

APPROVED

FY2023 Operating & Capital Budget

& 5-Year Capital Improvement Plan





GOVERNMENT FINANCE OFFICERS ASSOCIATION

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**Capital Metropolitan Transportation Authority
Texas**

For the Fiscal Year Beginning

October 01, 2021

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 and Risk 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 (CapMetro or the Authority) for the period October 1, 2022 - September 30, 2023. A budget is a formal plan of action, expressed in monetary terms, for a specified period of time. This document details CapMetro’s plan for Fiscal Year (FY) 2023.

Major Sections

CapMetro’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 CapMetro’s mission, history, infrastructure, service area, long-range strategic goals and organization by department.	
Financial Policies	22
This section describes the policies that guide financial decisions at CapMetro.	
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This section includes financial highlights, statements, factors affecting revenues, expenses and detailed service levels information.	
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This section describes the capital projects that support strategic goals and includes estimated funding sources and anticipated impact on operational costs.	
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This section contains the 10-year forecast for financial resources and expenditures based on planned levels of service and strategic goals.	
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Introduction and Overview



CapMetro

To the CapMetro Board of Directors, staff, customers, partners and communities of Central Texas,

CapMetro's Core Values guide our every action. These principles are the foundation of the agency's Strategic Plan, which in turn informs our budgeting process: Safety, Innovation, Equity, Sustainability and Transparency.

Fiscal Year 2022 was difficult for CapMetro and many of our fellow transit providers around the country. In the second and third years of the pandemic, ridership had settled at a plateau of about 60% of what it had been, staffing issues were a struggle and inflation was becoming more of a problem for the entire country. Locally, the Austin area's affordability problems that had lingered in the background of every conversation about the city's rise were suddenly at the forefront of those very same conversations.

Through that, our team members continued to live our values daily, fulfilling CapMetro's mission of connecting communities, transporting people to their jobs and creating opportunities through the provision of quality transportation choices.

While staffing issues were hindering our ability to put our full complement of services on the street, agency leadership was not content to wait and see what might change. We were proactive in creating a service schedule that balanced the resources at our disposal and the need of our customers for quality transit. We also worked closely with our partners in the union and our service providers to transform our operations setup, taking a firmer hand in management, training and support. This added dozens of employees to the CapMetro headcount and ensured the agency could better guide the service we put on the streets. Coupled with a forceful recruitment campaign, CapMetro is making real progress and is closer to fully staffed than it's been in years.

Even amid these pressures and counter-pressures, we've provided millions of rides to our customers, continued behind-the-scenes work on the Project Connect program, broke ground on four of those projects and continued our work to improve the MetroRail Red Line, readying its infrastructure for a brighter future.

With the FY2023 budget, we strive to be thoughtful, effective stewards of the resources entrusted to our organization. We have set goals that are challenging yet realistic, and the agency is well-positioned to execute the vision of our board and community. On behalf of the CapMetro board of directors and agency staff, I present the FY2023 budget. It is our plan for navigating the recovery from a continuing public health crisis and building a more sustainable and equitable future for Central Texas through the Project Connect program of projects.

FY2022 Significant Activities and Achievements

- CapMetro and our partners with the city of Austin and the Austin Transit Partnership wasted no time fulfilling our promise to the voters to implement the Project Connect program with great efficiency and firm determination. We broke ground on four separate projects: the Expo Center and Pleasant Valley MetroRapid lines and the MetroRail stations at the Uptown ATX development and Q2 Stadium. We worked closely with community groups, the surrounding neighborhoods and private-sector partners on both the groundbreaking ceremonies and the projects themselves to ensure we have community buy-in and the resulting services meet the needs of our customers.
- We conducted significant community outreach surrounding the Project Connect program, educating our customers, the voters and the wider community on both the infrastructure envisioned for the light rail lines and the service planned for the Blue Line and Orange Line corridors, the MetroRapid Pleasant Valley and Expo Center corridors, and the planned maintenance facility for light rail vehicles.
- In November and December 2021, we worked with the union and leadership at MV Transit to put in place a new operational structure that enables CapMetro to provide more direction in how we put service on the streets. The new structure brought a small group of MV operations staff to

CapMetro, filling roles similar to those they had at MV. These changes allow CapMetro to work more directly with operations staff and improve everything from service delivery to recruitment to training to career development. The pandemic has put a magnifying glass on our weaknesses and exposed where the agency's operations needed to improve. We've taken this opportunity to improve the situation for our team members and our customers.

- Around that same time, we worked with the union and our service providers to raise the wages for bus operators and mechanics in an effort to reward those who'd been working on the front lines throughout the pandemic and to provide incentives in our efforts to recruit new team members. These new wages represent an increase of up to 30% for operators and up to 13% for mechanics.
- We moved forward with our update of the agency's public safety program, which will provide a comprehensive and context-sensitive approach to our public safety needs. We created new Safety Ambassador and Intervention Specialist roles and began to staff those teams. We also hired a chief administrator for transit police, the next step in the process of forming a CapMetro Police Department.
- President and CEO Randy Clarke announced in May that he'd be leaving CapMetro after four years to return to Washington, D.C., to take a similar role at WMATA. Clarke's years in Austin were the most consequential in the agency's history, seeing the implementation of our Cap Remap bus network redesign soon after he started, the consistent subsequent ridership increases, the successful campaign to pass Project Connect, the COVID-19 pandemic, Winter Storm Uri and much more. He helped us do big things and prepared the way for even bigger things down the road. We wish him luck in our nation's capital.

FY2023 Planned Projects and Initiatives

The FY2023 budget has been drafted with the intent to regain stability in our operations and service levels, and to lay a solid foundation for the services that emerge from the Project Connect program. The budget enables CapMetro to continue projects outlined in the 5-year capital improvements plan, to be prepared for the eventual return to full-capacity service on bus, rail and paratransit, and to provide services that support our region's growing population.

We will continue to focus on the agency's strategic priorities: support the partnership between CapMetro, the city of Austin and ATP to deliver Project Connect; improve the quality of our bus service; create an equitable, sustainable and progressive fare structure and policy; and enhance our public safety program.

Highlights of the approved FY2023 budget include:

- We will conduct a search for a new president and CEO and have engaged a consulting agency to aid in that search. In the meantime, I've stepped in as interim president and CEO. It's an honor to do so and my privilege to lead this team of transit workers who I know are more than prepared to serve their friends and neighbors throughout Central Texas.
- We will conclude construction on the two new MetroRapid lines, Expo Center and Pleasant Valley, and enter them into service, bringing their high-quality transit to the people of East Austin.
- We will implement new IT systems that transform the way we gather, understand and communicate the massive amount of data generated from our operations and administrative units, as well as consolidate finance and human resources processes in a single software solution.
- We will roll out new fare programs that bring savings to more of our customers and prepare the agency and our community for the transformative Project Connect program that is coming our way.

These enhanced services and facilities can only succeed if we manage our financial resources prudently. CapMetro is committed to transparency and accountability. We are equally committed to a thorough and thoughtful FY2023 budgeting process.

As Central Texas continues to emerge from the pandemic, manage the effects of inflation and deal with the area's affordability issues, CapMetro will work harder than ever to lead a regional effort to solve our community's mobility challenges. Serving our community is at the heart of CapMetro's mission. I am deeply grateful for your trust and support.

Sincerely,

A handwritten signature in black ink that reads "Dottie L. Watkins". The signature is written in a cursive, flowing style.

Dottie L. Watkins
Interim President & CEO

Austin Area Information, History and Economy

CapMetro 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. CapMetro was created in 1985 in accordance with Chapter 451 of the Texas Transportation Code, 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% sales tax levied by its service area members.

Since 2010 the Austin metropolitan area gained about 636,000 residents, a 37% population growth, according to the latest U.S. Census Bureau figures. According to the Capital Area Metropolitan Planning Organization (CAMPO) 2045 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 nearly 4.7 million in 2045.

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 diverse demographics serve to support and enrich its quality of life.

History

Starting off as a small town 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 II and pulled 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-Round Rock-Georgetown moved from third to second place in the Milken Institute's Center for Jobs and Human Capital 2022 ranking of best performing large cities in the United States. It is the fourth consecutive year the Austin region ranked in the top three. According to the report, the main drivers for the Austin area's ranking are: "A critical mass of high-tech firms continues to drive investment in R&D and support the creation of high-wage jobs. UT Austin has strong ties to the local economy as a source of highly skilled workers as well as technology startups."

The overall economic activity of the Austin–Round Rock metropolitan area bounced back from the COVID-19 pandemic with a 13% growth in 2021 per the Business Cycle Index by the Federal Reserve Bank of Dallas and continues to grow in 2022 with a 14.8% increase in the index through May compared to the same period the previous year.

In 2021, the Texas real gross domestic product (GDP) grew 5.6% compared to 2020, on par with the increase in the U.S. annual growth rate.

Employment

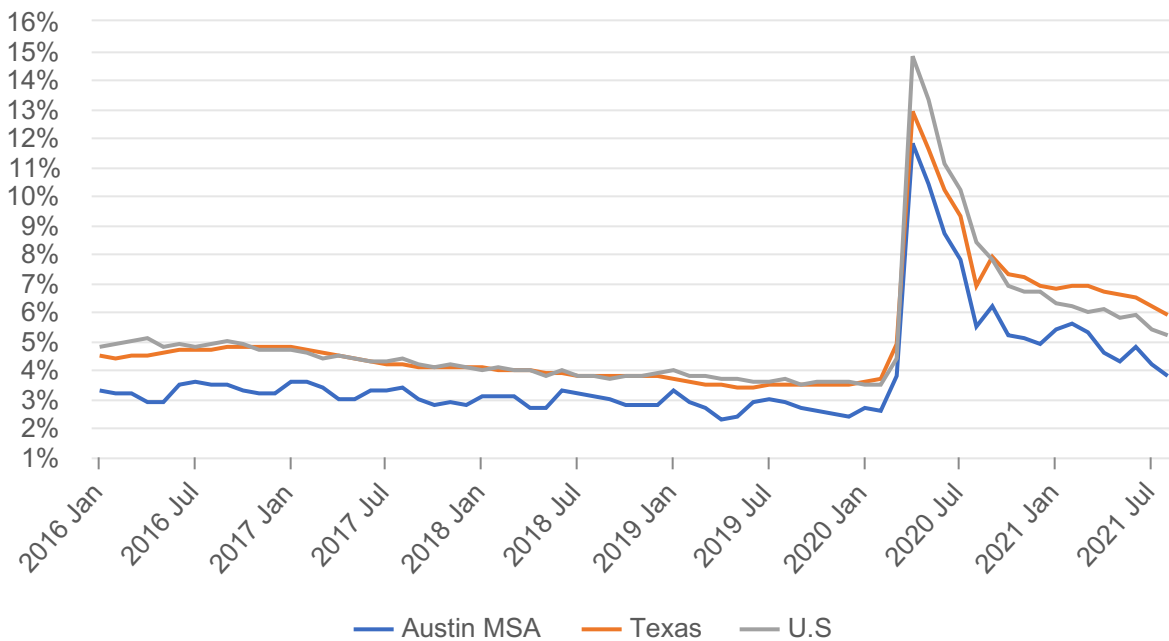
The Texas economy, like the rest of the country, is well on its way to recovery from the COVID-19 pandemic. The statewide unemployment rate decreased to 4.8% in 2021 from 6.9% in 2020 but is still higher than the record low of 3.5% in 2019. Texas gained more than 5.1 million new non-farm jobs in 2021.

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, including Apple, Amazon, Tesla, Oracle, Google, Facebook and Indeed, continue to expand their presence in the Austin area.

The Austin area had a 7.1% increase in employment in 2021, gaining more than 930,000 net new non-farm jobs in the calendar year. Job growth in the Austin-Round Rock MSA from May 2021 to May 2022 was ranked 4th among the largest 51 metropolitan areas per the U.S. Bureau of Labor statistics.

The Austin area unemployment rate of 2.9% in December 2021 was well below the state and national unemployment rates of 4.8% and 3.9% respectively and is comparable to the pre-pandemic rate of 2.6% in February 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, Samsung and Tesla.

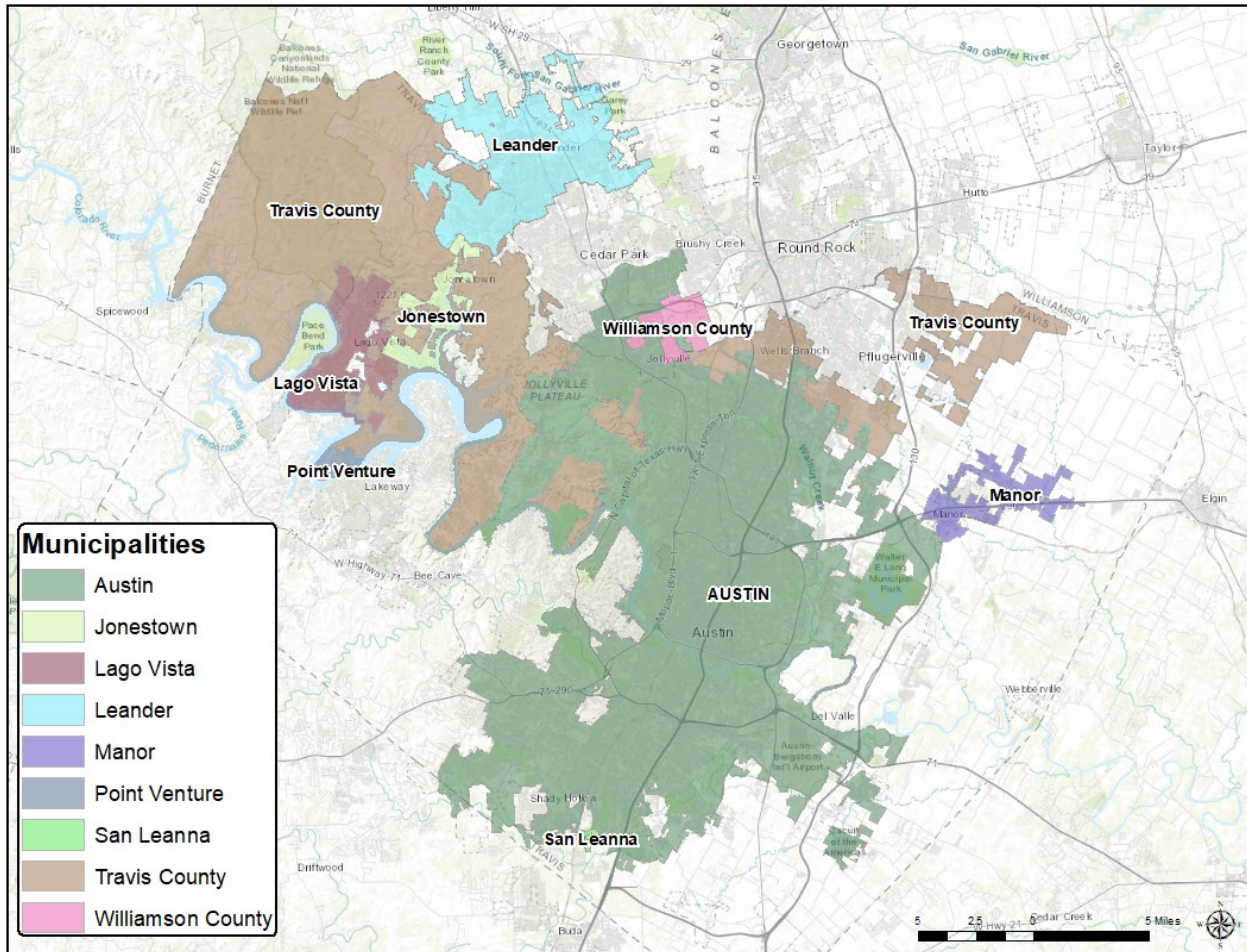
Historical Unemployment Rate



Source: Bureau of Labor Statistics and Texas Workforce Commission

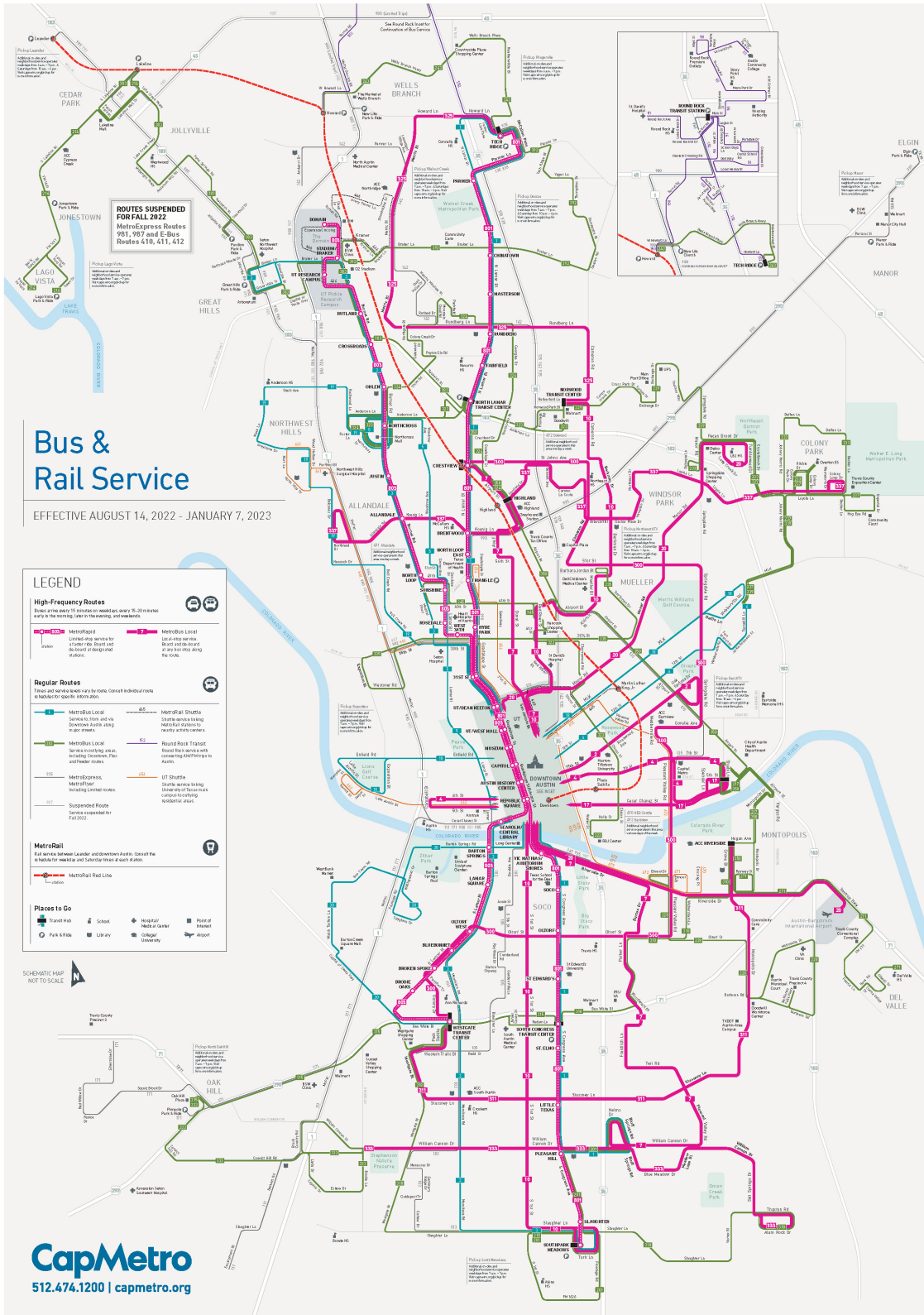
Service Area Member Cities and Communities

The CapMetro service area extends across approximately 546 square miles and includes more than 1.3 million residents. The following map shows the CapMetro service area. The areas that participate in the agency include Austin, Jonestown, Lago Vista, Leander, Manor, Point Venture and San Leanna, as well as Precinct Two of Travis County and the Anderson Mill area of Williamson County.



This information is to be used for reference purposes only. CapMetro does not guarantee the accuracy of this material and is not responsible for any misuse or misrepresentation of this information.

System Map



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Community Information and CapMetro Engagement

CapMetro 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. CapMetro works with four 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), the Access Advisory Committee (AAC), the Diversity, Equity and Inclusion Community Advisory Group and the Public Safety Advisory Committee (PSAC). In addition, the agency is a partner with dozens of stakeholder organizations throughout the region to ensure their voices are considered.

CapMetro partners with various nonprofit, cultural, business and social service organizations to serve the community. In 2021 and 2022, the agency continued our partnerships with organizations like the Paramount Theatre, ATX Kids Club, Dress for Success, Creative Action, Austin Parks Foundation, TILT, Financial Health Pathways and the Central Texas Food Bank and forged new ones with groups like Con Mi Madre, AVANCE, Age of Central Texas, DivInc and Todos Juntos Learning Center.

One of the agency's most significant partnerships is with 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.

In 2021 and 2022, CapMetro partnered with H-E-B and For the Children, Inc. to collect school supplies through the Stuff the Bus program. For the Children, Inc. is an Austin-based nonprofit organization that provides basic school supplies to children who qualify for the federal Free and Reduced-Price Lunch Program. Its goal is to reach all elementary school children in the 10 school districts in Central Texas. In 2021, the program collected enough to provide more than 160,000 school supply kits to Central Texans.

CapMetro 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, CapMetro 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. The agency has provided similar support when the city has issued extreme heat warnings, to transport people to cooling centers.

CapMetro's engagement team has continued its hybrid approach to public involvement – in-person and virtual. Areas of focus for Community Engagement include: performing engagement for Project Connect in coordination with the Austin Transit Partnership to support the program's engineering, design and implementation efforts; collaborating with the CapMetro Planning department to launch phase I and phase II of equitable transit-oriented development (ETOD) engagement, with an emphasis on small focus groups to hear from communities of color; supporting agencywide proposed fares program with the development of a community involvement plan. The MetroArt program expanded the Art on the Bus program in partnership with Creative Action to several area school districts including Austin, Leander, Manor and Del Valle. This program is in collaboration with the Marketing team, featuring student artwork on five vehicle wraps through an art engagement curriculum focusing on sustainability and the value of transit.

Future plans for CapMetro call for the continued growth of its community engagement programming, including CapMetro Cares and MetroArt. CapMetro Cares strives to amplify the good causes of local nonprofits by offering a limited opportunity for qualifying organizations to use available space on CapMetro vehicles. In 2021, MetroMusic returned to pop-up performances at bus stops to provide an enjoyable experience for riders and enable local musicians to amplify their music.

Benefits of Public Transportation

Saves Money:

Riding transit is an affordable option. The average cost of car ownership is \$774 a month. CapMetro has some of the lowest fares in the nation. A 31-Day Pass for local services costs our customers just \$41.25, which is almost 20 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. CapMetro engaged the community and children in this conversation through the Electric Bus Art contest to raise awareness of the benefits of electric buses.

Improves Health:

Riding CapMetro 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% 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 can take 35 cars off the road, a full train more than 100 cars.

Governance

An eight-member board of directors has governance responsibilities over CapMetro. The 2009 Texas Legislature changed the composition of the CapMetro 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 Commissioners.
- ◆ One member appointed by Williamson County Commissioners.
- ◆ One member, who must be an elected official, appointed by the small city mayors within the CapMetro service area (excludes city of Austin).

<u>BOARD MEMBER</u>	<u>APPOINTING BODY</u>	<u>TERM EXPIRES</u>
Jeffrey Travillion, Chair	Travis County	June 1, 2024
Ann Kitchen, Vice Chair	Capital Area Metropolitan Planning Organization	June 1, 2025
Leslie Pool, Secretary	City of Austin	June 1, 2025
Eric Stratton	Williamson County	June 1, 2023
Becki Ross	Small Cities	June 1, 2024
Wade Cooper	Capital Area Metropolitan Planning Organization	June 1, 2023
Sabino "Pio" Renteria	City of Austin	June 1, 2025
Matt Harriss	Capital Area Metropolitan Planning Organization	June 1, 2024

Management

CapMetro'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	Dottie Watkins (interim)
Deputy Chief Executive Officer	Dottie Watkins
Executive Vice President, Chief of Staff	Kerri Butcher
Executive Vice President, Chief Financial and Risk Officer	Catherine Walker
Executive Vice President, Chief Experience and Engagement Officer	Samantha Alexander
Executive Vice President, Project Connect Integration	Molly King
Executive Vice President, Vehicles and Systems	Dave Kubicek
Executive Vice President, Strategic Planning and Development	Sharmila Mukherjee
Executive Vice President, Chief Operating Officer	Andrew Skabowski
Executive Vice President, Administration, Diversity and Inclusion Officer	Donna Simmons
Executive Vice President, Accessibility and Chief Safety Officer	Gardner Tabon
Senior Vice President, Chief Information Officer	Tanya Acevedo
Vice President, Demand Response and Innovative Mobility	Chad Ballentine
Vice President, Facility Management and Capital Construction	Kenneth Cartwright
Vice President, Internal Audit	Terry Follmer
Vice President, Rail Operations	Muriel Friday (interim)
Vice President, Enterprise Program Management	Jeff Hiott
Vice President, Chief Counsel	Vickie Leady
Vice President, Bus Operations and Maintenance Oversight	Rafael Villarreal (interim)
Vice President, Government Affairs	Vacant

System Facility and Fleet Characteristics

CapMetro Facilities

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

Administrative Office and Operations Facility
2910 E. Fifth St.
Austin, Texas 78702
Administration: 42,840 square feet, 1986
Maintenance: 116,495 square feet, 1986

Transit Store, MetroAccess Eligibility
209 W. Ninth St.
Austin, Texas 78701
7,052 square feet, 2013

CapMetro 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

MetroAccess Services Facility
509 Thompson Lane
Austin, Texas 78742
24,821 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
136,827 square feet, 2008

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

Jonestown

Jonestown Park & Ride

Lago Vista

Lago Vista Park & Ride

Leander

Leander Station Park & Ride

Manor

Manor Park & Ride

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 CapMetro'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 CapMetro conducts any business in the new fiscal year. CapMetro's fiscal year begins on October 1.

CapMetro'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 CapMetro's long-range vision and organizational mission and goals.

The board and the management team worked together to develop the FY2022-2026 Strategic Plan to focus on four strategic goal areas:

- ◆ Customer
- ◆ Organizational Effectiveness
- ◆ Workforce
- ◆ Community

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 support 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 initiatives and key performance indicators (KPIs) within the plan.

STRATEGIC PLAN FRAMEWORK



VISION

CapMetro is integral to the region and its communities, providing connectivity, fostering economic activity, and ensuring safe, environmentally sustainable, and equitable access to opportunity.

MISSION

To empower, enhance, and serve the region and its communities through the responsible delivery of high quality public transportation.

GOALS

Customer

Provide a convenient, desirable, and accessible option for mobility in the region and its various communities.

Organizational Effectiveness

CapMetro responsibly and sustainably delivers on its mission.

Workforce

CapMetro has a productive, invested, and valued workforce.

Community

CapMetro is the leader in supporting a growing region, collaborating with partners and local communities.

- Provide reliable and safe transit service
- Maintain a high-quality customer experience
- Ensure CapMetro has a system that is accessible for everyone in the region
- Be a fiscally responsible and transparent steward of public funds
- Instill a culture of safety in all staff throughout the organization
- Balance investments while prioritizing a state of good repair
- Recruit and develop a full complement of diverse staff to meet CapMetro's growing needs
- Be an employer of choice that proactively retains a diverse and engaged workforce aligned with the agency's mission and guiding principles
- Expand a highly skilled workforce to meet the changing needs of the agency and community
- Be a regional leader in supporting sustainable growth through expansion of access to jobs, services, and opportunities
- Continue to improve the environment by transforming into a fully carbon-neutral transit agency
- Collaborate with the community, riders, as well as stakeholders to be responsive to their needs
- Serve as the regional leader in collaborating with communities to develop regional transit plans and opportunities

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 updates to the Access Advisory Committee. Staff provides budget updates to the 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

CapMetro 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, CapMetro uses a zero-based budgeting concept. Each year, expenses must be justified to the President and Chief Executive Officer, the Deputy Chief Executive Officer, the Chief Financial and Risk Officer, the executive team and Budget staff. Revenue projections are developed based on service levels, ridership estimates and the economic outlook. It is CapMetro'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%.

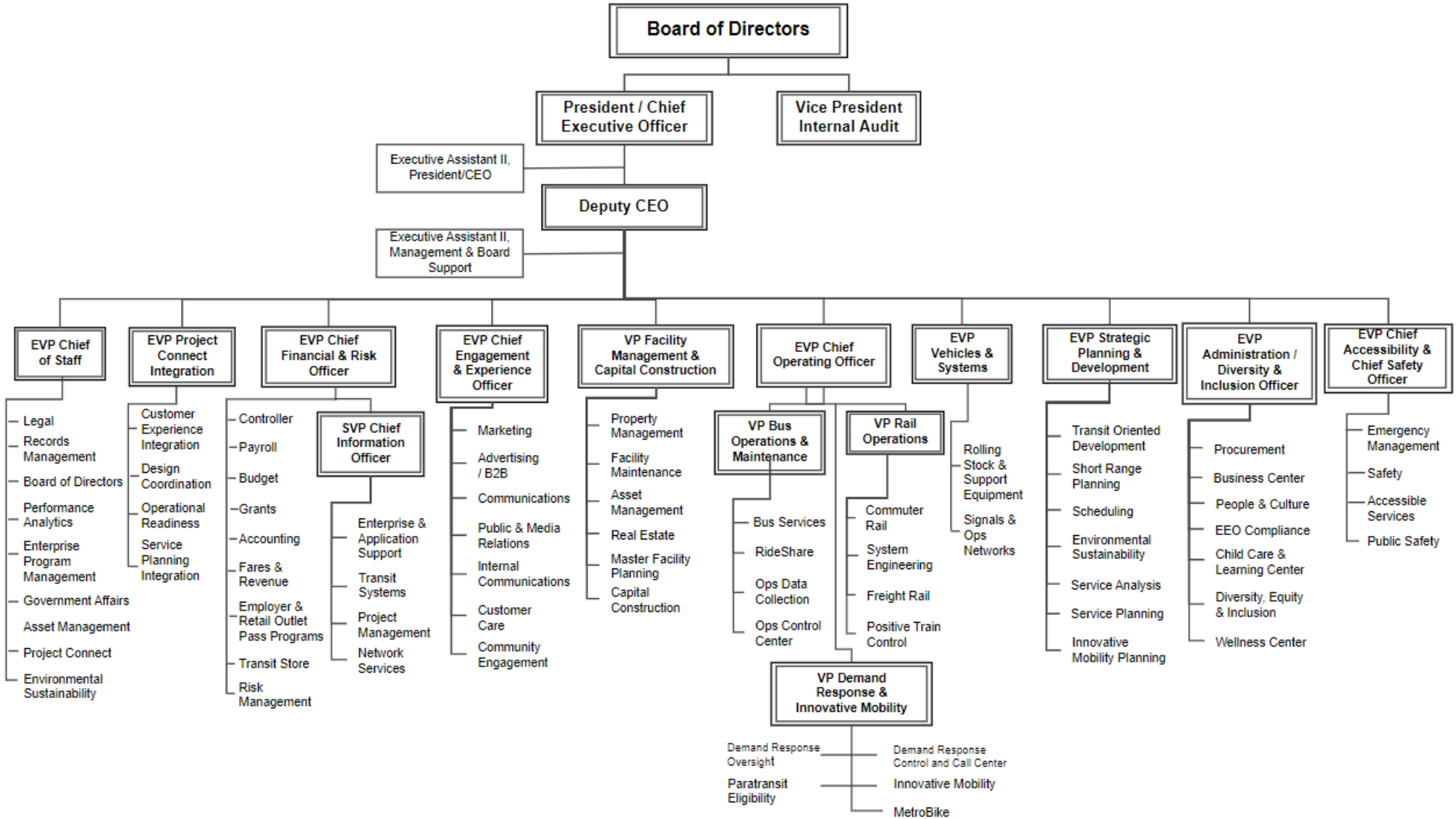
Service Levels

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 increase by a combined 180.5 FTEs in FY2022 and FY2023 to provide Project Connect support after the referendum in November 2020 and restructure of the bus operations contract in January 2022 to provide better direction in how we deliver service and work with the bus operations staff.

Organizational Chart



Full-Time Equivalent Staffing Chart

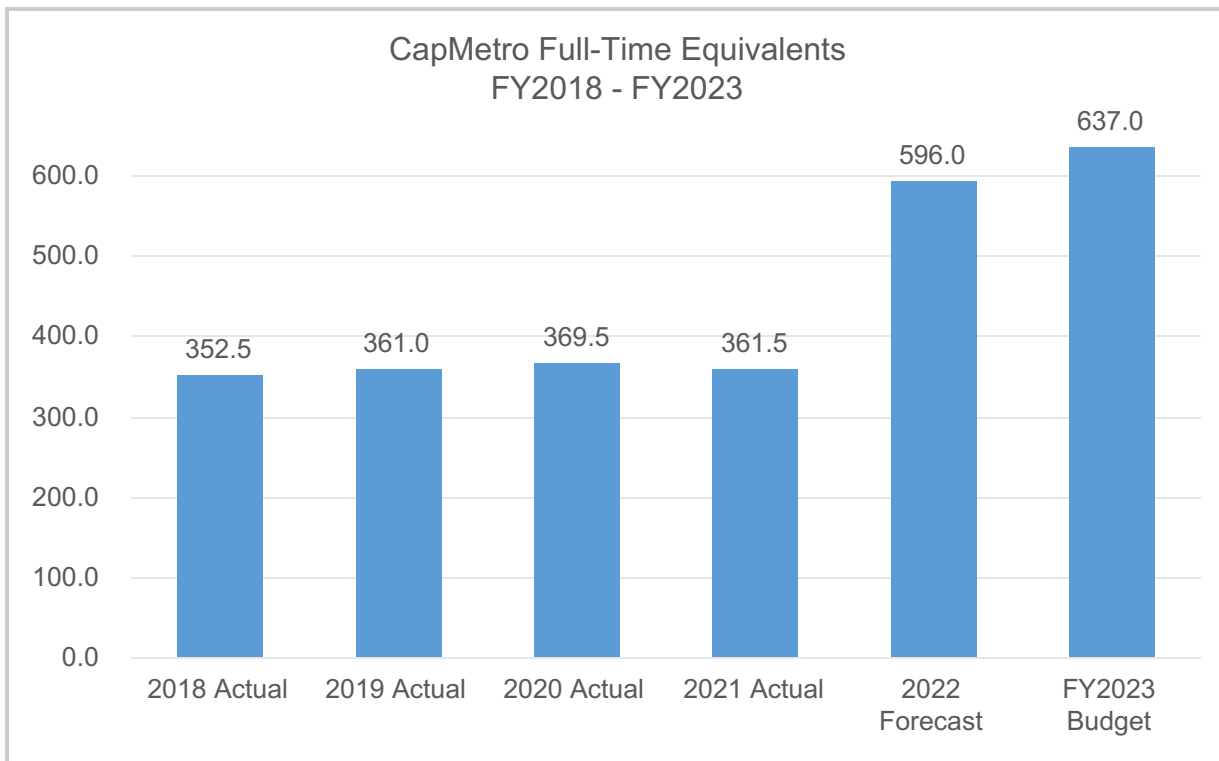
Department	FY2021 Actual	FY2022 Budget	FY2022 Staffing Changes	FY2023 Staffing Changes	FY2023 Approved Budget
Board of Directors Support	1.0	1.0	—	—	1.0
Business Center	—	—	—	—	—
Capital Design and Construction	7.0	13.0	(1.0)	2.0	14.0
Child Care Center	—	—	—	—	—
Community Engagement	7.0	7.0	0.5	—	7.5
Customer Care	16.0	18.5	—	—	18.5
Demand Response Control and Call Center	32.0	37.0	1.0	—	38.0
Demand Response Oversight	5.0	4.5	—	1.0	5.5
Diversity, Equity and Inclusion	3.0	4.0	—	1.0	5.0
Enterprise Program Management	6.0	6.0	3.0	1.0	10.0
Executive Staff	6.0	4.0	4.0		8.0
Finance	31.0	35.0	1.5	1.0	37.5
Government Affairs	3.0	3.5	2.0	—	5.5
Information Technology	38.5	58.5	(2.0)	8.0	64.5
Innovative Mobility	2.0	3.5	(1.0)	—	2.5
Internal Audit	3.0	3.0	—	—	3.0
Legal	5.5	6.5	—	1.0	7.5
Marketing and Communications	21.0	22.0	1.0	2.0	25.0
MetroBike	—	—	13.0	—	13.0
Operations and Maintenance Oversight	33.0	35.0	77.0	11.0	123.0
Paratransit Eligibility	10.0	11.0	—	1.0	12.0
People and Culture	12.5	16.0	12.5	2.0	30.5
Procurement	19.0	18.0	2.0	—	20.0
Project Connect	10.0	—	—	—	—
Project Connect Integration	—	—	10.0	—	10.0
Property and Asset Management	6.0	4.0	8.0	—	12.0
Public Facilities	19.0	23.0	(2.0)	7.0	28.0
Public Safety and Emergency Management	18.0	69.5		1.0	70.5
Rail Commuter Operations	10.0	11.5	—	—	11.5
Rail Freight Management	1.0	1.0	—	—	1.0
Real Estate and Facility Planning	3.0	4.0	—	—	4.0
RideShare	1.0	1.0	—	—	1.0
Safety	—	—	16.5	—	16.5
Safety, Risk Management and Accessible Services Management	10.0	11.5	(11.5)	—	—
Strategic Planning and Development	22.0	24.0	3.0	2.0	29.0
Systemwide Accessibility	—	—	2.0	—	2.0
Wellness and Fitness Center	—	—	—	—	—
Total CapMetro FTEs	361.5	456.5	139.5	41.0	637.0

The FY2023 budget includes 180.5 more full-time positions than the FY2022 budget: 139.5 were added during FY2022 and the remaining 41.0 are planned for FY2023.

