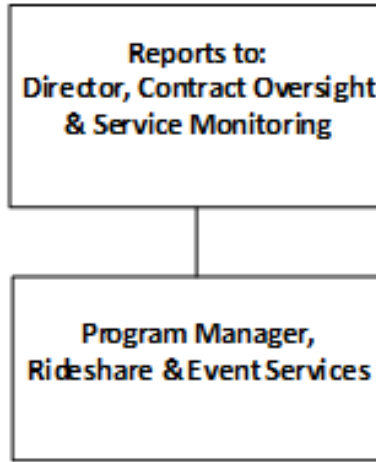
- ◆ High-Quality Customer Experience
 - Renewed second-year MetroRideShare contract.
 - Continued to build on relationships with transportation partners, positioning vanpooling as a core component of the region's transportation system.
 - Worked with EAN Holdings, LLC through the COVID-19 pandemic to minimize loss of participation.

FY2021 Planned Initiatives

- ◆ High-Quality Customer Experience
 - Partner with EAN Holdings, LLC, on Project Rebound to reestablish MetroRideShare as safe mode of transportation.
 - Continue marketing campaign and strategies to increase brand awareness.
 - Continue to pursue regional expansion and funding opportunities.
 - Continue building relationships with transportation partners, positioning vanpooling as a core component of the region's transportation system.



RideShare Department Organizational Chart



Budget Changes

Other Expenses

Increase of \$470,039 due to an increase in the number of vanpool vehicles in FY2021 compared to FY2020.

	FY2019 ACTUAL	FY2020 BUDGET	FY2020 FORECAST	FY2021 BUDGET	Var \$ FY2021 vs. FY2020	Var % FY2021 vs. FY2020
LABOR & BENEFITS						
Salaries & Wages - Admin.	39,033	86,148	86,645	86,785	637	0.7%
FICA-Admin	2,603	6,446	6,446	6,641	195	3.0%
State Unemployment-Admin	—	179	179	180	1	0.6%
TOTAL LABOR & BENEFITS	41,636	92,773	93,270	93,606	833	0.9 %
OTHER EXPENSES						
Office Supplies	24	—	—	—	—	N/A
Other Supplies	—	1,500	—	—	(1,500)	(100.0%)
Telephone-Local	40	—	—	—	—	N/A
GRH Reimbursement	392	720	—	1,379	659	91.5%
Rideshare	2,883,054	3,204,645	3,100,000	3,675,000	470,355	14.7%
Dues And Subscriptions	850	850	1,375	1,375	525	61.8%
Airfare - Transportation	388	500	500	500	—	0.0%
Travel - Per Diem	570	575	575	575	—	0.0%
Seminar, Conferences, Registration	1,080	1,000	—	1,000	—	0.0%
Lodging	1,797	800	800	800	—	0.0%
Travel - Other	231	—	—	—	—	N/A
Other Miscellaneous Expenses	12	—	—	—	—	N/A
TOTAL OTHER EXPENSES	2,888,438	3,210,590	3,103,250	3,680,629	470,039	14.6%
TOTAL OPERATING EXPENSES	2,930,074	3,303,363	3,196,520	3,774,235	470,872	14.3 %

Safety, Risk Management and Accessible Services Management

Functions and Responsibilities

The Safety, Risk Management and Accessible Services Management department's mission is to ensure that the organization maintains a positive safety culture by putting systems in place to identify, address and resolve safety concerns across the system; consult with other departments and contractors to minimize human and economic losses to the public, employees and Capital Metro; and to identify hazardous conditions and reduce potential injuries, accidents and property damage. The department also obtains cost-effective insurance coverage and processes all liability, subrogation and worker's compensation claims. All accidents and injuries are investigated, and recommendations made for preventive measures based on identified trends. The Safety, Risk Management & Accessibility Services department also leads the organization-wide efforts to implement enterprise risk management (ERM) and safety management systems (SMS).

In addition, the department's goal is to ensure the safety of employees, customers, facilities and equipment. To accomplish these goals, staff reviews policies and procedures, monitors the operation of all services and takes a proactive role in the identification of measures to address hazards. This includes development of a centralized structure for managing organizational safety plans in a contracted service model.

FY2020 Accomplishments

◆ High-Quality Customer Experience

- Continued the comprehensive wayfinding project with Bluetooth beacons to improve wayfinding for persons with disabilities on the fixed-route bus system.
- Provided safety training to all employees that will provide a better understanding of safety principles and therefore reduce accidents and injuries.
- Worked with the Texas Transit Institute to identify opportunities to improve the safety of bus operations in collaboration with the city of Austin, Vision Zero and others.

◆ Engaged Workforce

- Commemorated the ADA 30th anniversary and educated Capital Metro staff and frontline employees about the rights of people with disabilities and the role of transit in promoting societal engagement by persons with disabilities.
- Provided PDF document accessibility training to individuals and departments who develop content to improve accessibility at the agency while offering skilled based training.
- Further developed and expanded the Safety Captain Program, which deputizes employees and service providers to act as force multipliers for safety at all Capital Metro's facilities.

◆ Valued Community Partners

- Conducted a Distracted Driving Month program in collaboration with the city of Austin and Vision Zero to raise awareness.

FY2021 Planned Initiatives

◆ High-Quality Customer Experience

- Complete an agency-wide ADA compliance audit to assess areas to improve and find opportunities to go beyond minimum standards to ensure the best customer experience to all with emphasis on persons with disabilities.
- Provide PDF document accessibility training to individuals and departments who develop content to improve accessibility at the agency while offering skilled-based training.
- Continued to improve the management-of-change (MOC) process, which evaluates changes impacting safety, and move those changes to the safety risk management (SRM) process whenever appropriate.
- Supported Capital Projects such as battery electric bus, Downtown Station and Broadmoor Station to improve safety and limit risk to these projects.

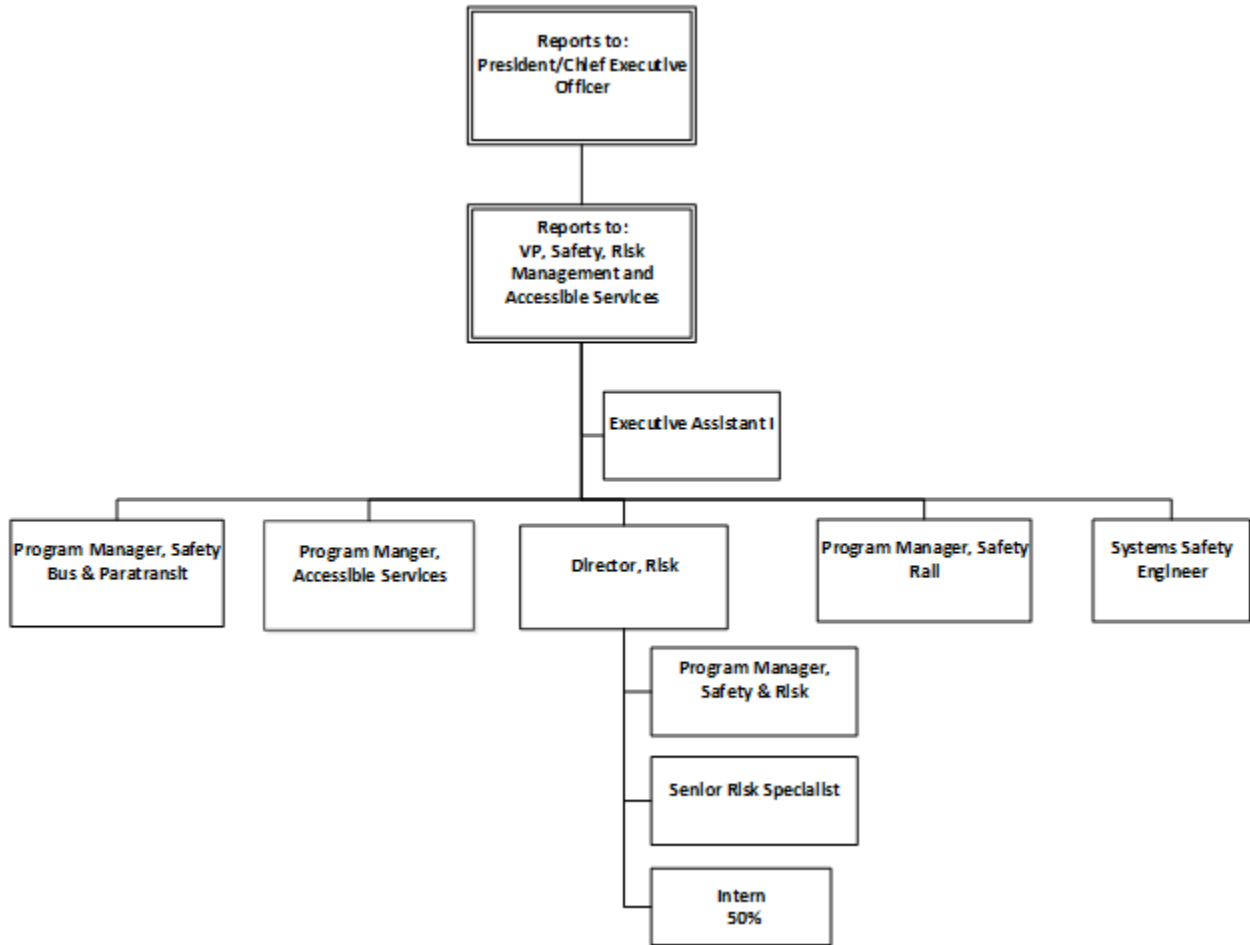
◆ Engaged Workforce

- Further develop and expand the Safety Captain Program which deputizes employees and service providers to act as force multipliers for safety at all Capital Metro's facilities.

◆ Valued Community Partner

- Convene an accessibility fair open to the public to showcase accessible services, operator proficiency with accessibility equipment and Capital Metro's commitment to accessibility.

