

Financial Report – Fiscal Year 2022

Year to Date December 31, 2021

Major Highlights

Revenue

- Sales tax remittances received YTD December 2021 are 28.1% higher than YTD December 2020 and 16.9% higher than YTD budget
- Operating and capital contributions and grants are below budget due to timing of processing eligible paid expenses

Operating Expenses

- \$62.8 million expended to date, or 19.7% of full year budget
- Purchased transportation is below budget due to lower Bus and Rail hours compared to budget
- Professional services are below budget due to timing of consultation, professional fees and maintenance and repair expense

Capital Projects

- FY2022 capital project budget of \$303.8 million
- \$31.9 million expended to date, or 10.5% of full year budget
 - MetroRapid Lines, Orange and Blue Lines and PMOR, Lakeline Leander Siding and Enterprise Resource Planning System
- \$77.6 million outstanding commitments have been issued, or 25.5% of full year budget
 - MetroRapid Lines, Orange and Blue Lines and PMOR, Electric Bus Replacements, Enterprise Resource Planning System

Revenue

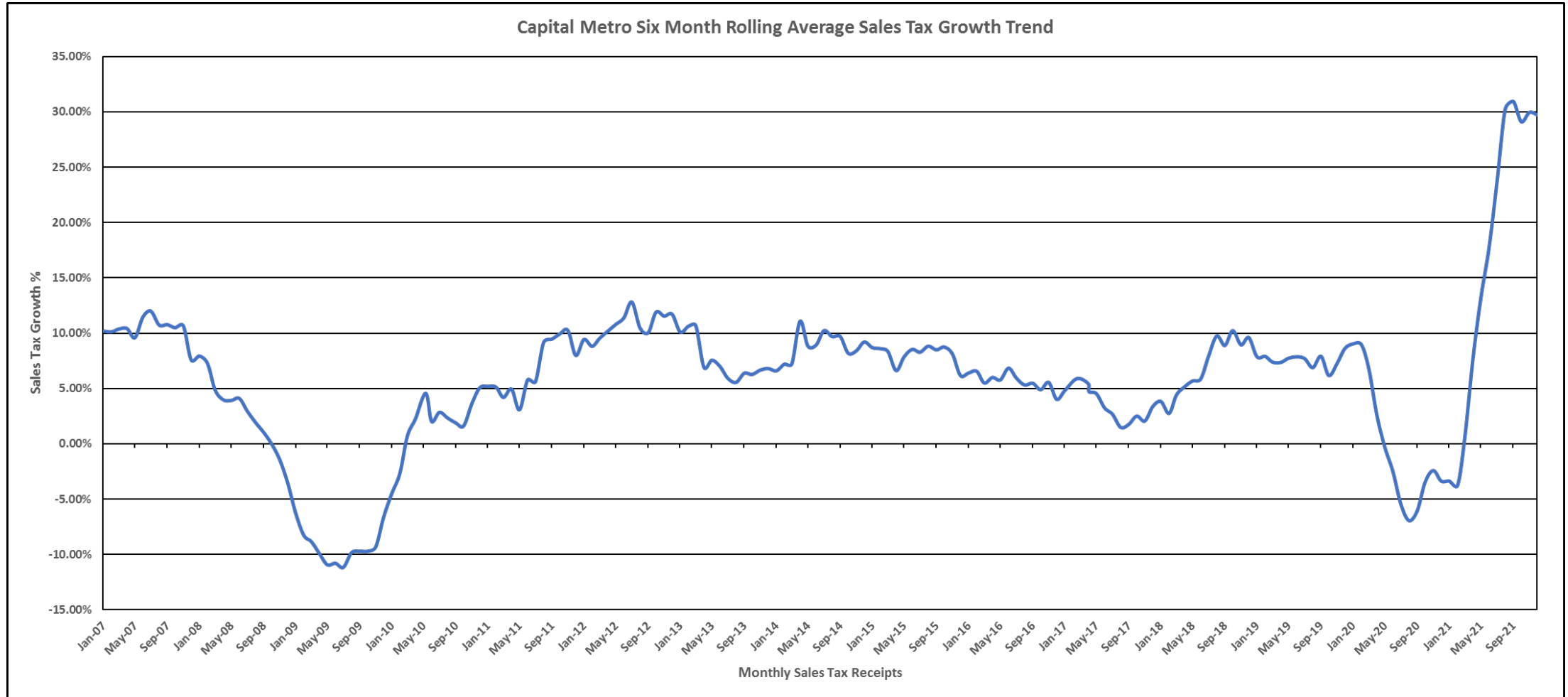
\$' Million Category	FY21 Dec YTD Actual	FY22 Dec YTD Actual	FY22 Full Year Budget	% of Budget	Comments
Sales Tax	\$63.0	\$86.9	\$297.3	29.2%	December sales tax receipts accrued
Passenger Fares	2.8	3.2	18.1	17.4%	Ridership 14.5% below budgeted projections through December
Freight Railroad Revenue	1.3	1.8	6.5	27.6%	
Other Revenue	1.6	1.6	6.6	23.9%	
Operating Contributions and Grants	11.4	10.2	172.3	5.9%	Budget includes CRRSAA and American Rescue Plan funding
Capital Contributions and Grants	-	.8	157.4	0.5%	Budget includes capital contributions from the Austin Transit Partnership
Total	\$80.2	\$104.4	\$658.2	15.9%	