During FY2022, 96 of the additional 139.5 positions are a result of the MV bus contract transition in the following departments: Operations and Maintenance Oversight (77), People & Culture (10), Safety (5) and Property and Asset Management (4). The integration of the bike share program into the new MetroBike department accounts for another 15 new positions and the new Project Connect Integration for 10. Other FY2022 additions include People and Culture (2.5), Executive Staff (2), Government Affairs (2), Procurement (2), Finance (1.5), Demand Response and Control Center (1), Enterprise Program Management (1), Information Technology (1), Marketing and Communications (1), Property and Asset Management (1), Safety (1), Strategic Planning and Development (1), Systemwide Accessibility (1) and Community Engagement (0.5).

The 41.0 additional positions planned in FY2023 are in Operations and Maintenance Oversight (11), Information Technology (8), Public Facilities (7), Capital Design and Construction (2), Marketing and Communications (2), People and Culture (2), Strategic Planning and Development (2), Demand Response Oversight (1), Diversity Equity and Inclusion (1), Enterprise Program Management (1), Finance (1), Legal (1), Paratransit Eligibility (1) and Public Safety & Emergency (1).

The following chart shows full-time equivalents for CapMetro from FY2018 to FY2023.



2

Financial Policies



CapMetro

Summary of Financial Policies

CapMetro 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 CapMetro and maintain primary accountability for fiscal matters. CapMetro is in compliance with its financial policies.

CapMetro’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 CapMetro are to:

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

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

- CapMetro operates under a balanced budget. CapMetro’s definition of a balanced budget is in accordance with the Texas Transportation Code, Section 451.103.
- CapMetro 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.
- Sales tax revenue is accrued monthly based on information provided by the Texas Comptroller of Public Accounts.
- CapMetro 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

CapMetro will maintain the following reserve and budgetary contingency accounts in addition to any cash balances that must be maintained to support current spending requirements. CapMetro management will report quarterly to the board of directors and annually as part of the 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% 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 CapMetro’s budget for a given year.

- A budgetary operating contingency account equal to 2% 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% 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 CapMetro'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.
- The \$10 million sustainability capital fund was established in FY2022 to support CapMetro's sustainability vision plan.
- A \$7 million facility master plan reserve fund was established in March 2022 as CapMetro addresses one of the largest needs of the agency. An additional \$23 million was added during FY2022 and an additional \$30 million contribution is planned for FY2023 to bring the balance to \$60 million.
- In March 2022, a regional partnership with small-member cities and a one-time \$10 million transit-supportive infrastructure fund was established.
- 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.
- CapMetro 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.
- CapMetro'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.
- CapMetro 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 CapMetro 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 CapMetro.

Contractual Obligations: Chapter 271, Subchapter A of the Local Government Code authorizes CapMetro 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 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 Texas 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 CapMetro 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. CapMetro will keep outstanding debt within the limits prescribed by state law and at levels consistent with its creditworthiness objectives. CapMetro 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 CapMetro's Annual Comprehensive Financial Report.

CapMetro 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 CapMetro's board and staff in making decisions regarding adjustments to fares. All such decisions will also be made in accordance with CapMetro'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, CapMetro 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. CapMetro's fare recovery ratio remained relatively stable at close to 10% over the last four fiscal years prior to FY2020, which declined to 6.5% due to the effect of the COVID-19 pandemic.

Goal

The goal of this fare policy is to support CapMetro'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, CapMetro must develop and use its resources in a manner that ensures sustainable business growth.

Fare Policy Review

CapMetro 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 increase is planned for FY2023.

CapMetro is in compliance with its fare policy.

Current Fare Structure

Fare Type	Local	Local Equifare	Local Reduced	Commuter	Commuter Equifare	Commuter Reduced	Metro Access
Single Ride	\$1.25	\$1.00	\$0.60	\$3.50	\$3.00	\$1.75	\$1.75
Day Pass	\$2.50	\$2.00	\$1.25	\$7.00	\$6.00	\$3.50	None
7-Day Pass	\$11.25	None	None	\$27.50	None	None	None
31-Day Pass	\$41.25	\$33.00	\$20.60	\$96.25	\$77.00	\$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).

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

Fare Capping: A new pay-as-you-go system to reduce or "cap" customer spending on fares in a day or month.

Equifare: A new discounted fare category for income-eligible customers.

Kids 18 and Younger ride free on all CapMetro 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 CapMetro 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.

MetroBike passes are as easy as purchasing any other service pass using the CapMetro App. Plus, soon you will be able to buy your bike and bus or rail passes as a bundle to help you navigate each phase of your trip.

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. CapMetro provides a monthly subsidy to offset the monthly lease of the vanpool vehicle. Groups that operate wholly within the CapMetro service area receive a monthly subsidy of \$500, while groups that either start or end their trip outside of the CapMetro 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. CapMetro has an Internal Audit department that reports directly to the board and is an independent source of objective advice.

Income Taxes

CapMetro is a political subdivision of the state of Texas and is not subject to income taxation.

Procurement Policy and Procurement Methods

CapMetro'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 the 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.

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

CapMetro 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 CapMetro'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 CapMetro by an established deadline. Whenever possible, CapMetro 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 CapMetro 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 CapMetro. Special efforts are made to make the vendor community aware of CapMetro's requirements. Solicitations are advertised in newspapers and transit industry publications, and CapMetro 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, CapMetro 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, CapMetro 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 CapMetro 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, CapMetro awards a contract. Contracts in the amount of \$150,000 and above require approval by CapMetro's board of directors.

Summary of Financial Policies

Per policy, CapMetro 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 an annual comprehensive financial report 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 annual comprehensive financial report. The chief financial officer shall be responsible for establishing processes to ensure timely resolution of audit recommendations, if applicable.

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

Investments shall be made prudently in conformance with CapMetro'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 CapMetro'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 Chief Executive Officer, the Deputy Chief Executive Officer and the 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. CapMetro 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. CapMetro maintains budget control at the project level for capital expenditures.

CapMetro is in compliance with its financial policies.

3

Financial and Service Summary



CapMetro

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, CapMetro is in a strong financial position with fully-funded reserves. These reserves will provide financial resiliency and the funding needed to deliver transit services to the community and ensure that a stable financial position is maintained coming out of the recent economic crisis. In FY2022, CapMetro 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 CapMetro 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 CapMetro's actual operating expenses for the 12 months immediately preceding the adjustment. This reserve account is referred to as the "statutory operating reserve."

In FY2023, CapMetro's budget has met the operating reserve requirements set forth by the Texas Legislature. The statutory operating reserve account is fully funded at \$42.2 million based on the FY2021 Annual Comprehensive Financial Report and is expected to increase to approximately \$64.6 million in FY2023 as depicted in the table that follows. CapMetro 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.

CapMetro set aside funding to help provide for critical needs including a capital expansion fund of \$60 million between FY2018 and FY2021 that was transferred to the Austin Transit Partnership (ATP) to be used for implementation of the Project Connect System Plan. CapMetro has also budgeted additional amounts to contribute to the ATP for the Project Connect System Plan of \$23.4 million in FY2022 and \$30.0 million in FY2023.

While sales tax receipts were increasing, CapMetro 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 FY2023, the budget stabilization reserve is expected to increase to approximately \$32.3 million. Projections are depicted in the table that follows. A new sustainability capital fund of \$10 million was created in FY2022 for the purpose of supporting the new CapMetro Sustainability Vision Plan and future projects that are developed from the plan. In FY2022, the agency created a new Green Line Phase II Manor Capital Reserve of \$800,000 as CapMetro looks forward to implementing this project. The budget also includes a self-insurance reserve of approximately \$1.4 million and a reserve of \$5.1 million to fund estimated commitments beyond FY2023 under interlocal agreements with the city of Austin for mobility programs. The operating budget includes \$1.5 million in appropriations for potential billings from the city in FY2023. In FY2022 CapMetro created a Facility Master Plan Reserve Fund of \$7 million and plans to set aside a total of \$60 million by the end of FY2023 as CapMetro addresses one of the largest needs of the agency and a \$10 million Small Cities Transit Supportive Infrastructure Fund.

FY2023 Projected Ending Fund Balance:

Projected Beginning Balance	\$438,721,107
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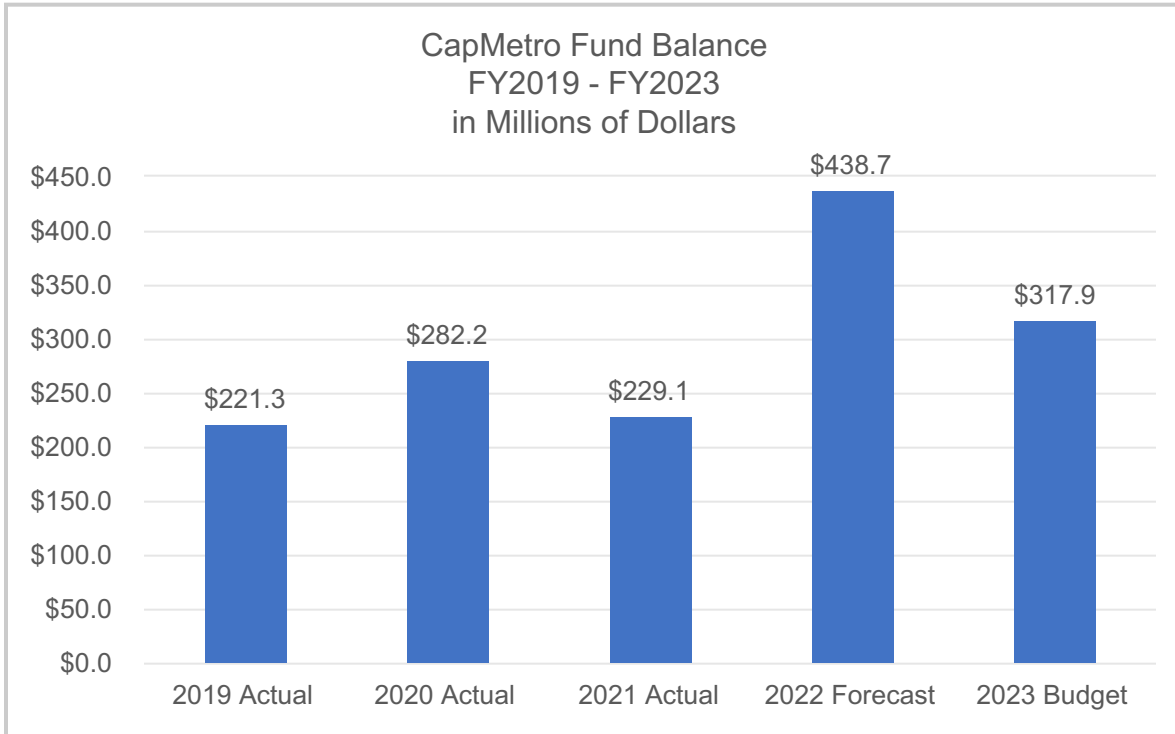
FY2023 Projected Activity:

+ Revenue	781,918,452
- Operating Expenses	387,471,366
- Interlocal Agreements	10,287,720
- Contribution to Austin Transit Partnership	30,000,000
- Capital Projects	475,007,666
= Projected Ending Balance	\$317,872,807

Breakdown of Ending Balance:

Statutory Operating Reserve Requirement	64,578,561
Budget Stabilization Reserve	32,289,281
Facility Master Plan Reserve Fund	60,000,000
Sustainability Capital Fund	10,000,000
Small Cities Transit Supportive Infrastructure Fund	10,000,000
City of Austin Mobility Programs	5,060,961
Self-Insurance Reserve	1,380,330
Green Line Phase 2 Manor Capital Reserve	800,000
Funding for 5-Year Capital Improvement Plan	133,763,674
= Projected Ending Balance	\$317,872,807

The following chart depicts the history and a projection of ending fund balance for five fiscal years. An increase in the FY2022 fund balance is projected due to Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA) and American Rescue Plan Act (ARP) stimulus funding estimated receipts.



Revenue by Category

The following schedule summarizes FY2023 revenue projections by category and shows the increase or decrease compared to the FY2022 budget. The schedule also depicts FY2021 actual revenue, as well as FY2022 forecast revenue. Sales tax revenue represents the primary source of revenue for CapMetro, contributing approximately 47.4% of the total revenue budget.

	FY2021 ACTUAL	FY2022 BUDGET	FY2022 FORECAST	FY2023 BUDGET	Var \$ FY2023 vs. FY2022	Var % FY2023 vs. FY2022
Sales Tax	\$301,419,604	\$297,330,773	\$358,464,885	\$371,011,156	\$73,680,383	24.8%
Passenger Revenue	12,630,612	18,147,285	13,810,277	17,636,362	(510,923)	(2.8%)
Freight Railroad Revenue	5,757,035	6,492,814	6,556,414	6,831,803	338,989	5.2%
Miscellaneous Revenue	5,690,756	6,553,816	6,533,197	7,138,744	584,928	8.9%
Operating Contributions and Grants	48,474,465	172,283,309	179,724,700	132,926,925	(39,356,384)	(22.8%)
Capital Grants - Federal	3,109,783	43,503,914	10,838,399	81,999,520	38,495,606	88.5%
Capital Grants - State	5,241,477	2,045,419	1,280,000	5,463,163	3,417,744	167.1%
Other Capital Contributions	—	111,802,665	72,600,000	158,910,779	47,108,114	42.1%
Total Revenue	\$382,323,732	\$658,159,995	\$649,807,872	\$781,918,452	\$123,758,457	18.8%

Factors Affecting Revenue

Sales Tax Revenue

Sales tax represents the largest component of CapMetro's total revenue. Sales tax revenue can fluctuate significantly from year to year since collections are directly related to economic conditions. For FY2023, sales tax revenue is budgeted at \$371.0 million, 24.8% above the amount budgeted in FY2022 due to the reopening from the COVID-19 pandemic. FY2022 forecasted sales tax collections are \$358.5 million, 20.6% more than originally budgeted due to favorable sales tax trends that began in March 2021.

Sales tax is levied on the sale, lease or rental of all taxable goods and services within the CapMetro service area. Certain foods and drugs as well as governmental purchases are exempted from sales tax. For FY2023, sales tax revenue is budgeted at 3.5% above the FY2022 forecast.

Passenger Revenue

No fare increase is planned for FY2023. In total, \$17.6 million is projected in passenger revenue with a continued gradual increase in ridership projected. Revenue collected at the farebox is estimated at \$3.7 million, and \$5.7 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 (UT) for shuttle services for their students, faculty and staff. Service hours are expected to return close to pre-COVID-19 levels for UT service in FY2023 with revenue estimated at \$7.0 million.

Revenue from MetroRideShare, CapMetro's vanpool service, is expected to continue recovering from the effects of the COVID-19 pandemic with total revenue estimated at \$1.1 million in FY2023. CapMetro projects 177 vanpools by the end of FY2023 and currently has 101 vanpools in service.

Freight Rail Revenue

In June 2015, the board approved a contract with Watco Companies, LLC, for freight operations and maintenance services on CapMetro'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 CapMetro will receive 16.5% of gross revenue each year. In FY2023, CapMetro's share of gross revenue is expected to be \$5.5 million based on estimated shipping activity. As the owner of the railroad, CapMetro 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% of qualified track maintenance expenditures and other qualifying railroad infrastructure projects estimated to an annual amount of approximately \$544,000.

The remainder of the freight rail revenue is approximately \$812,000 and is related to licenses and fees associated with the use of CapMetro's railroad right-of-way.

Miscellaneous Revenue

Revenue in this category includes \$2.2 million of lease income, \$800,000 in interest earnings, \$1.7 million in purchased transportation agreement revenue, \$1.5 million projected in advertising revenue on CapMetro buses, \$698,000 from fees generated at the Child Care Center and \$250,000 in charter services for special events.

Operating Contributions from Grants

Grants provided to CapMetro through the Federal Transit Administration's (FTA) Urbanized Area Formula Program (Section 5307) are the second-largest component of CapMetro's total revenue applied to operations. For public transit agencies that operate in urban areas with a population greater than 1 million, the use of Section 5307 grants for operations is restricted to specific categories of expenses, mostly related to capital consumed for service or maintenance, special services required by the Americans with Disabilities Act (ADA), and mobility management.

From FY2015 until FY2019, FTA grant funds accounted for 7% to 13% of CapMetro revenues applied to operations. The appearance of COVID-19 in the United States in the spring of 2020 and the initial lockdown of economic activity significantly impacted the finances and ridership of public transit agencies throughout the country. The federal response to the COVID-19 outbreak and its impact on the economy was to enact a series of supplemental appropriations and relief measures. Supplemental federal funding to assist transit systems to prevent, prepare for and respond to the pandemic was included in the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA) and the American Rescue Plan Act (ARP). These laws designated the funds as being for an emergency requirement eliminated local match requirements and allowed all recipients, regardless of size or urbanized area population, to use the funding for all eligible public transit operating activities. During FY2020 CapMetro received \$102 million in CARES Act funding and used it to continue operating transit service. This increased the operating contributions from grants to 30% in FY2020. In FY2021, CapMetro did not draw supplemental funding for operating expenses. Instead, it used Section 5307 funds carried over from FY2020 and funds apportioned in FY2021, which decreased the operating contribution from grants to approximately 14%. In FY2022 all CRRSAA and most of the ARP supplemental funding were used for public transit operating activities significantly increasing operating contributions from grants. Funding from several smaller grants was also applied to specialized activities including mobility management, transit-oriented development planning and services designed and planned to meet the special needs of seniors and individuals with disabilities.

For FY2023, CapMetro plans to draw the remaining estimated amounts of ARP supplemental funds of \$27.3 million and approximately \$84.6 million in Section 5307 funds, which includes amounts from its FY2022 and FY2023 apportionment, for eligible operating expenses. Other operating activities that will be reimbursed by federal grants during FY2023 include expenses related to the Office of Mobility Management for short-range planning and coordination activities with other public transportation providers and human service agencies and planning studies for transit-oriented development.

Capital Grants

CapMetro 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 CapMetro annually by the FTA under a prescribed formula. The Grants for Buses and Bus Facilities Formula Program (Section 5339(a)) is one example. CapMetro 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 CapMetro receives annually. It programs the funds for rail maintenance and rehabilitation projects to maintain a state of good repair. In FY2023, CapMetro also plans to allocate amounts from its FY2022 and FY2023 Urbanized Area Formula Program (Section 5307) apportionment toward revenue vehicle replacements.

Other grants have been awarded to CapMetro for specific capital projects at the discretion of the funding agency instead of by formula. Discretionary grants will provide revenue for various capital projects in FY2023 the largest of which will be the development of the Expo Center and Pleasant Valley MetroRapid lines which are Project Connect program initiatives partially funded by the FTA's Capital Investment Grant Program. Other, capital projects funded by discretionary grants awarded through both federal and state agencies include a demand response operations and maintenance facility replacement and expansion through the FTA's Bus and Bus Facilities Competitive Program (Section 5339(b)), replacement of diesel buses with zero-emission battery-electric buses and charging infrastructure through the FTA's Bus and Bus Facilities Competitive Program (Section 5339(b)) Low or No Emission Vehicle Program (Section 5339(c)), replacement of a rail bridge in the East Subdivision through the Federal Railroad Administration's Consolidated Rail Infrastructure and Safety Improvements (CRISI) program, and preliminary engineering for grade separating N. Lamar Boulevard and the MetroRail Red Line and redesign of the N. Lamar Blvd. and Airport Blvd. intersection through the Federal Highway Administration's Surface Transportation Block Grant (STBG) program.

CapMetro 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 \$157.7 million from the Austin Transit Partnership for reimbursement of CapMetro Project Connect contracted projects, contributions for the McKalla Red Line Station from Austin FC, a Major League Soccer club, of \$200,000 and the city of Austin for \$223,600, \$500,000 contribution from the city of Austin for the Expo Center and Pleasant Valley MetroRapid lines and \$255,000 contribution from the Texas Department of Transportation (TxDOT) for crossings improvements.

Types of Grants

Most of CapMetro's grants are provided through programs authorized in legislation and administered by the Federal Transit Administration (FTA), one of 10 modal administrations within the U.S. Department of Transportation. The FTA's most recent authorizing legislation is the Bipartisan Infrastructure Law or BIL (enacted as the Infrastructure Investment and Jobs Act (Pub. L. 117-58)), signed into law on November 15, 2021, and effective on October 1, 2021. The BIL reauthorized federal public transportation program funding for FY2022 through FY2026. It provides a significant increase (approximately 67%) in annual funding for public transportation in comparison with the period authorized in the previous authorization, the Fixing America's Surface Transportation (FAST) Act (P.L. 114-94) of 2015. CapMetro benefits from the following major programs administered by FTA including:

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

The Urbanized Area Formula Program (Section 5307) provides annual grants to U.S. Census designated urbanized areas (UZAs) 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 UZAs, which depend on public transportation to improve mobility and reduce congestion. This grant funding is apportioned using factors that are specified in the law. The UZA was apportioned approximately \$44.6 million in Section 5307 grant funds for FY2022. As the Designated Recipient of Section 5307 funds, CapMetro sub-allocated approximately \$1 million to the city of Round Rock and appropriated the rest for CapMetro services, including service expansion initiatives and revenue vehicle replacement. CapMetro estimates \$45.6 million will be apportioned to the Austin, TX UZA in FY2023 and it will sub-allocate \$1 million to the city of Round Rock. These funds will be applied to eligible operating expenses including but not limited to preventive maintenance, special services required by the Americans with Disabilities Act, safety-related activities and capital outlays for revenue vehicle replacement.

- **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, CapMetro has been responsible for administering Section 5310 funds apportioned to the Austin UZA. CapMetro 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, CapMetro allocates a portion of the funds for its own activities including program administration, 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 FY2022, CapMetro was apportioned \$4.6 million and has budgeted a similar amount for FY2023. 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. CapMetro is the designated recipient of Section 5339(a) funds for the Austin urbanized area which was apportioned approximately \$2.7 million in FY2022. CapMetro has budgeted a similar amount for FY2023. 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.

The Bus and Bus Facilities Competitive (Section 5339(b)) program and the Low or No Emission Vehicle (Section 5339(c)) program, are discretionary grant programs. Projects are selected by the FTA 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, CapMetro in partnership with the Capital Area Rural Transportation System (CARTS) was awarded \$11.2 million to implement a bus replacement project. All of the buses acquired by CARTS and most of those acquired by CapMetro under this award were delivered by the end of FY2019. CapMetro has budgeted the remaining \$4.6 million under this award for bus purchases in 2023. In 2022, CapMetro was awarded \$20 million for a new demand response operations and maintenance facility to improve operations, accommodate system growth and promote community connectivity.

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. Since 2019, CapMetro has been awarded more than \$7.7 million under this program to replace diesel buses with battery-electric buses and evaluate the performance and interoperability of various technology providers and platforms.

- **Capital Investment Grant Program (CIG)**

The Capital Investment Grant (CIG) Program is a discretionary funding program for the construction of new fixed-guideway public transportation systems and the expansion of existing systems. Eligible projects include transit rail, including subway/elevated rail (heavy rail), light rail and commuter rail, as well as bus rapid transit (BRT) and ferries. There are three categories of eligible projects under the CIG program: New Starts, Small Starts and Core Capacity. Federal transit law requires transit agencies seeking CIG funding to complete a series of steps over several years. The law requires projects to be rated by FTA at various points in the process according to statutory criteria evaluating project justification and local financial commitment. Project sponsors must successfully complete each step and receive a minimum evaluation rating before FTA commits federal funds for the projects. CapMetro is pursuing CIG funding to implement several projects associated with the Project Connect System Plan. FTA has awarded Construction Grant Agreements to two Small Starts Projects, the Expo Center MetroRapid and the Pleasant Valley MetroRapid lines. It has also granted entry into the Project Development phase, the first step in the CIG New Starts program, for both the Blue Line light rail and the Orange Line light rail projects. These four projects are included in the list of current capital investment grant projects displayed on FTA's webpage.

- **Other Grants**

CapMetro monitors and pursues other FTA grant opportunities to maximize transit benefits available to the region. Recent efforts have resulted in great success. For example, three CapMetro projects have been selected over three rounds of funding under the FTA's Pilot Program for Transit-Oriented Development (TOD) Planning grant program with awards ranging from \$600,000 to \$900,000. The funds are being used to conduct planning studies focused on maximizing land use and transportation development for various transit corridors. In FY2022, CapMetro was awarded \$780,100 under the FTAs Route Planning Restoration Program, which provides funds under the American Rescue Plan Act of 2021 for public transportation planning associated with the restoration of transit service reduced due to the COVID-19 pandemic.

In recent years, state grants have also been an important source of funds. The Texas Commission on Environmental Quality (TCEQ) has awarded more than \$11.1 million to CapMetro through various grant programs including the Emissions Reduction Incentive Grant (ERIG) and Texas Clean Fleet Program (TCFP). In recent years, state grants have also been an important source of funds. The Texas Commission on Environmental Quality (TCEQ) has awarded more than \$11.1 million to CapMetro through various grant programs including the Emissions Reduction Incentive Grant (ERIG), Texas Clean Fleet Program (TCFP) and the Alternative Fueling Facility Program (AFFP). These TCEQ funds have provided financial assistance for replacing old buses with new buses to reduce pollution emissions.

Operating Expenses by Category

The following schedule summarizes FY2023 operating expenses projections by category and shows the increase or decrease compared to the FY2022 Budget. The schedule also depicts FY2021 actual expenses, as well as FY2022 forecast expenses. Purchased transportation services represent approximately 46.0% of the total operating budget.

	FY2021 ACTUAL	FY2022 BUDGET	FY2022 FORECAST	FY2023 BUDGET	Var \$ FY2023 vs. FY2022	Var % FY2023 vs. FY2022
Labor and Benefits	\$47,381,452	\$58,002,289	\$60,886,969	\$84,039,438	\$26,037,147	44.9%
Professional Services	29,711,010	42,284,214	51,180,306	60,523,924	18,239,710	43.1%
Materials and Supplies	1,353,653	2,505,246	3,190,297	18,680,180	16,174,934	645.6%
Fluids	10,888,189	12,190,081	12,581,011	16,427,077	4,236,994	34.8%
Utilities	3,378,981	3,914,396	3,267,535	4,294,444	380,048	9.7%
Insurance	2,663,563	844,991	824,415	987,585	142,594	16.9%
Purchased Transportation	152,615,784	183,097,245	161,492,309	182,817,566	(279,675)	(0.2%)
Other	2,326,112	9,009,435	9,923,011	13,266,542	4,257,107	47.3%
Lease and Rent	3,335,889	6,759,853	4,439,801	6,434,609	(325,244)	(4.8%)
Interlocal Agreements	19,948,550	4,053,691	10,079,082	10,287,720	6,234,029	153.8%
Total Operating Expenses, including Interlocal Agreements	\$273,603,183	\$322,661,441	\$317,864,736	\$397,759,086	\$75,097,645	23.3%

Factors Affecting Operating Expenses

Labor and Benefits

FY2023 labor and benefits increase by \$26.0 million or 44.9% and include a net increase of 139.5 full-time positions during FY2022 and 41.0 additional new positions during FY2023, primarily due to the MV bus contract transition, and also for additional Operations and Maintenance Oversight, Information Technology, MetroBike, Project Connect Integration and Facilities Management personnel. The budget also includes funding for performance-based salary increases for CapMetro employees, estimated at an average increase of 5%.

Funding for healthcare claims is projected based on current claims utilization, national medical trends and increases in eligible participants. CapMetro's overall benefits expense increase by \$4.7 million in FY2023 from FY2022 with rising health care costs and additional anticipated pension expense. CapMetro 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 63% 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. CapMetro also has an on-site wellness and fitness program. Estimated employer costs related to two pension plans are included in this category as well.

Professional Services

External services are needed for various operational and planning purposes in FY2023. Examples of these services include various planning studies, software maintenance contracts, uniform rebranding, janitorial and landscaping services, and building maintenance. In FY2023, budgeted costs will increase by approximately \$18.2 million compared to the FY2022 Budget. This is primarily due to the transfer of responsibility from MV for the bus and facilities maintenance, consultation fees for the five-year service

plan and the electrification of the fleet and facilities, and additional software maintenance contract expense.

Materials and Supplies

The budget is forecasted to increase by \$16.2 million as a result of the transfer of responsibilities from MV to CapMetro in January 2022 for the purchase of bus parts for maintenance and repair. This increase in materials and supplies is partially offset by a decrease in purchased transportation.

Fluids

The budget for fluids consists primarily of funding for diesel fuel, but also includes gasoline and is estimated to increase by approximately \$4.2 million from the prior year due to unfavorable pricing. Diesel fuel costs are projected at an average per gallon with taxes of \$2.40 for FY2023. Over 62% of the FY2023 projected diesel consumption is secured through a fuel hedging program. During FY2022, CapMetro incurred average fuel prices closer to \$1.90 per gallon for diesel, including taxes and net of its diesel hedging program.

Purchased Transportation

Purchased transportation costs are expected to decrease by approximately \$0.3 million. A decrease of \$11.3 million is projected for bus services due to the transfer of the maintenance and other functions from MV to CapMetro, offset by an increase in materials and supplies. Demand-Response increases by \$6.6 million. Commuter Rail decreases by \$3.2 million, driven by a reduction in railcar overhaul expense.

Other Operating Expense

The FY2023 budget will increase by \$4.3 million in other operating expenses. This is primarily driven by an increase of \$2 million in operating expense contingency to a total of \$7 million, additional subscription expense for onboard bus software systems Zonar and DriveCam and additional computer hardware and software expenses.

Lease and Rent

The FY2023 budget includes a decrease of \$0.3 million in lease and rent expenses driven by the postponement of the new leased administrative office space to mid-2023.

Interlocal Agreements

CapMetro 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% of CapMetro's one-cent sales tax from 2001 to 2004 in consideration for the city to carry out transportation mobility projects approved by CapMetro. 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 FY2023 are expected to be slightly higher compared to FY2022, and \$1.5 million is budgeted for this mobility program compared to \$1.1 million in the FY2022 Budget. CapMetro has also set aside estimated funding in a separate reserve account so that funds will be available beyond FY2023 as the city continues to work on these project priorities. In addition, this category includes funding for the expanded Build Central Texas Program for transportation projects in suburban communities that are supportive of transit in the amount of \$6.5 million.

Budget Summary

The table below summarizes CapMetro's structurally balanced budget for FY2023 and includes projected funding and expenses.

Budget Summary

Funding	FY2023
Sales Tax	\$371,011,156
Passenger Revenue	17,636,362
Freight Railroad Revenue	6,831,803
Miscellaneous Revenue	7,138,744
Operating Contributions and Grants	132,926,925
Capital Grants - Federal	81,999,520
Capital Grants - State	5,463,163
Other Capital Contributions	158,910,779
Fund Balance	<u>120,848,300</u>
Total Funding	\$902,766,752
Expenses	FY2023
Operating Expenses	\$387,471,366
Capital Project Expense	475,007,666
Austin Transit Partnership Contribution	30,000,000
Interlocal Agreements	<u>10,287,720</u>
Total Expenses	\$902,766,752

Debt Amortization

CapMetro paid off all outstanding debt in FY2018, accumulated no additional debt since then and has no borrowing projected in the FY2023 budget. As part of the planning effort for Project Connect funding sources, CapMetro obtained a credit rating in FY2019. S&P Global Ratings (“S&P”), a leading national rating agency, assigned an issuer credit rating of AA- to CapMetro with a stable outlook. In its report published January 28, 2019, S&P cited CapMetro’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 CapMetro with a negative outlook. In its report published April 29, 2020, S&P cited CapMetro’s “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.”

In April 2021, S&P Global Ratings raised its issuer credit rating on CapMetro to AA from AA- with a stable outlook. In its report published April 1, 2021, S&P cited “the upgrade reflects our opinion of Cap Metro’s strong enterprise and financial risk profiles, as well as its significant tax support.” and “the stable outlook reflects no current debt outstanding and our expectation for financial metrics to be maintained at levels consistent with the current rating” as key factors for the upgrade in its rating.

A credit rating is a measure of the risk associated with an agency’s ability to repay its obligations. For transit agencies such as CapMetro, 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 CapMetro to borrow at low interest rates.

A rating in the AA category puts CapMetro 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 CapMetro's transit system. CapMetro operates 59 MetroBus routes, including local and cross-town routes. The transit authority operates approximately 14.1 million total bus miles over its fixed-route system. The fleet of buses provided riders with an average of 40,300 weekday boardings in FY2021, a significant reduction due to the COVID-19 pandemic that was spread over the entire fiscal year. CapMetro's 363 buses operate seven days a week, providing service to more than 1.3 million residents of the service area.

MetroExpress

MetroExpress service is a limited-stop commuter service to and from the University of Texas, the Capitol Complex, downtown and Park & Rides. Five routes serve North and Northwest Austin as well as the cities of Leander and Manor. Average weekday boardings were 184 in FY2021, a significant reduction due to the COVID-19 pandemic.

MetroRapid

MetroRapid is a fixed-route service that runs along North Lamar/South Congress (Route 801) and Burnet/South Lamar (Route 803) and 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 2.5 million riders in its seventh year of operation. Average weekday boardings were 7,677 in FY2021, a significant reduction in riders due to the COVID-19 pandemic.

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 852 in FY2021, a significant reduction in riders due to the COVID-19 pandemic.

Pickup

Pickup by CapMetro 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 riders heading in the same direction and schedules them into a shared vehicle. There is 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 367 in FY2021, an increase as several additional zones came online.

University of Texas Shuttle

Student shuttle service is provided in partnership with the University of Texas. Nine routes provide connections between housing and the downtown campus. Routes move students between the greater UT campus area and areas with high-density student populations. In FY2021, CapMetro operated more than 855,000 total bus miles over the UT Shuttle system, approximately 80% of normal levels due to the COVID-19 pandemic.

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 882 in FY2021, a significant reduction due to the COVID-19 pandemic.

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 CapMetro under this program may ride MetroAccess within three-quarters of a mile of CapMetro'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 1,320 in FY2021.

Suburban Service

CapMetro 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 CapMetro service area. In addition, CapMetro 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. Transportation service in Round Rock is provided by CapMetro and by CARTS in Georgetown. Travis County receives transit service from both CapMetro and CARTS in the urbanized, unincorporated portions of the county. CapMetro has partnered with these jurisdictions to provide transit service through interlocal agreements where the cities reimburse CapMetro directly for the cost of service to their communities.

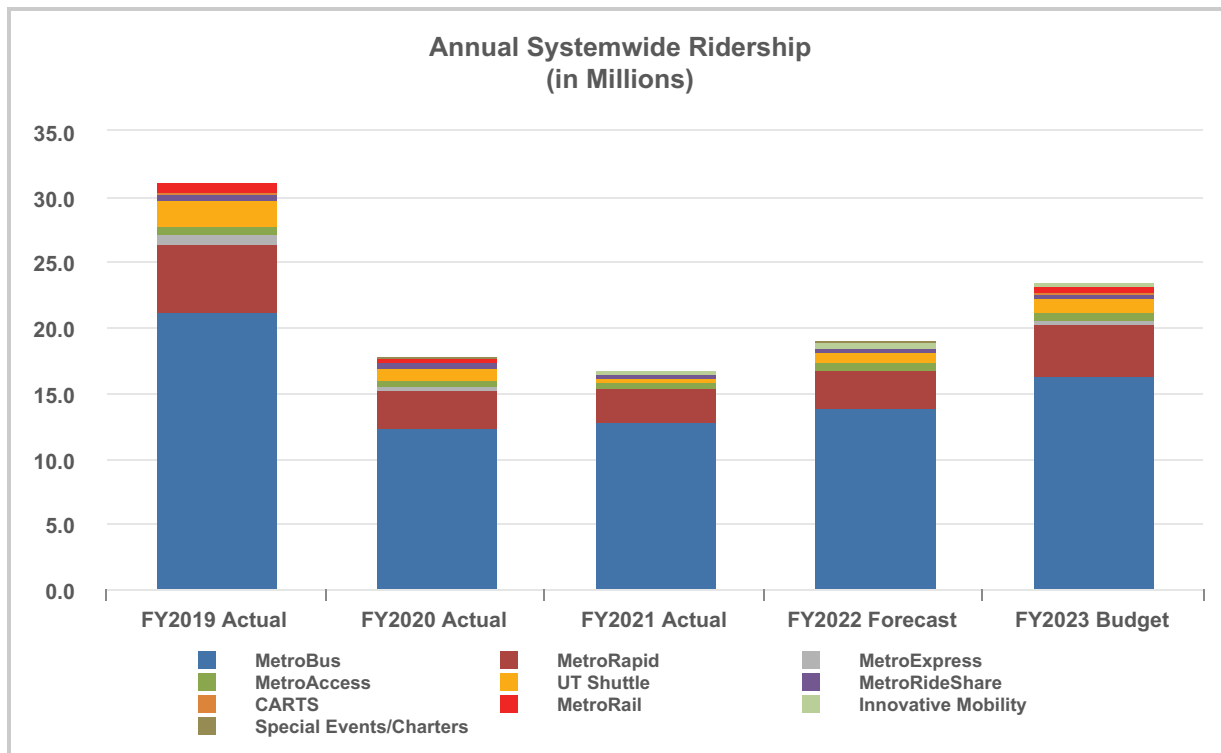
Ridership

The table below reflects ridership by mode of service and shows the increase or decrease compared to the FY2022 budget.