Safety, Risk Management and Accessible Services Management Organizational Chart



Budget Changes

Labor and Benefits

Increase of \$56,473 due to a reclassification of a position occurring in FY2020.

Other Expenses

Decrease of \$112,295 due to decreases in Temporary Help of \$94,000 and a decrease of \$200,000 in Auto Liability Loss due to lower anticipated claims. This is partially offset by the increases in Consultation Fees \$80,000 for Rail Safety, \$20,608 for Property Insurance Premium increase, \$40,000 in Physical Damage Recovery rate, \$37,097 in premium increase for Vehicle Liability Premiums, and \$15,000 in Other Business Insurance premiums.

	FY2019 ACTUAL	FY2020 BUDGET	FY2020 FORECAST	FY2021 BUDGET	Var \$ FY2021 vs. FY2020	Var % FY2021 vs. FY2020
LABOR & BENEFITS						
Salaries & Wages - Admin.	771,311	923,519	898,490	971,181	47,662	5.2%
Intern Pay	5,630	—	—	—	—	N/A
FICA-Admin	57,496	68,846	68,846	71,659	2,813	4.1%
State Unemployment-Admin	1,210	1,798	1,798	1,803	5	0.3%
Expense For W/C Claims	63,411	100,001	100,001	99,999	(2)	0.0%
W/C Admin Fees (2% Of Claims)	123	599	599	596	(3)	(0.5%)
Premiums For W/C Losses	29,309	14,002	14,002	20,000	5,998	42.8%
TOTAL LABOR & BENEFITS	928,490	1,108,765	1,083,736	1,165,238	56,473	5.1%

OTHER EXPENSES

Consultation Fees	58,086	145,000	118,466	225,000	80,000	55.2%
Medical Services	7,866	10,000	10,000	10,000	—	0.0%
Other Professional Fees	165,871	176,750	149,035	176,750	—	0.0%
Temporary Help	68,659	94,000	79,676	—	(94,000)	(100.0%)
Repair & Maintenance-Other	—	1,500	—	1,500	—	0.0%
Other Services	117,783	—	—	—	—	N/A
Advertising Installation Expense	—	7,000	3,500	7,000	—	0.0%
Office Supplies	4,482	5,200	3,272	5,200	—	0.0%
Maps And Schedules	—	13,000	6,500	8,000	(5,000)	(38.5%)
Other Supplies	20,036	142,000	83,051	142,000	—	0.0%
Non Capital Equipment	2,032	10,300	—	10,300	—	0.0%
Property Insurance Premiums	122,384	137,392	137,392	158,000	20,608	15.0%
Physical Damage Recoveries	(77,494)	(50,000)	(50,000)	(10,000)	40,000	(80.0%)
Rail Liability Claim Payments	171,283	200,000	200,000	200,000	—	0.0%
Vehicle Liability Premiums	5,175	48,903	48,903	80,000	31,097	63.6%
Auto Liability Loss	188,298	400,000	400,000	200,000	(200,000)	(50.0%)
Public Officials Liab. Premiums	53,714	59,085	59,085	59,085	—	0.0%
Crime Insurance Premium	24,551	10,000	10,000	10,000	—	0.0%
Other Business Insurance	147,066	162,906	162,906	177,906	15,000	9.2%



	FY2019 ACTUAL	FY2020 BUDGET	FY2020 FORECAST	FY2021 BUDGET	Var \$ FY2021 vs. FY2020	Var % FY2021 vs. FY2020
Dues And Subscriptions	4,921	4,500	4,500	4,500	—	0.0%
Airfare - Transportation	9,609	7,500	28,888	7,500	—	0.0%
Travel - Per Diem	3,271	2,200	—	2,200	—	0.0%
Seminar, Conferences, Registration	10,081	7,425	3,145	7,425	—	0.0%
Lodging	10,286	7,925	1,553	7,925	—	0.0%
Travel - Other	458	—	—	—	—	N/A
Business Meals - Local	1,266	1,200	1,200	1,200	—	0.0%
Advertising/Promotion Media	107,078	124,000	124,000	124,000	—	0.0%
Postage	177	504	504	504	—	0.0%
Other Miscellaneous Expenses	—	7,700	7,700	7,700	—	0.0%
TOTAL OTHER EXPENSES	1,226,939	1,735,990	1,593,276	1,623,695	(112,295)	(6.5%)
TOTAL OPERATING EXPENSES	2,155,429	2,844,755	2,677,012	2,788,933	(55,822)	(2.0%)

Strategic Operations Management and Administration

Functions and Responsibilities

The Strategic Operations Management and Administration department provides oversight and guidance for all departments including Capital Metro's bus, paratransit, freight rail, commuter rail, maintenance safety, security and information technology. In addition, the department oversees implementation of the agency's strategic plan, initiatives and measures.

FY2020 Accomplishments

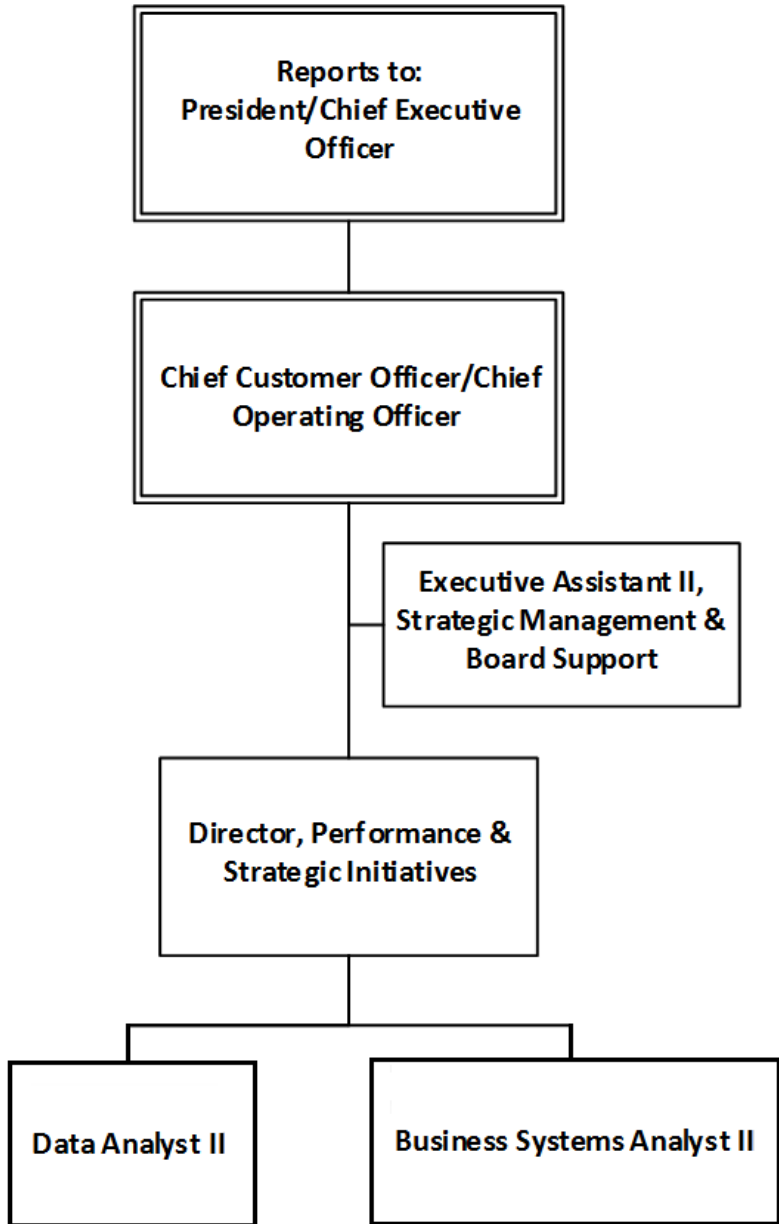
- ◆ High-Quality Customer Experience
 - Continued to implement enterprise project and portfolio governance structure.
 - Initiated a solicitation for implementation of a data warehouse for organizational data governance.
 - Implemented and monitored strategic planning initiatives and priorities.
 - Supported organizational transparency by implementing performance dashboards including: Reliability, Finance, Route Performance and Safety.
- ◆ Engaged Workforce
 - Continue to research means for enterprise project management training for organizational project.
 - Continue to support project managers with the FY2021 capital budget process and prioritization.

FY2021 Planned Initiatives

- ◆ High-Quality Customer Experience
 - Support transparency initiatives by introducing/implementing the Strategic Plan KPI dashboard.
 - Initiate the data warehouse needs assessment project.
 - Revisit the Strategic Plan and adjust strategy as needed.
 - Continue to support performance benchmarking efforts to ensure agency performance is in alignment with industry peers.



Strategic Operations Management and Administration Department Organizational Chart



Budget Changes

Labor and Benefits

Decrease of \$66,420 due to a change in chief operating officer and the relative changes in payroll expenses.

Other Expenses

Decrease of \$16,600 due to a decrease in Other Professional Fees of \$25,000 as a consulting project has completed. This is partially offset by an increase of \$7,500 in Seminars, Conferences and Registration for PMP certification and data analytics training.

