



Financial Report – Fiscal Year 2023

Year to Date June 30, 2023

Major Highlights

Revenue

- Sales tax remittances received YTD May 2023 are 7.0% higher than YTD May 2022 and 3.4% higher than YTD budget

Operating Expenses

- \$267.6 million expended to date, or 69.1% of full-year budget
- Professional services are below budget due to timing of consultation, computer software and professional fees

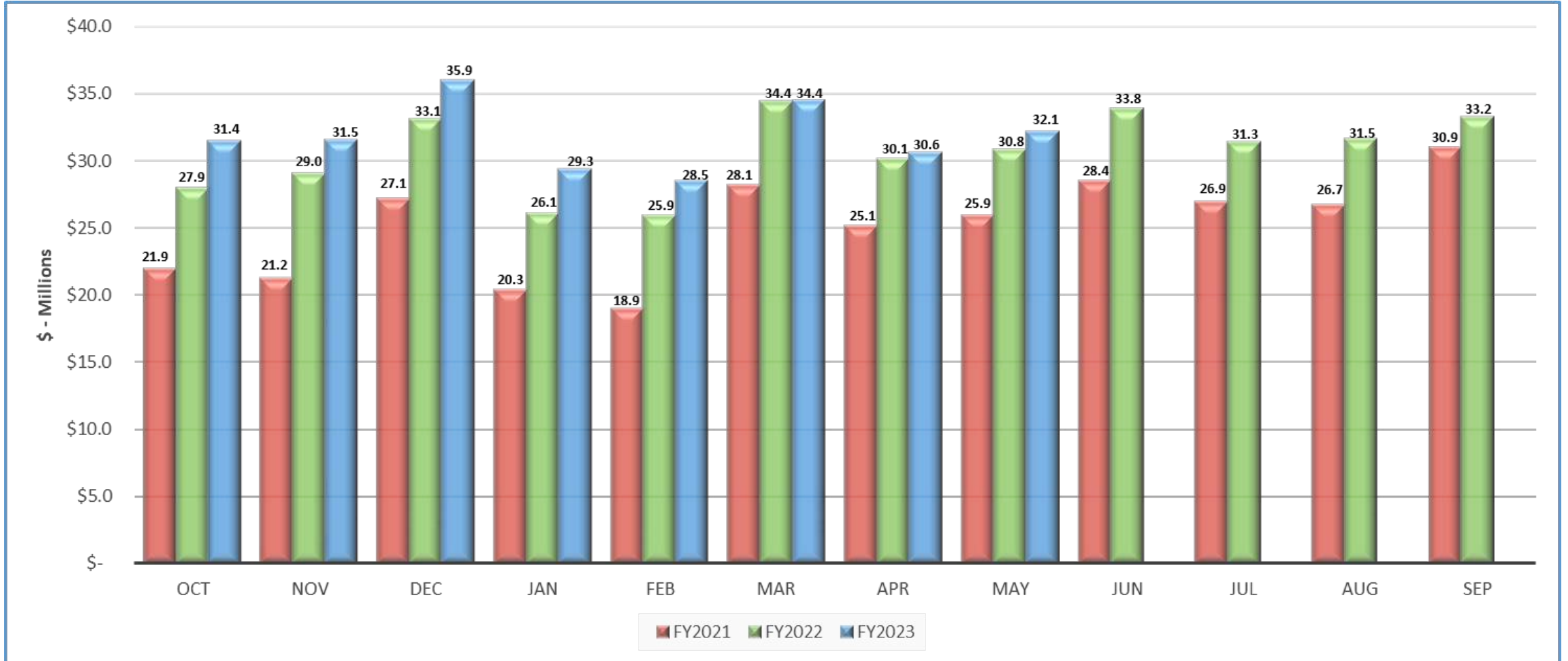
Capital Projects

- FY2023 capital project budget of \$475.0 million
- \$91.9 million expended to date, or 19.3% of full-year budget
 - McKalla Red Line Station, MetroRapid Lines, Orange and Blue Lines and PMOR, Electric Bus Replacements and Enterprise Resource Planning System
- \$73.2 million outstanding commitments have been issued, or 15.4% of full-year budget
 - Orange Line, McKalla Red Line Station, MetroRapid Lines, Bus Electrification Infrastructure, Electric Bus Replacements and Airport Lamar Red Line Grade Separation