Mode of Service	FY2021 Actual	FY2022 Budget	FY2022 Forecast *	FY2023 Budget	Var FY2023 vs. FY2022	Var % FY2023 vs. FY2022
MetroBus(1)	12,867,345	18,979,926	13,898,000	16,276,239	(2,703,687)	(14.2%)
MetroRapid(2)	2,532,239	4,260,925	2,864,506	4,088,460	(172,466)	(4.0%)
MetroExpress(3)	39,545	402,812	69,578	197,768	(205,044)	(50.9%)
MetroAccess(4)	395,007	698,039	554,352	646,512	(51,526)	(7.4%)
UT Shuttle(4)	413,684	1,739,800	827,717	1,139,715	(600,085)	(34.5%)
MetroRideShare(4)	235,438	559,974	253,432	333,300	(226,674)	(40.5%)
Capital Area Rural Transportation System (CARTS)(4)	16,808	30,120	9,119	12,698	(17,422)	(57.8%)
Capital Area Rural Transportation System (CARTS) - Express(4)	6,349	48,393	9,025	13,214	(35,179)	(72.7%)
MetroRail(4)	256,983	826,916	419,557	534,725	(292,191)	(35.3%)
Innovative Mobility(4)	93,516	635,120	197,789	258,478	(376,642)	(59.3%)
Special Events/Charters(5)	3,665	190,123	3,018	17,986	(172,137)	(90.5%)
Total	16,860,578	28,372,148	19,106,094	23,519,095	(4,853,053)	(17.1%)

* FY2022 Forecast completed in April 2022.

- (1) - Decrease due to select routes receiving frequency adjustments to address limitations in available labor force and continued COVID-19 situation impacting ridership demand. Service levels are designed to ensure consistency in delivery, ensure coverage to essential services and activity centers, and maintain on-time performance.
- (2) - Decrease due to suspension of Late-Night service (12am-3am - Thursdays through Saturdays) and continued COVID-19 situation impacting ridership demand. Current service levels are designed to ensure consistency in delivery, ensure coverage to essential services and activity centers, and maintain on-time performance.
- (3) - Decrease based on significant reduction in service levels from pre-pandemic levels reflecting major changes to commuting patterns to core downtown/university areas due to continued COVID-19 situation.
- (4) - Decrease reflects impacts in utilization of services due to continued COVID-19 situation.
- (5) - Decrease reflects overstatement of budgeted ridership for FY2022.



Vehicle Hours of Service

The table below reflects vehicle hours of service by mode and shows the increase or decrease compared to the FY2022 budget.

Mode of Service	FY2021 Actual	FY2022 Budget	FY2022 Forecast *	FY2023 Budget	Var FY2023 vs. FY2022	Var % FY2023 vs. FY2022
MetroBus(1)	1,196,111	1,263,223	1,125,972	1,204,099	(59,124)	-4.7%
MetroRapid(2)	187,658	213,875	201,554	271,755	57,880	27.1%
MetroExpress(3)	12,308	60,844	13,755	38,834	(22,010)	-36.2%
MetroAccess	406,781	472,541	375,902	478,272	5,731	1.2%
UT Shuttle(4)	81,784	92,237	91,556	83,502	(8,735)	-9.5%
MetroRideShare(5)	45,193	96,672	51,850	71,706	(24,966)	-25.8%
Capital Area Rural Transportation System (CARTS)	14,139	8,224	8,163	8,095	(129)	-1.6%
Capital Area Rural Transportation System (CARTS) - Express(3)	3,273	5,168	3,139	2,820	(2,348)	-45.4%
MetroRail(6)	17,305	30,103	21,111	27,462	(2,641)	-8.8%
Innovative Mobility(7)	57,538	78,884	84,633	123,716	44,832	56.8%
Special Events/Charters(8)	679	3,128	226	5,134	2,006	64.1%
Total	2,022,769	2,324,899	1,977,861	2,315,395	(9,504)	-0.4%

* FY2022 Forecast completed in June 2022.

- (1) - Decrease due to select routes receiving frequency adjustments to address limitations in available labor force. Service levels are designed to ensure consistency in delivery, ensure coverage to essential services and activity centers, and maintain on-time performance.
- (2) - Increase based on planned introduction of new MetroRapid Expo Center and Pleasant Valley services in mid-2023.
- (3) - Decrease based on maintaining reduced service levels from pre-pandemic levels reflecting no major changes to commuting patterns to core downtown/university areas.
- (4) - Decrease due to minor changes to service levels for Weekdays, Sundays, Finals and Registration in Fall/Spring reflecting continued conditions due to pandemic.
- (5) - Decrease reflects impacts in utilization of services due to continued COVID-19 situation.
- (6) - Decrease due to minor adjustments to service levels reflecting continued conditions due to the pandemic and minor adjustments to special event schedules (Austin FC-Q2 Stadium, Austin City Limits and South by Southwest, etc.) until conditions improve.
- (7) - Increase due to introduction of new zones and minor adjustments to spans of service for weekdays/Saturday operation in select zones.
- (8) - Increase due to gradual return of special events service from the COVID-19 pandemic.

Vehicle Miles of Service

The table below reflects vehicle miles of service by mode and shows the increase or decrease compared to the FY2022 budget.

Mode of Service	FY2021 Actual	FY2022 Budget	FY2022 Forecast *	FY2023 Budget	Var FY2023 vs. FY2022	Var % FY2023 vs. FY2022
MetroBus(1)	13,898,570	14,454,622	12,791,053	13,579,274	(875,348)	-6.1%
MetroRapid(2)	2,528,862	2,758,671	2,609,334	3,321,228	562,557	20.4%
MetroExpress(3)	297,383	1,321,125	323,235	816,882	(504,243)	-38.2%
MetroAccess	4,987,622	6,670,520	5,174,871	6,744,911	74,391	1.1%
UT Shuttle(4)	855,454	990,055	949,231	872,269	(117,786)	-11.9%
MetroRideShare(5)	2,472,583	3,576,864	2,418,512	2,653,122	(923,742)	-25.8%
Capital Area Rural Transportation System (CARTS)	249,834	189,401	183,787	186,430	(2,971)	-1.6%
Capital Area Rural Transportation System (CARTS) - Express(3)	72,930	131,978	68,145	53,235	(78,743)	-59.7%
MetroRail(6)	356,579	537,315	440,400	482,354	(54,961)	-10.2%
Innovative Mobility(7)	460,432	859,456	806,805	1,596,413	736,957	85.7%
Special Events/Charters(8)	4,156	23,971	1,503	62,416	38,445	160.4%
Total	26,184,405	31,513,978	25,766,876	30,368,534	(1,145,444)	-3.6%

* FY2022 Forecast completed in June 2022.

- (1) - Decrease due to select routes receiving frequency adjustments to address limitations in available labor force. Service levels are designed to ensure consistency in delivery, ensure coverage to essential services and activity centers, and maintain on-time performance.
- (2) - Increase based on planned introduction of new MetroRapid Expo Center and Pleasant Valley services in mid-2023.
- (3) - Decrease based on maintaining reduced service levels from pre-pandemic levels reflecting no major changes to commuting patterns to core downtown/university areas.
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- (7) - Increase due to introduction of new zones and minor adjustments to spans of service for weekdays/Saturday operation in select zones.
- (8) - Increase due to gradual return of special events service from the COVID-19 pandemic.

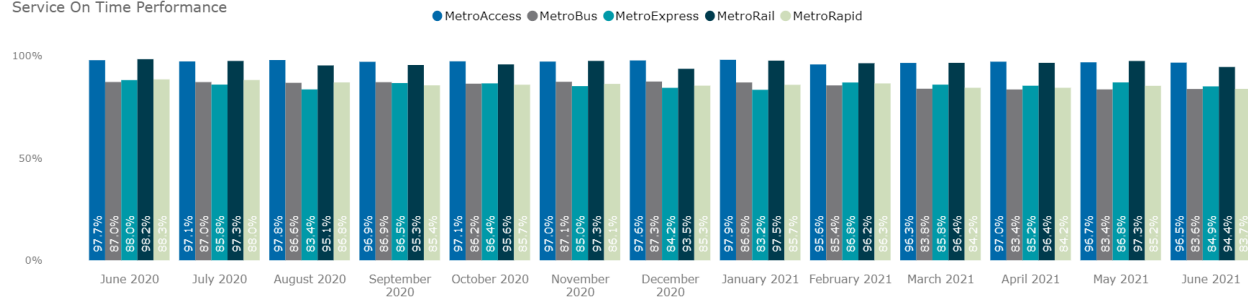
Performance Measures

CapMetro 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 CapMetro website and are updated each month. They are available at capmetro.org/dashboard/.

Reliability Dashboard¹

CapMetro 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.

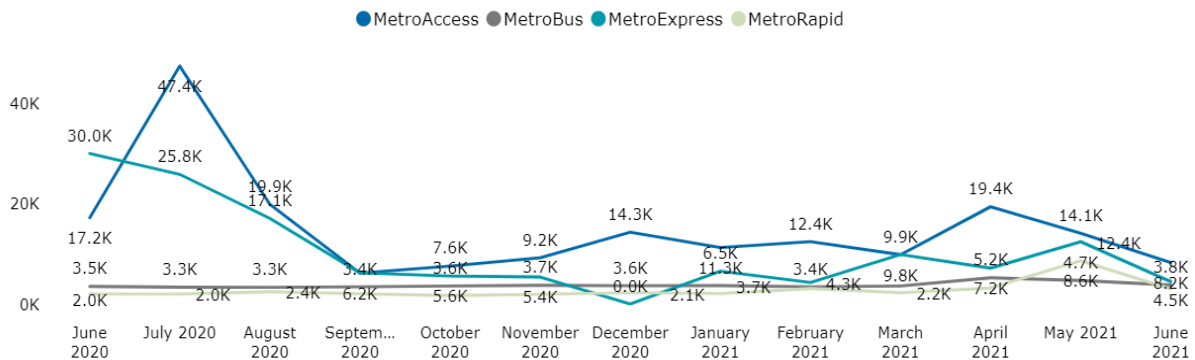
Service On Time Performance



Route On Time Performance

Route Name	On Time	Early	Late
1-North Lamar/South Congress	79.6%	4.4%	16.1%
2-Rosewood	88.3%	5.0%	6.7%
3-Burnet/Manchaca	80.9%	5.6%	13.5%
4-7th Street	85.2%	9.0%	5.8%
5-Woodrow/Lamar	85.5%	6.5%	8.0%
6-East 12th	87.3%	7.1%	5.5%
7-Duval / Dove Springs	85.6%	4.8%	9.6%
10-South 1st/Red River	85.3%	4.3%	10.5%
17-Cesar Chavez	88.0%	4.1%	8.0%
18-Martin Luther King	87.3%	4.5%	8.2%
19-Bull Creek	86.1%	5.2%	8.7%

Miles Between Road Calls by Mode



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

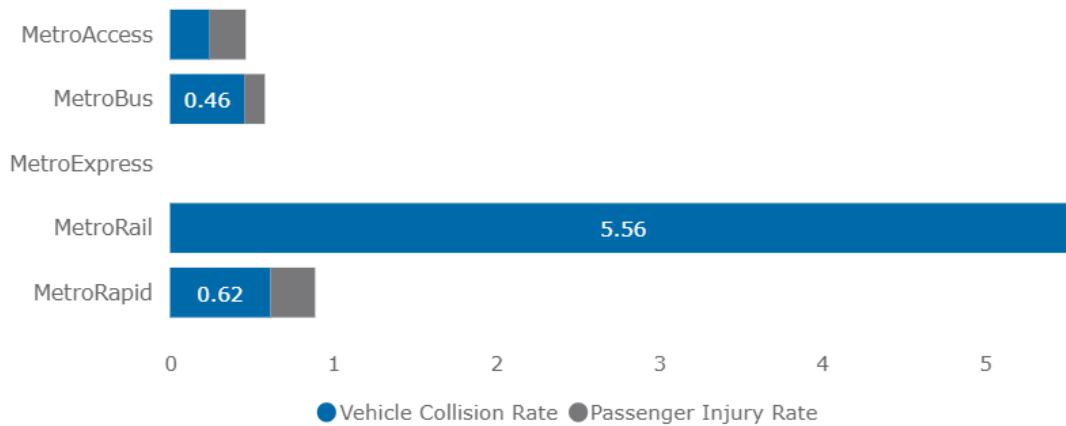
Safety Dashboard²

Safety is not only a priority but a core value at CapMetro. 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.

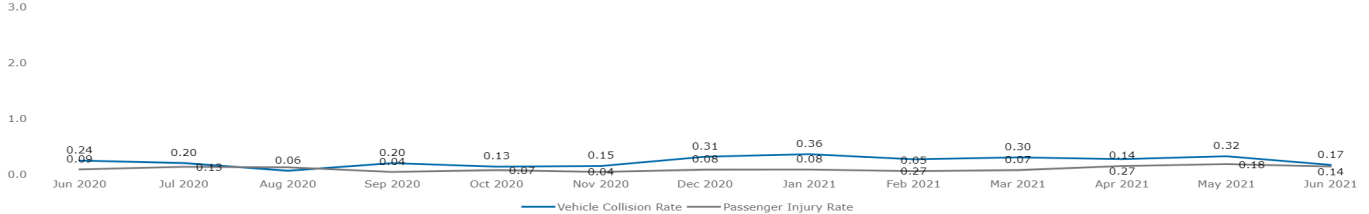
Route	Vehicle Collision Rate	Passenger Injury Rate
1-North Lamar/South Congress	0.07	0.02
2-Rosewood	0.00	0.01
3-Burnet/Manchaca	0.03	0.01
4-7th Street	0.01	0.01
7-Duval / Dove Springs	0.04	0.00
10-South 1st/Red River	0.04	0.00
17-Cesar Chavez	0.01	0.00
20-Manor Rd/Riverside	0.05	0.02
300-Springdale/Oltorf	0.01	0.02
311-Stassney	0.03	0.01
324-Georgian/Ohlen	0.02	0.00
325-Metric/Rundberg	0.02	0.01
333-William Cannon	0.03	0.00
335-335 35th/38th	0.02	0.00

Vehicle Collision Rate per 100,000 miles and Passenger Injury Rate per 100,000 riders.

Incident Rates by Service



Incident Rate - Latest 13 Months



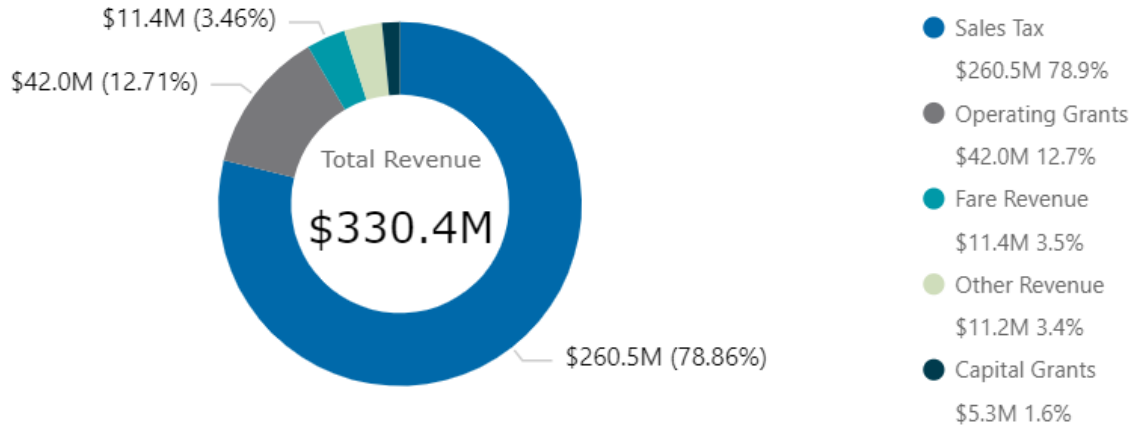
² All dashboards and graphs are representative of data available and not reflective of current data.

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, and other expenses. CapMetro 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.

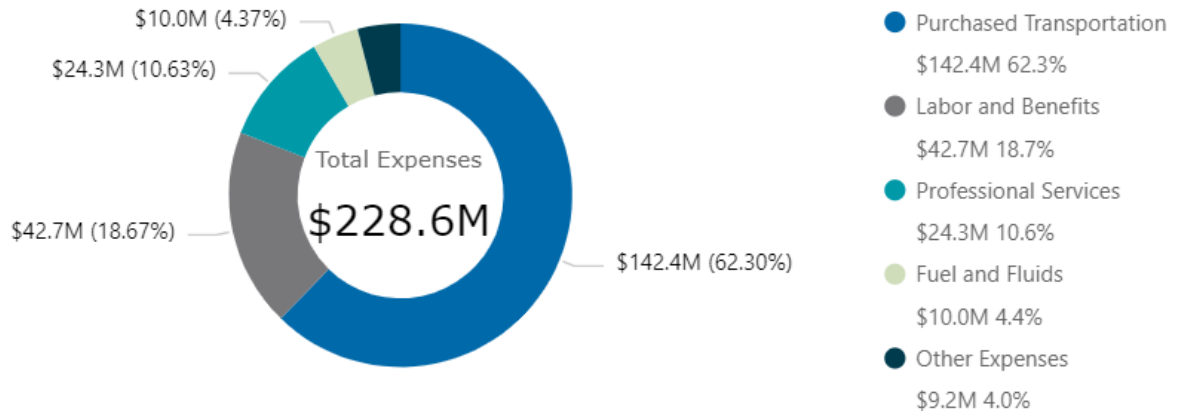
Operating Revenue

Total Revenue



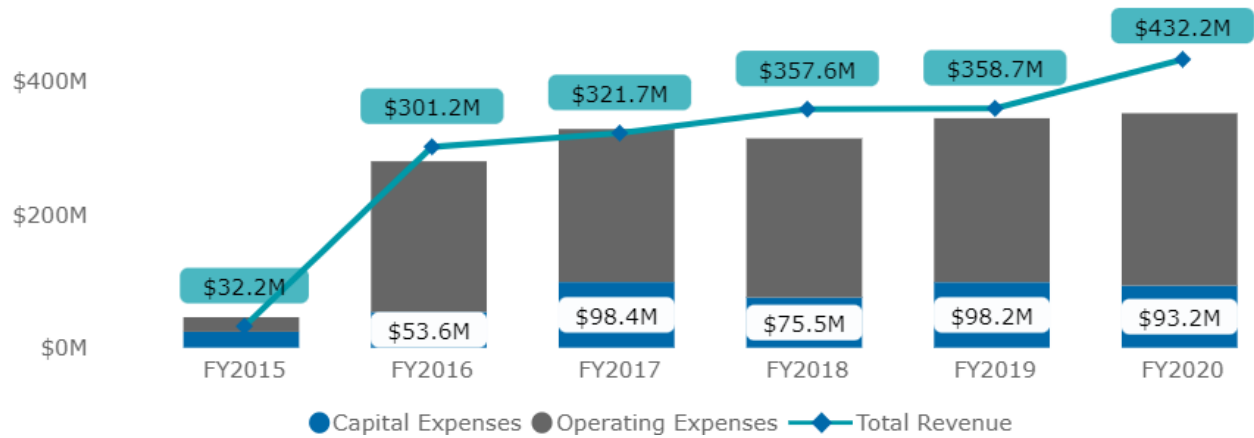
Operating Expenses

Operating Expenses



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

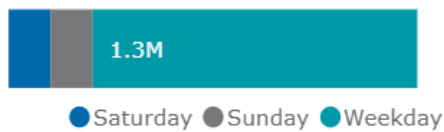
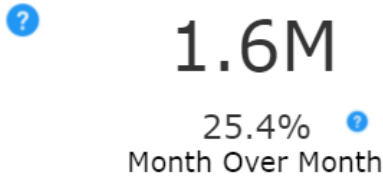
Total Revenue vs Expenses Trend



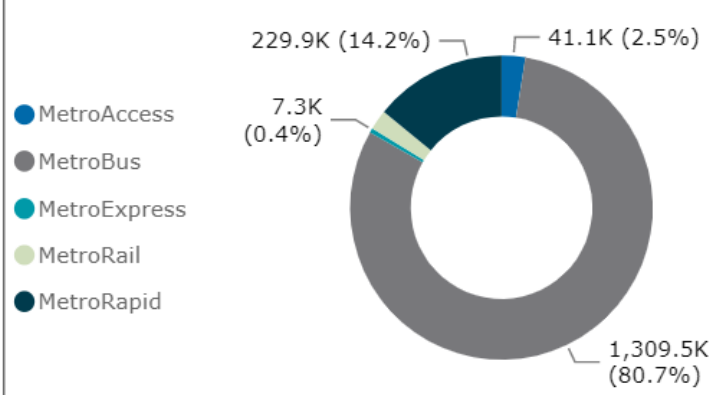
Ridership Dashboard⁴

Ridership data represents how many trips are taken on CapMetro services. The ridership figures are the total boardings of all CapMetro 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.

Total Ridership



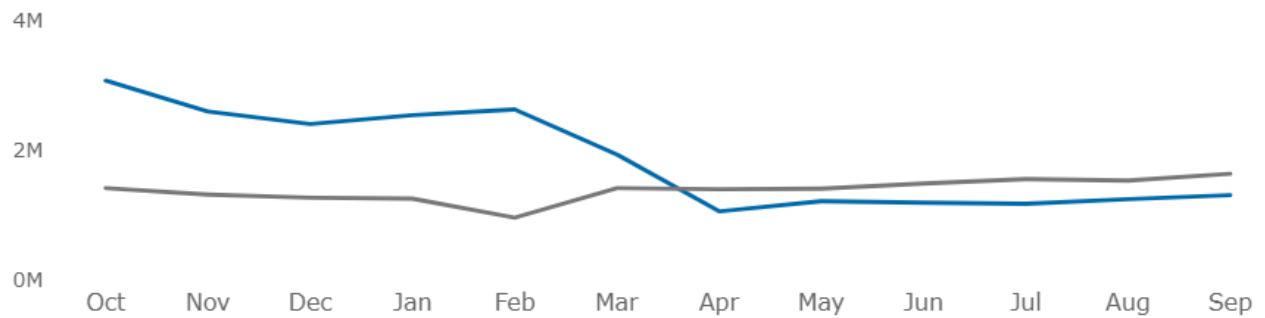
Ridership By Service Type



Ridership Year Over Year Trend

Ridership Year Over Year Trend

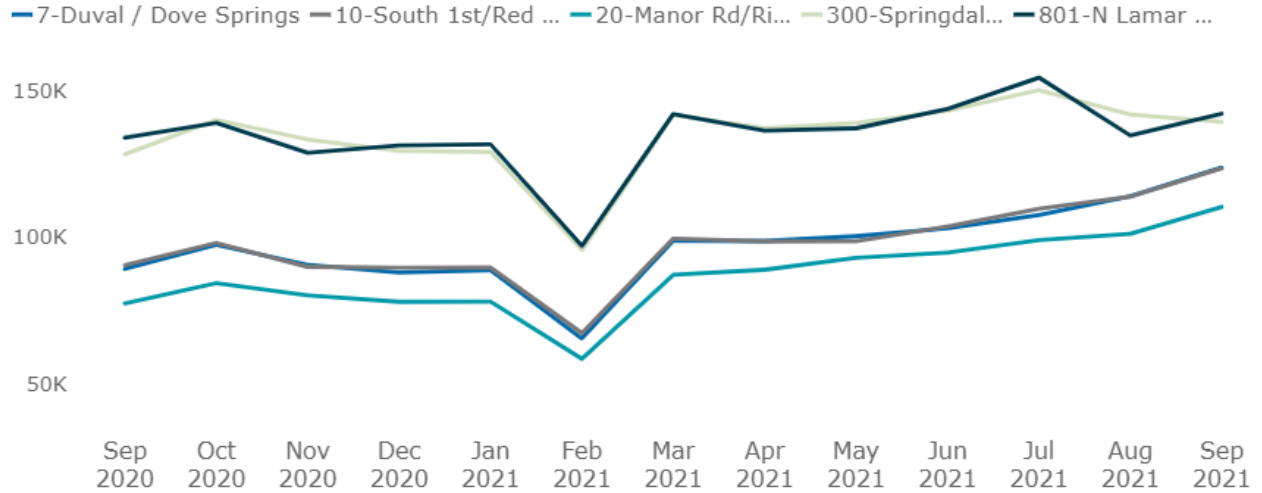
Fiscal Year — 2020 — 2021



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

Routes Trend - Top 5

Routes Trend -Top 5

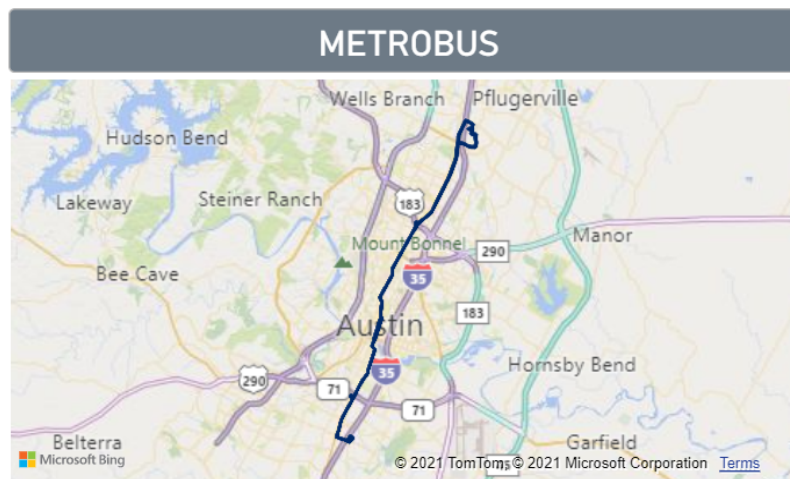


Route Performance⁵

Each CapMetro 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.





Route Frequency				
Service Day	Day	Evening	Peak	Schedule
Weekday	30	30	30	🔗
Saturday	30	30	-	🔗
Sunday	30	30	-	🔗

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



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

1-North Lamar/South Congress

Weekday Data	
Customers per Hour ? 14	Vehicle Hours ? 185
Customer Average 2,607	
Monthly Data	
Total Monthly Route Cost  ? \$678,996	Total Ridership  ? 77,192
Vehicle Collision Rate ? 0.00 <small>per 100K miles</small> 	Passenger Injury Rate ? 0.09 <small>per 100K riders</small> 
On Time Performance ? 77.7 %	
See Detailed Data	

4

Capital Budget



CapMetro

Capital Budget

Consistent with Texas State Senate Bill 650, CapMetro 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.

CapMetro's Capital Improvement Program Policy guides funding decisions during the budget review process and subsequent reporting of progress on individual projects. CapMetro'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 on 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 CapMetro services easier and more convenient and that enhance the reliability of CapMetro 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, e.g., equipment, labor and professional services.

CapMetro anticipates grant funding of \$87.5 million in FY2023 for projects that meet eligibility requirements. Other capital contributions of \$158.9 million are also anticipated and include reimbursements from the Austin Transit Partnership for Project Connect related projects, TxDOT for work completed along CapMetro's commuter rail line, the city of Austin for MetroRapid stations and the owner of Austin FC for work on the commuter rail line at Q2 Stadium.

The approved capital budget for FY2023 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.

FY2023 Capital Projects

Project Name	FY2023 Approved Budget
Facilities and Real Estate	
Facility Enhancements	\$ 51,908,962
Facility Enhancements Grants and Capital Contributions	(22,250,000)
Facility State of Good Repair	2,707,567
Facilities and Real Estate Total	32,366,529
Information Technology Systems and Infrastructure	
Information Technology - Enterprise Systems	12,256,823
Information Technology - Infrastructure	2,793,957
Information Technology - Transit Systems	7,175,167
Information Technology Systems and Infrastructure Total	22,225,947
Infrastructure Development	
Bus Stop Amenities and Enhancements	12,670,350
Bus Stops - New	1,960,000
Downtown Station	930,566
Facility Enhancements	62,405,094
Facility Enhancements Grants and Capital Contributions	(9,552,850)
Infrastructure Enhancements	9,491,309
Infrastructure Enhancements Grants and Capital Contributions	(3,417,744)
Infrastructure Development Total	74,486,725
Project Connect	
Project Connect	181,340,000
Project Connect Grants and Capital Contributions	(181,340,000)
Project Connect Total	—
Public Safety and Emergency Management	
Public Safety and Emergency Management Equipment and Enhancements	4,372,000
Public Safety and Emergency Management Total	4,372,000
Railroad Commuter	
Railroad Commuter Enhancements	39,467,164
Railroad Commuter Enhancements Grants and Capital Contributions	(423,600)
Railroad Commuter State of Good Repair	7,959,838
Railroad Commuter State of Good Repair Grants and Capital Contributions	(4,860,871)
Railroad Commuter Total	42,142,530

Project Name	FY2023 Approved Budget
Railroad Freight	
Railroad Freight State of Good Repair	3,287,329
Railroad Freight State of Good Repair Grants and Capital Contributions	(2,315,570)
Railroad Freight Total	971,759
Vehicles	
Bus Fleet	52,679,000
Bus Fleet Grants and Capital Contributions	(22,212,827)
Fleet System Enhancements	2,533,440
Non-Revenue Fleet	2,154,600
Paratransit Fleet	11,914,500
Vehicles Total	47,068,713
Capital Project Contingency	5,000,000
Grand Total Capital Spending	475,007,666
Grand Total Grants and Capital Contributions	(246,373,462)
Grand Total Capital Spending Net of Grants and Capital Contributions	\$ 228,634,204

5

Long-Range Financial Plan



CapMetro

Long-Range Financial Plan Fiscal Years 2023 to 2032

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 CapMetro.

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. CapMetro'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

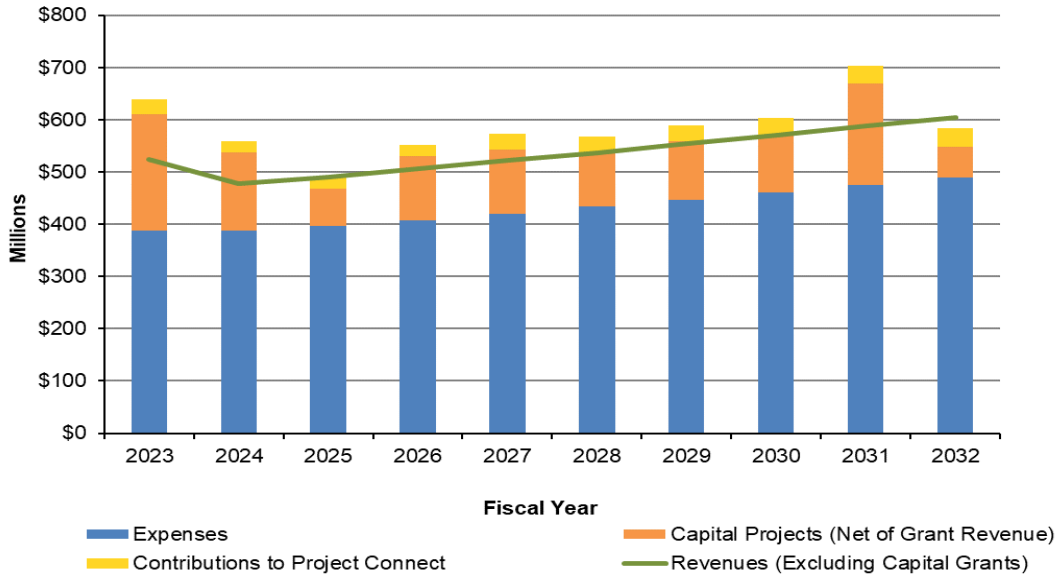
The agency has developed a 10-year flexible financial modeling tool, which can model various financial and service level scenarios. The Long-Range Financial Plan was modeled for 2 scenarios: the first scenario is the proposed plan that is based on current conditions and commitments and shows 3.5 percent annual growth in sales tax revenue beginning in Fiscal Year 2023. The second scenario assumes more robust economic growth for the region and a 4.25 percent annual growth in sales tax revenue beginning in Fiscal Year 2023. Ten-year projections of revenue and expenditures are used to evaluate CapMetro'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. The model has assisted in aligning CapMetro's financial capacity with long-term service objectives and identifying and analyzing risks to fiscal stability.

Proposed Plan

The Proposed plan is a scenario that demonstrates a balanced budget over the next 4 years for financial sustainability by aligning cost growth with revenue growth. Debt financing will be necessary in year 5 of the proposed plan as currently modeled. The scenario is based on current conditions along with agency commitments. The plan uses the agency's "Most Likely" sales tax scenario and assumes 3.5% sales tax growth in Fiscal Year 2023 and growth of 3.5% thereafter. Periodic fare increases are included to keep pace with inflation. Small increases in service hours are included for FY2023 and beyond. Contractual increases are included for purchased transportation contractor rates. Higher fuel costs are assumed for the short-term based on current market conditions and pricing. 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 the Project Connect system plan through the Austin Transit Partnership (ATP) as CapMetro looks forward to the future and opportunities in the region. A facility master plan reserve fund is also included as CapMetro addresses one of its largest needs for the future.

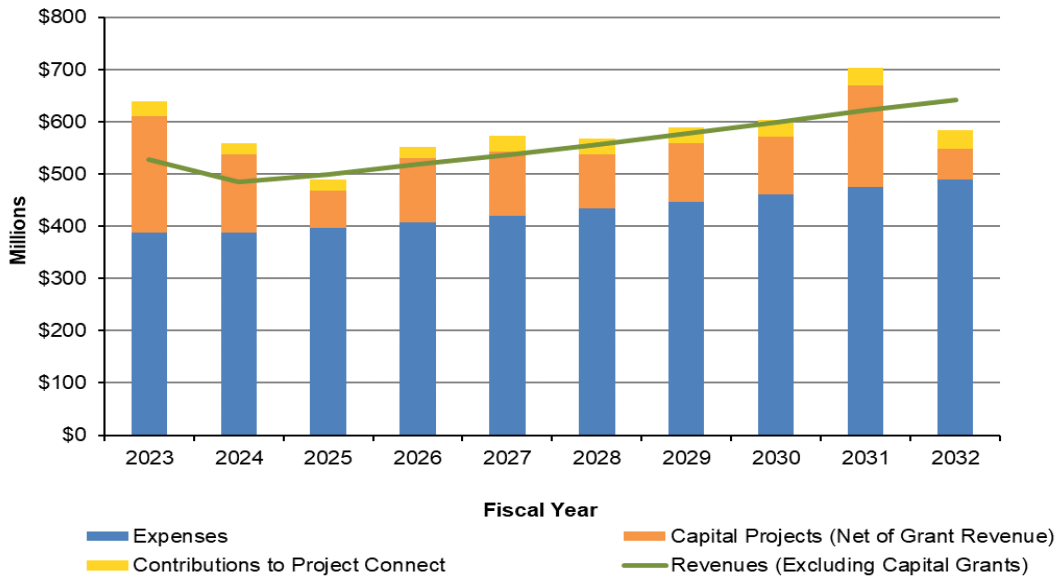
Total Revenues and Total Expenses



Higher Economic Growth Plan

CapMetro modeled a Higher Economic Growth plan that shows higher growth in sales tax for the region and a higher sustained growth over the next 10 years. The scenario is based on current conditions along with agency commitments. The plan uses the agency's "Optimistic" sales tax scenario and assumes 4.25% sales tax growth in Fiscal Year 2023 and growth of 4.25% thereafter. With this scenario, increased revenues could potentially fund additional service expansion and/or infrastructure but will still require debt financing in Fiscal Year 2028. Commitments to the Project Connect system plan through the Austin Transit Partnership are included in this scenario as CapMetro looks forward to the future and opportunities in the region. A facility master plan reserve fund is also included as CapMetro addresses one of its largest needs for the future.

Total Revenues and Total Expenses



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 CapMetro. While the LRFPP 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:

- Decline in sales tax growth
- Changes to Federal grant funding programs
- Significant recession event
- Unforeseen regulatory or capital needs
- Future contracted rates with service providers
- Compensation and benefit plan increases
- Unforeseen technological changes

Conclusions and Recommendations

The agency will proceed with caution and ensure that future spending is aligned with revenue growth for both the short-term and long-term. One-time, accumulated funding is available for current capital projects and, once these projects are completed, future capital spending will need to be funded by operating cash flow. The agency needs to maintain at least \$75 million in annual net cash flow to maintain assets in a state of good repair.