	FY2019 ACTUAL	FY2020 BUDGET	FY2020 FORECAST	FY2021 BUDGET	Var \$ FY2021 vs. FY2020	Var % FY2021 vs. FY2020
LABOR & BENEFITS						
Salaries & Wages - Admin.	532,327	618,632	577,178	576,701	(41,931)	(6.8 %)
Overtime - Administrative	378	—	—	—	—	N/A
FICA-Admin	33,553	38,934	38,934	39,553	619	1.6 %
401K	25,109	25,104	—	—	(25,104)	(100.0 %)
State Unemployment-Admin	544	902	902	899	(3)	(0.3 %)
Automobile	6,646	7,202	7,202	7,201	(1)	0.0 %
TOTAL LABOR & BENEFITS	598,557	690,774	624,216	624,354	(66,420)	(9.6 %)
OTHER EXPENSES						
Consultation Fees	—	120,000	120,000	120,000	—	0.0 %
Other Professional Fees	110,103	25,000	—	—	(25,000)	(100.0 %)
Temporary Help	10,439	—	—	—	—	N/A
Photographic Processing	146	—	—	—	—	N/A
Other Services	50	—	—	—	—	N/A
Office Supplies	1,789	1,400	1,400	900	(500)	(35.7 %)
Dues And Subscriptions	23,250	—	—	—	—	N/A
Airfare - Transportation	30	800	—	1,500	700	87.5 %
Travel - Per Diem	—	300	—	800	500	166.7 %
Seminar, Conferences, Registration	990	5,000	5,000	12,500	7,500	150.0 %
Lodging	461	600	—	2,500	1,900	316.7 %
Travel - Other	—	1,200	—	—	(1,200)	(100.0 %)
Business Meals - Local	2,117	—	—	—	—	N/A
Other Miscellaneous Expenses	366	—	—	—	—	N/A
Food and Ice	49	1,000	1,000	500	(500)	(50.0 %)
TOTAL OTHER EXPENSES	149,790	155,300	127,400	138,700	(16,600)	(10.7 %)
TOTAL OPERATING EXPENSES	748,347	846,074	751,616	763,054	(83,020)	(9.8 %)

Strategic Planning and Development

Functions and Responsibilities

The Strategic Planning and Development department functions are currently divided into five major areas of responsibility: Service Planning and Scheduling, Transit-Oriented Development, Environmental Sustainability, Metropolitan Mobility and Service Analysis. Each function is designed to support the planning, development, evaluation and delivery of public transportation solutions and infrastructure. The five functional areas are under review by the new Executive Vice President and a reorganization plan to better meet the growing needs of the agency is currently under works.

FY2020 Accomplishments

◆ High-Quality Customer Experience

- Continued to monitor Cap Remap network performance and make service adjustments as appropriate in coordination with regular service change periods.
- Continued coordinated efforts with CTRMA and other partners to advance Park & Ride projects along major commuter corridors.
- Began an origin and destination survey project in the spring of 2020 to assess the current travel patterns of Capital Metro customers to improve service delivery, providing critical information for effective service planning and the development of the CAMPO regional travel demand model. This survey project was suspended due to the COVID-19 pandemic and will restart in 2021.
- Continued work with Travis County, Round Rock and Georgetown to modify routes and add service where appropriate.
- Engaged Pflugerville and other transit development plan (TDP) partners to negotiate service agreements.
- Provided technical support and experience to the design teams' final development plans for new Norwood Transit Center and future Eastside Bus Plaza.
- Continued to provide direct customer relations and contact with the community on inquiries and requests related to system design, needs and improvements.

◆ Engaged Workforce

- Provided department staff with training opportunities to stay up-to-date on rapidly-evolving mobility issues including micro-mobility, public-private partnerships, improved regional transit coordination through best practices and strategic use of new technologies, automated vehicle systems and other innovative approaches to improving public transportation services for the community.
- Identified and guided staff for appropriate management and leadership training opportunities with professional organizations.

◆ Sustainability

- Launched MetroBike program in cooperation with Innovative Mobility. The program is a partnership with the city of Austin, Bikeshare of Austin, B-Cycle/Trek; the newly rebranded MetroBike program will be a promising example in new mobility partnerships with civic, infrastructure and nonprofit partners.

- Completed the Mobility on Demand On-Ramp project with the Shared-Use Mobility Center-Roadmap for an electrified bike-share system. Applied for FTA Accelerating Innovative Mobility (AIM) grant to support MetroBike e-bike system.
 - Advanced regional transit demand management to promote transit as an important part of the regional transportation choices through support for Commute Solutions and the Regional Transportation Demand Management (TDM) Committee. According to the National Center for Transit Research, the Austin metro area had the highest number of new Best Workplaces for Commuters named during 2019.
 - Participated as an active member of the Clean Air Coalition to promote air quality through Ozone Advance, the regional air quality plan.
 - Advanced green building and infrastructure planning. Launching ENVISION sustainability infrastructure program for Capital Metro staff and key general planning contract partners, for advancing and assessing conservation and sustainability initiatives in Project Connect planning, capital projects and building renovation. Applied for Bus and Bus Facilities Grant for a solar canopy for North Ops Bus Depot.
 - Submitted FTA BUILD Grant for funding for McKalla station in collaboration with private partner Two Oaks Ventures, owner of Austin FC.
 - Advancing environmental safety management system plans for fleet electrification, bike safety, spill prevention and hazardous material handling.
 - Continued to develop the roadmap for implementing electric bus conversion. Coordinated grant efforts with Fleet and Grants teams. CMTA received the second consecutive Lo-No Emission Bus Grant in 2020 from FTA for \$2.26 million. Grant funding during 2019-20 for electric buses exceeded \$10.5 million (TCEQ, FTA, VW Mitigation).
 - Continued to support sustainability activities to maintain APTA Gold Level Sustainability Commitment and developed plan for advancing to Platinum Level. Capital Metro has shown improvements in energy conservation, water conservation, Criteria Air Pollutants, and Green House Gas reductions in 2019.
 - Continued to participate in discussions to develop TOD agreements with the real estate community that promote sustainability.
- ◆ Valued Community Partner
- Continued biannual TDP Workshop to promote coordination.
 - Continued working with jurisdictions outside the service area to build support for Project Connect and participate in Project Connect planning to coordinate the Service Expansion Program with long-term regional goals.
 - Continued partnering with the city of Austin to implement the Austin Strategic Mobility Plan; with CAMPO to develop the 2045 Regional Transportation Plan; with CTRMA to develop and implement Park & Rides on major commuter corridors; with TxDOT on I-35, the Oak Hill Parkway and other major projects with transit components; and with other local and regional jurisdictions to develop transit-supportive programs and projects.

FY2021 Planned Initiatives

◆ High-Quality Customer Experience

- Continue to monitor COVID-19 pandemic ridership and make service adjustments as appropriate.
- Evaluate the origin and destination survey project to assess the current travel patterns of Capital Metro customers to improve service delivery, providing critical information for effective service planning during the COVID-19 pandemic crisis and for development of regional travel demand models. The 2020 survey may need to be conducted in its entirety again due to the interruption in data collection activities during COVID-19 pandemic and changed travel patterns.
- Continue improving rider and on-time performance metrics for optimal on-going performance monitoring.
- Continue work with Travis County, Round Rock and Georgetown to modify routes and add service where appropriate.
- Engage Pflugerville and other TDP partners to negotiate service agreements.
- Optimize bus stops along seven corridors for improved bus stop spacing, enhanced high-ridership stops, safer crossings, and better bicycle-pedestrian-transit-rider interaction.
- Develop passenger delay tool that highlights where the most passengers are experiencing the most delay in order to prioritize investments in future transit speed and reliability projects.
- Continue to provide personal public interactions via the Customer Call Reporting system, public meetings and general inquiries that may include route/schedule adjustments, bus stop requests or other inquiries.
- Continue to coordinate with the city of Austin's Transportation, Development Review and Corridor Program teams on current and future projects/programs to seamlessly integrate service operations and bus stops for improved safety, convenience, comfort and efficiency.
- Continue coordination with the city of Austin to plan, develop and implement targeted infrastructure improvements to optimize and improve transit safety, speed and reliability.
- Continue to support and provide input to the city of Austin's Strategic Mobility Plan, Transportation Code and others.
- Continue to monitor and evaluate actionable plans that improve the quality and reliability of services developed as part of Cap Remap.
- Continue to develop new scheduling processes that improve the quality and integrity of data from the Trapeze Scheduling system to all customer-facing systems. In addition, continue to refine and optimize the time required to process and publish required data sets for each service change.

◆ Engaged Workforce

- Continue to support staff participation in local, regional and national training/educational opportunities that further expand upon staff's knowledge and professional credentials.
- Pursue Env-SP training and certification for planning staff that are interested in environmental review and applications in long-range planning.

- Continue to provide technical expertise and support to internal and external parties that further develop staff interpersonal and professional skill development.
- Focus on targeted professional growth opportunities through appropriate advance training in FY2021 and beyond.
- Implement Lunch and Learn meetings for best practices and knowledge sharing.