Revenue

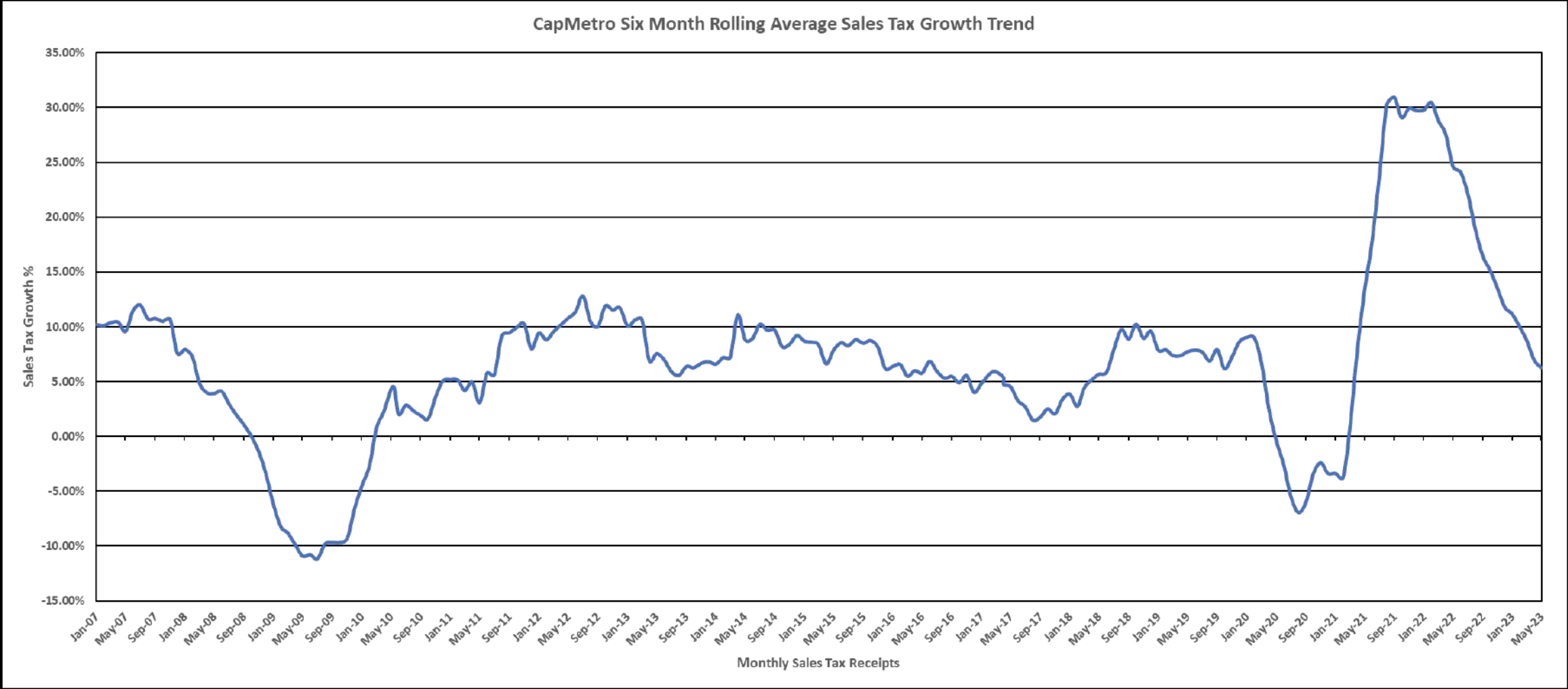
\$' Million Category	FY22 Jun YTD Actual	FY23 Jun YTD Actual	FY23 Jun YTD Budget	% of YTD Budget	FY23 Full Year Budget	% of Budget	Comments
Sales Tax	\$262.4	\$285.0	\$277.0	102.9%	\$371.0	76.8%	June sales tax receipts accrued
Passenger Revenue	10.6	13.0	12.5	104.2%	17.6	73.9%	Ridership 6.3% above budgeted projections through June
Freight Railroad Revenue	5.3	4.7	5.1	90.4%	6.8	68.2%	
Other Revenue	5.3	18.7	5.4	345.6%	7.1	261.3%	Investment income above budgeted projections
Operating Contributions and Grants	137.1	37.1	100.7	36.8%	132.9	27.9%	Timing of processing eligible paid expenses
Capital Contributions and Grants	13.7	36.2	184.8	19.6%	246.4	14.7%	Timing of processing eligible paid expenses
Total	\$434.5	\$394.7	\$585.6	67.4%	\$781.9	50.5%	