6

Operating Detail by Department



CapMetro

Summary of Department Expenses

	FY2021 Actual	FY2022 Budget	FY2022 Forecast	FY2023 Budget	FY2023 v. FY2022 (\$)	FY2023 v. FY2022 (%)
Board of Directors Support	\$151,289	\$197,125	\$167,605	\$203,268	\$6,143	3.1 %
Business Center	363,429	372,180	372,180	379,753	7,573	2.0 %
Capital Design and Construction	18,932,012	2,097,511	2,294,179	2,577,336	479,825	22.9 %
Child Care Center	1,000,520	1,101,381	1,101,381	1,156,861	55,480	5.0 %
Community Engagement	1,005,493	1,488,938	1,551,163	1,763,772	274,834	18.5 %
Customer Care	1,007,561	1,149,026	1,094,902	1,214,904	65,878	5.7 %
Demand Response Control and Call Center	2,026,789	2,286,995	2,200,215	2,496,916	209,921	9.2 %
Demand Response Oversight	28,715,918	32,443,113	29,753,685	40,062,490	7,619,377	23.5 %
Diversity, Equity and Inclusion	583,738	771,590	876,190	1,109,967	338,377	43.9 %
Enterprise Program Management	659,189	1,149,467	1,085,827	1,542,529	393,062	34.2 %
Executive Staff	770,480	1,057,342	1,055,467	1,612,873	555,531	52.5 %
Finance	4,245,283	12,309,563	12,093,896	13,450,813	1,141,250	9.3 %
Government Affairs	647,217	813,694	841,932	1,072,238	258,544	31.8 %
Information Technology	12,490,974	19,043,466	18,719,035	23,744,722	4,701,256	24.7 %
Innovative Mobility	4,285,144	6,126,349	5,546,240	7,680,304	1,553,955	25.4 %
Internal Audit	481,626	401,085	401,085	429,434	28,349	7.1 %
Legal	999,079	1,254,154	1,254,154	1,465,045	210,891	16.8 %
Marketing and Communications	3,706,151	5,777,170	5,893,246	6,755,959	978,789	16.9 %
MetroBike	—	—	554,000	1,353,119	1,353,119	N/A
Mobility Interlocal Agreements	2,089,141	2,638,469	8,284,682	9,236,520	6,598,051	250.1 %
Non-Allocated Employee Benefits	12,749,897	14,313,697	14,238,852	17,832,475	3,518,778	24.6 %
Operations and Maintenance Oversight	123,643,841	144,268,817	137,491,861	163,870,175	19,601,358	13.6 %
Paratransit Eligibility	947,338	1,186,091	1,098,075	1,352,852	166,761	14.1 %
People and Culture	4,598,267	3,111,838	3,522,031	4,897,767	1,785,929	57.4 %
Procurement	1,682,842	1,965,434	1,965,434	2,274,389	308,955	15.7 %
Project Connect	1,106,928	8,153,705	8,153,705	15,231,301	7,077,596	86.8 %
Project Connect Integration	—	—	—	2,817,131	2,817,131	N/A
Property and Asset Management	3,342,302	3,920,235	4,602,103	7,178,433	3,258,198	83.1 %
Public Facilities	5,509,814	6,481,618	5,151,315	6,767,530	285,912	4.4 %
Public Safety and Emergency Management	4,257,908	8,049,088	7,994,492	8,292,585	243,497	3.0 %
Rail Commuter Operations	18,304,497	27,591,294	23,471,497	24,779,640	(2,811,654)	(10.2)%
Rail Freight Management	1,531,643	2,029,739	1,870,762	2,188,368	158,629	7.8 %
Real Estate and Facility Planning	2,723,172	6,409,584	3,382,030	5,316,851	(1,092,733)	(17.0)%
RideShare	1,363,665	2,036,016	1,281,830	1,843,004	(193,012)	(9.5)%
Safety	4,008,020	1,550,902	1,310,737	2,455,945	905,043	58.4 %
Strategic Planning and Development	3,408,012	6,457,542	6,459,419	9,174,877	2,717,335	42.1 %
Systemwide Accessibility	—	345,210	264,210	656,228	311,018	90.1 %
Wellness and Fitness Centers	264,002	465,718	465,318	1,520,711	1,054,993	226.5 %
Contribution from the Austin Transit Partnership	(1,106,928)	(8,153,705)	(8,153,705)	(17,048,432)	(8,894,727)	109.1 %
CapMetro Total	\$272,496,253	\$322,661,441	\$309,711,031	\$380,710,654	\$58,049,212	18.0 %

Board of Directors Support

Functions and Responsibilities

The Board of Directors Support department provides assistance to the board of directors and the president and chief executive officer to achieve the strategic mission and vision of CapMetro. 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 the Texas Open Meetings Act requirements. The department also facilitates communication between the board of directors, CapMetro staff and members of the public.

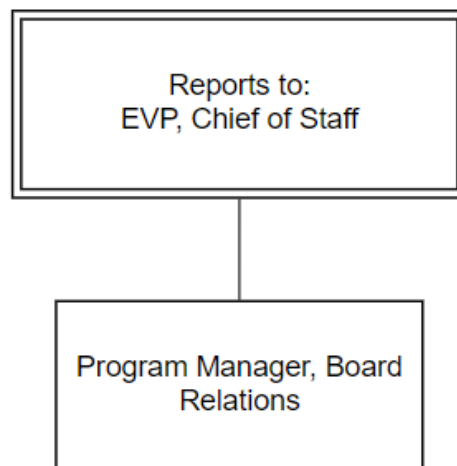
FY2022 Accomplishments

- ◆ Internal/External Customer Service Excellence
 - Launched and trained staff on new monthly board agenda software system for creating and tracking of board items.
 - Launched new public web portal for board meeting calendars and backup materials.
 - Increased public participation at CapMetro board and committee meetings by adding option for remote public comment.
 - Increased agency transparency by publishing agendas and board backup materials one week in advance of monthly meeting dates.

FY2023 Planned Initiatives

- ◆ Community
 - Improve public access to board and committee meetings with transition to new boardroom at CapMetro Administrative Building (2910 East 5th Street).
 - Review board agenda and backup material templates to ensure that they are providing relevant and effective background information and encourage agenda item alignment with CapMetro Strategic Plan.

Board of Directors Support Department Organizational Chart



Budget Changes

Labor and Benefits

Increase of \$6,923 due to approved performance-based pay increases to become effective in January 2023.

Other Expenses

Decrease of \$780 primarily in other services because no longer using outside audio/visual support.

	FY2021 Actual	FY2022 Budget	FY2022 Forecast	FY2023 Budget	Var \$ FY2023 vs. FY2022	Var % FY2023 vs. FY2022
LABOR & BENEFITS						
Salaries & Wages - Admin.	\$117,441	\$118,838	\$118,838	\$125,402	\$6,564	5.5 %
FICA-Admin	8,909	8,889	8,889	9,245	356	4.0 %
State Unemployment-Admin	144	178	178	181	3	1.7 %
TOTAL LABOR & BENEFITS	126,493	127,905	127,905	134,828	6,923	5.4 %
OTHER EXPENSES						
Other Services	15,129	23,220	24,000	18,000	(5,220)	(22.5)%
Office Supplies	62	300	300	300	—	0.0 %
Supplies-Board Of Directors	307	300	300	480	180	60.0 %
Telephone-Local	480	420	480	480	60	14.3 %
Airfare - Transportation	—	10,200	1,800	10,200	—	0.0 %
Travel - Per Diem	3,837	4,246	900	4,246	—	0.0 %
Seminar, Conferences, Registration	—	11,054	500	11,054	—	0.0 %
Lodging	—	11,500	2,100	11,500	—	0.0 %
Travel - Other	3,566	240	2,000	2,340	2,100	875.0 %
Business Meals - Local	1,416	7,200	7,200	9,600	2,400	33.3 %
Postage	—	60	—	—	(60)	(100.0)%
Food and Ice	—	480	120	240	(240)	(50.0)%
TOTAL OTHER EXPENSES	24,796	69,220	39,700	68,440	(780)	(1.1)%
TOTAL OPERATING EXPENSES	\$151,289	\$197,125	\$167,605	\$203,268	\$6,143	3.1 %

Business Center

Functions and Responsibilities

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

FY2022 Accomplishments

- ◆ Internal/External Customer Service Excellence
 - Daily delivery of lost customer items to the Transit Store to facilitate returning items to customers.
 - Provided printing services to facilitate customer communications.
 - Provided greatly increased printing service to facilitate customer communications between multiple facilities.
- ◆ Financial and Environmental Sustainability
 - Per-item cost was reduced, during an increase in organizational volume.
 - Document delivery and mail services to meet department needs at a competitive cost.

FY2023 Planned Initiatives

- ◆ Customer
 - Implement plans to service additional building facilities
 - Develop process to control posting of employee notices to keep them current.
- ◆ Organizational Effectiveness
 - Reduce paper consumption by adapting duplex printing for the agency's print output.
 - Reduce the use of color copier toner by ensuring printers default to black and white rather than color.
 - Explore the use of recycled toner cartridges.
 - Explore the use of notifications that require users verify their choice to print to reduce paper and print cost.

Budget Changes

Other Expenses

Increase of \$7,573 due to increased need for Office Supplies of \$1,300 and Office Equipment of \$6,273.

	FY2021 Actual	FY2022 Budget	FY2022 Forecast	FY2023 Budget	Var \$ FY2023 vs. FY2022	Var % FY2023 vs. FY2022
OTHER EXPENSES						
Other Services	\$226,766	\$222,461	\$222,461	\$222,461	\$—	— %
Office Supplies	15,504	25,992	25,992	27,292	1,300	5.0 %
Other Miscellaneous Expenses	853	—	—	—	—	N/A
Office Equipment	119,736	123,727	123,727	130,000	6,273	5.1 %
Other Equipment	570	—	—	—	—	N/A
TOTAL OTHER EXPENSES	363,429	372,180	372,180	379,753	7,573	2.0 %
TOTAL OPERATING EXPENSES						
	\$363,429	\$372,180	\$372,180	\$379,753	\$7,573	2.0 %

Capital Design and Construction

Formerly Capital Projects

Functions and Responsibilities

The Capital Design and Construction 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. This includes bus stops, grant-funded projects, Park & Rides, Transit Centers, rail stations and rail infrastructure.

FY2022 Accomplishments

◆ Internal/External Customer Service Excellence

- Initiated Project Connect MetroRapid Expo Center and Pleasant Valley bus rapid transit lines with 30% design and environmental clearance completed and final design underway.
- Awarded construction for all MetroRapid lines.
- Initiated construction of MetroRail stations.
- Completed 30% design phase of Project Connect MetroRapid Menchaca-South Lamar and Gold lines.
- Initiated Project Connect MetroRapid Park & Ride design at Expo Center and Goodnight Ranch.
- Started Project Connect McKalla Station project. Awarded Design-Build contract and design phase is in progress. Advanced culvert construction and awarded contract for track, signal and infrastructure.
- Designed the return track for rail maintenance facility at North Ops.
- Completed construction of double track between Lakeline and Leander (Park Street to Discovery Blvd.).
- Completed 30% preliminary design and environmental due diligence for categorical exclusions for the Red Line grade separation project at Airport and Lamar.
- Completed environmental due diligence and categorical exclusions process for the steel span replacement of bridge located at milepost 52.44.
- Completed 90% design for safety improvements of the pedestrian and bike crossing at I-35 and 4th Street in collaboration with the city of Austin.
- Designed increased safety provisions at 4th and Sabine Street pedestrian and bike crossing and installed signal equipment.
- Continued to replace old amenities with new amenities such as shelters, benches, litter containers and solar lighting in accordance with the multi-year improvement plan.
- Completed one small transit hub at Southpark Meadows.
- Completed 25 concrete bus stop improvements for new bus stops and relocated existing bus stops for safety and consolidation.

◆ Stakeholder Engagement

- Coordinated with stakeholders for the MetroRapid Expo Center, Pleasant Valley, Menchaca-South Lamar and Gold lines.
- Partnered with the city of Austin Corridor Program to relocate and rehabilitate more than 30 bus stops.

◆ Financial and Environmental Sustainability

- Installed 30 stand-alone solar lighting at existing bus stops.
- Continued to participate in the agencywide battery-electric bus transition planning.

FY2023 Planned Initiatives

◆ Customer

- Complete Project Connect MetroRapid Expo and Pleasant Valley lines and begin service.
- Begin Project Connect South Lamar-Menchaca extension construction and Gold Line construction.
- Complete construction of double track between Braker and West Serta, signals and PTC modifications, drainage improvements and design-build for Project Connect McKalla Station.
- Complete 30% design and environmental clearance for double track and platforms between Onion (Plaza Saltillo Station) and East Timbes; double track between East Timbes and the 7th Street underpass; double track, bridges, railroad crossings between Adelphi and McNeil Road and at Lakeline Station's eastside platform.
- Replace 25 shelters.
- Complete one transit hub.
- Complete construction for two steel spans of the bridge located at milepost 52.44.

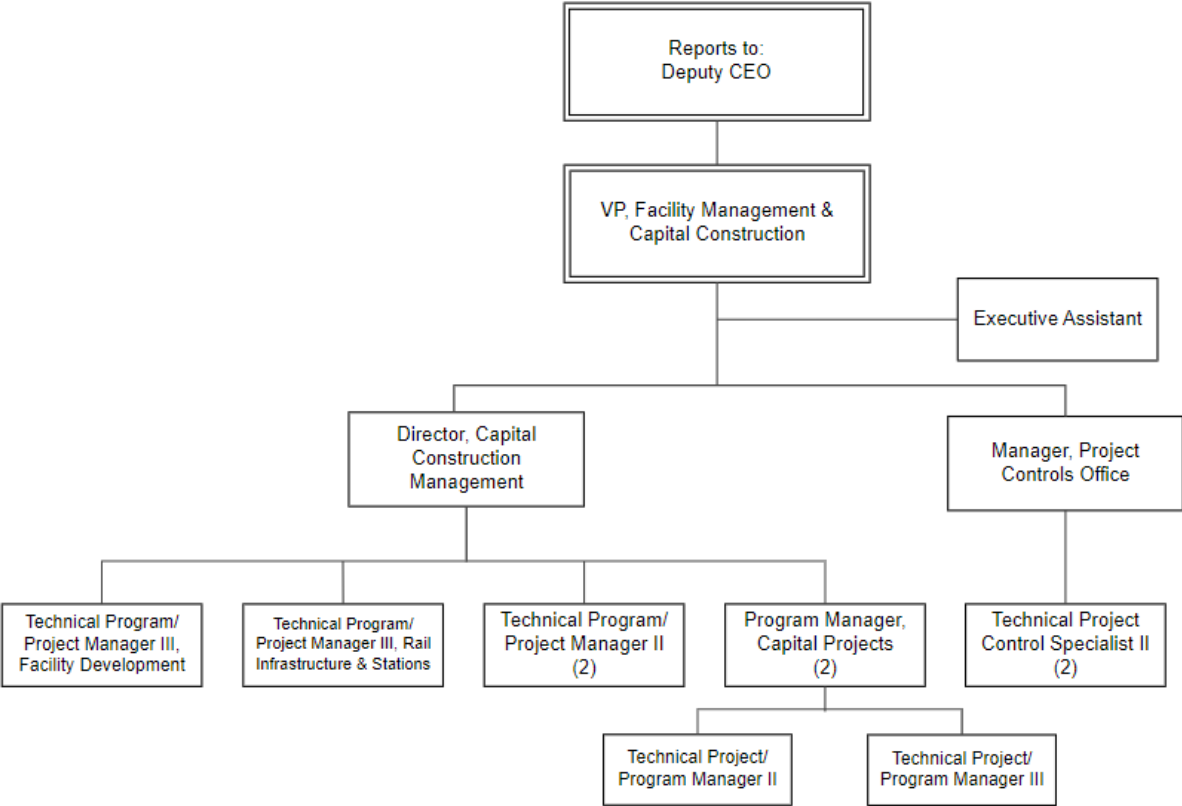
◆ Community

- Coordinate with stakeholders for double tracking projects and McKalla Station construction.
- Ongoing Project Connect community outreach.

◆ Workforce

- Readjust the positions within the department to increase project management efficiency.

Capital Design and Construction Department Organizational Chart



Budget Changes

Labor and Benefits

Increase of \$402,177 due to 1 FTE transferred to Property and Asset Management, 2 new FTEs and the approved performance-based pay increases to become effective in January 2023.

Other Expenses

Increase of \$77,648 driven by \$118,528 in Temporary Help due to special projects. \$50,000 reduction in Non Capital Projects costs for repairs due to deteriorating pavement conditions.

	FY2021 Actual	FY2022 Budget	FY2022 Forecast	FY2023 Budget	Var \$ FY2023 vs. FY2022	Var % FY2023 vs. FY2022
LABOR & BENEFITS						
Salaries & Wages - Admin.	\$1,223,495	\$1,554,750	\$1,554,750	\$1,937,236	\$382,486	24.6%
FICA-Admin	90,219	118,644	118,644	137,973	19,329	16.3%
State Unemployment-Admin	1,440	2,337	2,337	2,699	362	15.5%
Supplemental Sick	(50)	—	—	—	—	N/A
TOTAL LABOR & BENEFITS	1,315,104	1,675,731	1,675,731	2,077,908	402,177	24.0%
OTHER EXPENSES						
Other Professional Fees	6,216	150,000	150,000	150,000	—	0.0%
Permits And Fees	946	5,000	5,000	5,000	—	0.0%
Temporary Help	71,739	—	197,548	118,528	118,528	N/A
Repair & Maintenance-Other	—	—	50	240	240	N/A
Courier And Delivery Services	41,727	94,000	94,000	94,000	—	0.0%
Other Services	1,277	2,000	2,000	2,200	200	10.0%
Office Supplies	885	1,730	800	1,800	70	4.0%
Other Supplies	(102)	—	—	—	—	N/A
Maintenance Materials	5,250	—	—	—	—	N/A
Non-Capital Projects	215,544	150,000	150,000	100,000	(50,000)	(33.3%)
Telephone-Local	960	1,440	1,440	2,400	960	66.7%
Airfare - Transportation	—	2,000	2,000	3,250	1,250	62.5%
Travel - Per Diem	726	1,000	1,000	1,750	750	75.0%
Seminar, Conferences, Registration	214	7,860	7,860	11,260	3,400	43.3%
Lodging	—	3,750	3,750	4,500	750	20.0%
Travel - Other	41	—	—	—	—	N/A
Business Meals - Local	596	500	500	1,000	500	100.0%
Postage	133	—	—	—	—	N/A
Expense Reimbursement	(226,795)	—	—	(2,166,737)	(2,166,737)	N/A
Capital Contributions-Other Jurisdictions	17,495,532	—	—	2,166,737	2,166,737	N/A
TOTAL OTHER EXPENSES	17,616,908	421,780	618,448	499,428	77,648	18.4%
TOTAL OPERATING EXPENSES	\$18,932,012	\$2,097,511	\$2,294,179	\$2,577,336	\$479,825	22.9%

Child Care and Learning Center

Functions and Responsibilities

The CapMetro Child Care and Learning Center is operated by Bright Horizons Family Solutions through a contract with CapMetro. The center provides an onsite child development environment to the families of CapMetro, 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 CapMetro employees is about 20 percent of operating costs and community members pay full tuition.

FY2022 Accomplishments

- ◆ Internal/External Customer Service Excellence
 - Increased customer satisfaction scores.
 - Updated the My Bright Day app that allow parents to receive bi-weekly, age-based notifications.
 - Continued utilizing My Bright Day as the main mode of written communication with parents.
- ◆ Financial and Environmental Sustainability
 - Reviewed and adjusted tuition levels to further reduce subsidy.
 - Maintained existing National Association for the Education of Young Children accreditation.
 - Explored opportunities to expand the childcare program in conjunction with the facility master plan.

FY2023 Planned Initiatives

- ◆ Customer
 - Continue operation of Childcare Center as a benefit to the community.
 - Review and adjust tuition levels and subsidies.
 - Maintain Eco Healthy Child Care Certification.
 - Strengthen Toward a Better World Curriculum focused on anti-racism, inclusion, and equity.

Budget Changes

Other Expenses

Increase of \$55,480 due to a contractual increase in Other Professional Fees for \$54,480.

	FY2021 Actual	FY2022 Budget	FY2022 Forecast	FY2023 Budget	Var \$ FY2023 vs. FY2022	Var % FY2023 vs. FY2022
OTHER EXPENSES						
Other Professional Fees	\$1,000,520	\$1,089,381	\$1,089,381	\$1,143,861	\$54,480	5.0 %
Other Supplies	—	12,000	12,000	13,000	1,000	N/A
TOTAL OTHER EXPENSES	1,000,520	1,101,381	1,101,381	1,156,861	55,480	5.0 %
TOTAL OPERATING EXPENSES	\$1,000,520	\$1,101,381	\$1,101,381	\$1,156,861	\$55,480	5.0 %

Community Engagement

Functions and Responsibilities

The Community Engagement department builds trust by meaningfully engaging our community in decision-making, serves as the agency's primary liaison with community groups and organizations, and manages several programs to facilitate community engagement with CapMetro.

FY2022 Accomplishments

◆ Internal/External Customer Service Excellence

- Expanded 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 at CapMetro special events.

◆ Stakeholder Engagement

- Developed policies and engagement plans for MetroArt, MetroMusic and placemaking for CapMetro stations with recommendations from MetroArt Committee and the community.
- Focused on opportunities that refresh the CapMetro brand, created greater awareness of Project Connect and instilled confidence in riding transit post-COVID-19 by creating unique educational and activation experiences.
- Supported engagement for Project Connect in coordination with the Austin Transit Partnership to support the engineering, design and implementation efforts.
- Collaborated with the CapMetro Strategic Planning department to launch phase I and phase II of equitable transit-oriented development (ETOD) engagement, with an emphasis on small focus groups to hear from communities of color.
- Supported agencywide potential fares program with the development of a community involvement plan and conducted virtual and in-person public meetings.
- Expanded MetroArt – Art on the Bus program in partnership with Creative Action to several area schools including Austin, Leander, Manor and Del Valle. This program is in collaboration with the marketing team, featuring student artwork on five vehicle wraps through an art engagement curriculum that focuses on sustainability and the value of transit.
- Developed year-long partnerships with several community partners including Austin Parks Foundation, Austin Area Urban League, League of Urban Latin American Citizens (LULAC), Dove Springs Proud, Todos Juntos Learning Center and Dress for Success.
- Created new partnerships with several organizations including Con Mi Madre, Latinitas, Six Square, E4Youth, Carver Museum, Mas Cultura and The New Philanthropists.
- Supported agency departments with outreach on service changes, FY2022 Budget, Pickup, MetroAccess, RFID enrollment and promotion of routes and services.
- Spearheaded Try Transit (a ridership initiative that teaches people how to ride via presentations at places of employment, senior centers and organizations, and through transit adventures for groups), K-12 Education and Rail Safety and Stuff the Bus (a new collaboration with H-E-B benefiting the School Supplies for the Children).

- Served as liaison between the Customer Satisfaction Advisory Committee (CSAC), Access Committee and CapMetro board.
- Began reporting ridership to the Transit Empowerment Fund board and distributing passes for nonprofit partners.
- ◆ Staff Development
 - Added two dedicated positions to programming of MetroArt, MetroCares and sponsorships.
 - Focused on streamlining agencywide sponsorship process and developed a sponsorship proposal system to keep track of requests, executive and board involvement and various department funds.
- ◆ Organizational Development
 - Launched Public Input to track public comments.

FY2023 Planned Initiatives

- ◆ Customer
 - Provide customer feedback to the appropriate departments when riders share their experience.
 - Engage riders regarding CapMetro services, programs and policy initiatives through at-stop outreach.
 - Conduct at-stop outreach during service changes.
 - Continue community engagement and MetroArt website which will be critical resources for information as fares and MetroArt program are implemented.
 - Support marketing in the rebranding effort for the agency, including updating community partners when sponsorship commitments are in place.
- ◆ Community
 - Engage new partners through the MetroArt program that includes the Diversity, Equity and Inclusion Bus Wrap projects, Project Connect New routes/groundbreaking events and MetroMusic events.
 - Support sustainability and innovative mobility by raising community awareness of MetroBike, new Pickup service zones and pilots designed to improve first-mile/last-mile connectivity.
 - Provide ongoing public engagement support during rollout of ETOD phases, potential fares program, MetroArt program and support Project Connect.
 - Develop partnerships with community-based organizations in diverse communities and continue to expand outreach to small city partners.
 - Increase efforts through digital touchpoints including social media, web surveys, virtual webinars and a live feedback platform. Reach and connect with a wider audience, provide more access to relevant information and heighten brand awareness.
 - Develop and conduct community specific Try Transit curriculum and presentations. Visit community members where they are and explore transit options in a direct and conversational setting.
 - Continue to develop curriculum and growth of education outreach and pilot to elementary-aged children. Expand more after-school programs throughout Austin. Improve on the process and adapt

to middle school-aged children with a focus on learning to ride, sustainability and the future of transit in Central Texas.

- Develop deeper outreach and engagement practices and systems. Increase specialized outreach to various audiences including those with hearing impairment, various languages and potential riders in areas of transit deserts.
- Develop more strategic community partnerships with underrepresented groups.

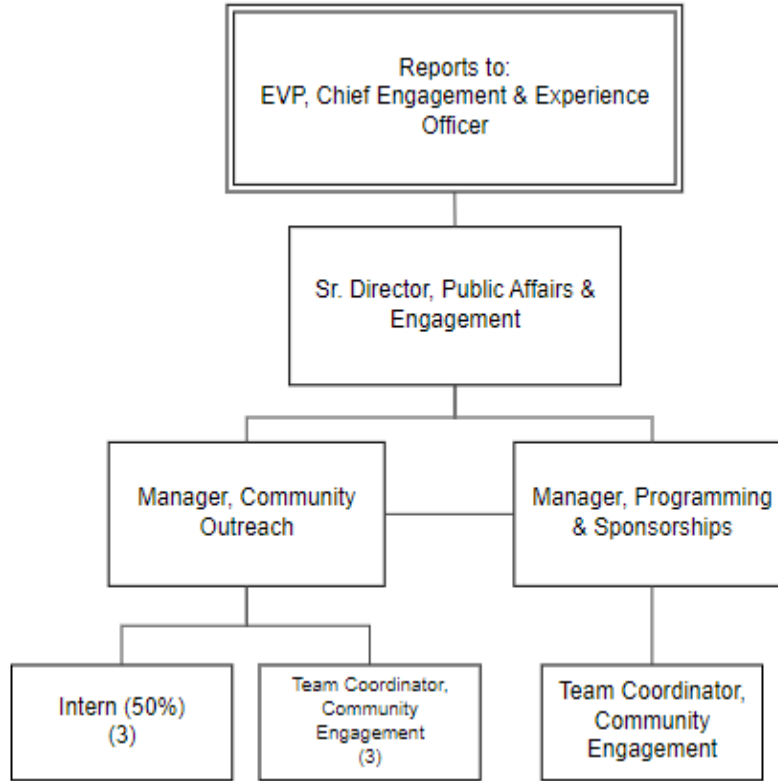
◆ Workforce

- Support agencywide recruitment efforts by collaborating with community partners to support diversity, equity and inclusion workforce development.
- Identify and provide outreach training/tips systemwide. Create training opportunities for CapMetro staff who volunteer at events sponsored by CapMetro.

◆ Organizational Effectiveness

- Launch Salesforce customer relations management software platform.
- Launch a self-guided transit adventure app. Partner with community organizations and local businesses to create tours highlighting important (and fun!) cultural aspects of Austin via CapMetro services.
- Continue to develop sponsorship process for agencywide initiatives. Create internal sponsorship surveys to receive feedback on quality of sponsorship.
- Continue to lead the use of Brand Besties at outreach events and create a streamlined approach to requesting and following up after events.
- Set a foundation for the MetroArt program by formalizing artist pool selection and juror process.
- Create a systematization of public involvement plans by formalizing the templates and documents needed for every plan.

Community Engagement Department Organizational Chart



Budget Changes

Labor and Benefits

Increase of \$53,375 due to the addition of 1 part-time FTE and the approved performance-based pay increases to become effective in January 2023.

Other Expenses

Increase of \$221,459 driven by \$89,000 in Consultation Fees for public involvement consultant for agencywide initiatives that require deep engagement. An increase of \$112,997 in Other Professional Fees for special event support and outreach. An increase of \$19,992 for Temporary Help to assist in Try Transit education. An increase of \$17,062 in Dues and Subscriptions for expansion of small chamber memberships. A decrease of \$25,008 in Other Miscellaneous Expenses to reduce the amount of passes distributed due to changes in fare structure.

	FY2021 Actual	FY2022 Budget	FY2022 Forecast	FY2023 Budget	Var \$ FY2023 vs. FY2022	Var % FY2023 vs. FY2022
LABOR & BENEFITS						
Salaries & Wages - Admin.	\$299,604	\$500,361	\$500,361	\$550,562	\$50,201	10.0%
FICA-Admin	25,427	37,603	37,603	40,596	2,993	8.0%
State Unemployment-Admin	1,298	1,439	1,439	1,620	181	12.6%
Other Benefits - Admin	(25)	—	—	—	—	N/A
TOTAL LABOR & BENEFITS	326,303	539,403	539,403	592,778	53,375	9.9%
OTHER EXPENSES						
Consultation Fees	209,853	90,000	90,000	179,000	89,000	98.9%
Other Professional Fees	404,554	651,999	745,000	764,996	112,997	17.3%
Temporary Help	27,556	60,000	60,000	79,992	19,992	33.3%
Repair & Maintenance-Other	155	—	—	—	—	N/A
Software Maintenance Contracts	21	—	—	—	—	N/A
Courier And Delivery Services	496	800	1,500	1,500	700	87.5%
Other Services	450	—	—	—	—	N/A
Office Supplies	1,370	5,000	8,000	8,400	3,400	68.0%
Training Materials	130	—	—	—	—	N/A
Other Supplies	7,559	—	—	—	—	N/A
Telephone-Local	1,320	3,360	3,360	4,476	1,116	33.2%
Dues And Subscriptions	17,951	17,000	26,000	34,062	17,062	100.4%
Airfare - Transportation	—	1,800	1,800	1,800	—	—%
Travel - Per Diem	—	900	900	900	—	—%
Seminar, Conferences, Registration	411	10,300	7,000	14,800	4,500	43.7%
Lodging	—	3,000	3,000	3,000	—	—%
Business Meals - Local	—	7,200	4,000	7,200	—	—%
Advertising/Promotion Media	2,525	—	—	—	—	N/A
Postage	16	200	200	200	—	—%
Other Miscellaneous Expenses	270	90,000	60,000	64,992	(25,008)	(27.8%)
Food and Ice	—	3,500	1,000	1,200	(2,300)	(65.7%)
Lease-Operating Yard/Storage	4,554	4,476	—	4,476	—	—%
TOTAL OTHER EXPENSES	679,190	949,535	1,011,760	1,170,994	221,459	23.3%
TOTAL OPERATING EXPENSES	\$1,005,493	\$1,488,938	\$1,551,163	\$1,763,772	\$274,834	18.5%

Customer Care

Functions and Responsibilities

The Customer Care department's goal is to enhance our customers' experience by assisting with trip planning; answering questions about fares, riding rules, and lost-and-found; and responding 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.

FY2022 Accomplishments

◆ Internal/External Customer Service Excellence

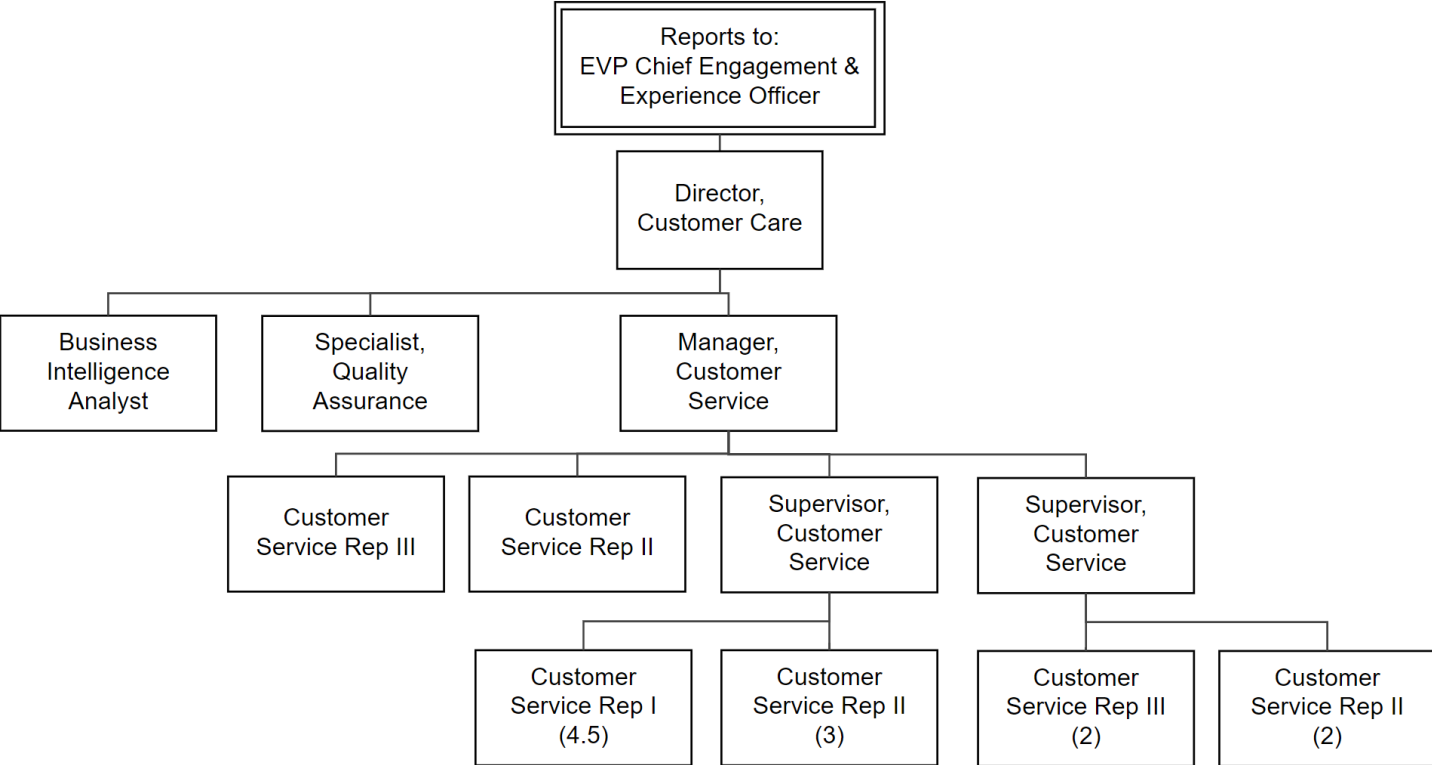
- For the 12 months ended March 2022, 95,340 customer calls were answered by agents, representing an increase of 22 percent compared to the prior 12 months.
- For the 12 months ended March 2022, the goal of answering 80% of calls within 60 seconds was met.
- For the 12 months ended March 2022, 13,020 customer comment reports were processed, up 45% compared to the prior 12 months.
- Continued the utilization of teleworking for staff, when needed, to ensure uninterrupted service to customers during the pandemic and severe weather events.
- Provided the senior management team with new monthly reports with periodic insights and recommendations based on customer feedback.
- Rolled out a new contact center system, complete with new features and capabilities, and explored web-based chat as a part of this new system.
- Participated in selection of a replacement CRM system and engaged in the migration to this new system.
- Refined our departmental people metrics and reporting with an emphasis on feedback and accountability.

FY2023 Planned Initiatives

◆ Customer

- Implement a new CRM system for tracking and reporting upon Customer Comment Reports.
- Support the rollout and customer transition to new payment systems under current development.
- Work with the OCC to improve customer response times, as new communication specialists are hired.
- Continue to provide senior management with data and analysis representing customer feedback and input.
- Pilot the use of web chat as a means of assisting customers.

Customer Care Department Organizational Chart



Budget Changes

Labor and Benefits

Increase of \$64,118 due to vacancies being budgeted at market median values offset by promotions and approved performance-based pay increases to become effective in January 2023.

Other Expenses

No significant changes.

	FY2021 Actual	FY2022 Budget	FY2022 Forecast	FY2023 Budget	Var \$ FY2023 vs. FY2022	Var % FY2023 vs. FY2022
LABOR & BENEFITS						
Salaries & Wages - Admin.	\$911,135	\$1,011,114	\$968,880	\$1,072,052	\$60,938	6.0 %
Overtime - Administrative	17,294	39,000	39,000	39,001	1	0.0 %
FICA-Admin	67,712	75,872	72,712	79,046	3,174	4.2 %
State Unemployment-Admin	2,304	3,417	3,237	3,422	5	0.1 %
Supplemental Sick	1,633	—	—	—	—	N/A
Other Benefits - Admin	(50)	—	—	—	—	N/A
TOTAL LABOR & BENEFITS	1,000,028	1,129,403	1,083,829	1,193,521	64,118	5.7 %
OTHER EXPENSES						
Maintenance-Office Equipment	—	1,000	600	1,000	—	0.0 %
Other Services	5,056	8,590	5,490	8,790	200	2.3 %
Office Supplies	676	2,400	2,400	2,400	—	0.0 %
Telephone-Local	1,440	1,920	1,440	1,920	—	0.0 %
Airfare - Transportation	—	800	—	800	—	0.0 %
Travel - Per Diem	—	303	303	553	250	82.5 %
Seminar, Conferences, Registration	—	3,750	—	4,300	550	14.7 %
Lodging	—	800	800	1,200	400	50.0 %
Postage	360	60	40	60	—	0.0 %
Food and Ice	360	60	—	360	(60)	N/A
TOTAL OTHER EXPENSES	7,892	19,683	11,073	21,383	1,700	8.6 %
TOTAL OPERATING EXPENSES	\$1,007,921	\$1,149,086	\$1,094,902	\$1,214,904	\$65,818	5.7 %

Demand Response Control and Call Center Formerly Paratransit Reservations and Control Center

Functions and Responsibilities

The Demand Response Control and Call Center department is composed of the MetroAccess and Pickup control and call center. This department provides real-time dispatch, scheduling and advance trip reservations.