Actual Sales Tax Receipts



Total	\$262.5M	\$301.5M	\$90.0M
YOY % Growth	0.3%	14.8%	28.1%

Sales Tax Rolling Average Trend



Operating Expense

\$' Million Category	FY21 Dec YTD Actual	FY22 Dec YTD Actual	FY22 Full Year Budget	% of Budget	Comments
Salaries and Benefits	\$11.4	\$14.0	\$58.0	24.1%	
Professional Services	5.8	5.7	42.3	13.6%	Timing of consultation, professional fees and maintenance and repair
Materials and Supplies	0.2	0.2	2.5	9.7%	
Fuel and Fluids	2.7	2.4	12.2	19.3%	Volume variance savings through December
Utilities	0.8	0.8	3.9	19.6%	
Insurance	0.3	0.3	0.8	37.9%	
Purchased Transportation	37.8	38.0	183.1	20.7%	Lower Bus and Rail hours compared to budget
Lease/Rentals	0.8	0.9	6.8	12.8%	
Other Expenses	0.8	0.5	9.0	6.1%	Unspent contingency, timing of advertising, dues and subscriptions
Total	\$60.6	\$62.8	\$318.6	19.7%	

Budget Transfers

Consistent with Capital Metro's Financial Policies, there were eight budget transfers that cumulatively exceeded \$150,000 to report to the board for the 1st quarter of FY2022.

November-21				
Transfer #1				
From:	510-5030309-220	Operating Contingency	(213,465)	Transferred funds from operating contingency for an operator and mechanic recruitment campaign.
To:	510-5030303-330	Consultation Fees	213,465	
November-21				
Transfer #2				
From:	ITS2015	EPPM Required Optimizations	(100,000)	Transferred funds between technology projects and to contingency for cancelled EPPM Required Optimizations project.
	ITS1901	Enterprise Resource Planning System	(845,960)	
To:	FIN2201	Capital Contingency	100,000	
	ITS2208	Project Portfolio Management System	845,960	
November-21				
Transfer #3				
From:	RRC1801	Leander Quiet Zone	(200,000)	Transferred funds to capital contingency due to delayed project.
To:	FIN2201	Capital Contingency	200,000	
December-21				
Transfer #4				
From:	CPG2109	N Operations Solar Electric Bus Canopies	(2,812,500)	Consolidated electrification infrastructure projects at North Operations for more efficient project management.
	CPG2206	North Ops Structure for Overhead Charging	(5,625,000)	
To:	CPG2205	Bus Electrification Infrastructure Phase 2	8,437,500	
December-21				
Transfer #5				
From:	FIN2201	Capital Contingency	(250,000)	Transferred funds from capital contingency for 15% design and environmental assessment of Airport Lamar Red Line Grade Separation.
To:	CPG2211	Airport Lamar Red Line Grade Separation	250,000	