◆ Sustainability

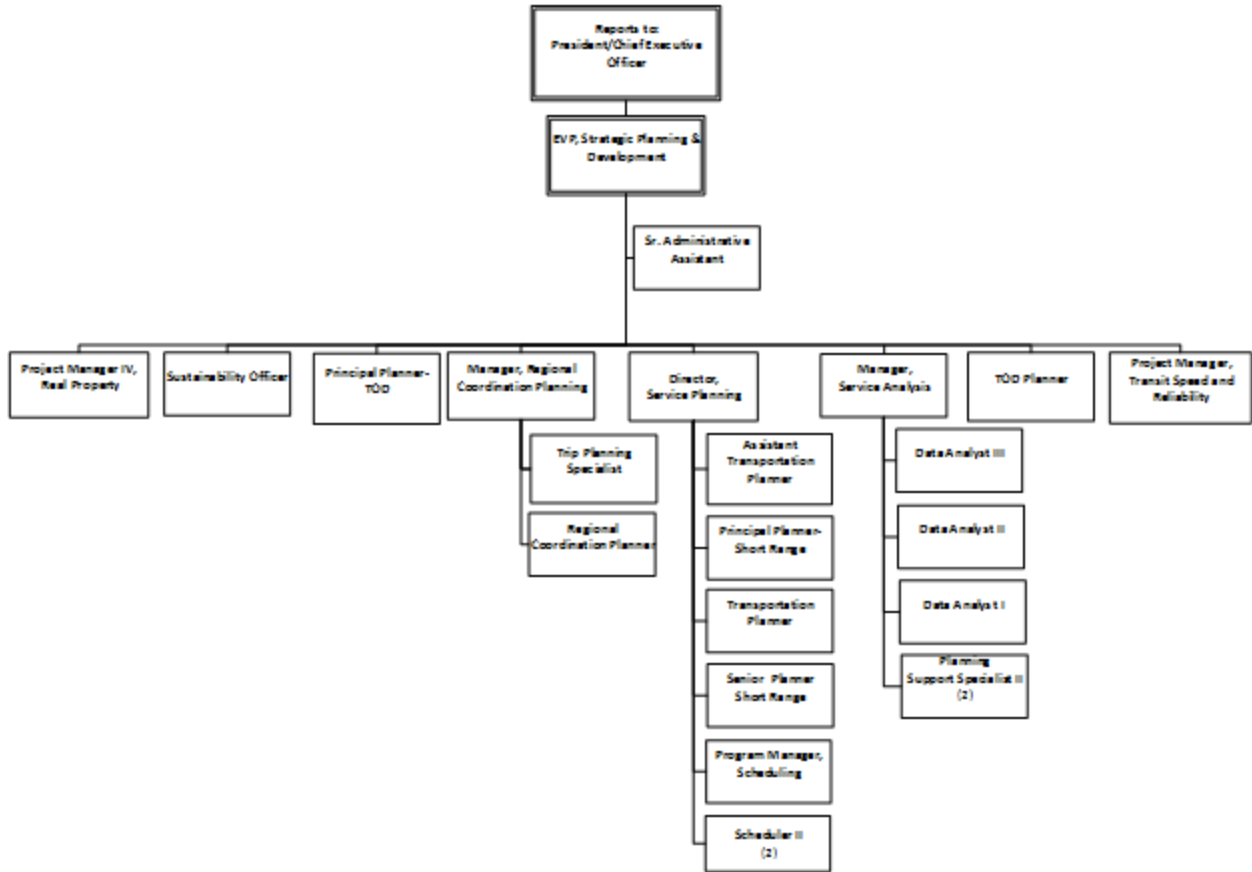
- Advance regional transit demand management and promote transit as an important part of the regional transportation choices through support for Commute Solutions and the Regional TDM Committee.
- Continue to develop sustainable budget parameters that maximize and expand services developed under Cap Remap in response to community needs.
- Fully implement zero-waste plan to reduce waste disposal expenses and increase recycling rates.
- Pilot public facility recycling program.
- Fully implement MetroBike program.
- Expand e-bike share system.
- Integrate plan for improving bike-transit connections at public facilities.
- Implement Envision green building and infrastructure guidelines for all capital projects.
- Achieve APTA Sustainability Commitment Platinum level.

◆ Valued Community Partner

- Continue working with jurisdictions outside the service area to build support for Project Connect and participate in Project Connect planning to coordinate the service expansion program with long-term regional goals.
- Continue TDP Workshop to promote coordination.
- Advance regional transportation by serving on the Regional Transportation Coordination Committee (RTCC) and the Austin/Travis County Community Health Improvement Plan and Community Health Assessment (CHA/CHIP).
- Continue to work with the Central Texas Regional Mobility Authority, Texas Department of Transportation, Austin Transportation Department, Corridor Program Office and Vision Zero to improve pedestrian crossings, bicycle connections and access to transit.
- Continue to provide support to the Office of Mobility Management in the evaluation, design and implementation of services to existing transit development plan partners such as Georgetown, Round Rock, Travis County and other potential communities.
- Continue to provide technical support to the Office of Innovation in the planning, development and implementation of current micro-transit service (Pickup) and other emerging examples.

- Continue to partner with the city of Austin to implement the Austin Strategic Mobility Plan; with CAMPO to develop the 2045 Regional Transportation Plan; with CTRMA to develop and implement park and rides on major commuter corridors; with TxDOT on major initiatives (I-35, the Oak Hill Parkway and other major projects with transit components); and with other local and regional jurisdictions to develop transit-supportive programs and projects.

Strategic Planning and Development Department Organizational Chart



Budget Changes

Labor and Benefits

Increase of \$31,534 due to position reclassifications and new employees hired above budgeted amounts.

Other Expenses

Decrease of \$757,635 driven by \$733,374 in Consultation Fees due to Market Study on Existing High-Capacity and Park & Ride Facilities and Mobility Transit Centers projects moved to Project Connect; \$21,520 Other Services primarily due to budget for Capital Area Council of Governments (CAPCOG) Commute Solutions Program moved to Consulting Fees in FY21.

	FY2019 ACTUAL	FY2020 BUDGET	FY2020 FORECAST	FY2021 BUDGET	Var \$ FY2021 vs. FY2020	Var % FY2021 vs. FY2020
LABOR & BENEFITS						
Salaries & Wages - Admin.	\$1,681,081	\$2,056,735	\$1,781,390	\$2,083,017	\$26,282	1.3%
Overtime - Administrative	\$1,939	\$—	\$—	\$3,999	\$3,999	N/A
FICA-Admin	\$124,544	\$153,877	\$153,877	\$155,129	\$1,252	0.8%
State Unemployment-Admin	3,406	4,320	4,320	4,321	1	—%
TOTAL LABOR & BENEFITS	1,810,970	2,214,932	1,939,587	2,246,466	31,534	1.4%
OTHER EXPENSES						
Consultation Fees	190,065	1,650,040	651,388	916,666	(733,374)	(44.4%)
Other Professional Fees	2,123	1,703	1,703	—	(1,703)	(100.0%)
Temporary Help	16,115	20,796	20,796	20,796	—	—%
Courier And Delivery Services	54	—	—	—	—	N/A
Other Services	2	55,000	40,000	33,480	(21,520)	(39.1%)
Office Supplies	4,879	3,000	3,000	2,500	(500)	(16.7%)
Other Supplies	1,744	—	676	—	—	N/A
Telephone-Local	2,720	1,920	1,920	2,880	960	50.0%
Dues And Subscriptions	3,651	58,095	64,185	58,100	5	—%
Airfare - Transportation	6,574	8,650	1,344	8,649	(1)	—%
Travel - Per Diem	2,773	7,390	739	6,795	(595)	(8.1%)
Seminar, Conferences, Registration	10,598	25,590	2,900	25,593	3	—%
Lodging	8,254	12,910	1,997	12,600	(310)	(2.4%)
Travel - Other	2,209	—	558	—	—	N/A
Business Meals - Local	1,565	600	631	—	(600)	(100.0%)
Postage	25	—	—	—	—	N/A
Computer Software	215	—	—	—	—	N/A
Capital Contributions-Other Jurisdictions	234,556	1,000,000	1,000,000	1,000,000	—	—%
TOTAL OTHER EXPENSES	488,122	2,845,694	1,791,837	2,088,059	(757,635)	(26.6%)
TOTAL OPERATING EXPENSES	\$2,299,092	\$5,060,626	\$3,731,424	\$4,334,525	(\$726,101)	(14.3%)

Wellness and Fitness Centers

Functions and Responsibilities

The Wellness and Fitness Center department's mission is to partner with our employees and contractors to improve and maintain healthy long-term lifestyle habits and to create a healthier and safer workforce that fulfills Capital Metro's mission. The department's primary responsibilities are to develop innovative health programs, create opportunities to change behaviors and develop healthy habits, reduce costs and improve morale, coordinate wellness initiatives and manage Capital Metro's fitness centers.

FY2020 Accomplishments

- ◆ High-Quality Customer Experience
 - Refreshed DOT Prep program with incentives for increasing DOT physical outcomes and improving safety.
 - Sponsored a team for the Thundercloud Subs Turkey Trot. We sponsored 25 participants from the Capital Metro family, with proceeds benefiting Caritas of Austin to help provide services to individuals experiencing homelessness in the Austin area.
- ◆ Engaged Workforce
 - Further developed health and fitness resources for bus and rail operators to utilize in the field or at home, emphasizing on exercises and stretches to reduce injury risk and improve safety.
 - Initiated shoe recycling program.
 - Utilized technology and digital resources to enhance tobacco cessation program by offering tobacco cessation classes and programs to employees, spouses and members of the community.
 - Reestablished partnership with We Are Blood to provide quarterly onsite blood drives.achieving an average of 14 donations each time.
 - Provided wellness and exercise support during the COVID-19 pandemic through online support and customized workout plans.

FY2021 Planned Initiatives

- ◆ Engaged Workforce
 - Ensure policies for reducing transmission of COVID-19 pandemic, including maximum occupancy, facility and equipment cleaning, and social distancing.
 - Work with cafeteria to offer innovative, delicious, and enticing onsite nutrition options to help employees make healthy nutrition choices.
 - Continue Recognition Programs such as Wellness Champions and All-Stars that select and highlight employees for participation and positive lifestyle changes.
- ◆ High-Quality Customer Experience
 - Prepare operators for the DOT physical by working with individuals to develop personalized plans to reduce BMI, blood pressure and circumference measurements. Emphasis is placed on contributing to safe operations and work habits.

Budget Changes

	FY2019 ACTUAL	FY2020 BUDGET	FY2020 FORECAST	FY2021 BUDGET	Var \$ FY2021 vs. FY2020	Var % FY2021 vs. FY2020
LABOR & BENEFITS						
Wellness Center Exp	22,020	36,492	36,492	36,492	—	(0.0 %)
Safety Awards	406	—	—	—	—	N/A
TOTAL LABOR & BENEFITS	22,426	36,492	36,492	36,492	—	(0.0 %)
OTHER EXPENSES						
Other Professional Fees	217,534	217,534	217,534	217,534	—	— %
Wellness Program	1,118	—	—	—	—	N/A
Other Services	2,830	4,500	2,767	4,500	—	0.0 %
Office Supplies	1,732	1,000	66	1,000	—	0.0 %
Other Supplies	4,291	6,500	361	6,500	—	0.0 %
Dues And Subscriptions	—	150	—	150	—	0.0 %
Seminar, Conferences, Registration	75	—	—	—	—	N/A
Business Meals - Local	524	—	—	—	—	N/A
Postage	—	25	—	25	—	N/A
Recognition Program	11,730	12,500	4,155	12,500	—	0.0 %
Lease-Operating Yard/ Storage	414	—	—	—	—	N/A
TOTAL OTHER EXPENSES	240,248	242,209	224,883	242,209	—	— %
TOTAL OPERATING EXPENSES	262,674	278,701	261,375	278,701	—	— %

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Glossary



GLOSSARY

AAC: Access Advisory Committee

ADA: Americans with Disabilities Act – Federal legislation enacted to provide guidelines for assuring access to persons with disabilities.