Actual Sales Tax Receipts



Total	\$301.5M	\$366.9M	\$253.7M
YOY % Growth	14.8%	21.7%	7.0%

Sales Tax Rolling Average Trend



Operating Expense

\$' Million Category	FY22 Jun YTD Actual	FY23 Jun YTD Actual	FY23 Jun YTD Budget	% of YTD Budget	FY23 Full Year Budget	% of Budget	Comments
Salaries and Benefits	\$46.8	\$57.8	\$62.9	92.0%	\$84.0	68.8%	Vacancy savings
Professional Services	22.7	30.4	49.1	62.0%	60.5	50.3%	Timing of consultation, computer software and other professional fees
Materials and Supplies	3.1	13.6	14.1	96.6%	18.7	72.9%	
Fuel and Fluids	7.4	10.7	12.1	88.3%	16.4	65.1%	Cost avoidance through diesel hedging program
Utilities	2.6	3.1	3.2	96.7%	4.3	71.5%	
Insurance	0.5	0.4	0.9	47.9%	1.0	41.4%	
Purchased Transportation	121.5	145.7	134.6	108.2%	182.8	79.7%	Overtime due to bus operator vacancies
Lease/Rentals	2.7	3.7	4.2	87.7%	6.4	57.6%	
Other Expenses	2.1	2.2	9.1	24.2%	13.3	16.6%	Unspent contingency
Total	\$209.3	\$267.6	\$290.1	92.3%	\$387.5	69.1%	

Budget Transfers

Consistent with CapMetro's Financial Policies, there were nine budget transfers that cumulatively exceeded \$150,000 to report to the board for the 3rd quarter of FY2023.

April-23				
Transfer #1				
From:	510-220-5090702	Operating Contingency	(350,808)	Transferred funds from operating contingency for assistance to Strategic Planning and Development staff in monitoring FTA updates.
To:	510-320-XPL2308	Federal Strategic Advisory Support Services	350,808	
April-23				
Transfer #2				
From:	510-220-5090702	Operating Contingency	(401,500)	Transferred funds from operating contingency for a workforce analysis.
To:	510-340-XHR2301	Workforce Analysis	401,500	
April-23				
Transfer #3				
From:	510-220-5090702	Operating Contingency	(183,500)	Transferred funds from operating contingency to Government Affairs for consulting fees for public relations, State and Federal Legislative contracts.
To:	510-118-5030303	Consulting Fees	183,500	
May-23				
Transfer #4				
From:	510-220-5090702	Operating Contingency	(330,950)	Transferred funds from operating contingency to cover the cost of additional legal fees/financial advisory fees related to Project Connect.
To:	510-150-5030302	Outside Legal Services	330,950	
May-23				
Transfer #5				
From:	OMO2201	Electric Bus Chargers	(6,394,630)	Returned funds to capital contingency to reflect the updated capital forecast.
	ITS1605	Enterprise Asset Management System	(904,575)	
	ITS2005	High Frequency TVM Expansion	(780,000)	
	ITS2006	CAD AVL, APC and ITS Systems Replacement	(300,000)	
	ITS2009	Data Warehouse and Business Intelligence	(500,000)	
	ITS2014	Enterprise Audio Visual Solution	(294,712)	
	ITS2102	Rail Dispatch Control System Replacement	(810,996)	
	ITS2109	Single Sign-On Solution	(200,000)	
	ITS2204	Agency Wide Messaging System	(173,614)	