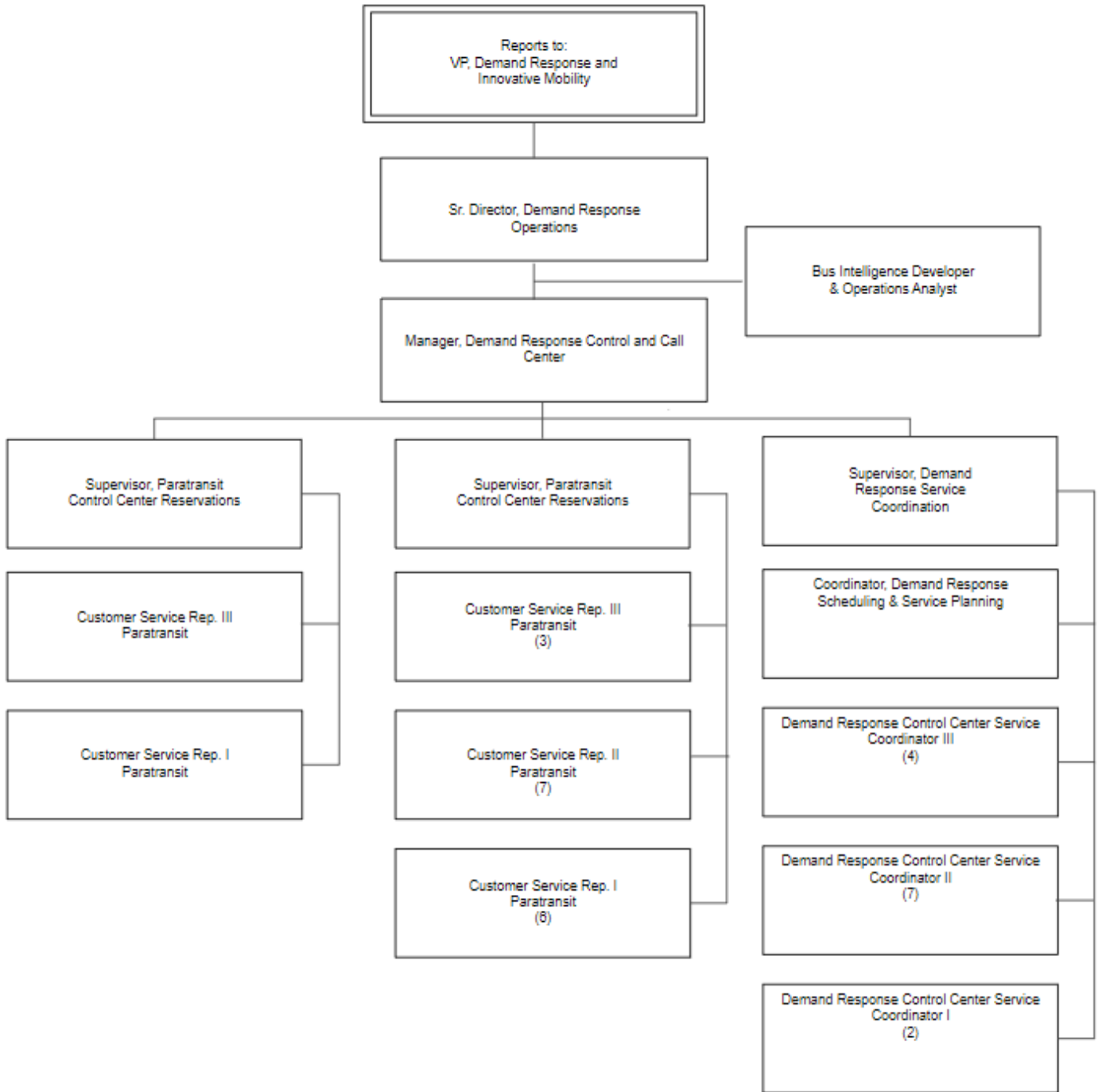
FY2022 Accomplishments

- ◆ Internal/External Customer Service Excellence
 - Deployed new phone system.
 - Launched customer web chat functionality.
 - Launched ADA-compliant paratransit scheduling, dispatch, reservations and eligibility software.

FY2023 Planned Initiatives

- ◆ Customer
 - Continue implementation of ADA accessible web interface for scheduling, dispatch and vehicles operators.
 - Continue implementation of ADA accessible customer facing web chat.
 - Continue implementation of ADA functionality for for trip booking, cancellation, vehicle arrival time, account management.and customer feedback.

Demand Response Control and Call Center Department Organizational Chart



Budget Changes

Labor and Benefits

Increase of \$209,871 due 1 new FTE and approved performance-based pay increases to become effective in January 2023.

Other Expenses

No substantial changes.

	FY2021 Actual	FY2022 Budget	FY2022 Forecast	FY2023 Budget	Var \$ FY2023 vs. FY2022	Var % FY2023 vs. FY2022
LABOR & BENEFITS						
Salaries & Wages - Admin.	\$1,696,041	\$1,969,731	\$1,969,731	\$2,161,785	\$192,054	9.8%
Overtime - Administrative	179,585	—	—	—	—	N/A
FICA-Admin	135,227	147,628	147,628	159,060	11,432	7.7%
State Unemployment-Admin	5,889	6,841	6,841	7,020	179	2.6%
Supplemental Sick	3,761	—	—	—	—	N/A
Uniform Allowance-Admin.	—	—	—	6,206	6,206	N/A
Other Benefits - Admin	(25)	—	—	—	—	N/A
TOTAL LABOR & BENEFITS	2,020,479	2,124,200	2,124,200	2,334,071	209,871	9.9%
OTHER EXPENSES						
Temporary Help	(5,680)	124,800	40,000	124,800	—	0.0%
Other Services	10,589	28,000	28,000	28,000	—	0.0%
Other Supplies	—	3,600	2,200	3,600	—	0.0%
Telephone-Local	960	—	240	—	—	N/A
Dues And Subscriptions	—	375	375	375	—	0.0%
Airfare - Transportation	—	800	800	800	—	0.0%
Travel - Per Diem	—	400	400	450	50	12.5%
Seminar, Conferences, Registration	435	1,000	1,000	1,000	—	0.0%
Lodging	—	1,000	1,000	1,000	—	0.0%
Postage	7	2,820	2,000	2,820	—	0.0%
TOTAL OTHER EXPENSES	6,310	162,795	76,015	162,845	50	0.0%
TOTAL OPERATING EXPENSES	\$2,026,789	\$2,286,995	\$2,200,215	\$2,496,916	\$209,921	9.2%

Demand Response Oversight

Functions and Responsibilities

The Demand Response Oversight department oversees CapMetro's paratransit service contractors. Costs related to paratransit services compliant with the Americans with Disabilities Act (ADA) are budgeted in this department.

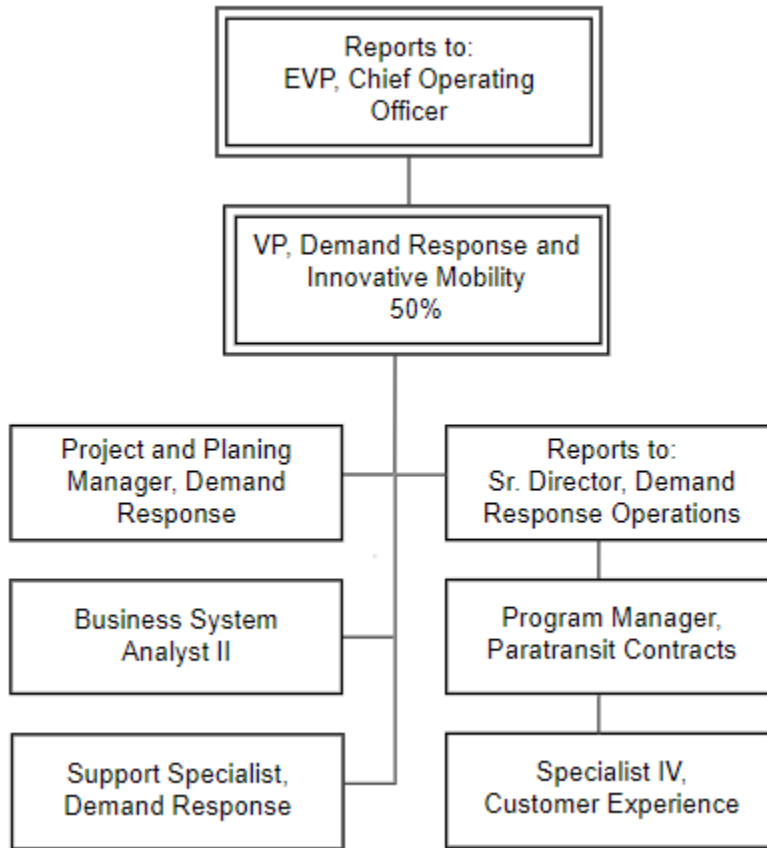
FY2022 Accomplishments

- ◆ Internal/External Customer Service Excellence
 - Awarded paratransit scheduling and eligibility replacement software.
 - Provided emergency transportation during winter weather event.
 - Delivered water during public health emergencies.
 - Operated the Vaccine-Access program.
 - Deployed retired vehicles to nonprofits agencies.
- ◆ Financial and Environmental Sustainability
 - Prepared analysis on contractor's employee benefits in preparation of new service contract.
 - Completed vehicle procurement.
 - Developed Flex Service schedules.
 - Created deadhead scenarios for facility site selection.

FY2023 Planned Initiatives

- ◆ Customer
 - Implement paratransit replacement software which integrates voice, text, email and account-based technology.
 - Conduct a Metro Access customer satisfaction survey.
 - Assist with emergency management services as required.

Demand Response Oversight Organizational Chart



Budget Changes

Labor and Benefits

Increase of \$82,731 from 1 new FTE and approved performance-based pay increases to become effective in January 2023.

Other Expenses

Increase of \$7,536,647 driven by a \$6,467,283 increase in the North Base Paratransit, Georgetown Paratransit, and South Base Paratransit contractual rates offset by a decrease of \$183,000 in Other Supplies for completion of Safety Blitzes for staff and service providers. Diesel, Gasoline and Fuel-North Operations has a net increase of \$1,081,164 driven by higher fuel prices. Diesel fuel costs are projected at an average per gallon with taxes of \$2.40 for FY2023, an increase of \$0.50 per gallon compared to FY2022.

	FY2021 Actual	FY2022 Budget	FY2022 Forecast	FY2023 Budget	Var \$ FY2023 vs. FY2022	Var % FY2023 vs. FY2022
LABOR & BENEFITS						
Salaries & Wages - Admin.	\$356,198	\$445,302	\$445,302	\$527,207	\$81,905	18.4%
FICA-Admin	24,962	37,450	37,450	38,093	\$643	1.7%
State Unemployment-Admin	504	807	807	990	\$183	22.7%
Other Benefits - Admin	(25)	—	—	—	—	N/A
TOTAL LABOR & BENEFITS	381,639	483,559	483,559	566,290	82,731	17.1%
OTHER EXPENSES						
Maintenance-Radios	4,576	2,860	3,000	3,000	140	4.9%
Other Services	—	—	—	10,000	10,000	N/A
Diesel	456,930	425,106	430,000	579,035	153,929	36.2%
Gasoline	703,175	840,912	850,000	1,766,380	925,468	110.1%
Office Supplies	10,871	12,000	12,000	12,000	—	0.0%
Maps And Schedules	—	600	590	600	—	0.0%
Other Supplies	682	204,200	140,000	21,200	(183,000)	(89.6%)
Telephone-Local	960	4,320	3,840	3,360	(960)	(22.2%)
Diesel Fuel Tax	47,522	50,013	50,000	52,640	2,627	5.3%
Gasoline Fuel Tax	28,362	98,933	95,000	88,319	(10,614)	(10.7%)
North Base Paratransit	9,635,586	10,513,118	10,464,557	13,558,462	3,045,344	29.0%
Georgetown Paratransit	196,570	259,200	260,000	357,696	98,496	38.0%
South Base Paratransit	17,235,852	19,530,892	16,943,739	22,952,831	3,421,939	17.5%
Bikeshare	1,018	—	—	—	—	N/A
Dues And Subscriptions	1,047	750	750	750	—	0.0%
Airfare - Transportation	4,269	5,200	5,200	2,400	(2,800)	(53.8%)
Travel - Per Diem	1,160	2,800	2,800	1,700	(1,100)	(39.3%)
Seminar, Conferences, Registration	1,919	1,650	1,650	1,400	(250)	(15.2%)
Lodging	2,432	7,000	7,000	3,500	(3,500)	(50.0%)
Advertising/Promotion Media	1,106	—	—	—	—	N/A
Other Miscellaneous Expenses	188	—	—	—	—	N/A
Food and Ice	55	—	—	—	—	N/A
5120801 - Lease-Vehicles	—	—	—	80,928	80,928	N/A
TOTAL OTHER EXPENSES	28,334,280	31,959,554	29,270,126	39,496,201	7,536,647	23.6%
TOTAL OPERATING EXPENSES	\$28,715,918	\$32,443,113	\$29,753,685	\$40,062,490	\$7,619,377	23.5%

Diversity, Equity and Inclusion Formerly Diversity and Compliance

Functions and Responsibilities

The Diversity, Equity and Inclusion department focuses on the internal and external diversity, equity and inclusion (DEI) goals of CapMetro. The department is responsible for all elements of the DEI program including, workforce diversity and Equal Employment Opportunity (EEO) compliance, disadvantaged business enterprise (DBE) and small business enterprise (SBE) programs and Title VI of the Civil Rights Act of 1964. The department also monitors compliance with DBE and SBE requirements on contracts that include DBE or SBE goals.

FY2022 Accomplishments

- ◆ Internal/External Customer Service Excellence
 - Reviewed and monitored transit services for equity and compliance with the Title VI Plan.
 - Implemented a Language Assistance Plan to enhance understanding by customers with limited English proficiency.
- ◆ Stakeholder Engagement
 - Continued regular meetings of the DEI Community Advisory Group.
 - Continued partnerships with minority chambers of commerce, local governments, the Women's Business Council – Southwest and other advocacy groups.
 - Conducted networking events for companies that qualify as DBE and SBE to increase their participation in CapMetro projects.
 - Established goals for SBE and DBE participation in contracts that contain subcontracting opportunities.
 - Completed disparity study for the SBE program and an availability study for the DBE program.
 - Created small and minority business accelerator programs to increase participation in contracting opportunities.
- ◆ Financial and Environmental Sustainability
 - Established the triennial overall DBE goal for FY2023-25 as required by the Federal Transit Administration.
 - Accomplished a successful federal triennial review on DBE, Title VI and EEO.
- ◆ Staff Development
 - Engaged staff in DEI program through innovative training and establishment of employee resource groups.
 - Established talent pipelines to offer equitable career development opportunities.

FY2023 Planned Initiatives

◆ Customer

- Continue to ensure DEI is viewed as a business imperative.
- Review and monitor transit services for equity and compliance with the Title VI plan.
- Enhance the Language Assistance Plan to improve understanding by customers with limited English proficiency.
- Provide DEI training to executive staff, senior management and the entire agency.

◆ Community

- Continue regular meetings of the DEI Community Advisory Group.
- Conduct meetings with the newly established DEI Steering Committee.
- Establish greater partnerships with national organizations and transit agencies to establish DEI best practices.
- Continued partnerships with minority chambers of commerce, local governments, the Women's Business Council – Southwest, Div. Inc, National Diversity Council and other advocacy groups.
- Direct networking events for companies that qualify as DBE and SBE to increase their participation in CapMetro projects.
- Establish SBE and DBE participation goals in contracts with subcontracting opportunities.
- Implement the recommendations of the disparity study for the SBE program and the availability study for the DBE program.
- Create small and minority business accelerator programs to increase participation in contracting opportunities.

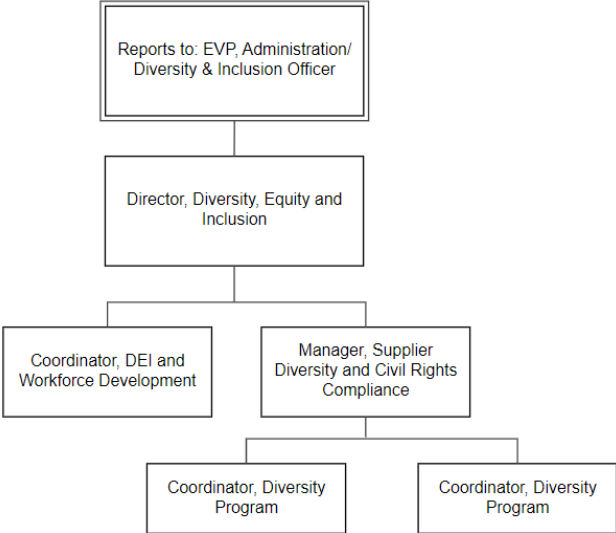
◆ Workforce

- Engage staff in DEI Program through innovative training and establishment of employee resource groups.
- Establish talent pipelines to offer equitable career development opportunities.

◆ Organizational Effectiveness

- Establish the triennial overall DBE goal for FY2024-26 as required by the Federal Transit Administration.

Diversity, Equity and Inclusion Department Organizational Chart



Budget Changes

Labor and Benefits

Increase of \$138,607 due to 1 new FTE and the approved performance-based pay increases to become effective in January 2023.

Other Expenses

Increase of \$199,770 includes an increase in Consultation Fees in the amount of \$35,000 to add DEI training for all staff. An increase of \$33,900 in Dues and Subscriptions to add new minority chamber memberships and reallocate these costs from other departments. An increase in total Travel costs of \$23,700 to add participation in the National Diversity Council and training of new staff. An \$116,000 increase in Advertising to add bus wraps to commemorate holidays that celebrate diversity.

	FY2021 Actual	FY2022 Budget	FY2022 Forecast	FY2023 Budget	Var \$ FY2023 vs. FY2022	Var % FY2023 vs. FY2022
LABOR & BENEFITS						
Salaries & Wages - Admin.	\$268,238	\$350,578	\$350,578	\$479,827	\$129,249	36.9%
FICA-Admin	19,776	26,412	26,412	35,589	9,177	34.7%
State Unemployment-Admin	528	720	720	901	181	25.1%
Supplemental Sick	753	—	—	—	—	N/A
TOTAL LABOR & BENEFITS	289,294	377,710	377,710	516,317	138,607	36.7%
OTHER EXPENSES						
Consultation Fees	250,068	295,000	360,000	330,000	35,000	11.9%
Other Professional Fees	200	—	—	—	—	N/A
Other Services	812	12,500	12,500	7,500	(5,000)	(40.0%)
Office Supplies	292	6,200	2,000	1,200	(5,000)	(80.6%)
Dues And Subscriptions	29,100	46,100	69,500	80,000	33,900	73.5%
Airfare - Transportation	—	2,000	2,000	4,000	2,000	100.0%
Travel - Per Diem	—	1,500	1,000	2,020	520	34.7%
Seminar, Conferences, Registration	475	5,300	3,000	25,100	19,800	373.6%
Lodging	—	2,800	2,500	4,360	1,560	55.7%
Travel - Other	—	500	500	320	(180)	(36.0%)
Business Meals - Local	—	5,000	1,000	2,650	(2,350)	(47.0%)
Advertising/Promotion Media	3,497	—	35,000	116,000	116,000	N/A
Other Miscellaneous Expenses	10,000	16,980	9,480	20,500	3,520	20.7%
TOTAL OTHER EXPENSES	294,444	393,880	498,480	593,650	199,770	50.7%
TOTAL OPERATING EXPENSES	\$583,738	\$771,590	\$876,190	\$1,109,967	\$338,377	43.9%

Enterprise Program Management

Formerly Performance Management and Imagination

Functions and Responsibilities

The Enterprise Program Management department advances active performance management across the agency to instill data-driven decision-making as a means for continuous improvement. In addition, the department works with members of the board of directors and staff to develop, annually review and approve the corporate strategic plan; ensures that business units' priorities align with CapMetro's mission, vision and investments; and serves as a facilitator for strategic planning and management. The department will establish a Benchmarking Research Practice with a centralized research function that makes recommendations and offers information so that agency leaders can make more informed decisions. It also serves as an internal "consultant" to provide support to business units, research industry trends, successes, challenges and lessons learned.

FY2022 Accomplishments

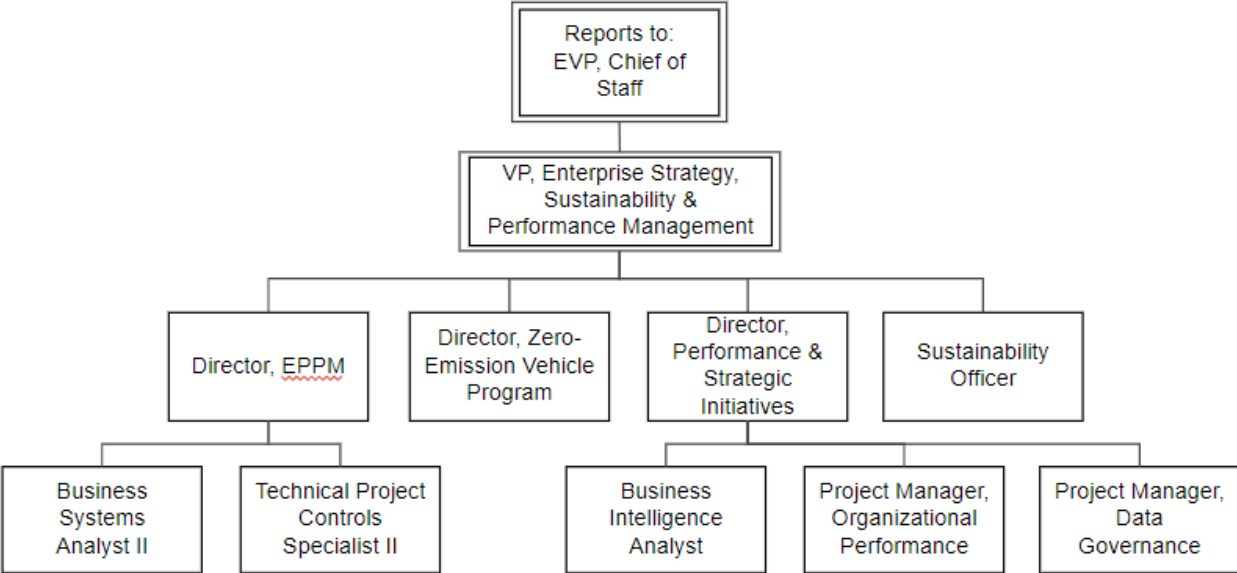
- ◆ Internal/External Customer Service Excellence
 - Developed the data warehouse/business intelligence (DW/BI) solution by creating a Center of Excellence to grow the agency toward a managed and rationalized DW/BI solution and organization.
- ◆ Financial and Environmental Sustainability
 - Coordinated a cohesive and strategic agencywide zero-emission fleet transition plan that positions the agency to economically achieve the goals of CapMetro's Climate Action Plan.

FY2023 Planned Initiatives

- ◆ Customer
 - Continue to leverage the data warehouse technology to refine performance dashboards to show timely and useful data that informs the board and public about agency performance by providing key data and reporting internally to improve where needed.
 - Develop a reporting plan to show progress on key strategic initiatives and key agency performance and progress towards accomplishing the agency's mission.
 - Revisit the strategic plan to ensure the agency is working on a plan that advances the agency's key goals and objectives.
- ◆ Community
 - Continue to engage the board of directors and key stakeholders in the development and implementation of the agency's strategic plan.
- ◆ Workforce
 - Continue to build on the center of excellence by hiring business intelligence staff to help promote a data-driven decision-making business culture.
 - Align employee performance plans with the strategic plan core values, goals and objectives.

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Enterprise Program Management Department Organizational Chart



Budget Changes

Labor and Benefits

Increase of \$474,612 due to 2 new FTEs, 4 FTEs from other departments, as well as approved performance-based pay increases to become effective in January 2023.

Other Expenses

Decrease of \$81,550 due to a decrease in Consultation fees of \$90,000.

	FY2021 Actual	FY2022 Budget	FY2022 Forecast	FY2023 Budget	Var \$ FY2023 vs. FY2022	Var % FY2023 vs. FY2022
LABOR & BENEFITS						
Salaries & Wages - Admin.	\$570,376	\$831,455	\$831,455	\$1,276,195	\$444,740	53.5 %
Overtime - Administrative	394	—	—	—	—	N/A
FICA-Admin	40,158	61,201	61,201	90,562	29,361	48.0 %
State Unemployment-Admin	711	1,080	1,080	1,796	716	66.3 %
Automobile	—	7,201	7,201	6,996	(205)	(2.8 %)
TOTAL LABOR & BENEFITS	611,639	900,937	900,937	1,375,549	474,612	52.7 %
OTHER EXPENSES						
Consultation Fees	30,844	220,000	160,000	130,000	(90,000)	(40.9 %)
Office Supplies	149	450	450	400	(50)	(11.1 %)
Telephone-Local	480	480	240	480	—	0.0 %
Dues And Subscriptions	—	—	—	1,650	1,650	N/A
Airfare - Transportation	—	6,800	6,800	9,500	2,700	39.7 %
Travel - Per Diem	—	3,400	3,400	4,400	1,000	29.4 %
Seminar, Conferences, Registration	2,164	10,000	7,500	11,150	1,150	11.5 %
Lodging	—	7,400	6,500	9,000	1,600	21.6 %
Business Meals - Local	9,665	—	—	—	—	N/A
Food and Ice	4,249	—	—	400	400	N/A
TOTAL OTHER EXPENSES	47,551	248,530	184,890	166,980	(81,550)	(32.8 %)
TOTAL OPERATING EXPENSES	\$659,189	\$1,149,467	\$1,085,827	\$1,542,529	\$393,062	34.2 %

Executive Staff

Functions and Responsibilities

The Executive Staff department provides leadership and direction to ensure that CapMetro meets its mission, goals and objectives; it also serves as the liaison to the board of directors on policy issues. 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 CapMetro'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 both internal teams and concerned stakeholders. The Executive Staff ensures that members of the Senior Management Team have the resources they need to achieve their departmental goals.

FY2022 Accomplishments

- ◆ Internal/External Customer Service Excellence
 - Installed new bus stop amenities, including benches, shelters, real-time information, shading, lighting and cameras.
 - Introduced replacement and additional buses to the CapMetro fleet, including electric buses, commuter coaches, MetroRapid buses and transit buses.
 - Continued improvements to MetroRail, including new station plans, double-tracking, the completion of the positive train control system, new ticket vending machines and real-time information displays.
- ◆ Stakeholder Engagement
 - Continued 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 efforts that will further demonstrate the value of transit to existing and future CapMetro customers.
 - Continued robust community engagement efforts to build community support for Project Connect and foster new and innovative partnerships to educate the community on the benefits of high-capacity transit.
- ◆ Financial and Environmental Sustainability
 - Continued expansion of electric bus fleet.
- ◆ Staff Development
 - Continued staff engagement and identified new professional development opportunities across all departments. Scheduled employee town halls and expanded program access to all frontline employees. Cross-trained between departments to encourage professional development.

FY2023 Planned Initiatives

- ◆ Customer
 - Launch the new customer payment systems and fare structure to increase ease of access for customers and improve equity within the agency's fares. Fare capping will allow our most frequent customers a benefit for their use of CapMetro, while the Equifare fare category will ensure people

with the least economic resources have equitable access to transit. Finally, the Amp account-based system will facilitate these new fare categories, modernize CapMetro's approach to fare collection and improve ease of fare payment for customers.

- Develop policies, procedures and structure for the new CapMetro transit police unit, in preparation for certification by the Texas Commission on Law Enforcement in FY2024. The CapMetro transit police unit is one part of a comprehensive approach to public safety that focuses on a context-sensitive and customer-centered approach to public safety needs.
- Launch new software to better support on-demand customers, including those using Pickup and MetroAccess services.
- Improve public access to board and committee meetings with a transition to the new boardroom at CapMetro's administrative building (2910 East 5th Street).

◆ Community

- Sustain partnerships with chambers of commerce, Movability Austin and other local community organizations to increase awareness of CapMetro as a valued community partner and better connect residents with transit services.
- Continue robust community engagement efforts to build community support for Project Connect and foster new and innovative partnerships to educate the community on the benefits of high-capacity transit.
- Complete a disparity study and an availability study to better inform the CapMetro DBE program and to provide data for the creation of small and minority business accelerator programs in order to increase participation in CapMetro contracting opportunities.
- Continue to support the communities we serve, as well as our community partners and peer agencies during times of emergency.

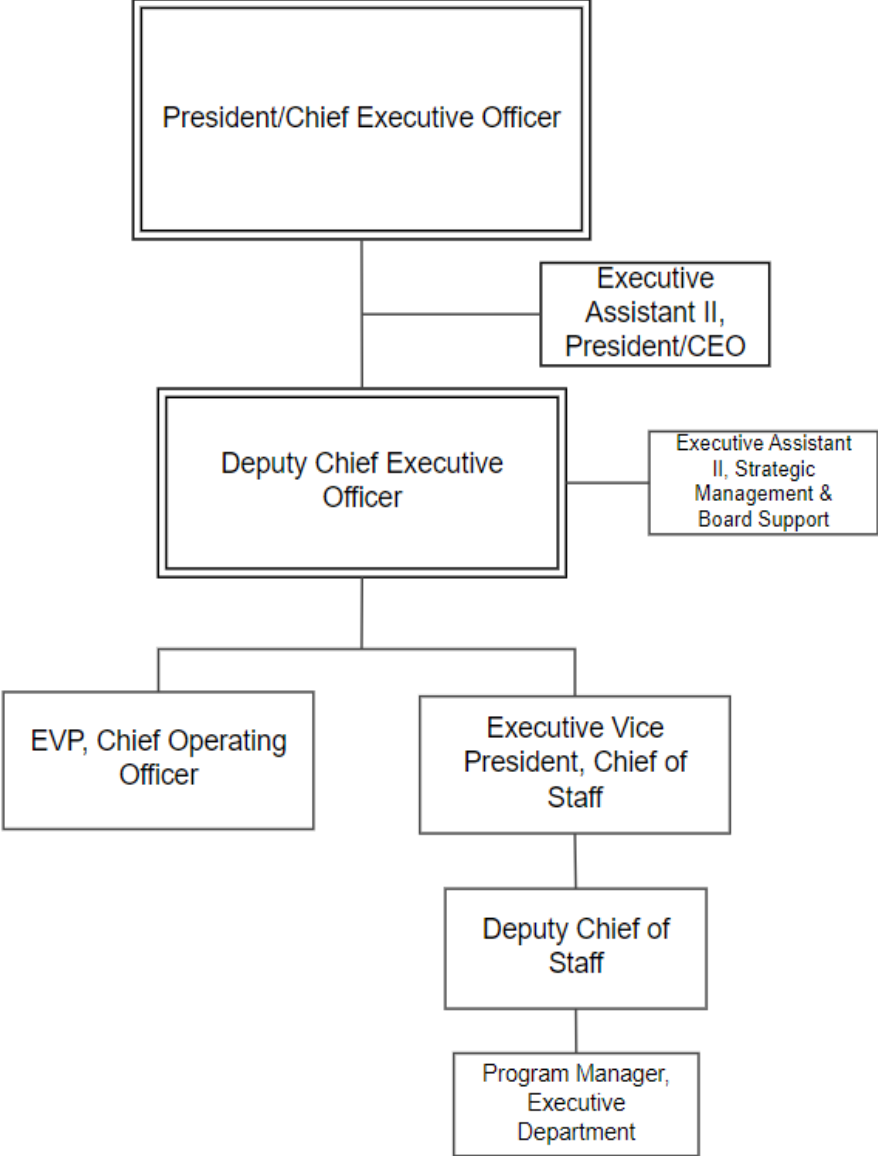
◆ Workforce

- Support our front-line employees through completion of the new training and break facilities at CapMetro's headquarters (2910 East 5th Street).
- Continue work to rebound from impacts CapMetro and the larger transit industry felt during the pandemic recovery, ensuring CapMetro is providing first-class recruitment and retention programs, supporting our workforce and preparing for expanded workforce needs to support future service.

◆ Organizational Effectiveness

- Accept delivery of and begin service with 56 all-electric revenue service vehicles, the next phase of CapMetro's electric fleet as part of the CapMetro Electric Transition Plan.
- Continue to leverage the data warehouse technology to refine performance dashboards to show timely and useful data that informs the board and public about agency performance by providing key data and reporting internally to improve where needed.
- Develop a reporting plan to show progress on key strategic initiatives and key agency performance and progress towards accomplishing the agency's mission.
- Continue work to prepare for operational readiness of new transit infrastructure, including programs and projects that are part of Project Connect.

Executive Staff Department Organizational Chart



Budget Changes

Labor and Benefits

Increase of \$521,221 due to the addition of 2 new FTEs, 2 transfers from Operations and Maintenance Oversight and the approved performance-based pay increases to become effective in January 2023.

Other Expenses

Increase of \$34,310 due to \$40,950 in all Travel related expenses for the return to in-person conferences and seminars. Reduction in Other Miscellaneous Expenses of \$8,200 due to less need for outside meeting spaces.

	FY2021 Actual	FY2022 Budget	FY2022 Forecast	FY2023 Budget	Var \$ FY2023 vs. FY2022	Var % FY2023 vs. FY2022
LABOR & BENEFITS						
Salaries & Wages - Admin.	\$605,233	\$751,637	\$751,637	\$1,243,257	\$491,620	65.4%
Executive Compensation	50,000	41,938	41,938	42,000	62	0.1%
FICA-Admin	32,835	39,842	39,842	68,840	28,998	72.8%
State Unemployment-Admin	432	720	720	1,261	541	75.1%
TOTAL LABOR & BENEFITS	688,500	834,137	834,137	1,355,358	521,221	62.5%
OTHER EXPENSES						
Office Supplies	5,694	—	—	—	—	N/A
Telephone-Local	2,648	2,000	2,000	2,400	400	20.0%
Dues And Subscriptions	360	1,920	2,400	2,880	960	50.0%
Airfare - Transportation	67,064	147,725	145,880	139,225	(8,500)	(5.8%)
Travel - Per Diem	17	8,500	8,500	20,000	11,500	135.3%
Seminar, Conferences, Registration	40	4,600	4,600	8,250	3,650	79.3%
Lodging	3,135	20,800	20,800	30,600	9,800	47.1%
Travel - Other	471	14,500	14,500	39,000	24,500	169.0%
Business Meals - Local	—	2,760	2,000	2,660	(100)	(3.6%)
Postage	23	—	250	—	—	N/A
Other Miscellaneous Expenses	920	19,200	19,200	11,000	(8,200)	(42.7%)
Food and Ice	1,608	1,200	1,200	1,500	300	25.0%
TOTAL OTHER EXPENSES	81,980	223,205	221,330	257,515	34,310	15.4%
TOTAL OPERATING EXPENSES	\$770,480	\$1,057,342	\$1,055,467	\$1,612,873	\$555,531	52.5%

Finance

Functions and Responsibilities

The Finance department is responsible for monitoring CapMetro'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, insurance and risk management.

FY2022 Accomplishments

◆ Internal/External Customer Service Excellence

- Provided enhancements to the technology roadmap and developed Equifare and fare capping pilot programs to modernize the agency's fare collection systems to implement an account-based backend system that will provide modern fare products and simple-to-use, convenient solutions for customers that are cost-effective to implement and maintain. Developed contactless smart-card solution for 7 and 31 days that provides added convenience and safety for the riders.

◆ Financial and Environmental Sustainability

- Received the Government Finance Officers Association Distinguished Budget Presentation Award for the FY2022 Budget document.
- Received the Government Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting for the FY2020 Annual Comprehensive Financial Report. The FY2021 Annual Comprehensive Financial Report has been completed, submitted and is currently under review.
- Received an unmodified opinion from CapMetro's independent accounting firm on the FY2021 financial statements and no single audit findings or internal control deficiencies were noted.
- Completed a comprehensive long-range financial plan spanning FY2023 to FY2042.
- Continued to support the Austin Transit Partnership and the implementation of the Project Connect program of projects.
- Completed the design, development and testing of a new Enterprise Resource Planning (ERP) system. Prepared for deployment of the new ERP system in FY2023. The system includes automated inventory tracking management and recordkeeping system to control and distribute passes. There will be integrated account reconciliations, more streamlined automated reporting and compliance with new government pronouncements related to the accounting for leases. The new ERP will include automating fuel, passes and parts inventory interfaces from asset management and new point of sale systems.
- Awarded grants from the following discretionary grant programs: FY2021 Pilot Program for Transit-Oriented Development (TOD) Planning, FY2021 Route Planning Restoration Program, FY2022 Bus and Bus Facilities Competitive Grant Program, FY2022 Transit Security Grant Program and two separate awards under the FY2022 Capital Improvement Grants – Small Starts Program.
- Grant applications submitted for discretionary grants and pending project selection announcements: FY2022 Low or No Emission Bus and Bus Facilities Program and the FY2022 Pilot Program for Transit-Oriented Development (TOD) Planning Program.

◆ Organizational Development

- For treasury cash collection services, armored car services were changed for increased frequency in cash collections and improved service that reduces the level of cash on hand risk.
- Automated the agency's check printing and lockbox services.