American Public Transportation Association (APTA): Membership organization whose stated mission is to strengthen and improve public transportation, and serves and leads its diverse membership through advocacy, innovation and information sharing.

ATP: Austin Transit Partnership, the joint-venture Local Government Corporation between Capital Metro and the city of Austin that will be in charge of implementing Project Connect.

AVT: Alternate Vehicle Technology

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

Build Central Texas was created in 1994 to support the transportation infrastructure for the Austin metropolitan area. This is an ongoing program 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.

CAFR: Comprehensive Annual Financial Report

CAMPO: Capital Area Metropolitan Planning Organization

Cap Remap: Largest service change in Capital Metro's history implemented in June 2018. Cap Remap makes buses more frequent, more reliable and better connected.

Capital Budget: The portion of the budget that provides for the funding of improvement projects, 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 1 year.

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

CARTS: Capital Area Rural Transportation System

CEO: Chief Executive Officer

CFR: Code of Federal Regulations

CIP: Capital Improvement Plan

CMTA: Capital Metropolitan Transit Authority

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

CSAC: Customer Satisfaction Advisory Committee

CTRMA: Central Texas Regional Mobility Authority

DBE: Disadvantaged Business Enterprise



Demand Response: Service that is provided on an “as needed” basis.

Diesel Multiple Unit (DMU): A Diesel Multiple Unit is a multiple-unit train powered by on-board diesel engines. A DMU requires no separate locomotive, as the engines are incorporated into 1 or more of the carriages.

DMS: Dynamic Message Signs

Fare Recovery: Fare revenue divided by operating expenses.

FAST Act: Fixing America’s Surface Transportation Act

FEMA: Federal Emergency Management Agency

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 through September 30.

Fixed-Route Bus: Local bus service including rail connectors.

FRA: Federal Railroad Administration

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.

FTE: Full-Time Equivalent

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

Fund Balance: Fund Balance is the cash on hand used to pay monthly operating costs, such as salaries, staff health costs, fuel, supplies, utilities and other expenses.

FY: Fiscal year

GAAP: Generally Accepted Accounting Principles, conventions, rules and procedures necessary to describe accepted accounting practices at a particular time.

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

IFB: Invitation for Bids

IVR: Interactive Voice Response (IVR) is a telephony technology that can read a combination of touch-tone and voice input. It gives users the ability to access a database of information via phone. A typical IVR system has several menus of prerecorded options that the caller can choose from. These menu choices allow the caller to access the appropriate information in the database such as trip reservations, confirmations and cancellations.

LGC: Local Government Corporation

LRFP: The Long-Range Financial Plan is a 10-year plan that forecasts the financial resources and projected expenditures based on planned levels of service and strategic goals.

MetroAccess: Paratransit services (complementary to fixed-route services) provided to passengers with disabilities established in accordance with the ADA.



MetroFlyer: Bus service that operates in the suburban neighborhoods bringing commuters to the downtown area.

MetroRapid: A fixed-route service that brings together a set of unique features to result in faster, more convenient service for the community. Some of the features of this service include limited stops, boarding from all doors, unique and upgraded stations with real-time departure information and vehicles equipped with signal priority technology.

MetroRideShare: A service in which vehicles are provided for a group of people who live and work near each other.

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

On-Time Performance (Fixed-route): On-time performance is no more than 0 seconds early and no more than 5 minutes late.

On-Time Performance (Paratransit): On-time performance is a vehicle's arrival within the 30-minute ready window negotiated with the registered paratransit customer at time of booking.

Operating Budget: The portion of the budget that provides for the day-to-day operation of Capital Metro

OCC: Operations Control Center

OTP: On-Time Performance

Paratransit Services: Transportation services (complementary to fixed-route services) provided to riders with disabilities established in accordance with ADA.

Park & Ride: A transport system in which drivers leave their cars in a place and travel by train or bus.

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

Pathway Assessment: Program in place to assess customer pathways throughout the region with the goal of eliminating barriers to accessing the fixed-route bus system. The focus is on highly functional paratransit-eligible customers who must use paratransit services due to architectural or other barriers that prevent them from riding fixed-route services.

Pickup Service: On-Demand transit service which provides riders point-to-point service in designated service zones.

Project Connect: Capital Metro's plan to develop, identify funding for and initiate implementation of a regional high-capacity transit system to serve the mobility needs of Central Texas.

PPE: Personal Protective Equipment is equipment worn to minimize exposure to hazards that cause serious workplace injuries and illnesses. Personal protective equipment may include items such as gloves, safety glasses and shoes, earplugs or muffs, hard hats, respirators, or coveralls, vests and full body suits..

PTC: Positive Train Control (PTC) is an advanced system designed to automatically stop a train before certain accidents occur. In particular, PTC is designed to prevent: Train-to-train collisions, derailments caused by excessive train speed and train movements through misaligned track switches.

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

Revenue Passengers: Transit riders who enter the system through the payment of a fare as distinguished from those who enter using 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 riders without charge.

RFP: Request for Proposals

RFQ: Request for Quotes

Ridership: The total number of boardings, also called “Unlinked Passenger Trips.” May be based on farebox counts, driver counts or estimates.

Sales Tax: Sales tax revenue is accrued monthly based on information provided by the Texas Comptroller of Public Accounts.

Service Area: City of Austin and several surrounding areas within Travis County and Williamson County extending over 500 square miles.

SMS: Safety management system (SMS) is a comprehensive management system designed to manage safety elements in the workplace. It includes policy, objectives, plans, procedures, organization, responsibilities and other measures.

Special Events: Transit service provided to support events occurring in the city.

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

TDP: Transit Development Plan

TOD: Transit-Oriented Development

Transit Empowerment Fund: This program provides transit passes at a discount for social service agencies to distribute as needed to their clients.

Transit Operations: Authority functions directly or indirectly related to the provision of transportation service.

TTI: Texas A&M's Texas Transportation Institute

TVM: Ticket Vending Machine system that encompasses 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.

TxDOT: Texas Department of Transportation

UHC: United Healthcare

USDOT: U.S. Department of Transportation

UT Shuttle: The bus service provided to connect student living areas with the University of Texas campus.

UZA: Urbanized Areas

Vehicle Hours: The total number of hours that the buses are in service, including 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.



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.

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Appendices



Project Name	FY 2021 Approved Budget	FY 2022 Planned	FY 2023 Planned	FY 2024 Planned	FY 2025 Planned	TOTAL	Page
Facilities and Real Estate							
Facility State of Good Repair	721,781	1,182,000	1,323,000	2,914,700	1,930,700	8,072,181	A-4
Facilities and Real Estate Net Total	721,781	1,182,000	1,323,000	2,914,700	1,930,700	8,072,181	
Information Technology Systems and Infrastructure							
Information Technology - Enterprise Systems	5,453,053	7,229,960	2,091,640	820,000	—	15,594,653	A-5
Information Technology - Infrastructure	1,763,500	1,137,500	1,037,500	2,235,000	1,235,000	7,408,500	A-6
Information Technology - Transit Systems	6,463,918	5,423,208	10,065,000	6,140,000	6,737,500	34,829,626	A-7
Information Technology Systems and Infrastructure Net Total	13,680,471	13,790,668	13,194,140	9,195,000	7,972,500	57,832,779	
Infrastructure Development							
Bus Stop Amenities and Enhancements	2,409,975	771,220	736,945	1,382,945	1,621,320	6,922,405	A-8
Bus Stops - New	915,000	—	—	—	—	915,000	A-9
Bus Stops - New Grants and Capital Contributions	(640,000)	—	—	—	—	(640,000)	A-9
Downtown Station	10,909,559	—	—	—	—	10,909,559	A-10
Downtown Station Grants and Capital Contributions	(723,800)	—	—	—	—	(723,800)	A-10
Facility Enhancements	11,170,263	5,710,500	2,534,600	2,897,650	—	22,313,013	A-11
Facility Enhancements Grants and Capital Contributions	(3,919,557)	(3,750,000)	—	—	—	(7,669,557)	A-11
Infrastructure Development Net Total	20,121,440	2,731,720	3,271,545	4,280,595	1,621,320	32,026,620	
Project Connect							
Project Connect	33,480,520	10,000,000	—	—	—	43,480,520	A-12
Project Connect Net Total	33,480,520	10,000,000	—	—	—	43,480,520	
Public Safety and Emergency Management							
Public Safety and Emergency Management Equipment and Enhancements	1,622,000	558,500	593,150	719,633	480,000	3,973,283	A-13
Public Safety and Emergency Management Net Total	1,622,000	558,500	593,150	719,633	480,000	3,973,283	