Budget Transfers (continued)

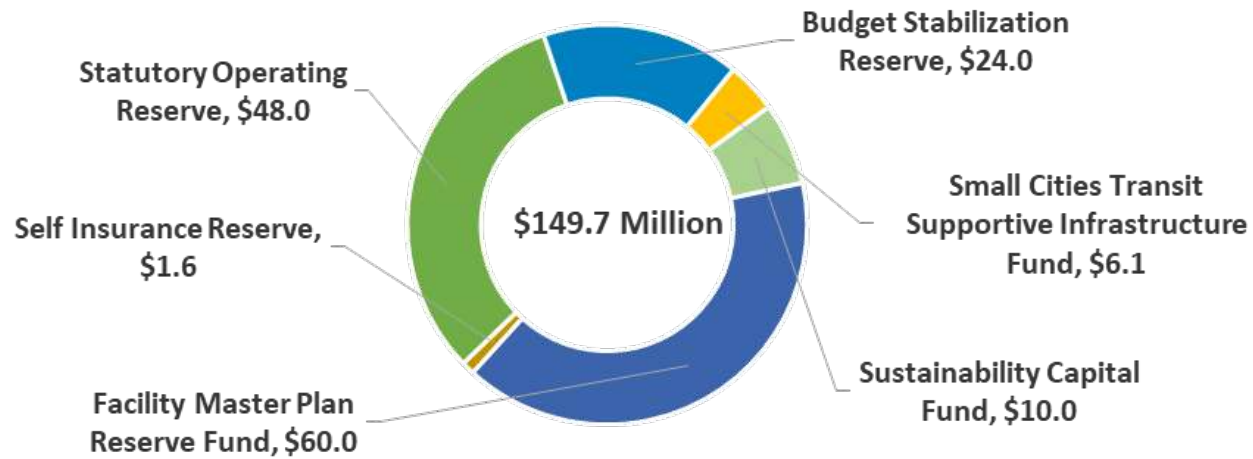
	ITS2215	Rail Configuration Management System	(298,000)	Returned funds to capital contingency to reflect the updated capital forecast.
	ITS2301	MetroBike software and hardware licensing agreement	(200,000)	
	SEC2001	Video System Integration Software	(400,000)	
	SEC2301	Access Control System Replacement	(300,000)	
	CPG1709	DT Station-Pedestrian Crossings	(289,543)	
	CPG2103	Small Scale Transit Hubs	(460,000)	
	CPG2112	4th and Sabine New Crossing Gates	(453,623)	
	CPG2205	Bus Electrification Infrastructure Phase 2	(38,902,012)	
	CPG2207	Rail Storage Facility at Austin Wye	(625,000)	
	CPG2214	Double Tracking from East Timbes to 7th St Underpass	(1,080,000)	
	CPG2216	Demand Response South Base	(12,100,000)	
	CPG2303	2910 Campus Reconfiguration	(2,500,000)	
	PAM2126	Realignment - Additional Lease Space	(4,035,815)	
	PAM2219	Demand Response Op. and Maintenance Facility	(12,098,895)	
	PAM2220	PAM SOGR Capital Program	(2,096,959)	
	PAM2222	PAM Enhancement Capital Program	(2,111,226)	
	PAM2224	Health Clinic	(290,000)	
	PAM2332	2910 Maintenance Office Renovation	(316,000)	
	PLN2114	Expo and PV Park & Rides and End of Line Charging	(10,800,000)	
	PLN2201	MetroRapid South Lamar 803 Extension	(11,500,000)	
	PLN2202	MetroRapid Gold Line	(10,414,276)	
	PLN2203	S Lamar and Gold Lines Park & Ride and End of Line	(8,882,196)	
	PLN2207	McKalla Dble Track Drainage and Signals	(2,196,975)	
	RRC1905	Track Undercutting	(710,000)	
	RRC2007	State of Good Repair for Rail Grade Crossings	(334,000)	
	RRC2012	State of Good Repair for Bridge and Track	(2,674,516)	
	RRC2202	Domain Area Quiet Zone	(1,320,000)	
	RRC2204	Grade Crossing Signal Health Monitoring	(1,300,000)	
	RRC2206	PTC Optimization	(558,851)	
To:	FIN2301	Capital Contingency	139,606,414	