FY2023 Planned Initiatives

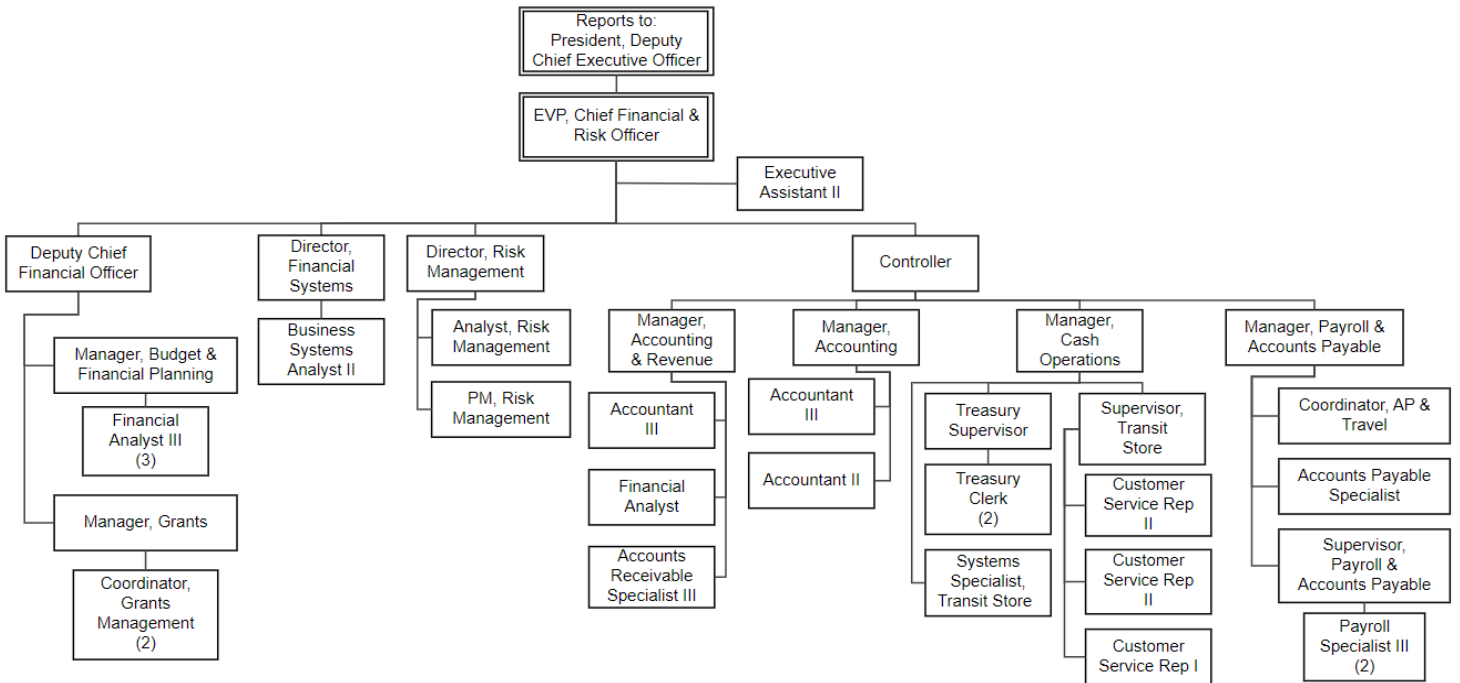
◆ Customer

- Continue with the implementation of the agency's technical roadmap 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.
- Ongoing multiyear installation of ticket vending machines at selected bus stops and Park & Rides.

◆ Organizational Effectiveness

- Pursue additional funding opportunities that align with the agency's objectives.
- Continue to support the Austin Transit Partnership and the implementation of the Project Connect program of projects.
- Deploy new ERP system to include financials, procurement, budget and planning and human capital management modules.
- Complete the FY2024 Budget and submit the FY2023 Budget document to the Government Finance Officers Association for award consideration.
- Complete the FY2022 Annual Comprehensive Financial Report and submit it to the Government Finance Officers Association for award consideration.
- Receive an unmodified opinion from CapMetro's independent accounting firm on the FY2022 financial statements and no single audit findings or internal control deficiencies.
- Update the long-range financial plan to prioritize the agency's operating and capital expenditure and plan for strategic initiatives.

Finance Department Organizational Chart



Budget Changes

Labor and Benefits

Increase of \$506,105 due to 2.5 new FTEs as well as approved performance-based pay increases to become effective in January 2023.

Other Expenses

Increase of \$635,145 due to an increase in Contingency Reserve of \$2 million. This is offset by reductions of \$330,300 in Consultation Fees, \$252,000 in Temporary Help, \$594,294 in Passes and Tickets, and \$294,840 in Bank Charges.

	FY2021 Actual	FY2022 Budget	FY2022 Forecast	FY2023 Budget	Var \$ FY2023 vs. FY2022	Var % FY2023 vs. FY2022
LABOR & BENEFITS						
Salaries & Wages - Admin.	\$2,766,249	\$3,161,825	\$3,161,825	\$3,636,892	\$475,067	15.0%
Overtime - Administrative	5,694	—	—	—	—	N/A
FICA-Admin	196,692	231,076	231,076	261,575	30,499	13.2%
State Unemployment-Admin	49,729	6,300	6,300	6,839	539	8.6%
Expense For W/C Claims	—	99,999	99,999	99,999	—	—%
W/C Admin Fees (2% Of Claims)	—	596	596	596	—	—%
Premiums For W/C Losses	—	40,000	40,000	40,000	—	—%
Supplemental Sick	4,792	—	—	—	—	N/A
Other Benefits - Admin	(75)	—	—	—	—	N/A
TOTAL LABOR & BENEFITS	3,023,081	3,539,796	3,539,796	4,045,901	506,105	14.3 %
OTHER EXPENSES						
Audit Fees	238,304	427,500	465,500	450,000	22,500	5.3%
Consultation Fees	100,315	396,300	424,600	66,000	(330,300)	(83.3%)
Other Professional Fees	229,770	258,700	250,000	340,900	82,200	31.8%
Permits And Fees	175	—	—	—	—	N/A
Temporary Help	94,190	396,000	240,000	144,000	(252,000)	(63.6%)
Maintenance-Office Equipment	575	—	—	—	—	N/A
Repair & Maintenance-Other	1,772	—	—	—	—	N/A
Courier And Delivery Services	33,728	34,800	39,600	35,400	600	1.7%
Other Services	350,054	350,000	350,000	350,000	—	—%
Office Supplies	14,592	9,600	9,600	10,200	600	6.3%
Passes And Tickets	55,307	626,000	626,000	31,706	(594,294)	(94.9%)
Training Materials	392	—	—	—	—	N/A
Other Supplies	—	11,700	11,500	1,440	(10,260)	(87.7%)
Non Capital Equipment	9,268	—	—	—	—	N/A
Non-Capital Projects	6	—	—	—	—	N/A
Telephone-Local	2,440	3,840	2,400	3,000	(840)	(21.9%)
Property Insurance Premiums	—	158,000	158,000	158,000	—	—%
Physical Damage Recoveries	—	(10,000)	—	—	10,000	(100.0%)

	FY2021 Actual	FY2022 Budget	FY2022 Forecast	FY2023 Budget	Var \$ FY2023 vs. FY2022	Var % FY2023 vs. FY2022
Rail Liability Claim Payments	—	200,000	200,000	200,000	—	—%
Vehicle Liability Premiums	—	50,000	50,000	57,775	7,775	15.6%
Auto Liability Loss	—	200,000	100,000	200,000	—	—%
Public Officials Liab. Premiums	—	59,085	41,000	59,085	—	—%
Crime Insurance Premium	—	10,000	10,000	10,000	—	—%
Other Business Insurance	—	177,906	175,000	177,906	—	—%
Dues And Subscriptions	16,134	13,696	12,000	12,250	(1,446)	(10.6%)
Airfare - Transportation	—	1,700	1,700	2,000	300	17.6%
Travel - Per Diem	—	900	900	1,250	350	38.9%
Seminar, Conferences, Registration	3,184	4,300	6,000	5,300	1,000	23.3%
Lodging	—	2,500	2,500	2,900	400	16.0%
Travel - Other	—	1,200	1,000	600	(600)	(50.0%)
Bad Debt Expense	—	12,000	12,000	15,000	3,000	25.0%
Contingency Reserve	—	5,000,000	5,000,000	7,000,000	2,000,000	40.0%
Postage	2,140	7,200	2,400	3,000	(4,200)	(58.3%)
Bank Charges	63,874	360,840	360,000	66,000	(294,840)	(81.7%)
Other Miscellaneous Expenses	4,706	—	—	—	—	N/A
Food and Ice	3,457	—	—	—	—	N/A
Asset Disposal Exp And Admin Fees	760	6,000	2,400	1,200	(4,800)	(80.0%)
Suburban Comm - San Leanna	14,000	—	—	—	—	N/A
Expense Reimbursement	(16,940)	—	—	—	—	N/A
TOTAL OTHER EXPENSES	1,222,203	8,769,767	8,554,100	9,404,912	635,145	7.2 %
TOTAL OPERATING EXPENSES	\$4,245,283	\$12,309,563	\$12,093,896	\$13,450,813	\$1,141,250	9.3%

Government Affairs Formerly Government Relations

Functions and Responsibilities

The purpose of the Government Affairs 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.

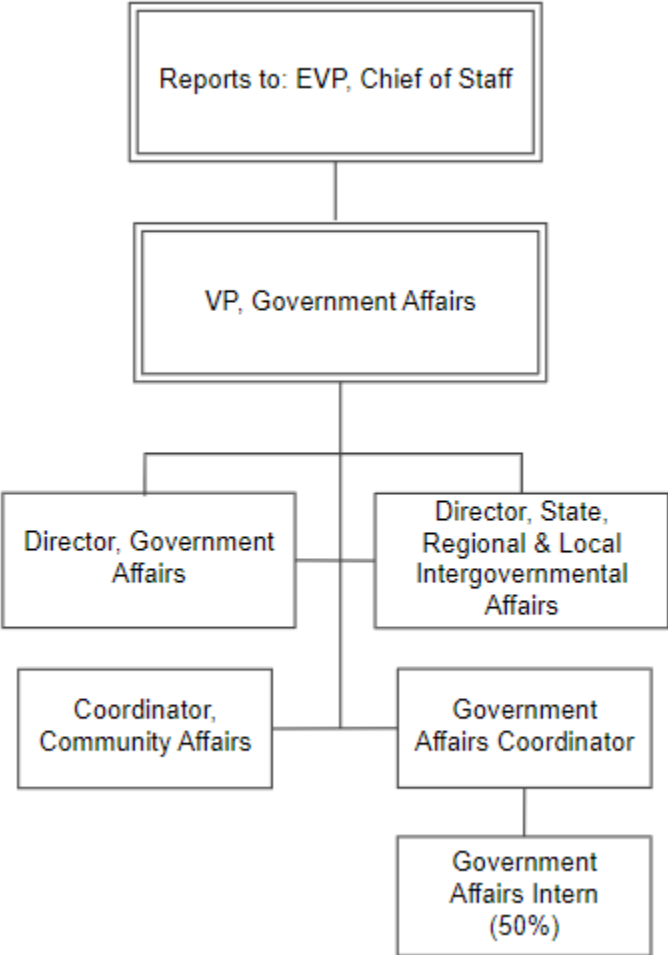
FY2022 Accomplishments

- ◆ Internal/External Customer Service Excellence
 - Pursued transit-friendly policy and advocated against policy that is detrimental to supporting multi-modal transportation and land use.
 - Worked with community leaders and strengthened ties throughout the region to develop transportation solutions to meet the needs of those communities.
- ◆ Financial and Environmental Sustainability
 - Identified federal grant opportunities and coordinated responses for competitive applications.
- ◆ Stakeholder Engagement
 - Continued to use opportunities to educate partner agencies and elected officials at all levels throughout the region about Project Connect and the value of transit.
 - Built support for entry into the Capital Investment Grants Program.
 - Engaged other transit authorities across the state to pursue common goals and advocate for the agency's legislative agenda during the 87th Texas Legislature.

FY2023 Planned Initiatives

- ◆ Customer
 - 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.
- ◆ Organizational Effectiveness
 - Identify federal grant opportunities and coordinate responses for competitive applications.
 - 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.
 - Continue work to support for entry into the Capital Investment Grants Program.
 - Engage other transit authorities across the state to pursue common goals during the interim and develop the agency's legislative agenda for the 88th Texas Legislature.

Government Affairs Department Organizational Chart



Budget Changes

Labor and Benefits

Increase of \$364,851 for the addition of 2 FTEs and the approved performance-based pay increases to become effective in January 2023.

Other Expenses

Decrease of \$106,307 due to a \$165,649 decrease in Consultation Fees for public relations and legislative contracts previously managed for Project Connect and a \$43,261 increase in Dues in Subscriptions to add memberships to new transit organizations.

	FY2021 Actual	FY2022 Budget	FY2022 Forecast	FY2023 Budget	Var \$ FY2023 vs. FY2022	Var % FY2023 vs. FY2022
LABOR & BENEFITS						
Salaries & Wages - Admin.	\$215,438	\$335,488	\$335,488	\$677,717	\$342,229	102.0%
FICA-Admin	16,687	25,329	25,329	47,592	22,263	87.9%
State Unemployment-Admin	541	720	720	1,079	359	49.9%
TOTAL LABOR & BENEFITS	232,666	361,537	361,537	726,388	364,851	100.9%
OTHER EXPENSES						
Consultation Fees	357,386	387,643	408,881	221,994	(165,649)	(42.7%)
Office Supplies	155	1,860	1,860	1,920	60	3.2%
Telephone-Local	960	1,440	1,440	1,920	480	33.3%
Dues And Subscriptions	48,706	27,570	34,570	70,831	43,261	156.9%
Airfare - Transportation	746	6,450	6,450	12,450	6,000	93.0%
Travel - Per Diem	266	2,500	2,500	5,440	2,940	117.6%
Seminar, Conferences, Registration	1,989	13,744	13,744	14,295	551	4.0%
Lodging	575	7,450	7,450	13,500	6,050	81.2%
Business Meals - Local	476	—	—	—	—	N/A
Other Miscellaneous Expenses	3,293	3,500	3,500	3,500	—	—%
TOTAL OTHER EXPENSES	414,551	452,157	480,395	345,850	(106,307)	(23.5%)
TOTAL OPERATING EXPENSES	\$647,217	\$813,694	\$841,932	\$1,072,238	\$258,544	31.8%

Information Technology

Functions and Responsibilities

CapMetro's Information Technology (IT) department establishes the technology vision and ensures innovative systems are delivered, maintained and aligned with the overall CapMetro strategic plan, which focuses on the customer journey and data-driven operations. It is the goal of IT to deliver exceptional customer service and innovative technology solutions through strategic planning, procurement and implementation of technology systems. IT ensures business continuity and system resiliency through highly available, fault tolerant and secured assets of CapMetro systems while providing 24/7 support of its enterprise infrastructure and transit technology systems.

FY2022 Accomplishments

◆ Internal/External Customer Service Excellence

- Successfully piloted account-based fare system that enables new fare program to ensure an equity-based fare system. Completed test phase and launch readiness for system go live in FY2023.
- See Something, Say Something app integrated into the CapMetro App to improve customer journey experience.
- Expanded ePaper messaging system to provide traveler information at high-frequency stops.
- Completed first phase of data warehouse and business intelligence platform; continually optimized and modified current data performance information on CapMetro website for data-driven operations.
- Deployed four additional rapid deploy video systems for greater customer communication to improve safety.
- Installed 67 onboard digital displays to provide real-time customer information.
- Completed initiation phase of the customer relationship management system (Salesforce).
- Provided project management and technology support for the procurement of 56 electric bus replacements.
- Fully deployed rail signal houses for security enhancements.
- Implemented new Transportation Security Administration (TSA) cyber security recommendations and requirements to mitigate security compliance risks.
- Provided project management and technology support for the procurement of 47 paratransit van replacement.
- Implemented Trapeze OPS-Web scheduling and dispatching that uses business intelligence and predictive analytics to establish the most optimal schedules and allows for self-service operator "sign-ups".
- Continued needs assessment and process improvement of agencywide messaging system.
- Enhanced web content management system with new functionality to support multiple communication channels.
- Upgraded GIS environment to ensure reliability and expand passenger informational capabilities.

- Launched Certified Payroll Software for automation of Davis-Bacon wage compliance for Procurement team.
- Began Rail Configuration Management System to replace in-house system with new system built on latest technologies.
- Continued second phase work for Enterprise Asset Management System.
- Expanded onboard tablets and installed software to improve on-time bus performance.
- ◆ Engaged Workforce
 - Expanded community engagement communication software greatly increasing customer engagement on topics such as Project Connect, service enhancements and Electric Bus expansions.
 - Replaced scheduling system (Trapeze PASS) with new system (Spare Labs) that greatly improved response times and overall operations.
 - Procured new ticketing vending machines and digital messaging signs for Project Connect team.
 - Assisted with MetroRapid Expo Center and Pleasant Valley station fabrication procurement and design.
- ◆ Financial and Environmental Sustainability
 - Continued progress for replacement of demand response software to meet current ADA accessibility requirements, improve operational efficiency and lower costs.
 - Implemented monitoring and alerting solution for the positive train control (PTC) network.
 - Completed replacement of phone system and expansion of communications capabilities.
 - Completed replacement of phase one enterprise asset management system.
 - Completed replacement of website content management system.
 - Completed acquisition and began implementation of a new enterprise resource management system to increase our financial management capabilities.
 - Improved cybersecurity program by implementing advanced technologies.
 - Replaced network infrastructure components maintaining lifecycle to ensure reliability and stability.
 - Replaced passenger Wi-Fi on MetroExpress fleet.
- ◆ Valued Community Partner
 - Completed integration of BCycle/MetroBike into the CapMetro App.

FY2023 Planned Initiatives

◆ Customer

- Launch account-based fare system to ensure equity-based fare programs.
- Roll-out traveler tool enhancements and real-time rider alerts for CapMetro App.
- Fully incorporate MetroBike as a CapMetro service to include replacement or expansion of the software and hardware components.
- Complete rail crossing security enhancements.
- Provide project management and technology support for the delivery of 56 electric buses into service.
- Implement Single Sign-On (SSO) solution to improve IT security and end-user productivity.
- Provide systems to support the launch of two new MetroRapid lines.
- Provide solution to managing power systems for electric fleet at all facilities.
- Provide systems for launch of McKalla Station.
- Complete procurement and begin implementation of the Farebox and Vaulting System.
- Implement Trapeze Rail Planning software for Planning department.
- Begin technology tool deployment for the Public Safety and Emergency Management program.
- Expand ticket vending machines to selected high-frequency stops.
- Develop regional trip planning framework.
- Assist launch of new Public Safety vehicles and technologies.
- Complete a Long-term Technology Roadmap.
- Maintain 98% or greater availability of all systems.

◆ Community

- Continue implementation of a data warehouse and business intelligence platform for data-driven operations.
- Expand rollout of community engagement software to increase project information to customers.
- Continue participation in Austin Smart Cities Association (ASCA) and Austin Technology Council (ATC) leadership and initiatives.

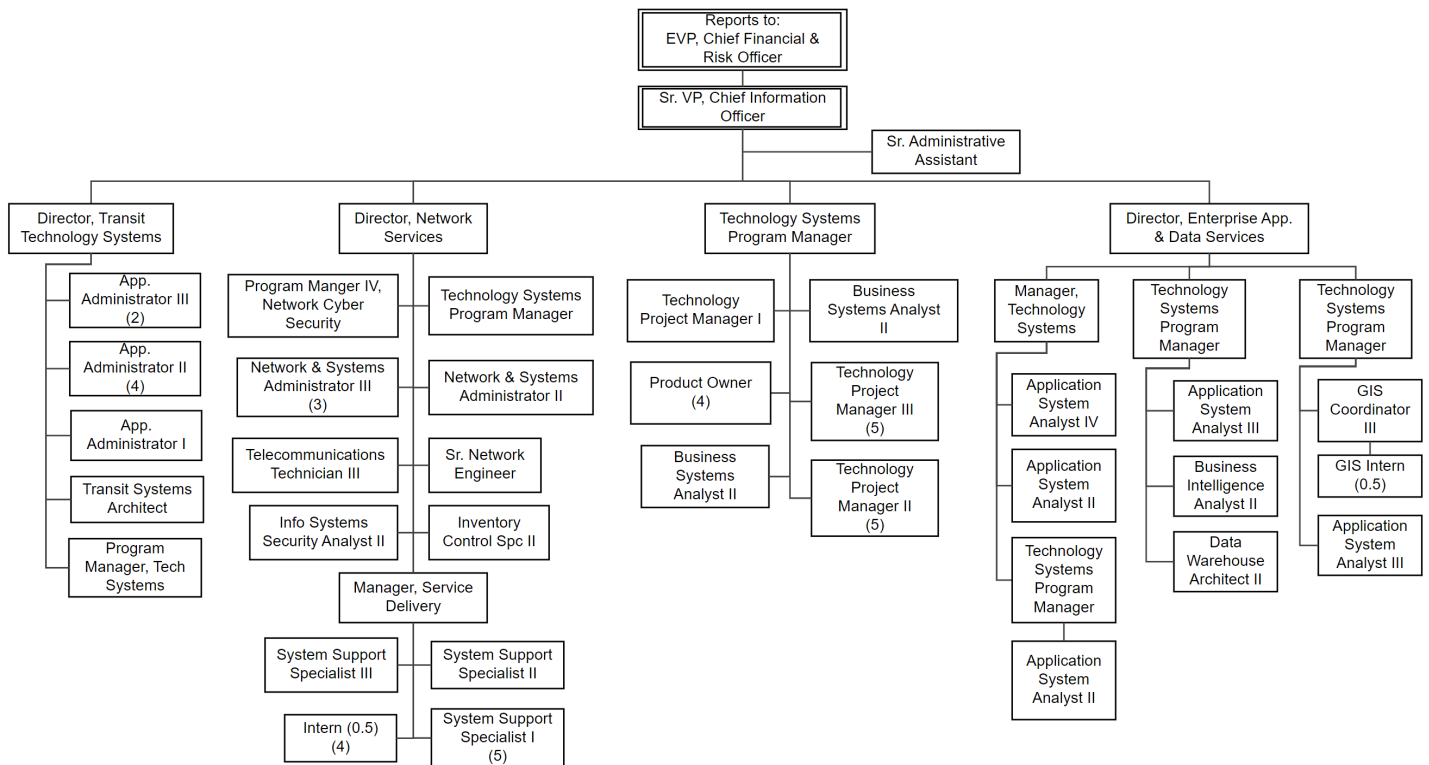
◆ Workforce

- Continue training to enhance security skills.
- Complete replacement of in-house rail configuration management system with new system built on latest technologies.
- Begin replacement of TeamMate audit software for enhanced cost and contract compliance, decision-making tools and safety management functionality.

◆ Organizational Effectiveness

- ERP go live with financials in October and January for People and Culture.
- Replace and upgrade IT infrastructure to ensure state of good repair and expand capabilities.
- Perform needs assessment and procurement to begin network segmentation project to accommodate the TSA recommendations/requirements and Project Connect.
- Replace aging passenger Wi-Fi on MetroRail fleet.
- Begin replacement of CAD/AVL system and Planning/Scheduling systems.
- Make significant progress in the replacement of the enterprise resource planning system.
- Complete procurement process to replace onboard farebox and vaulting systems.
- Complete replacement of board management system, adding features and increasing usability.
- Complete implementation of digital asset management system providing better organization and use.

Information Technology Department Organizational Chart



Budget Changes

Labor and Benefits

Increase of \$999,925 due to 9 new FTEs and three FTEs to Enterprise Program Management, as well as approved performance-based pay increases to become effective in January 2023.

Other Expense

Increase of \$3,701,331 driven by various expense categories. Temporary Help increased \$202,459 to cover systems administration and IT projects. Both Phone System Maintenance and Local Telephone expenses increased with additional CapMetro personnel by \$155,742 and \$105,836 respectively. Increased CapMetro personnel as well as organizational development has increased Software and Hardware maintenance contracts by \$2.2 million and \$190,086 respectively. Computer Hardware is up \$440,620, driven by the increase in CapMetro personnel. Non-Capital Training increase of \$414,560 related to various projects such as ERP, Project Planning, and other software system replacements that are being completed in FY2023.

	FY2021 Actual	FY2022 Budget	FY2022 Forecast	FY2023 Budget	Var \$ FY2023 vs. FY2022	Var % FY2023 vs. FY2022
LABOR & BENEFITS						
Salaries & Wages - Admin.	\$4,405,851	\$6,126,900	\$6,126,900	\$7,135,700	\$1,008,800	16.5%
Overtime - Administrative	13,113	—	—	—	—	N/A
Intern Pay	21,994	—	—	—	—	N/A
FICA-Admin	325,516	530,138	530,138	520,185	(9,953)	(1.9)%
State Unemployment-Admin	7,223	10,981	10,981	12,059	1,078	9.8 %
Supplemental Sick	5,126	—	—	—	—	N/A
Other Benefits - Admin	(75)	—	—	—	—	N/A
TOTAL LABOR & BENEFITS	4,778,748	6,668,019	6,668,019	7,667,944	999,925	15.0 %
OTHER EXPENSES						
Other Professional Fees	156,524	715,102	254,042	591,393	(123,709)	(17.3)%
Temporary Help	401,567	203,789	238,223	406,248	202,459	99.3 %
Phone System Maintenance	170,478	438,500	555,599	594,242	155,742	35.5 %
Hardware Maintenance Contracts	409,090	830,366	938,451	1,020,452	190,086	22.9 %
Software Maintenance Contracts	4,613,685	7,329,541	6,425,009	9,559,765	2,230,224	30.4 %
Other Services	25	—	—	—	—	N/A
Non-Capital Training	7,936	577,240	835,740	991,800	414,560	71.8 %
Office Supplies	14,532	9,000	504	2,904	(6,096)	(67.7)%
Other Supplies	467	—	—	—	—	N/A
Telephone-Local	1,392,217	1,601,920	1,685,944	1,707,756	105,836	6.6 %
Dues And Subscriptions	5,035	6,962	3,370	7,351	389	5.6 %
Airfare - Transportation	—	4,500	180	4,570	70	1.6 %
Travel - Per Diem	—	1,510	311	3,341	1,831	121.3 %
Seminar, Conferences, Registration	11,226	25,240	11,069	52,300	27,060	107.2 %
Lodging	—	7,300	1,388	7,680	380	5.2 %
Business Meals - Local	490	—	—	—	—	N/A
Postage	129	—	—	—	—	N/A

	FY2021 Actual	FY2022 Budget	FY2022 Forecast	FY2023 Budget	Var \$ FY2023 vs. FY2022	Var % FY2023 vs. FY2022
Computer Software	95,084	113,477	22,844	167,756	54,279	47.8 %
Computer Hardware	432,953	511,000	1,078,342	951,620	440,620	86.2 %
Other Miscellaneous Expenses	786	—	—	—	—	N/A
Lease-Operating Yard/ Storage	—	—	—	7,600	7,600	N/A
TOTAL OTHER EXPENSES	7,712,224	12,375,447	12,051,016	16,076,778	3,701,331	29.9 %
TOTAL OPERATING EXPENSES	\$12,490,974	\$19,043,466	\$18,719,035	\$23,744,722	\$4,701,256	24.7 %

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 such as Pickup service operated by this department.

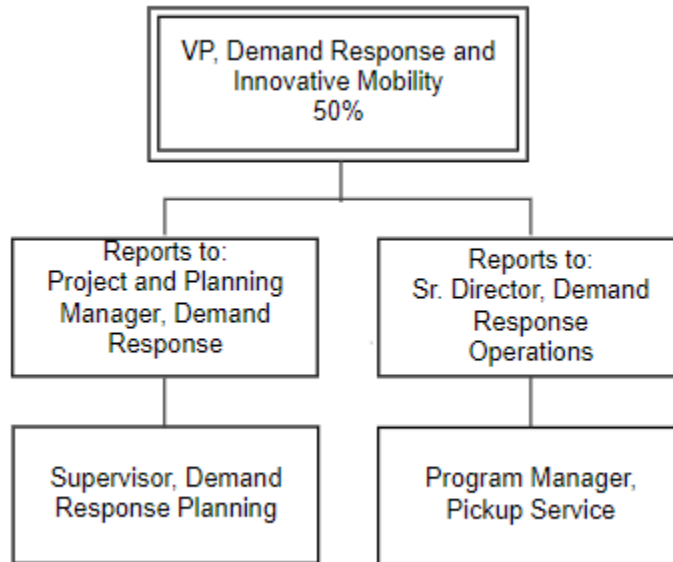
FY2022 Accomplishments

- ◆ Internal/External Customer Service Excellence
 - Expanded Pickup service by two zones.
 - Launched customer web chat functionality.
 - Launched Pickup dashboard.
 - Launched post calls surveys.
- ◆ Financial and Environmental Sustainability
 - Developed flex service schedules.
 - Created deadhead scenarios for facility site selection.

FY2023 Planned Initiatives

- ◆ Customer
 - Expand Pickup zones.
 - Expansion of fleet.
 - Extend weekday operating hours for Pickup service.
 - Increase weekend operating hours for Pickup service..
 - Transition to new customer resource management system.
- ◆ Community
 - Pilot electric vehicle for Pickup service.

Innovative Mobility Department Organizational Chart



Budget Changes

Labor and Benefits

Increase of \$14,246 from 1 FTE transfer to Strategic Planning and Development and approved performance-based pay increases to become effective in January 2023.

Other Expenses

Increase of \$1,639,458 primarily from Pickup Services \$2,092,654 to support additional zones and increase in contractual costs, offset by \$750,000 Bikeshare expense moved to the new MetroBike department. Gasoline and Gasoline Fuel Tax of \$382,620 to support increased service.

	FY2021 Actual	FY2022 Budget	FY2022 Forecast	FY2023 Budget	Var \$ FY2023 vs. FY2022	Var % FY2023 vs. FY2022
LABOR & BENEFITS						
Salaries & Wages - Admin.	\$279,905	\$364,332	\$364,332	\$382,012	\$17,680	4.9%
FICA-Admin	19,203	30,671	30,671	27,240	(3,431)	(11.2%)
State Unemployment-Admin	360	632	632	629	(3)	(0.5%)
Other Benefits - Admin	(50)	—	—	—	—	N/A
TOTAL LABOR & BENEFITS	299,418	395,635	395,635	409,881	14,246	3.6 %
OTHER EXPENSES						
Other Professional Fees	72,626	100,000	80,000	25,000	(75,000)	(75.0%)
Temporary Help	251,693	—	—	—	—	N/A
Maintenance-Radios	—	16,770	16,770	16,770	—	—%
Gasoline	208	139,150	130,000	521,728	382,578	274.9%
Office Supplies	163	—	—	—	—	N/A
Other Supplies	1,764	—	—	72,000	72,000	N/A
Non Capital Equipment	38,010	—	—	—	—	N/A
Telephone-Local	480	1,440	960	960	(480)	(33.3%)
Gasoline Fuel Tax	—	16,371	16,000	26,086	9,715	59.3%
Pickup CARTS	832,605	914,004	914,000	1,710,914	796,910	87.2%
Pickup North	1,878,359	2,755,375	2,755,375	4,051,119	1,295,744	47.0%
Bikeshare	3,511	750,000	—	—	(750,000)	(100.0%)
Dues And Subscriptions	1,000	—	—	—	—	N/A
Advertising/Promotion Media	24,841	30,000	30,000	22,500	(7,500)	(25.0%)
Postage	3,255	7,500	7,500	7,500	—	—%
Lease-Vehicles	1,003,448	1,000,104	1,200,000	915,594	(84,510)	(8.5%)
Expense Reimbursement	(126,236)	—	—	—	—	N/A
TOTAL OTHER EXPENSES	3,985,727	5,730,714	5,150,605	7,370,172	1,639,458	28.6%
TOTAL OPERATING EXPENSES	\$4,285,144	\$6,126,349	\$5,546,240	\$7,780,053	\$1,653,704	27.0%

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. The department provides assurance on CapMetro's governance, risk management and control processes to help the organization achieve its strategic, operational, financial and compliance objectives. In addition, the department 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.

FY2022 Accomplishments

- ◆ Internal/External Customer Service Excellence
 - Developed FY2022 risk-based flexible audit plan that supports organizational objectives and best practices related to governance, risk and compliance.
 - Provided assurance, advisory and risk management services to management and the board of directors in support of CapMetro's strategic priorities.
- ◆ Stakeholder Engagement
 - Continued UT Audit Internship Program – recruited and developed UT Audit Interns and leveraged their skills to drive process improvement within CapMetro.
 - Led the coordination and successful completion of the FTA Triennial Review.
 - Provided leadership and assisted with promoting or participating in professional organizations (e.g., Institute of Internal Auditors and Association of Local Government Auditors) and industry organizations (e.g., APTA).
 - Shared best practices and provided assistance as needed to peer transit and local government internal audit functions.
- ◆ Financial and Environmental Sustainability
 - Executed the FY2022 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.
 - Completed the facilitation and selection of a software tool that will phase out the existing audit system and replace it with a software solution that can serve as both a Governance Risk and Compliance tool as well as a Contract Performance Management system that can be used across CapMetro.
 - Partnered with management in identifying and facilitating process improvement opportunities across departments and the CapMetro enterprise.
- ◆ Organizational Development
 - Benchmarked processes, systems and controls both internally and externally, including against other public transit agencies.

- Coordinated the external Quality Assurance Review of the Internal Audit Department in order to ensure compliance with the standards of the Institute of Internal Auditors and related best practices.

FY2023 Planned Initiatives

◆ Customer

- Develop FY2023 risk-based flexible audit plan that supports organizational objectives and best practices related to governance, risk and compliance.
- Partner with management in identifying and facilitating process improvement opportunities across departments and the CapMetro enterprise.
- Benchmark processes, systems and controls both internally and externally, including against other public transit agencies.

◆ Community

- Provide leadership and assist with promoting or participating in professional organizations (e.g., Institute of Internal Auditors and Association of Local Government Auditors) and industry organizations (e.g., APTA).
- Share best practices and provide assistance as needed to peer transit and local government internal audit functions.

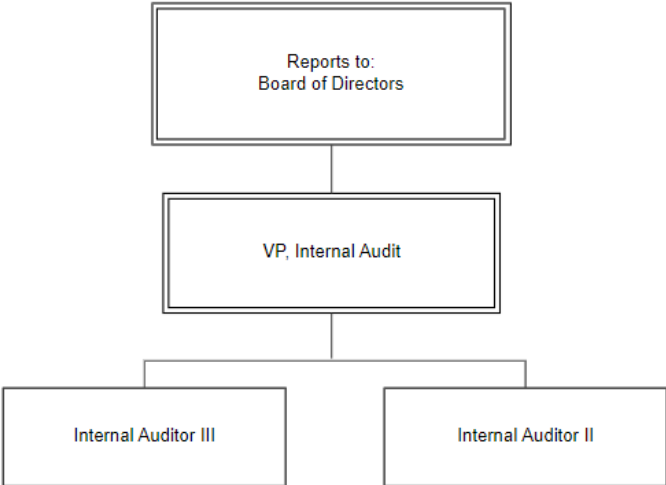
◆ Workforce

- Continue UT Audit Internship Program – recruit and develop UT Audit Interns and leverage their skills to drive process improvement within CapMetro.
- Enhance training and professional certifications for employees in order to improve support of CapMetro and transit industry.

◆ Organizational Effectiveness

- Provide assurance, advisory, and risk management services to management and the board of directors in support of CapMetro's strategic priorities.
- Execute the FY2023 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.
- Partner with management in the enterprise implementation of Governance Risk and Compliance system which will serve as a Contract Performance Management system across operations (i.e., Bus, Rail and Demand Response), as well as support the needs of Safety, Risk Management and IT.

Internal Audit Department Organizational Chart



Budget Changes

Labor and Benefits

Increase of \$28,239 due to approved performance-based pay increase to become effective in January 2023.

	FY2021 Actual	FY2022 Budget	FY2022 Forecast	FY2023 Budget	Var \$ FY2023 vs. FY2022	Var % FY2023 vs. FY2022
LABOR & BENEFITS						
Salaries & Wages - Admin.	\$352,556	\$365,598	\$365,598	\$392,268	\$26,670	7.3%
FICA-Admin	23,969	23,941	23,941	25,507	1,566	6.5%
State Unemployment-Admin	432	541	541	544	3	0.6%
Supplemental Sick	1,563	—	—	—	—	N/A
TOTAL LABOR & BENEFITS	378,520	390,080	390,080	418,319	28,239	7.2 %
OTHER EXPENSES						
Audit Fees	98,375	—	—	—	—	N/A
Office Supplies	—	240	223	240	—	—%
Other Supplies	—	240	240	240	—	—%
Telephone-Local	1,440	1,440	1,440	1,440	—	—%
Dues And Subscriptions	1,195	1,510	1,510	1,512	2	0.1%
Airfare - Transportation	—	1,000	1,000	1,125	125	12.5%
Travel - Per Diem	—	646	646	633	(13)	(2.0%)
Seminar, Conferences, Registration	2,031	4,254	4,254	4,380	126	3.0%
Lodging	—	1,600	1,600	1,470	(130)	(8.1%)
Travel - Other	65	—	17	—	—	N/A
Business Meals - Local	—	75	75	75	—	—%
TOTAL OTHER EXPENSES	103,106	11,005	11,005	11,115	110	1.0 %
TOTAL OPERATING EXPENSES	\$481,626	\$401,085	\$401,085	\$429,434	\$28,349	7.1 %

Legal

Functions and Responsibilities

The Legal department ensures that CapMetro conducts its activities ethically and consistently with federal and state laws, providing sound legal advice and reducing the risk of legal action. The 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 CapMetro's ethics program to help ensure responsible stewardship of public funds; and manages outside legal services.