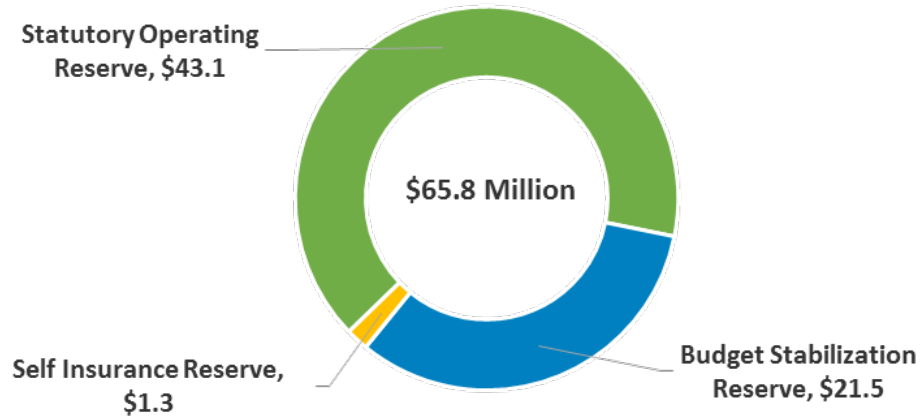
Budget Transfers (continued)

Consistent with Capital Metro's Financial Policies, there were eight budget transfers that cumulatively exceeded \$150,000 to report to the board for the 1st quarter of FY2022.

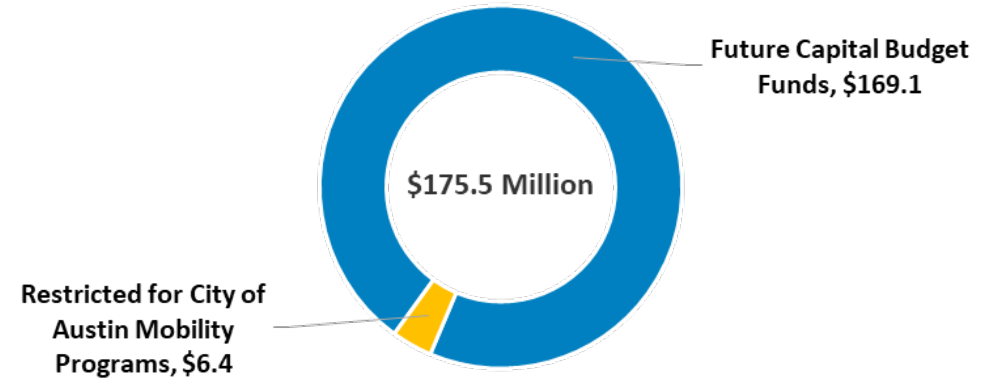
December-21				
Transfer #6				
From:	FIN2201	Capital Contingency	(974,494)	Transferred funds from capital contingency for alignment of contractual costs.
To:	ITS2009	Data Warehouse & Business Intelligence	974,494	
December-21				
Transfer #7				
From:	FIN2201	Capital Contingency	(212,435)	Transferred funds from capital contingency for ePaper DMS for BRT & Rail project not completed in FY2021 due to delivery delays from supply chain issues.
To:	ITS1601	ePaper DMS for BRT & Rail	212,435	
December-21				
Transfer #8				
From:	FIN2201	Capital Contingency	(280,103)	Transferred funds from capital contingency for the grant-funded Airport Lamar Red Line Grade Separation project.
To:	CPG2211	Airport Lamar Red Line Grade Separation	280,103	

Reserve, Allocated & Restricted Funds

Reserve Funds



Allocated & Restricted Funds



Notes:

- Additional funding was allocated to the statutory operating and budget stabilization reserves based on the board approved funding formula. The statutory operating reserve equals 2 months of audited FY2020 operating expenses. Contributions to the budget stabilization reserve began in February 2016 with \$7 million reserved in FY2016 and \$3 million in FY2017. An additional contribution was made in FY2018 to fully fund the budget stabilization reserve. The capital expansion fund was established in FY2018 with \$9.6 million, \$30.4 million in FY2019 and \$10 million in both FY2020 and FY2021 as Capital Metro looks forward to future needs in the region. The \$60 million capital expansion fund balance was transferred to the Austin Transit Partnership in June 2021 for implementation of the Project Connect System Plan.
- Funds for capital investment are required to help address extensive capital needs. The capital budget for FY2022 is \$303.8 million, with \$146.5 million funded by FY2022 income and \$157.3 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 FY2022 capital budget also contains Capital Metro held contracts of the Project Connect program of projects. The City of Austin Mobility Fund was reduced by \$1.4 million from City projects in FY2021.

Statement of Revenue, Expenses and Change in Net Position

\$' Million	FY21 Dec YTD Actual	FY22 Dec YTD Actual	FY22 Full Year Budget	% of Budget
<i>Operating Revenue</i>				
Passenger Fares	\$2.8	\$3.2	\$18.1	17.4%
Freight Railroad Revenue	1.3	1.8	6.5	27.6%
Other Revenue	1.3	1.4	5.8	23.9%
Total	5.4	6.3	30.4	20.8%
<i>Operating Expenses</i>				
Salaries and Benefits	11.4	14.0	58.0	24.1%
Professional Services	5.8	5.7	42.3	13.6%
Fuel and Fluids	2.7	2.4	12.2	19.3%
Utilities	.8	.8	3.9	19.6%
Purchased Transportation	37.8	38.0	183.1	20.7%
Other Expenses	1.3	1.1	12.4	9.0%
Lease/Rental	.8	.9	6.8	12.8%
Depreciation & Amortization	11.5	11.8	53.6	22.1%
Total	72.0	74.6	372.2	20.1%
<i>Operating Income/Loss</i>	(66.6)	(68.3)	(341.8)	20.0%
<i>Non-Operating Revenue/(Expenses)</i>				
Sales Tax	63.0	86.9	297.3	29.2%
Investment Income	.4	.2	.8	23.2%
Operating Contributions and Grants	11.4	10.2	172.3	5.9%
Capital Contributions and Grants	-	.8	157.4	0.5%
Mobility Interlocal Agreements	(.4)	(.5)	(4.0)	12.2%
Other	(.0)	-	(.0)	0.0%
<i>Non-Operating Income/(Loss)</i>	74.4	97.6	623.7	15.6%
Change in Net Position	\$7.8	\$29.3	\$281.9	10.4%