Budget Transfers (continued)

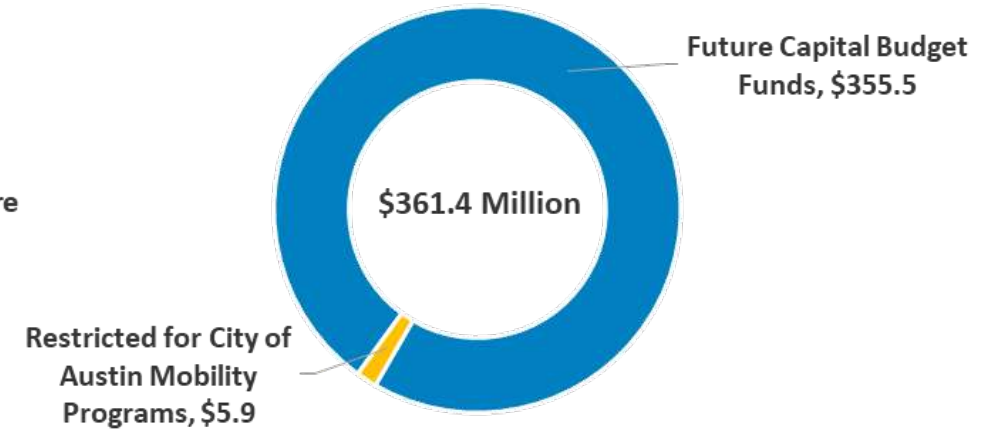
June-23				
Transfer #6				
From:	FIN2301	Capital Contingency	(100,000)	Return of transferred contingency funds earlier in the fiscal year to cover work to be completed for this year.
To:	RRC2206	PTC Optimization	100,000	
June-23				
Transfer #7				
From:	FIN2301	Capital Contingency	(91,000,000)	Transferred funds from capital contingency for the purchase and associated closing costs of 618 Tillery.
To:	PAM0234	618 Tillery Purchase	91,000,000	
June-23				
Transfer #8				
From:	FIN2301	Capital Contingency	(300,000)	Transferred funds from capital contingency for the design, rack installation and construction at the Central Warehouse location.
To:	PAM0239	Centralized Warehouse	300,000	
June-23				
Transfer #9				
From:	510-102-5030309	Other Professional Fees	(1,080,000)	Returned funds to operating contingency to reflect the updated forecast of the On-Site Health Clinic project.
To:	510-220-5090702	Operating Contingency	1,080,000	

Reserve, Allocated & Restricted Funds

Reserve Funds



Allocated & Restricted Funds



Notes:

- Additional funding was allocated to the statutory operating and budget stabilization reserves based on the board-approved funding formula. The statutory operating reserve equals 2 months of audited FY2022 operating expenses. Contributions to the budget stabilization reserve began in February 2016 with \$7 million reserved in FY2016 and \$3 million in FY2017. An additional contribution was made in FY2018 to fully fund the budget stabilization reserve. The sustainability capital fund was established in FY2022 with \$10 million to support CapMetro's Sustainability Vision Plan. In March 2022, a regional partnership with small-member cities and a \$10 million Transit Supportive Infrastructure Fund was established. A \$30 million Facility Master Plan Reserve Fund was also established in FY2022 and \$30 million added in FY2023 as CapMetro addresses one of the largest needs of the agency.
- Funds for capital investment are required to help address extensive capital needs. The capital budget for FY2023 is \$475 million, with \$228.6 million funded by FY2022 income and \$246.4 million from capital contributions and grants. These capital improvements are needed to maintain the state of good repair of the community's transit infrastructure and to be in compliance with Federal regulations. The FY2023 capital budget also contains CapMetro held contracts of the Project Connect program of projects. The City of Austin Mobility Fund was reduced by \$428 thousand from City projects in FY2022.