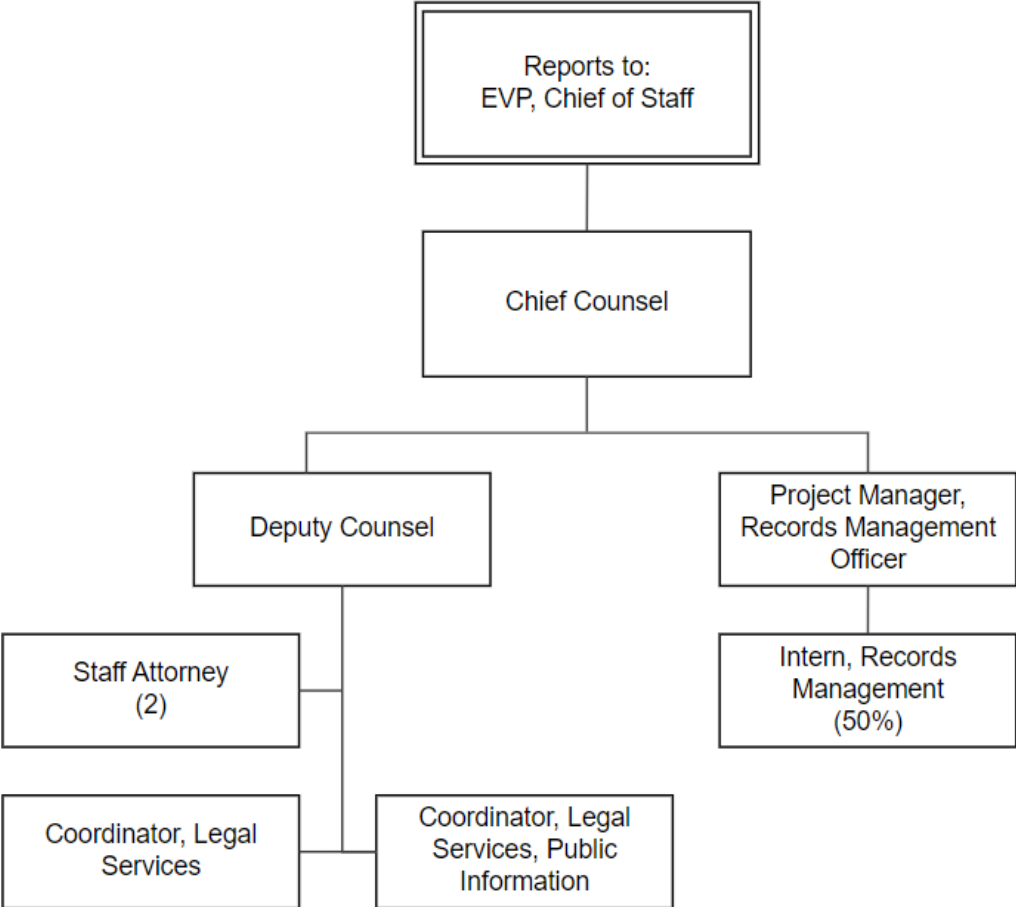
FY2022 Accomplishments

- ◆ Internal/External Customer Service Excellence
 - 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.
 - Assisted in the development and delivery of staff training on legal matters.
 - Ensured CapMetro meets its legal obligations associated with transparency and public information.
- ◆ Financial and Environmental Sustainability
 - Continued to develop and implement processes and strategies for reducing legal risk and exposure.

FY2023 Planned Initiatives

- ◆ Customer
 - 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 CapMetro meets its legal obligations associated with transparency and public information.
- ◆ Organizational Effectiveness
 - 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 \$196,866 due to the addition of 1 FTE and the approved performance-based pay increases to become effective in January 2023.

Other Expenses

Increase of \$14,025 mainly in General Legal Services for outside legal services contracts which will provide legal expertise in litigation matters including highly technical IT contracts, employment law, public finance, public utility law and real estate transactions.

	FY2021 Actual	FY2022 Budget	FY2022 Forecast	FY2023 Budget	Var \$ FY2023 vs. FY2022	Var % FY2023 vs. FY2022
LABOR & BENEFITS						
Salaries & Wages - Admin.	\$608,842	\$666,891	\$666,891	\$852,147	\$185,256	27.8 %
FICA-Admin	45,945	48,383	48,383	59,812	11,429	23.6 %
State Unemployment-Admin	1,253	1,258	1,258	1,439	181	14.4 %
TOTAL LABOR & BENEFITS	656,040	716,532	716,532	913,398	196,866	27.5 %
OTHER EXPENSES						
General Legal Services	321,472	500,000	500,000	515,000	15,000	3.0 %
Courier And Delivery Services	—	48	48	48	—	— %
Other Services	10,066	11,796	11,796	12,000	204	1.7 %
Office Supplies	945	2,004	2,004	2,004	—	— %
Telephone-Local	1,200	1,920	1,920	1,920	—	— %
Dues And Subscriptions	7,184	8,329	8,329	8,716	387	4.6 %
Airfare - Transportation	—	2,050	2,050	1,200	(850)	(41.5 %)
Travel - Per Diem	—	789	789	610	(179)	(22.7 %)
Seminar, Conferences, Registration	1,896	7,622	7,622	7,827	205	2.7 %
Lodging	—	2,668	2,668	1,926	(742)	(27.8 %)
Postage	269	396	396	396	—	— %
Other Miscellaneous Expenses	7	—	—	—	—	N/A
TOTAL OTHER EXPENSES	343,038	537,622	537,622	551,647	14,025	2.6 %
TOTAL OPERATING EXPENSES	\$999,079	\$1,254,154	\$1,254,154	\$1,465,045	\$210,891	16.8 %

Marketing and Communications

Functions and Responsibilities

The Marketing and Communication department furthers CapMetro's mission through promoting transit use and value; developing and distributing all service-related materials, maps and wayfinding; public relations; business development; and internal communications. 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 and signage design, website management, brand development and fleet graphics. The department 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 creative support to other departments and the board of directors, allowing CapMetro to drive positive messages and enhance its position in the community. The department establishes and implements CapMetro's social media platforms by presenting user-friendly information through multiple channels for customers, stakeholders and employees.

FY2022 Accomplishments

◆ Internal/External Customer Service Excellence

- Promoted safe use of transit via the Fall and Spring Ridership Campaigns and rebuilt ridership as the community reopens. Included providing consultation, multi-channel advertising, email marketing, social media and media partnerships.
- Provided special event support through quality customer information and promoted use of transit for special events when required. Developed web, print, social media and advertising in support of these events, including collaborations with Austin FC, Austin City Limits and Zilker Depot.
- Supported three annual service changes plus service adjustments to ensure customers have the information to plan travel on our services. This included route brochures, at-stop information, system maps and web updates.
- Continued collaboration with Safety, Risk Management, Accessible Services, and Public Safety and Emergency Management to promote programs and initiatives within those departments.
- Performed customer satisfaction surveys to receive feedback on the services offered.
- Supported improvements necessary to keep the CapMetro website content and usability optimized via website UX testing. Tests included site architecture improvements and usability testing of the new content on capmetro.org and projectconnect.com.
- Implemented brand refresh with consultation on brand direction and the initial roll-out.
- Expanded the Austin Transit Partnership (ATP) website to increase transparency and provide information needed for the public as well as support internal functions of ATP: procurement, DBE/DEI initiatives, finance and board resolutions.
- Performed ongoing Project Connect website upgrades with expanded project pages, additional bilingual documentation and addition of a complete public meeting calendar.
- Provided Project Connect graphic, creative and logistical support for ATP community engagement and design teams for public engagement.

- Worked closely with ATP leadership to stage Transit Industry Day, which had about 380 attendees, enabling prime contractors to connect with DBE/DEI-eligible contractors for partnerships. Presentations enabled attendees to learn processes and future timelines for Project Connect contract bid opportunities.
- Supported ATP leadership with public relations and media inquiries, developing and disseminating messaging to reinforce the goals of Project Connect, as well as the impact and benefits to the Austin region.
- Developed an Asset Library on Sharepoint for easy access to all brand assets, templates, presentations, public engagement documents, and event photos for ATP staff.
- Created and launched an awareness campaign for the first cohort of Public Safety Ambassadors.
- Worked with ATP engineers to establish a standard branding system for new MetroRapid stations and signage.
- Implemented Digital Asset Management tool to manage photos, videos and other creative assets more efficiently for internal staff.
- Developed 30% Design Project Connect System Map with improved design to make easier for the community to comprehend.
- Worked closely with PR team to develop external messaging for route changes, emergency alerts and broadcast public meetings.

◆ Stakeholder Engagement

- Engaged customers, residents and stakeholders through special events built around ridership initiatives, Project Connect and customer payment systems to educate the community and customers on new and updated services and meetings and communicate the value of transit.
- Performed a perception survey to measure the attitudes and values that the community has regarding CapMetro.
- Broke ground on two MetroRapid routes funded through Project Connect (Expo Center and Pleasant Valley), generating significant community support and awareness for the program.
- Broke ground on the new McKalla Station planned for Q2 Stadium, as well as the Broadmoor Station.
- Significantly expanded the Public Engagement Library on Publicinput.com to provide 24/7 access to all public presentations as well as videos of meetings.
- Acquired and branded a mobile experience and engagement pop-up vehicle, or “MEEP,” for on-site activations for the promotion of Project Connect milestones.
- Collaborated with the Community Engagement team, Creative Action Inc and several area school districts to launch the Art on the Bus program, featuring student artwork on 6 vehicle wraps that engage with sustainability and the value of transit.
- Created and launched the first awareness campaign for our new ETOD team.
- Collaborated with the Austin Parks Foundation to design and build customer information materials for the Zilker Eagle launch.

◆ Financial and Environmental Sustainability

- Supported sustainability and Innovative Mobility with MetroBike branding and promotions, new Pickup service zones and pilots designed to improve first-mile/last-mile connectivity.
- Rolled out phase 3 customer payment systems education and promotion and phase 4 promotion.
- Engaged new partners through the promotion of CapMetro Business Solutions that include the MetroWorks pass program, MetroRideShare and Try Transit events.

◆ Staff Development

- Developed a Strategic Communications team, which will create an internal communications process and coordinate agencywide messaging, including service providers, to ensure all CapMetro team members are actively engaged.
- Hosted multiple media/presentation training sessions with staff.
- Developed and launched the agency's first graduation ceremonies for operators and Public Safety Ambassadors.
- Developed a system that keeps track of on-going projects/requests.
- Supported DE&I and Community Engagement efforts through bus wraps for various observances.
- Implemented first phase of work to improve the current intranet site through Central and other connected SharePoint sites.
- Executed first phase of enhancing physical posting communications through boards throughout the agency.
- Improved town halls and enhance attendance and communication disseminated.

◆ Organizational Development

- Continued to increase the media exposure of the agency and its initiatives to ensure the value of transit is communicated as widely as possible. Be proactive in our efforts to increase CapMetro's visibility to stakeholders, the Central Texas community and nationally.
- Launched and maintained ongoing recruitment campaigns for both front-line and administrative staff. These campaigns covered print, digital, and out-of-home advertising environments.
- Rolled out a new uniform contract with fittings, new colors and options.

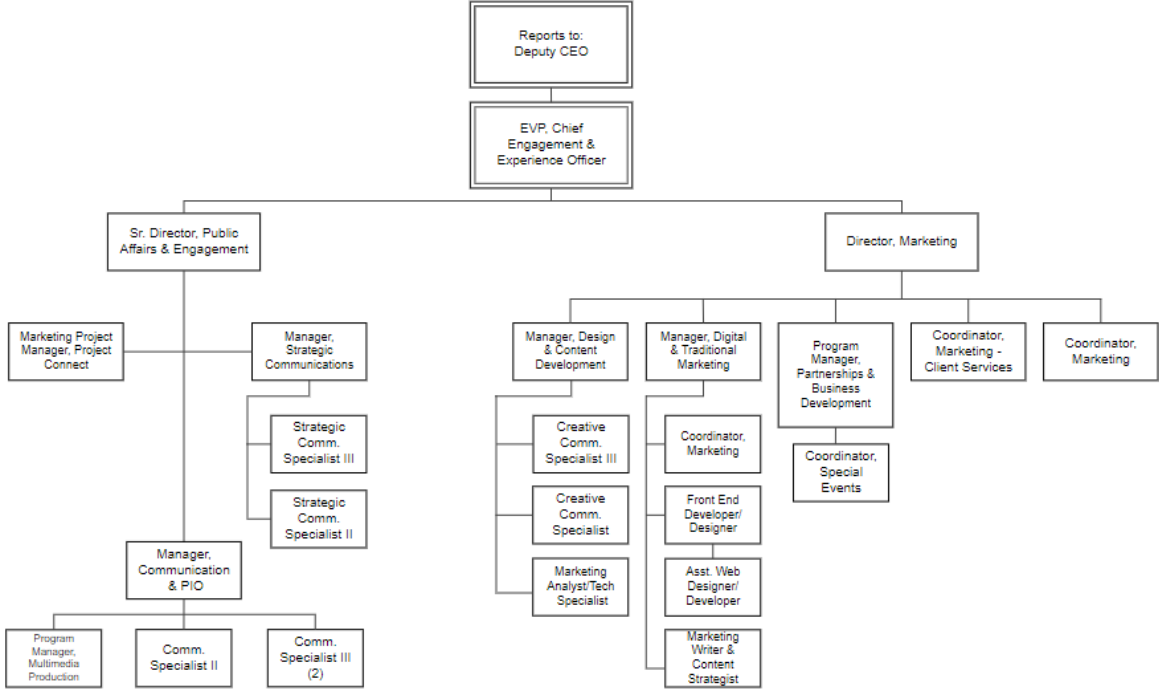
FY2023 Planned Initiatives

◆ Customer

- Continue website expansion of both projectconnect.com and atptx.com, which will be critical community and media resources for information as Project Connect is implemented.
- Collaborate with Ops and Enterprise to launch a new re-branded MetroRideShare service.
- Redesign capmetro.org for user experience improvements and to better align with recent rebrand.
- Continue the rebranding effort for the agency, including facility signage and other capital investments.
- Build a new asset library using new branded buses.

- Develop public relations messaging for upcoming CapMetro Police chief/officers.
- ◆ Community
 - Provide ongoing creative, logistical media and public engagement support during rollout of 30% design of Project Connect.
- ◆ Organizational Effectiveness
 - Continue coalition building with partners to identify shared cost opportunities.
 - Continue to streamline communication processes and coordinate agencywide messaging, including service providers. Expand communication channels, increase frequency and depth of communications and provide increased support of internal customers.
 - Provide web, print, email and/or bus wrap communications for special events, holiday observances and agency initiatives.
 - Perform internal surveys to receive feedback on communication processes.
 - Implement second phase of work to improve the current intranet site through Central and other connected SharePoint sites.
 - Execute second phase of enhancing physical posting communications through boards throughout the agency.
 - Develop a media inquiry system that will help public relations team keep track of inquiries.
 - Launch new digital asset management tool.

Marketing and Communications Department Organizational Chart



Budget Changes

Labor and Benefits

Increase of \$440,101 due to 3 new FTEs plus approved performance-based pay increases to become effective in January 2023.

Other Expenses

Increase of \$538,688 due to an increase of \$64,000 in Consultation Fees allotted to reach former and new riders with the Value of Transit campaign and website upgrades. An increase in Other Professional Fees of \$265,433 will assist in data mining efforts, provide media presentation and training for staff, and support the Fare Collection campaign. The Maps and Schedules increase of \$42,000 is necessary for service changes. The increase in Other Supplies of \$206,000 supports increased efforts in branding, outreach support and provides materials for the previously mentioned fare campaign. A reduction in Advertising/Promotion Media in the amount of \$138,500 is due to scaling back the Fall and Spring campaigns introduced during the pandemic.

	FY2021 Actual	FY2022 Budget	FY2022 Forecast	FY2023 Budget	Var \$ FY2023 vs. FY2022	Var % FY2023 vs. FY2022
LABOR & BENEFITS						
Salaries & Wages - Admin.	\$1,635,862	\$1,976,751	\$1,976,751	\$2,389,436	\$412,685	20.9 %
Overtime - Administrative	131	—	—	—	—	N/A
FICA-Admin	121,430	144,618	150,109	171,497	26,879	18.6%
State Unemployment-Admin	4,437	3,962	3,962	4,499	537	13.6 %
Other Benefits - Admin	(25)	—	—	—	—	N/A
TOTAL LABOR & BENEFITS	1,761,835	2,125,331	2,130,822	2,565,432	440,101	20.7 %
OTHER EXPENSES						
Consultation Fees	641,132	1,510,000	1,481,055	1,574,000	64,000	4.2 %
Other Professional Fees	270,447	448,004	587,534	713,437	265,433	59.2 %
Temporary Help	177,633	130,000	175,000	254,000	124,000	95.4 %
Courier And Delivery Services	50	180	180	180	—	— %
Other Services	15,650	33,000	33,000	18,000	(15,000)	(45.5 %)
Advertising Installation Expense	935	—	—	—	—	N/A
Office Supplies	5,873	6,000	6,000	8,500	2,500	41.7 %
Maps And Schedules	189,055	268,000	268,000	310,000	42,000	15.7 %
Other Supplies	199,544	202,500	202,500	409,000	206,500	102.0 %
Telephone-Local	1,560	2,400	2,400	1,920	(480)	(20.0 %)
Dues And Subscriptions	8,148	7,610	7,610	6,630	(980)	(12.9 %)
Airfare - Transportation	643	3,800	1,000	1,100	(2,700)	(71.1 %)
Travel - Per Diem	190	1,200	400	1,000	(200)	(16.7 %)
Seminar, Conferences, Registration	5,970	18,000	4,000	13,600	(4,400)	(24.4 %)
Lodging	503	5,800	2,000	1,800	(4,000)	(69.0 %)
Travel - Other	859	240	600	240	—	— %
Advertising/Promotion Media	420,224	1,002,500	984,540	864,000	(138,500)	(13.8 %)
Postage	138	5,000	500	1,200	(3,800)	(76.0 %)
Other Miscellaneous Expenses	1,301	1,750	1,750	—	(1,750)	(100.0 %)
Other Misc. Expense-Vans	7	—	—	—	—	N/A
Food and Ice	—	2,000	500	7,000	5,000	250.0 %
Lease-Operating Yard/Storage	4,454	3,855	3,855	4,920	1,065	27.6 %
TOTAL OTHER EXPENSES	1,944,316	3,651,839	3,762,424	4,190,527	538,688	14.8 %
TOTAL OPERATING EXPENSES	\$3,706,151	\$5,777,170	\$5,893,246	\$6,755,959	\$978,789	16.9 %

MetroBike

Functions and Responsibilities

MetroBike is a new department that manages the operations and maintenance of the bike-share program for traditional and electric-assist bikes, kiosks and hubs.

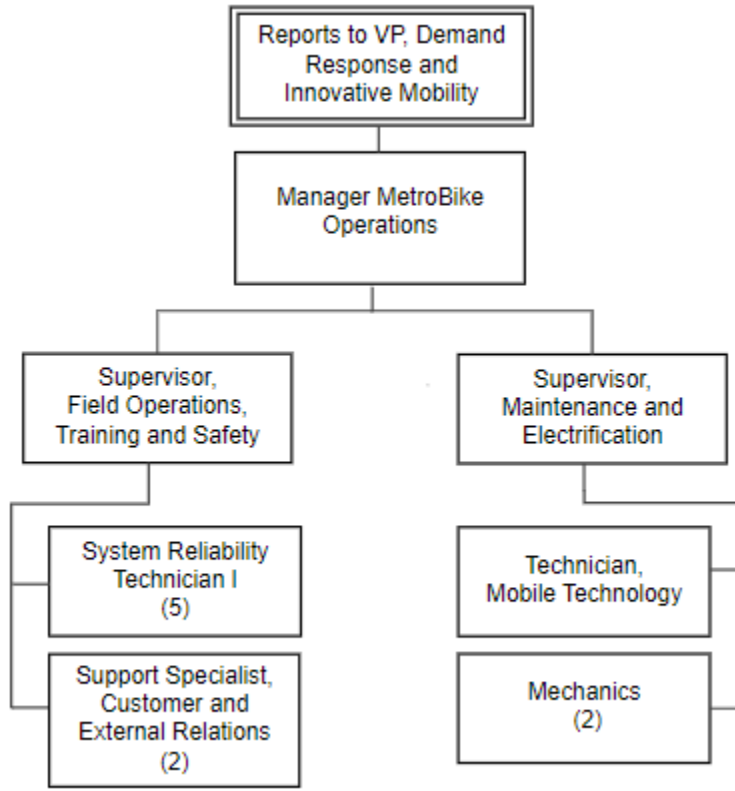
FY2022 Accomplishments

- ◆ Internal/External Customer Service Excellence
 - Worked with city of Austin to develop an electric fleet expansion plan.
 - Completed an ILA with the city of Austin that establishes a plan to bring the operations in-house to CapMetro and provides a framework for a large expansion of the MetroBike program over the next 10 years with funding support from the city of Austin.
- ◆ Financial and Environmental Sustainability
 - Reviewed and updated the 20-year fleet plan.

FY2023 Planned Initiatives

- ◆ Customer
 - Transition to new customer relationship management (CRM) system.
- ◆ Organization Effectiveness
 - Implement a comprehensive preventative maintenance program to ensure reliability.
 - Implement a 10-year expansion plan for the MetroBike program in coordination with the city of Austin.
- ◆ Workforce
 - Transition Bike Share of Austin operations to CapMetro.
- ◆ Community
 - Continue the expansion of the MetroBike electric fleet.

MetroBike Department Organizational Chart



Budget Changes

Labor and Benefits

Increase of \$1,016,418 for 13 FTEs from Bike Share of Austin, and approved performance-based pay increases to become effective in January 2023.

Other Expenses

Increase of \$493,018 to support Bikeshare services previously budgeted in the Innovative Mobility department.

	FY2021 Actual	FY2022 Budget	FY2022 Forecast	FY2023 Budget	Var \$ FY2023 vs. FY2022	Var % FY2023 vs. FY2022
LABOR & BENEFITS						
Salaries & Wages - Admin.	\$—	\$—	\$—	\$944,106	\$944,106	N/A
FICA-Admin	—	—	—	69,613	69,613	N/A
State Unemployment-Admin	—	—	—	2,699	2,699	N/A
Other Benefits - Admin	—	—	—	—	—	N/A
TOTAL LABOR & BENEFITS	—	—	—	1,016,418	1,016,418	N/A
OTHER EXPENSES						
Consultation Fees	—	—	—	96,000	96,000	N/A
Maintenance-Radios	—	—	—	2,800	2,800	N/A
Permits And Fees	—	—	—	61,392	61,392	N/A
Gasoline	—	—	—	14,424	14,424	N/A
Other Supplies	—	—	—	91,700	91,700	N/A
Maintenance Materials	—	—	—	52,600	52,600	N/A
Telephone-Local	—	—	—	4,320	4,320	N/A
Vehicle Liability Premiums	—	—	—	34,404	34,404	N/A
Bikeshare	—	—	550,000	—	—	N/A
Dues and Subscriptions	—	—	4,000	4,628	4,628	N/A
Airfare - Transportation	—	—	—	3,600	3,600	N/A
Travel - Per Diem	—	—	—	2,250	2,250	N/A
Registration	—	—	—	1,400	1,400	N/A
Lodging	—	—	—	3,500	3,500	N/A
Lease-Vehicles	—	—	—	48,000	48,000	N/A
Lease-Administrative Facility	—	—	—	72,000	72,000	N/A
TOTAL OTHER EXPENSES	—	—	554,000	493,018	493,018	N/A
TOTAL OPERATING EXPENSES	—	—	\$554,000	\$1,509,436	\$1,509,436	N/A

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 agencywide, such as health, dental and life insurance, as well as retirement plans.

FY2022 Accomplishments

- ◆ Internal/External Customer Service Excellence
 - Explored additional Voluntary Benefits that included Whole Life, Accident and Critical Illness Insurance.
 - Solicited new vendors to assist with supporting employee well-being - Employee Assistance Program (EAP), Life Insurance, Disability and Family Medical Leave Act (FMLA) Administration and Health Plan Administration.
 - Ensured timely communication of changes to health plans and other benefits to employees, including value of benefits.
 - Provided aide for student loan relief for employees with private loans.
 - Launched survey to identify potential future benefit needs for employees and their families.
 - Promoted employee awareness of mental health benefits including EAP and telemedicine for reduced cost mental health services.
 - Added resources for financial wellness through existing retirement plan administration contract.

FY2023 Planned Initiatives

- ◆ Customer
 - Enhance retirement readiness by introducing Auto Escalation on 401k contributions.
 - Revamp Employee Compensation Statements to emphasize the total rewards offered to employees in terms of cash compensation and benefits.
 - Complete the annual audit of CapMetro's retirement plans as required by Texas Pension Review Board.
 - Review future benefit needs of the population and explore opportunities to enhance benefit offering.

Budget Changes

Labor and Benefits

Increase of \$3,518,778 is due to a \$2,407,902 and \$275,006 increase in anticipated Pension - Bargain and Pension - Admin expenses, respectively. There is also an anticipated increase to the Health Plans - Admin expense of \$758,125 that is offset by an increased Employee Contribution of \$231,995.

	FY2021 Actual	FY2022 Budget	FY2022 Forecast	FY2023 Budget	Var \$ FY2023 vs. FY2022	Var % FY2023 vs. FY2022
LABOR & BENEFITS						
401k Fees	\$23,156	\$48,000	\$48,000	\$40,800	\$(7,200)	(15.0 %)
401K	27,083	77,304	77,304	77,304	—	— %
Pension - Bargain	2,618,210	1,792,098	1,792,098	4,200,000	2,407,902	134.4 %
Pension - Admin	4,329,123	5,500,002	5,500,002	5,775,008	275,006	5.0 %
L/T Disability - Admin.	110,170	129,264	129,264	164,260	34,996	27.1 %
S/T Disability	98,725	105,318	105,318	134,800	29,482	28.0 %
Health Plans-Admin	4,277,629	5,700,912	5,700,912	6,459,037	758,125	13.3 %
Health Plan - Fees	875,321	862,830	862,830	946,119	83,289	9.7 %
Health Savings Account Employer Contribution	21,066	48,000	70,000	85,680	37,680	78.5 %
Health Plan Employee Contribution-Admin	(659,006)	(637,260)	(840,000)	(869,255)	(231,995)	36.4 %
Dental Plans-Admin	258,141	226,008	300,000	311,126	85,118	37.7 %
Dental Plan Employee Contribution-Admin	(34,221)	(35,356)	(42,000)	(41,111)	(5,755)	16.3 %
Life Insurance-Admin	107,656	89,853	128,400	122,233	32,380	36.0 %
Other Benefits - Operators	360,000	—	—	—	—	N/A
Rideshare Subsidy	2,790	9,240	9,240	9,240	—	— %
B-Cycle Subsidy	—	2,484	2,484	2,484	—	— %
Retirement Medicare Supplement Payments	334,054	395,000	395,000	414,750	19,750	5.0 %
TOTAL LABOR & BENEFITS	12,749,897	14,313,697	14,238,852	17,832,475	3,518,778	24.6 %
TOTAL OPERATING EXPENSES	\$12,749,897	\$14,313,697	\$14,238,852	\$17,832,475	\$3,518,778	24.6 %

Operations and Maintenance Oversight

Functions and Responsibilities

The Operations and Maintenance Oversight department is responsible for coordinating the operations and activities of all CapMetro 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.

FY2022 Accomplishments

- ◆ Internal/External Customer Service Excellence
 - Increased service monitoring and hours of observations of overall customer experience with increased field presence.
 - Installed pilot tablets on 25 vehicles for improved operations communications.
 - Procured 400 tablets to implement on entire fleet for improved operations communications.
 - Began on board digital display installation for the fleet
 - Continued support of the operations team with system training and building process to address system limitations.
 - Implemented and monitored new procedures for the nighttime courtesy stops and strollers on buses.
 - Created response time report for dispatch to gauge response times and help identify delays in responding within 15 minutes.
 - Began developing operations procedures for Bus Inspectors
 - Continued development of the Mentorship Program.
 - Distributed rapid COVID-19 test kits to the workforce.
 - Continued work with Director of Safety and Training to reduce accidents and injuries and support safety initiatives, audits and action plans.
 - Continued improving Safety Management System (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.
 - Continued monitoring and support of service provider's efforts with their local Safety Committee.
- ◆ Financial and Environmental Sustainability
 - Continued to update video system on the fleet.
 - Placed 42 non-revenue vehicles into service.
 - Procured replacement and expansion of electric buses.
 - Procured new recordings for stop announcements.
 - Developed tools to validate service contract requirements.

◆ Organizational Development

- Reorganized Bus Operations and Maintenance Oversight resulting in significant improvement in on time performance, vehicle availability and miles between road calls.
- Provided wage increase to drivers supporting frontline operations.
- Established CapMetro Training Academy.
- Transitioned frontline operations and management positions from service provider to CapMetro:
 - Radio Controllers
 - Bus Inspectors
 - Superintendents – transportation, maintenance, training, and the Operation Control Center
 - Service and Customer Impact
 - Training Instructors
- Implemented an on-going enhanced cleaning program.

FY2023 Planned Initiatives

◆ Customer

- Increase service monitoring and hours of observations of overall customer experience with increased field presence.
- Continue work with Director of Safety and Training to reduce accidents and injuries and support safety initiatives, audits and action plans.
- Continue improving Safety Management System (SMS) safety culture principles by identifying safety initiatives, collaborating with stakeholders, service providers and the Safety team.
- Continue to monitor and support service provider's local Safety Committee.

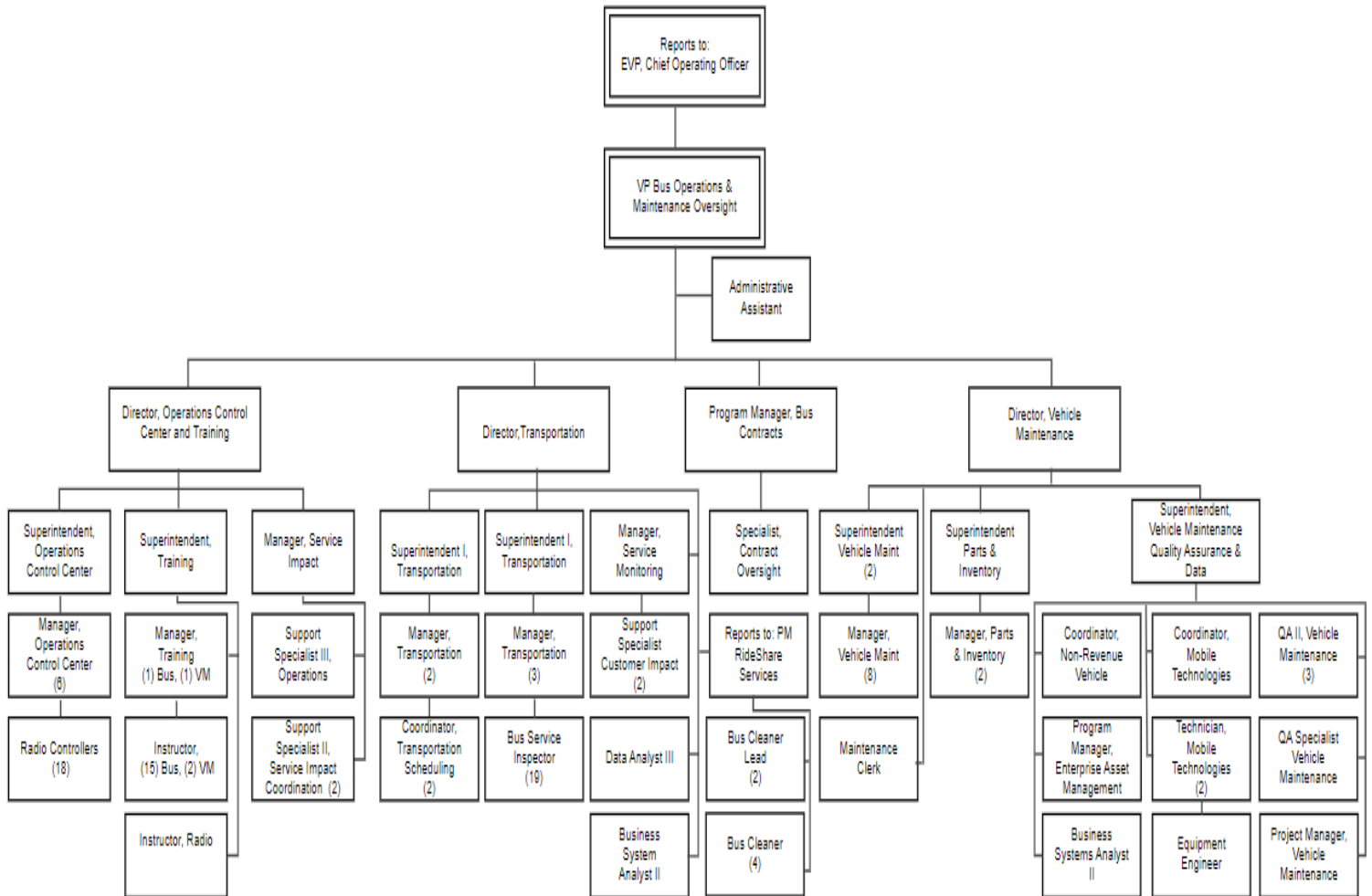
◆ Organizational Effectiveness

- Continue to be agile in the landscape of COVID-19 operations while providing revenue hours in line with service demands.
- Continue to update video system on the fleet.
- Procure non-revenue vehicles in line with 5-year CIP projection.
- Procure replacement commuter vehicles in line with the 5-year CIP projection.
- Procure replacement and expansion of electric buses.
- Grow MetroRideShare program.

◆ Workforce

- Onboard new Customer Experience members to increase service monitoring coverage.
- Onboard new Quality Assurance personnel to enhance contractor oversight.

Operations and Maintenance Oversight Department Organizational Chart



Budget Changes

Labor and Benefits

Increase of \$7,094,344 from 11 new FTEs and 77 conversion due to the bus operations and maintenance oversight reorganization, and approved performance-based pay increases to become effective in January 2023.

Other Expenses

Increase of \$12,507,013 is primarily a result of bus operations and maintenance reorganization, offset by a reduction of \$11,237,381 for bus service at the East Fifth Street and North Operations. The reorganization is the main driver for the increases of \$14,135,680 Maintenance Materials, \$2,455,470 in Repair and Maintenance-Other primarily for the vehicle fueling and servicing contracts, \$1,265,520 in Freight Charge-Inventory Parts, \$1,018,500 in Tires And Tubes, and \$316,550 Dues and Subscriptions to support the Zonar, which is an electronic safety check performed by the operators and support for the DriveCam system. Consultation Fees net increase of \$1,870,000 is driven by \$1,250,000 for electrification of fleet and facilities. Other Professional Fees increase \$453,640 for observations of customer experience with an increased field presence. Diesel, Gasoline and Fuel-North Operations has a net increase of \$2,298,828 driven by higher fuel prices. Diesel fuel costs are projected at an average per gallon with taxes of \$2.40 for FY2023, an increase of \$0.50 per gallon compared to FY2022.