Project Name	FY 2021 Approved Budget	FY 2022 Planned	FY 2023 Planned	FY 2024 Planned	FY 2025 Planned	TOTAL	Page
Railroad Commuter							
Railroad Commuter Enhancements	5,254,000	8,000,000	—	—	—	13,254,000	A-14
Railroad Commuter Enhancements Grants and Capital Contributions	(105,000)	—	—	—	—	(105,000)	A-14
Railroad Commuter Regulatory	6,308,417	—	—	—	—	6,308,417	A-15
Railroad Commuter State of Good Repair	5,553,860	3,720,000	3,290,000	2,000,000	300,000	14,863,860	A-16
Railroad Commuter State of Good Repair Grants and Capital Contributions	(3,103,227)	(3,103,227)	(3,103,227)	(2,000,000)	(300,000)	(11,609,681)	A-16
Railroad Commuter Net Total	13,908,050	8,616,773	186,773	—	—	22,711,596	
Railroad Freight							
Railroad Freight State of Good Repair	4,045,000	45,000	1,545,000	45,000	45,000	5,725,000	A-17
Railroad Freight State of Good Repair Grants and Capital Contributions	(2,315,570)	—	—	—	—	(2,315,570)	A-17
Railroad Freight Net Total	1,729,430	45,000	1,545,000	45,000	45,000	3,409,430	
Vehicles							
Bus Fleet	50,000	31,586,000	40,999,000	9,242,000	—	81,877,000	A-18
Bus Fleet Grants and Capital Contributions	—	(15,277,440)	(2,952,400)	(2,952,400)	—	(21,182,240)	A-18
Fleet System Enhancements	890,000	100,000	100,000	100,000	500,000	1,690,000	A-19
Non-Revenue Fleet	228,190	905,000	—	72,000	406,000	1,611,190	A-20
Paratransit Fleet	2,149,000	5,212,000	—	2,145,000	2,675,000	12,181,000	A-21
Vehicles Net Total	3,317,190	22,525,560	38,146,600	8,606,600	3,581,000	76,176,950	
Capital Project Contingency	7,000,000	2,000,000	2,000,000	2,000,000	2,000,000	15,000,000	A-22
Grand Total Capital Spending	106,388,036	83,580,888	66,315,835	32,713,928	17,930,520	306,929,207	
Grand Total Grants and Capital Contributions	(10,807,154)	(22,130,667)	(6,055,627)	(4,952,400)	(300,000)	(44,245,848)	
Grand Total Capital Spending Net of Grants and Capital Contributions	95,580,882	61,450,221	60,260,208	27,761,528	17,630,520	262,683,359	

Summary

FY2021 - FY2025 Capital Improvement Plan						
	FY2021	FY2022	FY2023	FY2024	FY2025	Total
Spending Categories						
Other	106,388,036	83,580,888	66,315,835	32,713,928	17,930,520	306,929,207
Total	106,388,036	83,580,888	66,315,835	32,713,928	17,930,520	306,929,207
Funding Sources						
Local Funds	95,580,882	61,450,221	60,260,208	27,761,528	17,630,520	262,683,359
Grants	9,083,354	21,875,667	5,800,627	4,697,400	45,000	41,502,048
Other Capital Contributions	1,723,800	255,000	255,000	255,000	255,000	2,743,800
Total	106,388,036	83,580,888	66,315,835	32,713,928	17,930,520	306,929,207

Project Name Facility State of Good Repair

Project Type Facilities and Real Estate

Project Description

This project category includes state of good repairs for air conditioning units, above ground lifts, air compressors, air handlers, antifreeze reclaimers, band saw, boom lift, central vacuum, clock systems, coiling door, concrete replacement, diesel exhaust system, drains, dust collectors, electric heaters, electrical hoists, emergency generators, engine stands, engine washer, exhaust hose reels, fall protection, filter crushers, fire detection systems, fire extinguish systems, first aid stations, floor scrubber, fluid hose reel, freon reclaimers, fuel system upgrades, hand wash stations, HVAC systems, hydronic heater, ice machines, irrigation system, kitchen stove, lifts, lighting, metal brake, metal lathe, metal shear, overhead door, passenger elevator, plumbing systems, presses, pressure washers, pumps, reverse osmosis system, roof replacements, scrubber, solvent reclaimer, stair system, table saw, tank monitoring system, transmission dynamometer, transmission jacks, uninterruptible power supplies, vehicle vacuums, wastewater pump, water dispenser and filters, water heaters, water softeners, window system, windscreen replacements, interior systems, pressure washers and wood trim system.

FY2021 - FY2025 Capital Improvement Plan						
	FY2021	FY2022	FY2023	FY2024	FY2025	Total
Spending Categories						
Other	721,781	1,182,000	1,323,000	2,914,700	1,930,700	8,072,181
Total	721,781	1,182,000	1,323,000	2,914,700	1,930,700	8,072,181
Funding Sources						
Local Funds	721,781	1,182,000	1,323,000	2,914,700	1,930,700	8,072,181
Grants	—	—	—	—	—	—
Total	721,781	1,182,000	1,323,000	2,914,700	1,930,700	8,072,181

Estimated Operating Cost Impact

No new operating costs are expected to be incurred as a result of these projects.

Project Benefits

Replacement of equipment at the end of its useful life maintains assets in a state of good repair and helps minimize maintenance costs.

Strategic Priority and Objective

These projects support strategic priorities and objectives: High-quality customer experience: Safety & risk, Continuous improvement. Sustainability: Environmental leadership, Resource optimization, Safety culture.

Project Name Information Technology - Enterprise Systems **Project Type** Information Technology Systems and Infrastructure

Project Description

This project category includes upgrade or replacement of asset management system, data warehousing and business intelligence, enterprise project portfolio management system, enterprise customer relationship management system, website platform upgrade, financial system, governance risk and compliance software, board management system and real estate management software.

FY2021 - FY2025 Capital Improvement Plan						
	FY2021	FY2022	FY2023	FY2024	FY2025	Total
Spending Categories						
Other	5,453,053	7,229,960	2,091,640	820,000	—	15,594,653
Total	5,453,053	7,229,960	2,091,640	820,000	—	15,594,653
Funding Sources						
Local Funds	5,453,053	7,229,960	2,091,640	820,000	—	15,594,653
Grants	—	—	—	—	—	—
Total	5,453,053	7,229,960	2,091,640	820,000	—	15,594,653

Estimated Operating Cost Impact

Enterprise systems are expected to increase operating expenses by \$1,538,000 per year.

Project Benefits

System replacements and upgrades when technologies are at the end of their useful life maintains assets in a state of good repair, minimizes service disruptions, reduces maintenance costs and improves the customer experience. System enhancements allow new functionality to support continuous improvement of systems and processes and improved customer experience.

Strategic Priority and Objective

These projects support strategic priorities and objectives: High quality customer experience: Safety & risk, Continuous improvement, Culture of innovation. Engaged workforce: Organization culture. Sustainability: Resource optimization, Safety culture.

Project Name Information Technology - Infrastructure

Project Type Information Technology Systems and Infrastructure

Project Description

This project category includes WiFi for Capital Metro stations, commuter vehicles and public safety, data center infrastructure replacement, interactive voice response system replacement (IVR), phone system, enterprise audio-visual solution study and network infrastructure replacements.

Spending Categories

Other

Total

Funding Sources

Local Funds

Grants

Total

FY2021 - FY2025 Capital Improvement Plan						
	FY2021	FY2022	FY2023	FY2024	FY2025	Total
Other	1,763,500	1,137,500	1,037,500	2,235,000	1,235,000	7,408,500
Total	1,763,500	1,137,500	1,037,500	2,235,000	1,235,000	7,408,500
Local Funds	1,763,500	1,137,500	1,037,500	2,235,000	1,235,000	7,408,500
Grants	—	—	—	—	—	—
Total	1,763,500	1,137,500	1,037,500	2,235,000	1,235,000	7,408,500

Estimated Operating Cost Impact

Infrastructure replacements are expected to increase operating expenses by \$748,000 per year.

Project Benefits

Replacement, expansion, or upgrades of IT infrastructure or systems at the end of their useful life maintains assets in a state of good repair, enhances safety and cybersecurity protection, minimizes interruption of critical IT resources, minimizes maintenance costs and improves the customer experience.

Strategic Priority and Objective

These projects support strategic priorities and objectives: High-quality customer experience: Safety & risk, Continuous improvement, Culture of innovation. Engaged workforce: Organizational culture. Sustainability: Resource optimization, Safety culture.

Project Name Information Technology - Transit Systems

Project Type Information Technology Systems and Infrastructure

Project Description

This project category includes ePaper dynamic message signs for rapid transit and commuter rail, fare collection equipment and account-based enhancement, customer payment systems, fixed-route management systems replacement (Trapeze), mobile applications, paratransit technology system replacement, transit on-demand software, high-frequency ticket vending machine expansion, rail dispatch system, onboard validators and digital displays, CAD/AVL APC and ITS systems and farebox and vaulting system.

FY2021 - FY2025 Capital Improvement Plan						
	FY2021	FY2022	FY2023	FY2024	FY2025	Total
Spending Categories						
Other	6,463,918	5,423,208	10,065,000	6,140,000	6,737,500	34,829,626
Total	6,463,918	5,423,208	10,065,000	6,140,000	6,737,500	34,829,626
Funding Sources						
Local Funds	6,463,918	5,423,208	10,065,000	6,140,000	6,737,500	34,829,626
Grants	—	—	—	—	—	—
Total	6,463,918	5,423,208	10,065,000	6,140,000	6,737,500	34,829,626

Estimated Operating Cost Impact

System replacements, upgrades, enhancements are expected to increase operating expenses by \$3,201,000 per year.

Project Benefits

System replacements and upgrades when technologies are at the end of their useful life maintains assets in a state of good repair, minimizes service disruptions, reduces maintenance costs and improves the customer experience. New systems and system enhancements allow for new functionality that will improve the efficiency and safety of delivering services as well as provide customers with healthier tools to improve their riding experience.

Strategic Priority and Objective

These projects support strategic priorities and objectives: High-quality customer experience: Safety & risk, Continuous improvement, Dynamic change, Culture of innovation. Engaged workforce: Organization development. Sustainability: Resource optimization, Safety culture, Environmental leadership. Valued community partner: Build partnerships, Value of transit.