Statement of Revenue, Expenses and Change in Net Position

\$' Million	FY22 Jun YTD Actual	FY23 Jun YTD Actual	FY23 Jun YTD Budget	FY23 Full Year Budget	% of Budget
<i>Operating Revenue</i>					
Passenger Revenue	\$10.6	\$13.0	\$12.5	\$17.6	73.9%
Freight Railroad Revenue	5.3	4.7	5.1	6.8	68.2%
Other Revenue	4.3	3.9	4.8	6.3	61.6%
Total	20.3	21.6	22.5	30.8	70.1%
<i>Operating Expenses</i>					
Salaries and Benefits	46.8	57.8	62.9	84.0	68.8%
Professional Services	22.7	30.4	49.1	60.5	50.3%
Fuel and Fluids	7.4	10.7	12.1	16.4	65.1%
Utilities	2.6	3.1	3.2	4.3	71.5%
Purchased Transportation	121.5	145.7	134.6	182.8	79.7%
Other Expenses	5.7	16.2	24.0	32.9	49.3%
Lease/Rental	2.7	3.7	4.2	6.4	57.6%
Depreciation & Amortization	37.4	36.2	54.4	54.4	66.5%
Total	246.8	303.8	344.5	441.9	68.8%
Operating Income/Loss	(226.5)	(282.2)	(322.0)	(411.1)	68.6%
<i>Non-Operating Revenue/(Expenses)</i>					
Sales Tax	262.4	285.0	277.0	371.0	76.8%
Investment Income	1.0	14.7	.6	.8	1841.6%
Operating Contributions and Grants	137.1	37.1	100.7	132.9	27.9%
Capital Contributions and Grants	13.7	36.2	184.8	246.4	14.7%
Mobility Interlocal Agreements	(18.2)	(2.2)	(6.0)	(10.3)	21.7%
Other	(.0)	.0	-	.0	1806.3%
Non-Operating Income/(Loss)	396.1	370.8	557.1	740.8	50.1%
Change in Net Position	\$169.6	\$88.6	\$235.0	\$329.8	26.9%