Budget Variances by Department

\$'000 Department	FY21 YTD Actual	FY22 YTD Actual	FY22 YTD Revised Budget	YTD % of Revised Budget	YTD Budget vs. Actual	FY22 Budget Full Year	Comments
100 - Non-Allocated Benefits	\$3,183	\$4,359	\$4,047	107.7%	(\$312)	\$14,314	Timing of pension expense that includes the January payments
102 - Wellness Center	62	63	79	79.1%	16	466	
103 - Child Care Center	245	249	283	88.0%	34	1,101	
105 - Business Center	62	61	93	65.9%	32	372	
110 - Executive Staff	152	191	330	58.0%	138	1,057	Timing dues and subscriptions for APTA and Opportunity Austin
118 - Government Affairs	144	222	210	105.3%	(11)	814	
119 - Diversity, Equity, and Inclusion	65	147	170	86.8%	23	772	
120 - Board Of Directors	35	40	49	82.2%	9	197	
125 - Internal Audit	168	97	102	95.5%	5	401	
130 - Performance Management and Imagination	155	235	462	50.8%	227	1,149	Timing of consultation fees
141 - Public Safety and Emergency Management	1,016	1,191	2,092	56.9%	901	8,049	Labor savings for vacancies and APD staffing shortages and savings of security services
150 - Legal	235	168	316	53.1%	148	1,254	Timing of legal services expense
220 - Finance	855	1,407	3,483	40.4%	2,076	12,090	Timing of insurance premiums and unspent contingency
230 - Information Technology	2,619	3,447	5,086	67.8%	1,639	19,043	Timing of services expense and vacancy savings
250 - Procurement	405	459	498	92.2%	39	1,965	
275 - Rideshare	351	344	437	78.9%	92	2,036	
320 - Planning	549	644	2,103	30.6%	1,460	4,958	Timing of Orange & Blue Line ETOD
330 - Marketing and Communications	797	847	2,074	40.8%	1,228	5,991	Timing of Fall and Spring, Operator and Mechanic Recruitment, Fare Collection Campaign and Branding
331 - Community Engagement	223	225	376	59.9%	150	1,489	Timing of MetroArt, Special Events, Community Survey
332 - Customer Service	235	282	291	96.9%	9	1,149	
340 - People and Culture	539	744	807	92.2%	63	3,112	
420 - Safety and Accessible Services	658	378	479	78.9%	101	1,896	Timing of consultation fees and advertising expense
457 - Public Facilities	1,119	1,231	1,613	76.3%	383	6,482	Timing of professional and maintenance services and utilities
530 - Capital Projects	384	326	534	61.0%	208	2,098	Labor savings and timing of services and Street Improvements project
540 - Property and Asset Management	657	752	1,183	63.5%	431	3,920	Timing of maintenance services and the Facilities Master Plan
542 - Freight Rail Management	367	473	403	117.3%	(70)	2,030	Higher right-of-way services due to more freight volume
544 - Commuter Rail Operations	4,322	5,264	5,988	87.9%	724	27,591	Savings in purchased transportation from 9.6% fewer hours through November and timing uniform rebranding
550 - Real Estate and Facility Planning	683	736	786	93.6%	50	6,410	
600 - Operations and Maintenance Oversight	30,034	27,889	35,500	78.6%	7,611	144,360	Purchased transportation and fuel savings from 11.5% fewer hours through November and timing of professional services
615 - Innovative Mobility	1,019	1,332	1,605	83.0%	273	6,126	Timing of MetroBike expense
620 - Demand Response Oversight	7,690	8,211	8,037	102.2%	(175)	32,443	
640 - Paratransit Reservation & Control	483	574	579	99.1%	5	2,287	
650 - Paratransit Eligibility	225	212	319	66.5%	107	1,186	Savings in temporary help and timing of professional fees
920 - Project Connect	642	822	0	0.0%		0	
Total	\$60,558	\$62,798	\$80,414	78.1%	\$17,614	\$318,608	

Capital Projects Summary

\$'000 Project Category	Expended	Outstanding Commitments	Budget	Expended & Committed as % of Budget	Comments
Commuter Rail	\$1,989	\$6,979	\$18,984	47.2%	Lakeline Leander Siding and State of Good Repair for Rail Crossings, Bridges and Track
Vehicles	141	13,909	41,446	33.9%	Electric Bus Replacements
Information Technology	1,593	10,456	26,273	45.9%	Enterprise Resource Planning System and Customer Payment Systems
Facilities	233	1,510	27,531	6.3%	Bus Stop Enhancements and Airport Lamar Red Line Grade Separation
Freight Railroad	25	34	4,045	1.4%	Bridge Replacement
Property and Asset Mgmt	38	25	16,491	0.4%	
Contingency	-	-	5,000	0.0%	
Project Connect	27,831	44,400	162,134	44.5%	Orange Line, Blue Line, PMOR and MetroRapid Lines
Security	70	241	1,932	16.1%	Rail House Signal Security Enhancements and Rapid Deployable Video System
Total	\$31,919	\$77,553	\$303,836	36.0%	

Outstanding commitments are for purchase orders that have been issued.



METRO

THANK YOU!