Project Name Bus Stop Amenities and Enhancements **Project Type** Infrastructure Development

Project Description

This project category is for bus stop improvements including benches, shelters, litter containers, signage, shading, lighting, digital message signs, ACC Riverside transit center relocation and accessibility.

FY2021 - FY2025 Capital Improvement Plan						
	FY2021	FY2022	FY2023	FY2024	FY2025	Total
Spending Categories						
Other	2,409,975	771,220	736,945	1,382,945	1,621,320	6,922,405
Total	2,409,975	771,220	736,945	1,382,945	1,621,320	6,922,405
Funding Sources						
Local Funds	2,409,975	771,220	736,945	1,382,945	1,621,320	6,922,405
Grants	—	—	—	—	—	—
Total	2,409,975	771,220	736,945	1,382,945	1,621,320	6,922,405

Estimated Operating Cost Impact

No new operating costs are expected to be incurred as a result of these projects.

Project Benefits

These projects will improve the transit experience by providing facilities that meet riders' needs. New funding is included for improved weather protection at bus stops as well as solar lighting for improved security and digital message signs at high-volume stops.

Strategic Priority and Objective

These projects support strategic priority and objectives: High-quality customer experience: Safety & risk, Continuous improvement.

Project Name Bus Stops - New **Project Type** Infrastructure Development

Project Description

This project category includes additional stations for MetroRapid near the new MLS stadium and a Pleasant Valley transit hub.

FY2021 - FY2025 Capital Improvement Plan						
	FY2021	FY2022	FY2023	FY2024	FY2025	Total
Spending Categories						
Other	915,000	—	—	—	—	915,000
Total	915,000	—	—	—	—	915,000
Funding Sources						
Local Funds	275,000	—	—	—	—	275,000
Grants	—	—	—	—	—	—
Other Capital Contributions	640,000	—	—	—	—	640,000
Total	915,000	—	—	—	—	915,000

Estimated Operating Cost Impact

No new operating costs are expected to be incurred as a result of these projects.

Project Benefits

The construction of new MetroRapid stations and a Pleasant Valley transit hub will provide increased access to public transit and increased ridership.

Strategic Priority and Objective

These projects support strategic priority and objectives: High-quality customer experience: Safety & risk, Continuous improvement.

Project Name Downtown Station **Project Type** Infrastructure Development

Project Description

This project category is for upgrading the MetroRail Downtown Station into a permanent multimodal station with an associated transit plaza partially funded by a grant from TxDOT. Upgrades include additional track, boarding platforms and related infrastructure improvements.

FY2021 - FY2025 Capital Improvement Plan						
	FY2021	FY2022	FY2023	FY2024	FY2025	Total
Spending Categories						
Other	10,909,559	—	—	—	—	10,909,559
Total	10,909,559	—	—	—	—	10,909,559
Funding Sources						
Local Funds	10,185,759	—	—	—	—	10,185,759
Grants	—	—	—	—	—	—
Other Capital Contributions	723,800	—	—	—	—	723,800
Total	10,909,559	—	—	—	—	10,909,559

Estimated Operating Cost Impact

Operating costs associated with janitorial, landscaping and maintenance is estimated to be approximately \$61,000 annually. Utility costs are estimated to be approximately \$20,000 annually. The facility is expected to go into service before the end of FY2021.

Project Benefits

These projects will expand the current rail station located in downtown Austin from the current one track which accommodates one train, to three tracks which will accommodate four trains. It will allow for an increase in service and capacity for commuter rail service.

Strategic Priority and Objective

These projects support strategic priorities and objectives: High-quality customer experience: Safety & risk, Continuous improvement. Valued community partner: Build partnerships, Value of transit, Project Connect.

Project Name Facility Enhancements

Project Type Infrastructure Development

Project Description

This project category includes bus electrification infrastructure, solar electric bus canopies as well as improvements to accommodate additional bus capacity at the North Operations facility, customer and operational improvements at North Lamar mobility hub, ADA parking spaces at New Life Park & Ride, Saltillo development bulb out, construction of the CARTS Eastside bus plaza and office space reconfiguration at the headquarters facility.

FY2021 - FY2025 Capital Improvement Plan						
	FY2021	FY2022	FY2023	FY2024	FY2025	Total
Spending Categories						
Other	11,170,263	5,710,500	2,534,600	2,897,650	—	22,313,013
Total	11,170,263	5,710,500	2,534,600	2,897,650	—	22,313,013
Funding Sources						
Local Funds	7,250,706	1,960,500	2,534,600	2,897,650	—	14,643,456
Grants	3,919,557	3,750,000	—	—	—	7,669,557
Total	11,170,263	5,710,500	2,534,600	2,897,650	—	22,313,013

Estimated Operating Cost Impact

No new operating costs are expected to be incurred as a result of these projects.

Project Benefits

These projects support customer and operational improvements at new and existing operational and transit facilities to accommodate additional bus and rail infrastructure as well as more efficient utilization of administrative office space.

Strategic Priority and Objective

These projects support strategic priorities and objectives: High-quality customer experience: Safety & risk, Continuous improvement. Engaged workforce: Be an employer of choice, Organizational culture. Sustainability: Resource optimization, Safety culture, Environmental leadership. Valued community partner: Value of transit.

Project Name Project Connect **Project Type** Project Connect

Project Description

This project category is for preliminary engineering and environmental clearance of the Orange and Blue Light Rail lines, 4 new MetroRapid lines, Red Line improvement projects and maintenance facilities. It includes consultants for the Orange and Blue lines, program manager owner representative, and Capital Metro costs, Program expense will be moving to the Austin Transit Partnership after it is formed.

FY2021 - FY2025 Capital Improvement Plan						
	FY2021	FY2022	FY2023	FY2024	FY2025	Total
Spending Categories						
Other	33,480,520	10,000,000	—	—	—	43,480,520
Total	33,480,520	10,000,000	—	—	—	43,480,520
Funding Sources						
Local Funds	33,480,520	10,000,000	—	—	—	43,480,520
Grants	—	—	—	—	—	—
Total	33,480,520	10,000,000	—	—	—	43,480,520

Estimated Operating Cost Impact

Operating costs for Project Connect have been developed and will be included upon completion of each portion of the project as revenue operations begin.

Project Benefits

Project Connect is a program of capital infrastructure projects. These projects will expand Austin’s transit network to reach more communities and to grow capacity for public transportation by nearly three times. The project starts with new transit-priority bus service, new park & rides, and the expanded commuter bus service. These projects would have design completed next year with construction and bus procurement to follow. New rail station and double tracking on the existing Red Line commuter rail. The high-capacity light rail system will continue a two-year process of environmental and preliminary engineering, and the first shovel-ready construction contract will occur in late 2023.

Strategic Priority and Objective

These projects support strategic priorities and objectives: High-quality customer experience: Safety & risk, Continuous improvement. Sustainability: Resource optimization, Safety culture. Valued community partner: Build partnerships, Value of transit, Project Connect.

Project Name Public Safety and Emergency Management Equipment and Enhancements **Project Type** Public Safety and Emergency Management

Project Description

This project category includes cameras, video system integration software, rapid deployable video system, rail signal house security, in-car video for the agency's security vehicles and other miscellaneous system enhancements.

FY2021 - FY2025 Capital Improvement Plan						
	FY2021	FY2022	FY2023	FY2024	FY2025	Total
Spending Categories						
Other	1,622,000	558,500	593,150	719,633	480,000	3,973,283
Total	1,622,000	558,500	593,150	719,633	480,000	3,973,283
Funding Sources						
Local Funds	1,622,000	558,500	593,150	719,633	480,000	3,973,283
Grants	—	—	—	—	—	—
Total	\$1,622,000	\$ 558,500	\$ 593,150	\$ 719,633	\$ 480,000	\$ 3,973,283

Estimated Operating Cost Impact

Security equipment and enhancements are expected to increase operating expenses by \$80,000 per year due to the maintenance costs of the video system and associated systems throughout the system.

Project Benefits

Camera system expansion and upgrades will improve security and situational awareness at Capital Metro facilities and vehicles. Access control updates will ensure the system is current with existing technology and maintained properly. Rail signal house security will enhance the physical security of the rail signal houses in support of the new PTC system.

Strategic Priority and Objective

These projects support strategic priority and objectives: High-quality customer experience: Safety & risk, Continuous improvement, Culture of innovation. Sustainability: Safety culture.

Project Name Railroad Commuter Enhancements **Project Type** Railroad Commuter

Project Description

This project category includes MetroRail Red Line service capacity improvements, Broadmoor Station track, signal and PTC, Leander quiet zones, rail vehicle engineering support, DMU digital camera and cooling system upgrades, PTC capital spares, PTC block shortening and other safety enhancements.

FY2021 - FY2025 Capital Improvement Plan						
	FY2021	FY2022	FY2023	FY2024	FY2025	Total
Spending Categories						
Other	5,254,000	8,000,000	—	—	—	13,254,000
Total	5,254,000	8,000,000	—	—	—	13,254,000
Funding Sources						
Local Funds	5,149,000	8,000,000	—	—	—	13,149,000
Grants	—	—	—	—	—	—
Total	\$5,254,000	\$8,000,000	\$ —	\$ —	\$ —	\$ 13,254,000

Estimated Operating Cost Impact

No new operating costs are expected to be incurred as a result of these projects.

Project Benefits

MetroRail Red Line service capacity improvements will allow for service enhancements. System safety enhancements will protect rail infrastructure. DMU modifications will enhance the customer experience and safety.

Strategic Priority and Objective

These projects support strategic priorities and objectives: High-quality customer experience: Safety & risk, Continuous improvement. Sustainability: Resource optimization. Valued community partner: Value of transit.

Project Name Railroad Commuter Regulatory

Project Type Railroad Commuter

Project Description

This project category is for positive train control.