Budget Variances by Department

\$'000 Department	FY22 YTD Actual	FY23 YTD Actual	FY23 YTD Revised Budget	YTD % of Revised Budget	YTD Budget vs. Actual	FY23 Budget Full Year	Comments
100 - Non-Allocated Benefits	\$12,345	\$13,521	\$13,140	102.9%	(\$381)	\$17,832	
102 - Wellness Center	194	200	335	59.6%	135	1,521	Savings in professional fees and supplies and materials associated to health clinic
103 - Child Care Center	747	770	867	88.7%	98	1,157	Timing of professional fees
105 - Business Center	249	243	285	85.2%	42	380	Timing of office equipment
110 - Executive Staff	1,182	1,150	1,250	92.0%	101	1,613	Savings from vacancies and timing of travel expenses
118 - Government Affairs	690	640	1,011	63.3%	371	1,072	Savings from vacancies
119 - Diversity, Equity, and Inclusion	454	492	811	60.7%	319	1,110	Savings from vacancies and timing of consulting fees and local chamber sponsorships
120 - Board Of Directors	131	128	153	83.6%	25	203	
125 - Internal Audit	309	299	321	93.0%	22	429	
130 - Performance Management and Imagination	798	1,153	1,432	80.6%	278	1,611	Timing of consulting fees
140 - Safety	1,234	1,299	1,827	71.1%	528	2,456	Savings from vacancies and timing of consulting and advertising expense
141 - Public Safety and Emergency Management	3,681	4,173	6,285	66.4%	2,112	8,293	Savings from vacancies and security services
142 - Systemwide Accessibility	135	544	786	69.2%	242	805	Timing of consulting fees
150 - Legal	739	1,128	1,560	72.3%	432	1,465	Timing of legal services
220 - Finance	3,963	3,794	11,194	33.9%	5,201	13,232	Timing of insurance premiums and unspent contingency
230 - Information Technology	11,245	15,764	19,777	79.7%	4,012	23,745	Timing of services expense and vacancy savings
250 - Procurement	1,569	1,865	1,703	109.5%	(161)	2,274	Two more FTEs than budgeted
275 - Rideshare	1,178	1,495	1,333	112.1%	(162)	1,843	More vans than budgeted
320 - Planning	3,206	4,678	6,160	75.9%	1,482	8,175	Timing of transit priority-right of way and 5-Year & 10-year long-range service plans
330 - Marketing and Communications	3,020	3,111	5,168	60.2%	2,057	6,756	Savings from vacancies and timing of fall & spring and fare collection campaigns, website upgrades and service change
331 - Community Engagement	1,018	849	1,351	62.9%	501	1,764	Savings from vacancies and timing of sponsorships and partnerships, outreach, Smart Trips and community survey
332 - Customer Service	835	823	913	90.2%	90	1,215	Savings from vacancies
340 - People and Culture	3,268	4,021	4,182	96.2%	160	4,898	Timing of professional fees
457 - Public Facilities	3,808	4,486	5,025	89.3%	539	6,768	Savings from vacancies and timing of utilities
530 - Capital Design and Construction	1,003	1,492	1,935	77.1%	443	2,577	Savings from vacancies and timing of professional services
540 - Property and Asset Management	2,595	4,210	5,472	76.9%	1,261	7,178	Timing of building maintenance professional services
542 - Freight Rail Management	1,338	1,192	1,707	69.8%	515	2,188	Savings from postponement of timber bridge and road crossing analyses
544 - Commuter Rail Operations	16,910	17,619	18,744	94.0%	1,126	24,780	Savings from purchased transportation due to fewer hours and postponment of crossing analysis
550 - Real Estate and Facility Planning	2,222	2,960	3,491	84.8%	531	5,317	
600 - Operations and Maintenance Oversight	100,357	134,317	123,760	108.5%	(10,557)	163,820	Over budget due to overtime and double time
615 - Innovative Mobility	4,013	4,831	5,487	88.0%	656	7,680	Savings in CARTS purchased transportation from fewer hours due to staff and vehicle shortages
616 - MetroBike	28	750	1,033	72.6%	283	1,353	
620 - Demand Response Oversight	22,456	27,636	29,419	93.9%	1,783	40,062	Savings from purchased transportation due to fewer hours
640 - Paratransit Reservation & Control	1,656	1,780	1,875	94.9%	95	2,497	
650 - Paratransit Eligibility	743	816	1,013	80.6%	197	1,353	Savings from vacancies and lower temporary help expenses
920 - Project Connect	0	2,302	8,741	26.3%	6,439	15,231	Timing of professional services
940 - Project Connect Integration	57	1,092	550	198.5%	(542)	2,817	Savings from vacancies and timing of consulting expense
Total	209,349	267,621	290,095	92.3%	20,274	387,471	

Capital Projects Summary

\$'000 Project Category	Expended	Outstanding Commitments	Budget	Expended & Committed as % of Budget	Comments
Commuter Rail	\$1,491	\$1,680	\$13,427	23.6%	Lakeline Leander Siding
Vehicles	13,492	11,494	69,282	36.1%	Electric Bus Replacements
Information Technology	7,388	4,734	22,226	54.5%	Enterprise Resource Planning, Data Warehouse/Business Intelligence and Customer Payment Systems
Facilities	8,798	15,489	110,884	21.9%	Bus Electrification Infrastructure, Airport Lamar Red Line Grade Separation and Bus Stop Enhancements
Freight Railroad	36	30	3,287	2.0%	Bridge Replacement
Property and Asset Mgmt	836	1,373	31,190	7.1%	Demand Response Operations and Maintenance Facility Replacement and 1705 Guadalupe Purchase
Contingency	-	-	5,000	0.0%	
Project Connect	59,709	38,065	215,340	45.4%	Orange Line, Blue Line and PMOR, MetroRapid Lines and McKalla Station
Security	92	303	4,372	9.0%	Rail House Signal Security Enhancements and Camera Replacements and Enhancements
Total	\$91,842	\$73,169	\$475,008	34.7%	

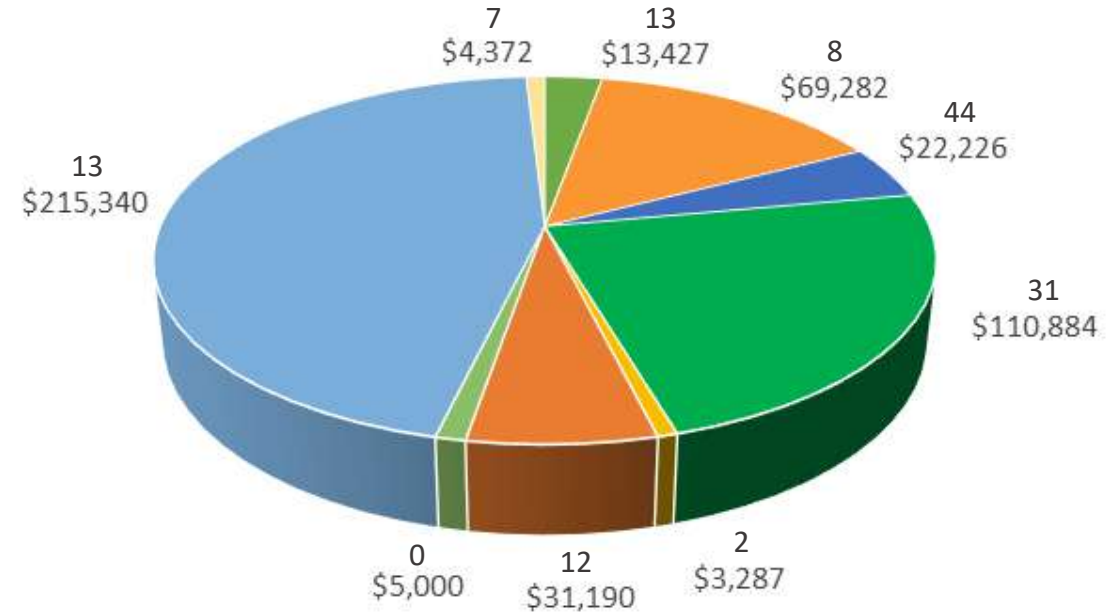
Outstanding commitments are for purchase orders that have been issued.

Capital Portfolio Summary

\$'000

Project Category	FY23 Budget	# of Projects
Commuter Rail	\$ 13,427	13
Vehicles	69,282	8
Information Technology	22,226	44
Facilities	110,884	31
Freight Railroad	3,287	2
Property and Asset Management	31,190	12
Contingency	5,000	0
Project Connect	215,340	13
Security	4,372	7
Total	\$ 475,008	130

FY23 Capital Budget



- Commuter Rail
- Vehicles
- Information Technology
- Facilities
- Freight Railroad
- Property and Asset Management
- Contingency
- Project Connect
- Security

All numbers shown in \$'000s

Capital Portfolio Summary

Portfolio Projects	FY23 Budget	FY23 Jun YTD Actuals + Commitments
Commuter Rail Portfolio		
State of Good Repair – Bridge and Track	\$4,019,838	\$4,939
Domain Area Quiet Zone	2,200,000	826,107
Lakeline Leander Siding	1,984,164	827,527
Freight Portfolio		
Bridge Replacement	1,742,329	66,278
Crossings Improvements Reimbursed by TxDOT	45,000	0
Property and Asset Management Portfolio		
Demand Response Operations & Maintenance Facility Replacement	15,098,895	1,098,378
Realignment Additional Lease Space	5,500,000	0
1705 Guadalupe Level 1 Purchase	4,649,400	155,088

CapMetro

Thank you!