FY2021 - FY2025 Capital Improvement Plan						
	FY2021	FY2022	FY2023	FY2024	FY2025	Total
Spending Categories						
Other	6,308,417	—	—	—	—	6,308,417
Total	6,308,417	—	—	—	—	6,308,417
Funding Sources						
Local Funds	6,308,417	—	—	—	—	6,308,417
Grants	—	—	—	—	—	—
Total	6,308,417	—	—	—	—	6,308,417

Estimated Operating Cost Impact

In process of identifying operating cost impact of positive train control, as additional mechanical and signal duties will be required.

Project Benefits

Primary purpose of this category is to provide enhanced train detection systems control, allowing for constant on-board train control with the purpose of avoiding train collisions, work zone and signal violations.

Strategic Priority and Objective

These projects support strategic priorities and objectives: High-quality customer experience: Safety & risk. Sustainability: Safety culture.

Project Name Railroad Commuter State of Good Repair

Project Type Railroad Commuter

Project Description

This project category includes state of good repair work for bridges, tracks, signals and communications, rail grade crossings, track undercutting, bridge replacement survey, shifted load detectors, DMU special tools and capital spares and crossing improvements partially funded by TxDOT.

FY2021 - FY2025 Capital Improvement Plan						
	FY2021	FY2022	FY2023	FY2024	FY2025	Total
Spending Categories						
Other	5,553,860	3,720,000	3,290,000	2,000,000	300,000	14,863,860
Total	5,553,860	3,720,000	3,290,000	2,000,000	300,000	14,863,860
Funding Sources						
Local Funds	2,450,633	616,773	186,773	—	—	3,254,179
Grants	2,848,227	2,848,227	2,848,227	1,745,000	45,000	10,334,681
Other Capital Contributions	255,000	255,000	255,000	255,000	255,000	1,275,000
Total	\$5,553,860	\$3,720,000	\$3,290,000	\$2,000,000	\$ 300,000	\$ 14,863,860

Estimated Operating Cost Impact

No new operating costs are expected to be incurred as a result of these projects.

Project Benefits

This category of projects will assess the condition of rail infrastructure and assets. Maintenance and corrective actions will be undertaken to maximize the useful life of the assets.

Strategic Priority and Objective

These projects support strategic priorities and objectives: High-quality customer experience: Safety & risk. Sustainability: Resource optimization.

Project Name Railroad Freight State of Good Repair

Project Type Railroad Freight

Project Description

This project category includes bridge replacements and crossing improvements.

FY2021 - FY2025 Capital Improvement Plan						
	FY2021	FY2022	FY2023	FY2024	FY2025	Total
Spending Categories						
Other	4,045,000	45,000	1,545,000	45,000	45,000	5,725,000
Total	4,045,000	45,000	1,545,000	45,000	45,000	5,725,000
Funding Sources						
Local Funds	1,729,430	45,000	1,545,000	45,000	45,000	3,409,430
Grants	2,315,570	—	—	—	—	2,315,570
Total	\$4,045,000	\$ 45,000	\$1,545,000	\$ 45,000	\$ 45,000	\$ 5,725,000

Estimated Operating Cost Impact

No new operating costs are expected to be incurred as a result of these projects.

Project Benefits

Ongoing replacement and/or rehabilitation of infrastructure maintains assets in a state of good repair and helps to minimize maintenance costs.

Strategic Priority and Objective

These projects support strategic priorities and objectives: High-quality customer experience: Safety & risk. Sustainability: Resource optimization.

Project Name Bus Fleet **Project Type** Vehicles

Project Description

This project category includes replacements and additions of electric buses, commuter coaches and fixed-route vans.

FY2021 - FY2025 Capital Improvement Plan						
	FY2021	FY2022	FY2023	FY2024	FY2025	Total
Spending Categories						
Other	50,000	31,586,000	40,999,000	9,242,000	—	81,877,000
Total	50,000	31,586,000	40,999,000	9,242,000	—	81,877,000
Funding Sources						
Local Funds	50,000	16,308,560	38,046,600	6,289,600	—	60,694,760
Grants	—	15,277,440	2,952,400	2,952,400	—	21,182,240
Total	50,000	31,586,000	40,999,000	9,242,000	—	81,877,000

Estimated Operating Cost Impact

Replacement vehicles do not result in additional operating costs incurred.

Project Benefits

Replacement of vehicles at the end of their useful life maintains assets in a state of good repair, minimizes maintenance costs and improves the customer experience.

Strategic Priority and Objective

These projects support strategic priority and objectives: High-quality customer experience: Safety & risk, Continuous improvement, Dynamic change, Culture of innovation.

Project Name Fleet System Enhancements **Project Type** Vehicles

Project Description

This project category includes additions to camera systems on vehicles and additional radio consoles.

FY2021 - FY2025 Capital Improvement Plan						
	FY2021	FY2022	FY2023	FY2024	FY2025	Total
Spending Categories						
Other	890,000	100,000	100,000	100,000	500,000	1,690,000
Total	890,000	100,000	100,000	100,000	500,000	1,690,000
Funding Sources						
Local Funds	890,000	100,000	100,000	100,000	500,000	1,690,000
Grants	—	—	—	—	—	—
Total	890,000	100,000	100,000	100,000	500,000	1,690,000

Estimated Operating Cost Impact

No new operating costs are expected to be incurred as a result of these projects.

Project Benefits

Camera systems on vehicles will improve security and help respond to incidents that occur during transit service, especially vehicle accidents. Additional radio consoles will provide a more reliable communication network for the Operations Control Center which monitors transit service and handles incidents and emergencies.

Strategic Priority and Objective

These projects support strategic priority and objectives: High-quality customer experience: Safety & risk, Continuous improvement, Dynamic change, Culture of innovation.

Project Name Non-Revenue Fleet **Project Type** Vehicles

Project Description

This project category includes non-revenue vehicle replacements.

FY2021 - FY2025 Capital Improvement Plan						
	FY2021	FY2022	FY2023	FY2024	FY2025	Total
Spending Categories						
Other	228,190	905,000	—	72,000	406,000	1,611,190
Total	228,190	905,000	—	72,000	406,000	1,611,190
Funding Sources						
Local Funds	228,190	905,000	—	72,000	406,000	1,611,190
Grants	—	—	—	—	—	—
Total	228,190	905,000	—	72,000	406,000	1,611,190

Estimated Operating Cost Impact

No new operating costs are expected to be incurred as a result of this project.

Project Benefits

Replacement of vehicles at the end of their useful lives maintains assets in a state of good repair and helps to minimize maintenance costs.

Strategic Priority and Objective

These projects support strategic priority and objectives: High-quality customer experience: Safety & risk, Continuous improvement, Dynamic change, Culture of innovation.

Project Name Paratransit Fleet **Project Type** Vehicles

Project Description

This project category includes replacements and additional paratransit vehicles.

FY2021 - FY2025 Capital Improvement Plan						
	FY2021	FY2022	FY2023	FY2024	FY2025	Total
Spending Categories						
Other	2,149,000	5,212,000	—	2,145,000	2,675,000	12,181,000
Total	2,149,000	5,212,000	—	2,145,000	2,675,000	12,181,000
Funding Sources						
Local Funds	2,149,000	5,212,000	—	2,145,000	2,675,000	12,181,000
Grants	—	—	—	—	—	—
Total	2,149,000	5,212,000	—	2,145,000	2,675,000	12,181,000

Estimated Operating Cost Impact

Replacement vehicles do not result in additional operating costs incurred.

Project Benefits

Replacement of vehicles at the end of their useful lives maintains assets in a state of good repair, minimizes maintenance costs and improves the customer experience.

Strategic Priority and Objective

These projects support strategic priority and objectives: High-quality customer experience: Safety & risk, Continuous improvement, Dynamic change, Culture of innovation.

Project Name

Capital Project Contingency

Project Type

Capital Project Contingency

Project Description

This project category includes reserve for contingencies.

FY2021 - FY2025 Capital Improvement Plan						
	FY2021	FY2022	FY2023	FY2024	FY2025	Total
Spending Categories						
Other	7,000,000	2,000,000	2,000,000	2,000,000	2,000,000	15,000,000
Total	7,000,000	2,000,000	2,000,000	2,000,000	2,000,000	15,000,000
Funding Sources						
Local Funds	7,000,000	2,000,000	2,000,000	2,000,000	2,000,000	15,000,000
Grants	—	—	—	—	—	—
Total	7,000,000	2,000,000	2,000,000	2,000,000	2,000,000	15,000,000

Estimated Operating Cost Impact

No new operating costs are expected to be incurred as a result of this project.

Project Benefits

Capital project reserve provides contingency funds in the event that project costs are greater than projected or unexpected capital needs materialize between budget cycles.

Strategic Priority and Objective

This project supports strategic priority and objective: Sustainability: Resource optimization.



CAPITAL METROPOLITAN TRANSPORTATION AUTHORITY DEMOGRAPHIC AND ECONOMIC STATISTICS LAST TEN YEARS

Year	City of Austin Population (1)	Population MSA (1)	Income (MSA) (thousands of dollars) (1)	Per Capita Personal Income (MSA) (1)	Unemployment Rate (MSA) (1)
2010	778,560	1,727,743	70,355,303	40,726	7.0
2011	805,662	1,780,605	77,881,693	43,739	6.6
2012	821,012	1,834,926	85,635,903	46,670	5.7
2013	841,649	1,883,901	88,950,627	47,216	5.2
2014	878,002	1,943,409	97,181,958	50,006	4.2
2015	899,119	2,002,591	103,244,100	51,555	3.4
2016	925,491	2,062,211	107,664,294	52,208	3.3
2017	946,080	2,115,230	117,458,116	55,530	3.1
2018	963,797	2,168,316	127,439,164	58,773	2.9
2019	980,886	2,187,161	138,650,094	63,400	2.6

Note: Prior years statistics are subject to change as more precise numbers become available.

(1) Source: City of Austin Comprehensive Annual Financial Report.