	FY2021 Actual	FY2022 Budget	FY2022 Forecast	FY2023 Budget	Var \$ FY2023 vs. FY2022	Var % FY2023 vs. FY2022
LABOR & BENEFITS						
Salaries & Wages - Admin.	\$2,545,735	\$3,108,312	\$3,108,312	\$9,610,746	\$6,502,434	209.2 %
Overtime - Administrative	30,926	—	—	—	—	N/A
FICA-Admin	189,480	238,957	238,957	707,756	468,799	196.2 %
State Unemployment-Admin	5,360	6,300	6,300	19,621	13,321	211.4 %
Supplemental Sick	9,571	—	—	—	—	N/A
Uniform Allowance-Admin.	2,060	17,600	57,500	127,390	109,790	623.8 %
Other Benefits - Admin	(375)	—	—	—	—	N/A
TOTAL LABOR & BENEFITS	2,782,757	3,371,169	3,411,069	10,465,513	7,094,344	210.4 %
OTHER EXPENSES						
Consultation Fees	—	250,000	1,345,000	2,120,000	1,870,000	748.0 %
Other Services - Ctecc	511,445	586,576	600,000	621,803	35,227	6.0 %
Other Professional Fees	1,077,159	663,000	1,459,000	1,116,640	453,640	68.4 %
COVID-19 Vaccine and Testing	14,517	—	621,475	—	—	N/A
Permits And Fees	—	—	—	23,983	23,983	N/A
Temporary Help	876,382	367,848	322,427	364,761	(3,087)	(0.8)%
Maintenance-Radios	529,639	612,000	648,000	675,120	63,120	10.3 %
Repair & Maintenance-Other	3,781,268	4,683,100	11,110,025	7,138,570	2,455,470	52.4 %
Vehicle Towing	4,000	—	207,000	266,750	266,750	N/A
Other Services	(697,600)	1,010,000	18,000	639,994	(370,006)	(36.6)%
Diesel	5,195,849	5,477,517	5,858,366	6,855,815	1,378,298	25.2 %
Gasoline	223,555	180,448	156,494	518,241	337,793	187.2 %
Fuel-North Ops .	2,863,689	3,237,712	3,366,999	3,820,448	582,736	18.0 %
Fuel Risk Management	(29,017)	—	—	—	—	N/A
Tires And Tubes	—	—	643,500	1,018,500	1,018,500	N/A

	FY2021 Actual	FY2022 Budget	FY2022 Forecast	FY2023 Budget	Var \$ FY2023 vs. FY2022	Var % FY2023 vs. FY2022
Office Supplies	6,126	10,560	15,394	22,720	12,160	115.2 %
Cleaning Supplies	143	—	3,874	191,370	191,370	N/A
Expendable Tools & Equipment	—	—	—	182,000	182,000	N/A
Other Supplies	263,398	427,020	435,398	15,000	(412,020)	(96.5)%
Maintenance Materials	—	—	—	14,135,680	14,135,680	N/A
Core Deposit Credit	—	—	—	(120,000)	(120,000)	N/A
Freight Charge-Inventory Parts	—	—	—	1,265,520	1,265,520	N/A
Electricity - Propulsion Power	65,027	306,000	84,000	150,833	(155,167)	(50.7)%
Electric	8,408	—	—	—	—	N/A
Telephone-Local	480	3,600	2,080	2,880	(720)	(20.0)%
Diesel Fuel Tax	816,940	1,013,688	851,180	970,569	(43,119)	(4.3)%
Gasoline Fuel Tax	15,301	20,088	15,836	26,022	5,934	29.5 %
E. Fifth Bus	66,308,279	76,167,892	64,478,089	69,971,136	(6,196,756)	(8.1)%
North Ops Bus	37,604,612	44,481,260	40,363,105	39,440,635	(5,040,625)	(11.3)%
Rural Service Bus	1,365,623	1,077,791	969,763	1,013,796	(63,995)	(5.9)%
Dues And Subscriptions	9,796	72,000	297,700	388,550	316,550	439.7 %
Airfare - Transportation	5,408	23,563	18,874	62,756	39,193	166.3 %
Travel - Per Diem	1,194	31,299	27,813	38,742	7,443	23.8 %
Toll Road Charges	6,125	93,600	—	105,000	11,400	12.2 %
Seminar, Conferences, Registration	427	2,200	4,247	149,900	147,700	6713.6 %
Lodging	1,420	28,365	29,544	67,276	38,911	137.2 %
Travel - Other	969	—	349	—	—	N/A
Business Meals - Local	1,099	500	1,049	—	(500)	(100.0)%
Other Miscellaneous Expenses	64	—	—	—	—	N/A
Food and Ice	759	52,800	5,581	66,000	13,200	25.0 %
Lease-Vehicles	—	108,000	43,631	27,651	(80,349)	(74.4)%
Expense Reimbursement	—	(140,778)	—	—	140,778	(100.0)%
Capital Contributions-Other Jurisdictions	28,600	50,000	77,000	50,000	—	— %
TOTAL OTHER EXPENSES	120,861,084	140,897,649	134,080,792	153,404,662	12,507,013	8.9 %
TOTAL OPERATING EXPENSES	\$123,643,841	\$144,268,817	\$137,491,861	\$163,870,175	\$19,601,357	13.6 %

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 seniors and people with disabilities.

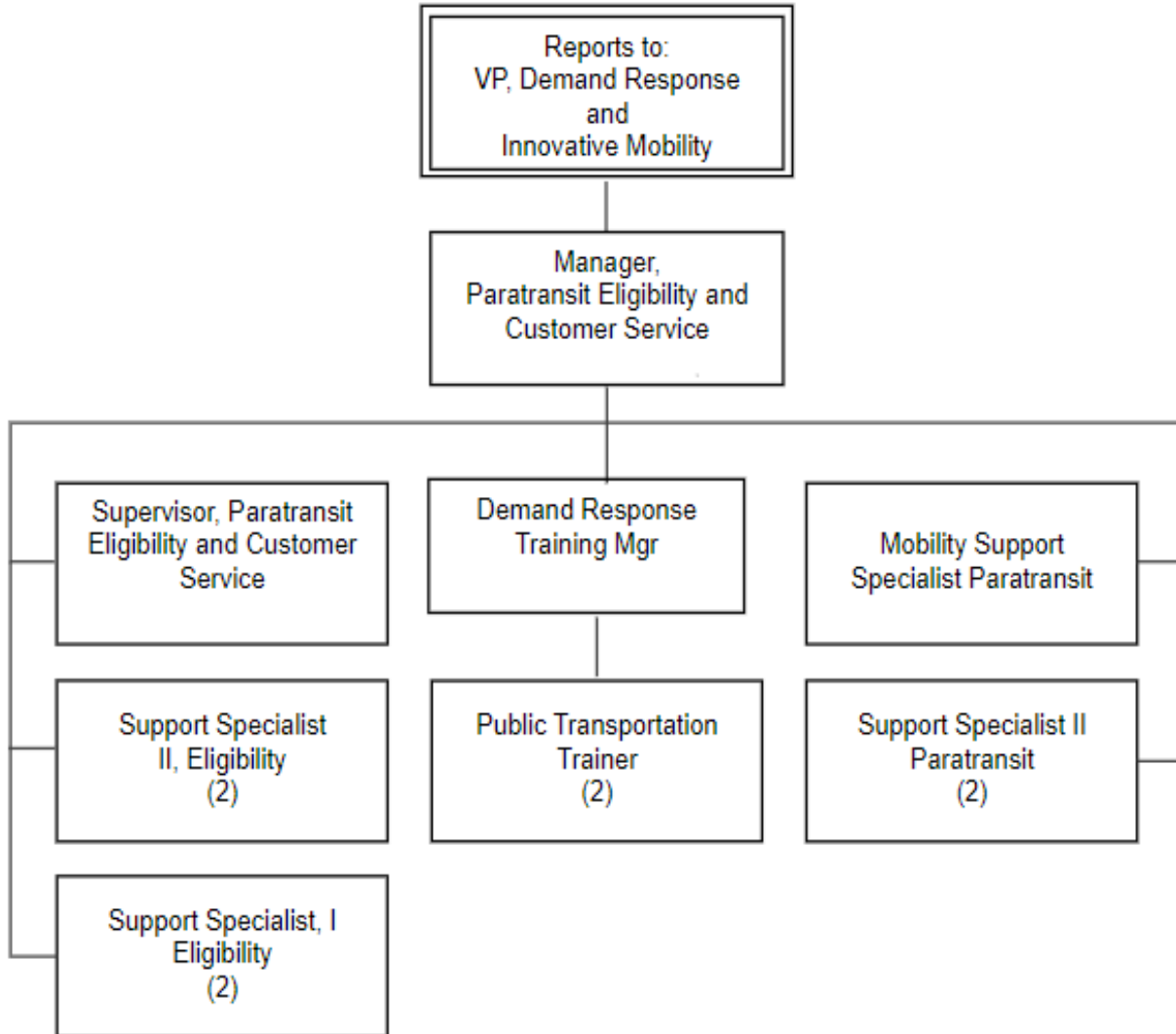
FY2022 Accomplishments

- ◆ Internal/External Customer Service Excellence
 - Resumed in-person operations.
 - Renovated facility to improve safety for in-person customers.
- ◆ Stakeholder Engagement
 - Provided targeted community outreach about eligibility, travel training and understanding ADA paratransit requirements.
- ◆ Financial and Environmental Sustainability
 - Resumed pathway assessment and travel training programs to promote fixed route use.
 - Implemented return of MetroAccess no-show policies.

FY2023 Planned Initiatives

- ◆ Customer
 - Implement new customer facing software for improved access for MetroAccess customers.
 - Implement Rider Guide for Pickup customers.
- ◆ Organization Effectiveness
 - Implement software to address workflows, and reduce paper process.
- ◆ Community
 - Increase access to and knowledge of complimentary travel training services.

Paratransit Eligibility Department Organizational Chart



Budget Changes

Labor and Benefits

Increase of \$134,961 from 1 additional FTE and approved performance-based pay increases to become effective in January 2023.

Other Expenses

Increase of \$31,800 driven by \$25,000 Other Professional Fees for contractual increase.

	FY2021 Actual	FY2022 Budget	FY2022 Forecast	FY2023 Budget	Var \$ FY2023 vs. FY2022	Var % FY2023 vs. FY2022
LABOR & BENEFITS						
Salaries & Wages - Admin.	\$537,834	\$602,448	\$602,448	\$728,306	\$125,858	20.9%
Overtime - Administrative	1,105	—	—	—	—	N/A
FICA-Admin	39,871	45,074	45,074	53,995	8,921	19.8%
State Unemployment-Admin	2,444	1,978	1,978	2,160	182	9.2%
Supplemental Sick	2,631	—	—	—	—	N/A
Uniform Allowance-Admin.	—	1,800	1,500	1,800	—	—%
TOTAL LABOR & BENEFITS	583,885	651,300	651,000	786,261	134,961	20.7%
OTHER EXPENSES						
Other Professional Fees	346,626	375,000	375,000	400,000	25,000	6.7%
Temporary Help	—	124,000	50,000	124,000	—	—%
Other Services	3,075	6,996	4,000	6,996	—	—%
Office Supplies	557	—	—	—	—	N/A
Other Supplies	—	7,000	3,000	10,000	3,000	42.9%
Telephone-Local	—	1,920	—	4,320	2,400	125.0%
Dues And Subscriptions	—	375	375	375	—	—%
Airfare - Transportation	—	1,200	1,000	1,200	—	—%
Travel - Per Diem	—	600	600	600	—	—%
Seminar, Conferences, Registration	—	1,000	600	1,000	—	—%
Lodging	—	1,500	1,000	1,500	—	—%
Advertising/Promotion Media	6,917	2,600	1,500	4,000	1,400	53.8%
Postage	6,278	12,600	10,000	12,600	—	—%
TOTAL OTHER EXPENSES	363,453	534,791	447,075	566,591	31,800	5.9%
TOTAL OPERATING EXPENSES	\$947,338	\$1,186,091	\$1,098,075	\$1,352,852	\$166,761	14.1%

People and Culture

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 CapMetro'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.

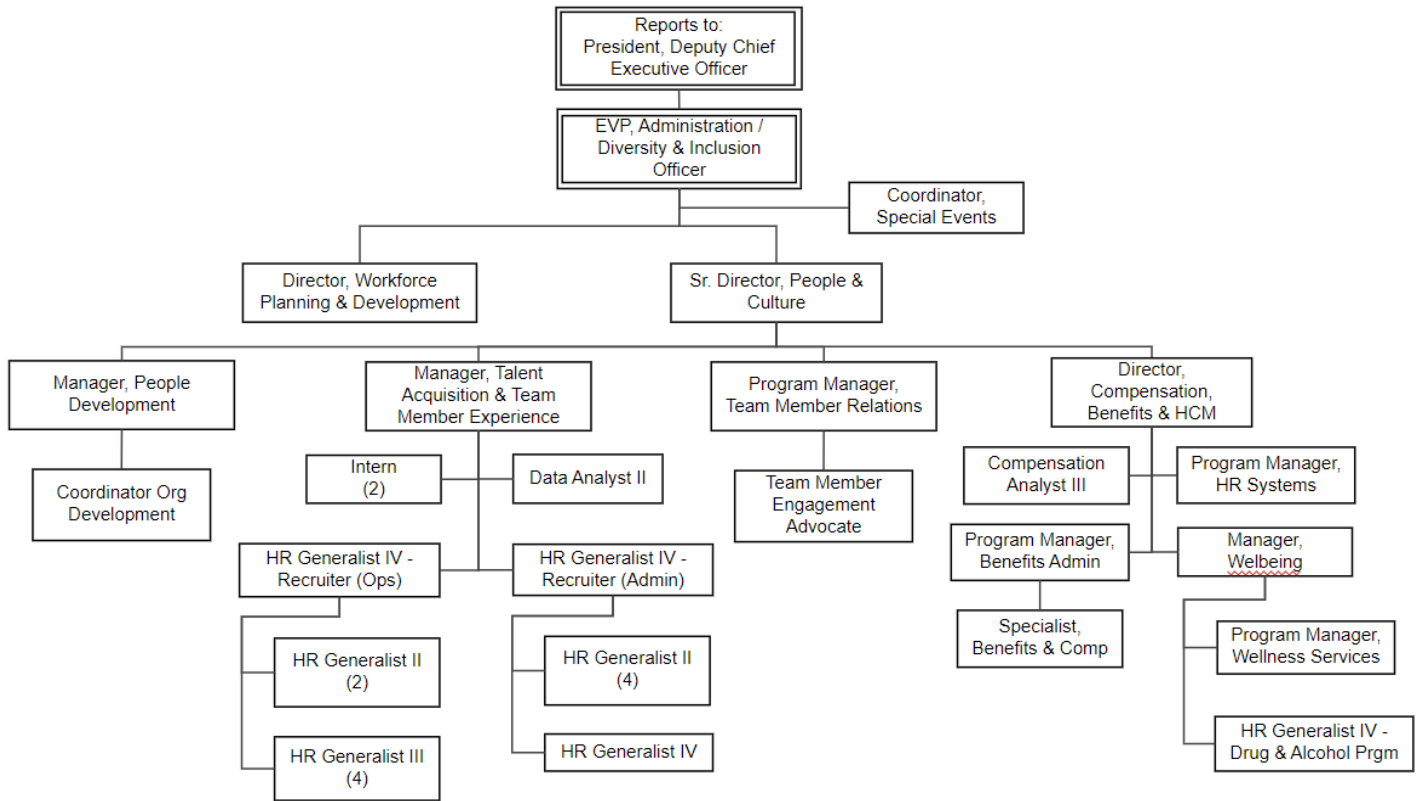
FY2022 Accomplishments

- ◆ Internal/External Customer Service Excellence
 - Supported enhanced health measures through the hiring of additional temporary workforce to maintain CapMetro operations during the COVID-19 pandemic.
 - Provided staffing and onboarding support services for Austin Transit Partnership start-up.
 - Completed workforce planning project to prepare for long-term workforce growth to support enhanced transit services with implementation of the Project Connect program of projects.
- ◆ Engaged Workforce
 - Launched team member engagement survey to include action planning tools. The survey allows for CapMetro and service providers to measure team member levels of engagement.
 - Completed diversity, equity and inclusion employee survey which showed that over 80% of respondents believe diversity and inclusion is a stated value and priority for CapMetro.
 - Redesigned and implemented the orientation and onboarding program.
 - Managed continuous communications with staff during COVID-19 pandemic.
 - Provided employee support during winter storm including disaster funding for storm-related damages.
 - Promoted cultural and diversity awareness through recognition of cultural events and holidays throughout the year.

FY2023 Planned Initiatives

- ◆ Customer
 - Streamline routine processes so that more time can be spent on people-focused activities.
- ◆ Workforce
 - Build a leadership development plan that supports the employee lifecycle.
- ◆ Organizational Effectiveness
 - Update all job descriptions to reflect CapMetro values and desired culture.

People and Culture Department Organizational Chart



Budget Changes

Labor and Benefits

Increase of \$1,136,082 due to 17 new FTEs and approved performance-based pay increases to become effective in January 2023.

Other Expenses

Increase of \$649,847 primarily driven by a \$120,666 increase in Consultation Fees, and \$445,985 in Other Services for executive recruiting and background check services. This is partially offset by reductions of \$150,900 in Other Professional Fees.

	FY2021 Actual	FY2022 Budget	FY2022 Forecast	FY2023 Budget	Var \$ FY2023 vs. FY2022	Var % FY2023 vs. FY2022
LABOR & BENEFITS						
Salaries & Wages - Admin.	\$1,528,448	\$1,791,042	\$1,833,276	\$2,848,687	\$1,057,645	59.1%
Overtime - Administrative	471	—	—	—	—	N/A
FICA-Admin	111,555	128,527	131,687	204,269	75,742	58.9%
State Unemployment-Admin	2,967	2,883	3,063	5,581	2,698	93.6%
Relocation Reimb.	137,834	54,215	54,215	54,213	(2)	0.0%
Other Benefits - Admin	(50)	—	—	—	—	N/A
Rideshare Subsidy	270	—	—	—	—	N/A
Tuition Reimbursement	7,287	25,000	25,000	24,999	(1)	0.0%
TOTAL LABOR & BENEFITS	1,788,782	2,001,667	2,047,241	3,137,749	1,136,082	56.8%
OTHER EXPENSES						
Consultation Fees	2,202,797	460,942	330,000	581,608	120,666	26.2%
Technical Services	13,962	29,082	39,000	600	(28,482)	(97.9%)
Other Professional Fees	41,498	242,000	242,000	91,100	(150,900)	(62.4%)
Temporary Help	221,273	100,000	375,000	102,000	2,000	2.0%
Repair & Maintenance-Other	655	—	—	—	—	N/A
Courier And Delivery Services	—	450	350	2,400	1,950	433.3%
Other Services	3,181	14,600	14,600	460,585	445,985	3054.7%
Office Supplies	14,734	12,000	6,000	2,600	(9,400)	(78.3%)
Training Materials	(431)	—	—	—	—	N/A
Other Supplies	1,329	8,160	118,160	—	(8,160)	(100.0%)
Telephone-Local	720	480	580	5,280	4,800	1000.0%
Dues And Subscriptions	41,515	59,147	40,000	140,666	81,519	137.8%
Airfare - Transportation	1,491	8,000	8,000	5,000	(3,000)	(37.5%)
Travel - Per Diem	—	2,900	2,900	3,600	700	24.1%
Seminar, Conferences, Registration	1,327	27,199	20,000	12,859	(14,340)	(52.7%)
Lodging	198	7,500	7,500	7,900	400	5.3%
Travel - Other	—	200	200	—	(200)	(100.0%)
Business Meals - Local	—	1,600	2,000	2,000	400	25.0%
Newspaper Media	1,200	9,600	5,000	—	(9,600)	(100.0%)
Advertising/Promotion Media	18,317	3,500	105,000	49,500	46,000	1314.3%

	FY2021 Actual	FY2022 Budget	FY2022 Forecast	FY2023 Budget	Var \$ FY2023 vs. FY2022	Var % FY2023 vs. FY2022
Postage	6,999	600	20,000	1,500	900	150.0%
Other Miscellaneous Expenses	13,772	1,075	3,500	42,120	41,045	3818.1%
Food and Ice	291	13,100	25,000	46,900	33,800	258.0%
Recognition Program	223,490	108,036	110,000	201,800	93,764	86.8%
Office Equipment	1,170	—	—	—	—	N/A
TOTAL OTHER EXPENSES	2,809,488	1,110,171	1,474,790	1,760,018	649,847	58.5 %
TOTAL OPERATING EXPENSES	\$4,598,267	\$3,111,838	\$3,522,031	\$4,897,767	\$1,785,929	57.4%

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.

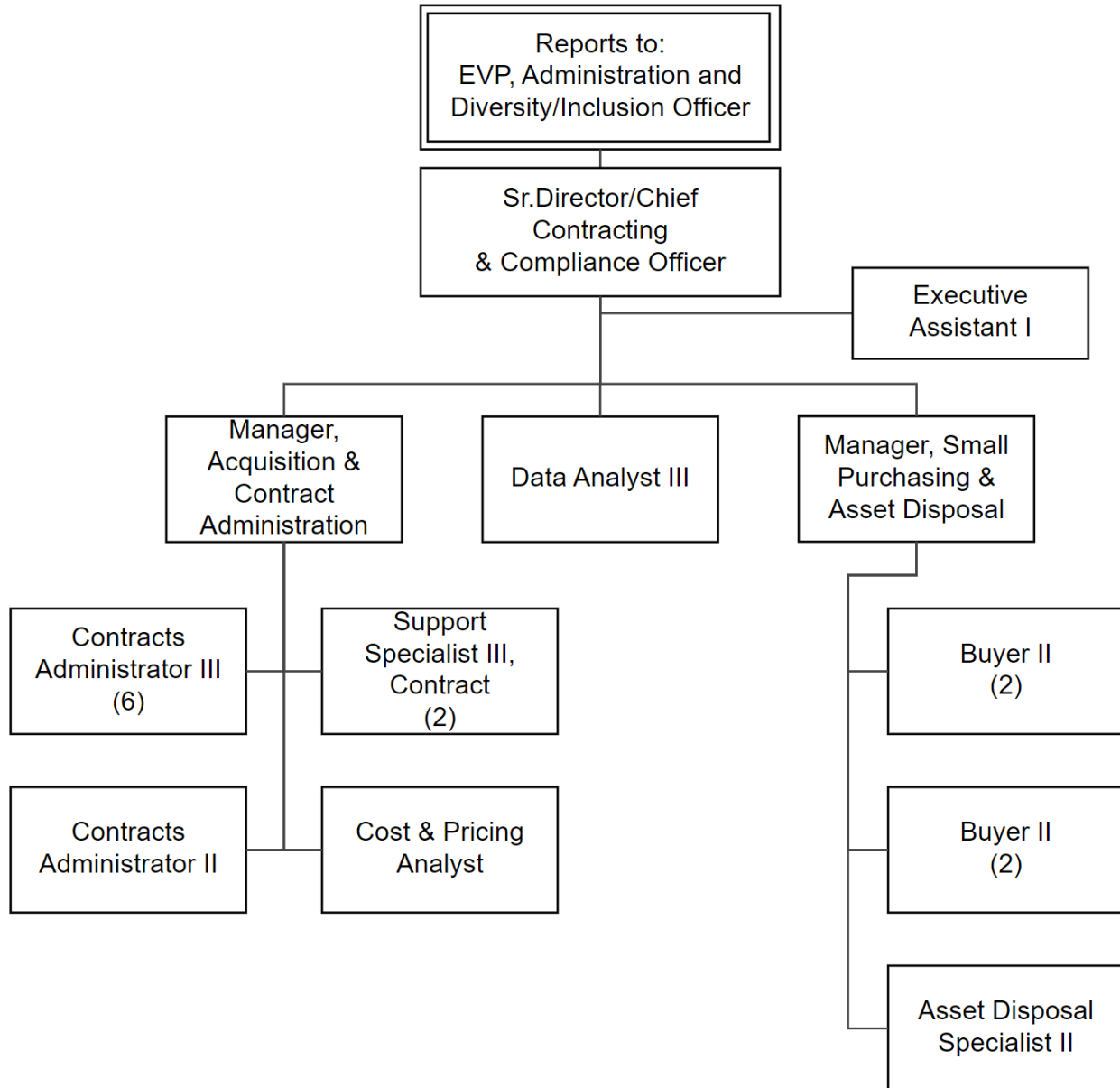
FY2022 Accomplishments

- ◆ Internal/External Customer Service Excellence
 - Awarded a contract for the construction of McKalla Station on the MetroRail Red Line.
 - Awarded contracts for new vehicles for ADA, Paratransit and Pickup services.
 - Awarded contract for new stations for the MetroRapid lines.
 - Procured consulting services to assist in requirements gathering for new CAD/AVL, APC and ITS systems.
 - Absorbed the responsibility of parts ordering for the majority of our bus operations.
 - Awarded contracts for new vehicles for ADA, paratransit and Pickup services.
 - Awarded contract for double tracking near Lakeline and Leander to increase efficiency.
 - Awarded multiple contracts for professional engineering services including general engineering, architectural and general planning services.
- ◆ Organizational Development
 - Awarded employee benefits program contracts to ensure CapMetro offers rich, competitive benefits.
 - Awarded a contract for wellness services.
- ◆ Financial and Environmental Sustainability
 - Participated as a key stakeholder in the implementation of a new Enterprise Resource Planning system.
 - Awarded a contract for Data Warehouse implementation.
 - Awarded contracts for fleet electrification at 2910 and North Ops.
 - Awarded task order contracts for Safety and Security Certification Services which will verify that the design, construction, fabrication, installation, testing and commissioning of all critical elements (vehicles, civil, structural and systems) have been evaluated for conformance with all applicable state and local safety and security requirements.
 - Received no findings on the 2022 FTA Triennial Audit.
- ◆ Stakeholder Engagement
 - Participated in Industry Day to encourage small and minority business participation in CapMetro solicitations.

FY2023 Planned Initiatives

- ◆ Customer
 - Resolicit and award a contract for the printing of pocket schedules.
 - Resolicit and award a contract for contracted paratransit/on-demand services.
 - Resolicit and award a task order contract for wayfinding and customer information throughout our service area.
 - Solicit and award contracts for bus washing and vehicle interior cleaning.
- ◆ Community
 - Solicit and award a contract for services related to our MetroBike program.
- ◆ Workforce
 - Resolicit the Child Care Services contract.
 - Resolicit and award the Employee Assistance Program contract.
 - Solicit and award a contract for professional services for an on-site wellness clinic.
- ◆ Organizational Effectiveness
 - Award contracts for Civil Engineering Task Order Services.
 - Resolicit and award the contract for Unarmed Security Guard Services.

Procurement Department Organizational Chart



Budget Changes

Labor and Benefits

Increase of \$312,857 due to 2 new FTEs and approved performance-based pay increases to become effective in January 2023.

Other Expenses

Decrease of \$3,902 primarily due to decreased Temporary Help of \$9,252 and an increase in Seminars, Conferences, and Registration of \$4,510.

	FY2021 Actual	FY2022 Budget	FY2022 Forecast	FY2023 Budget	Var \$ FY2023 vs. FY2022	Var % FY2023 vs. FY2022
LABOR & BENEFITS						
Salaries & Wages - Admin.	\$1,388,516	\$1,631,633	\$1,631,633	\$1,924,327	\$292,694	17.9 %
Overtime - Administrative	6,552	—	—	—	—	N/A
FICA-Admin	106,053	121,270	121,270	141,074	19,804	16.3 %
State Unemployment-Admin	3,217	3,242	3,242	3,601	359	11.1 %
Supplemental Sick	5,309	—	—	—	—	N/A
Other Benefits - Admin	(50)	—	—	—	—	N/A
TOTAL LABOR & BENEFITS	1,509,597	1,756,145	1,756,145	2,069,002	312,857	17.8 %
OTHER EXPENSES						
Temporary Help	142,857	154,772	154,772	145,520	(9,252)	(6.0)%
Office Supplies	1,337	7,320	7,320	7,320	—	— %
Dues And Subscriptions	3,001	3,960	3,960	4,800	840	21.2 %
Airfare - Transportation	—	2,940	2,940	2,940	—	— %
Travel - Per Diem	—	2,052	2,052	2,052	—	— %
Seminar, Conferences, Registration	11,427	13,145	13,145	17,655	4,510	34.3 %
Lodging	—	3,900	3,900	3,900	—	— %
Travel - Other	15	1,100	1,100	1,100	—	— %
Business Meals - Local	—	500	500	500	—	— %
Newspaper Media	14,600	19,000	19,000	19,000	—	— %
Postage	9	600	600	600	—	— %
TOTAL OTHER EXPENSES	173,246	209,289	209,289	205,387	(3,902)	(1.9)%
TOTAL OPERATING EXPENSES	\$1,682,842	\$1,965,434	\$1,965,434	\$2,274,389	\$308,955	15.7 %

Project Connect

Functions and Responsibilities

On November 3, 2020, Austin voters approved the initial investment in the Project Connect System Plan. CapMetro's Project Connect is a transformational expansion of the region's public transit system, designed to improve access to essential jobs, health care and education. Established as a separate organization, the Austin Transit Partnership (ATP) will guide the Project Connect investment with transparency and accountability throughout the program.

As of January 2021, the Project Connect department activities have been transferred to the Austin Transit Partnership.

Project Connect Integration

Functions and Responsibilities

Project Connect Integration is a new department created to bridge CapMetro and Austin Transit Partnership in the design, construction and implementation into revenue service of assets and services created by Project Connect. This team works in conjunction with ATP and CapMetro staff to ensure inclusion of design requirements, emphasizing operation and maintenance (O&M) considerations, operational readiness and the successful expansion of the transit network that CapMetro operates and maintains.

As one of the program sponsors and the entity responsible for the O&M of the system components implemented by ATP, it is important that CapMetro's input into the ongoing work of ATP be focused, consistent and complete.

Project Connect Integration includes the CapMetro Vehicles and Systems group, which has been created to define the requirements, operate and maintain the new capabilities of the assets that Project Connect creates for O&M by CapMetro. This department also supports existing operations including rail and zero-emission vehicle.

FY2022 Accomplishments

- ◆ Internal/External Customer Service Excellence
 - Held a community-facing workshop on vehicle design, gathering community input for consideration and incorporation.
- ◆ Stakeholder Engagement
 - Collaborated with Austin Energy as a key partner for planning and project implementation with regards to power requirements, sustainability and resiliency.
 - Supported collaboration with the FTA as the sponsor and grant recipient in support of Small Starts Grant Agreement (SSGA) for MetroRapid Expo Center and Pleasant Valley projects, as well as project development for Project Connect Orange Line, Blue Line and maintenance facility.
- ◆ Organizational Development
 - Stood up two new teams, Project Connect Integration and Systems & Vehicles, in order to ensure the effective planning, operations and maintenance of Project Connect assets and service. Six employees hired as part of the CapMetro team, all of whom maintain a presence at the Austin Transit Partnership office.
 - Designed systems and vehicles requirements in support of future light rail service as outlined as part of the Project Connect Program.

FY2023 Planned Initiatives

- ◆ Customer
 - Keeping the customer at the core of work for the planning, development of requirements, and operations and maintenance of Project Connect assets and services.

◆ Organization Effectiveness

- Design systems and vehicles requirements in support of future light rail service as outlined in the Project Connect Program.
- Facilitate the planning, collaboration and implementation of new MetroRapid electric bus services.

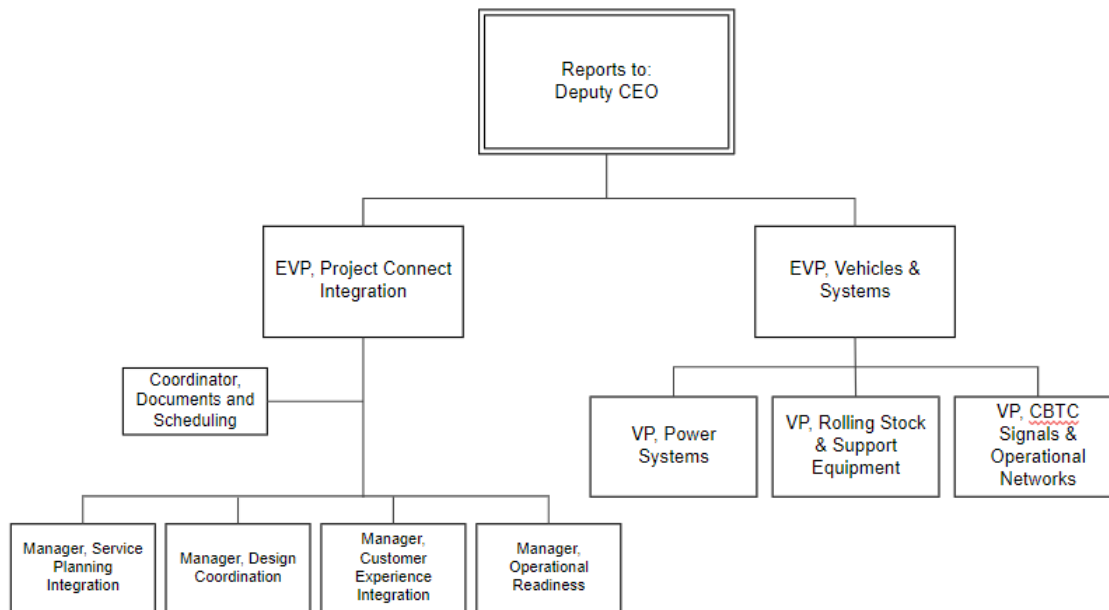
◆ Workforce

- Continue developing the Project Connect Integration and Systems & Vehicles teams as well as the wider CapMetro organization, enabling the operations and maintenance of Project Connect assets.
- Develop the infrastructure and organization required to support battery electric bus services and light rail functions.
- Support rail teams as needed.

◆ Community

- Continue collaboration with Austin Energy as a key partner for planning and project implementation with regards to power requirements, sustainability and resiliency for bus and light rail service.
- Continue collaboration with the FTA in the execution of SSGA for MetroRapid Expo Center and Pleasant Valley projects as the FTA sponsor and grant recipient.
- Continued collaboration with the FTA as sponsor and grant recipient for Project Connect Orange Line, Blue Line and maintenance facility.

Project Connect Integration Department Organizational Chart



Budget Changes

Labor and Benefits

Increase of \$1,797,931 for 10 new FTEs and approved performance-based pay increases to become effective in January 2023.

Other Expenses

Increase of \$1,019,200 to support the operations of this new department.

	FY2021 Actual	FY2022 Budget	FY2022 Forecast	FY2023 Budget	Var \$ FY2023 vs. FY2022	Var % FY2023 vs. FY2022
LABOR & BENEFITS						
Salaries & Wages - Admin.	\$—	\$—	\$—	\$1,689,444	\$1,689,444	N/A
FICA-Admin	—	—	—	106,691	106,691	N/A
State Unemployment-Admin	—	—	—	1,796	1,796	N/A
TOTAL LABOR & BENEFITS	—	—	—	1,797,931	1,797,931	N/A
OTHER EXPENSES						
Consultation Fees	—	—	—	500,000	500,000	N/A
Other Services	—	—	—	500,000	500,000	N/A
Office Supplies	—	—	—	1,200	1,200	N/A
Seminar, Conferences, Registration	—	—	—	18,000	18,000	N/A
TOTAL OTHER EXPENSES	—	—	—	1,019,200	1,019,200	N/A
TOTAL OPERATING EXPENSES	\$—	\$—	\$—	\$2,817,131	\$2,817,131	N/A

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.

FY2022 Accomplishments

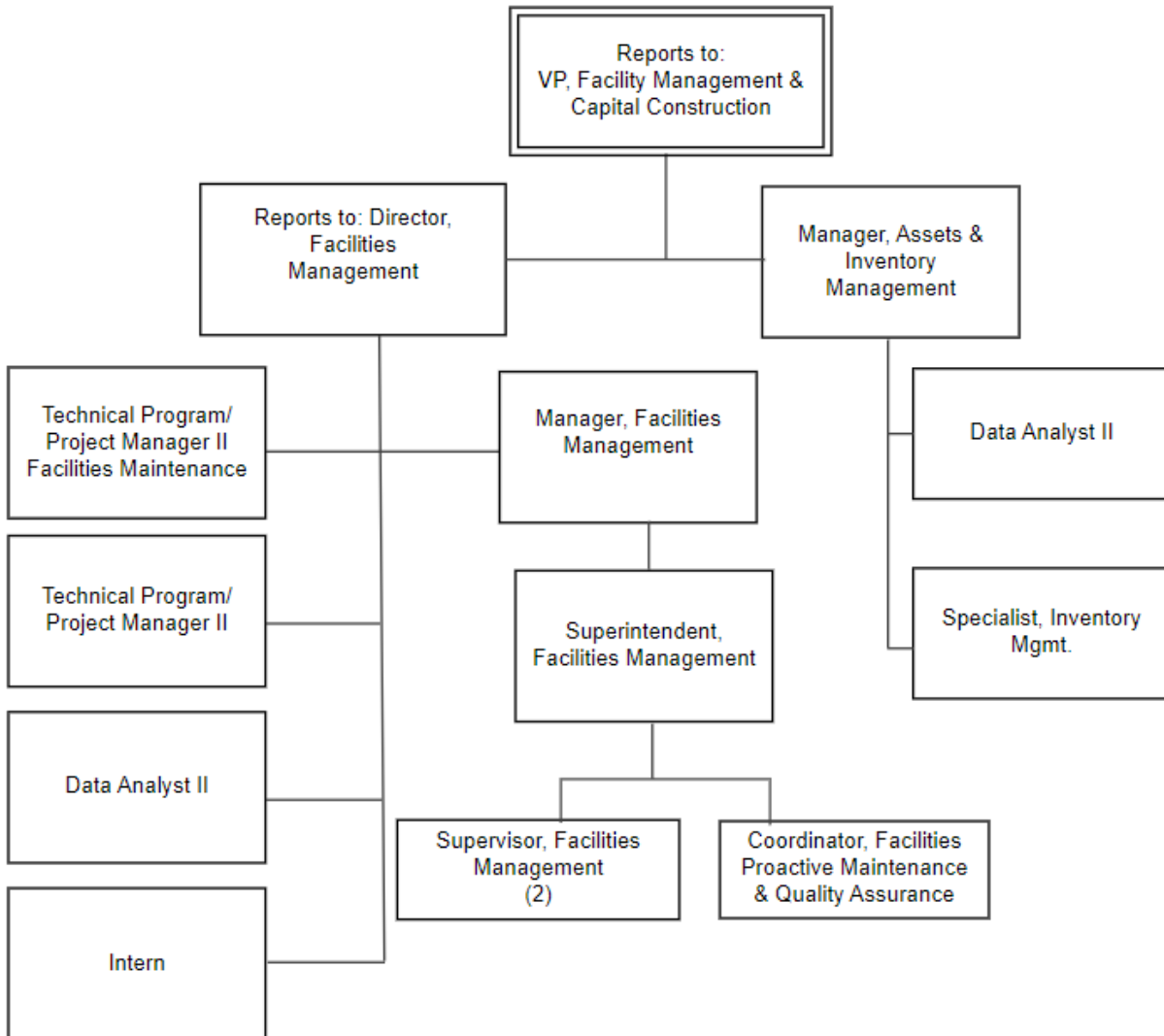
- ◆ Internal/External Customer Service Excellence
 - Continued to foster good relations and provide technical and contract compliance for the building maintenance contract.
- ◆ Financial and Environmental Sustainability
 - Submitted Federal Transportation Administration (FTA) Triennial review documents for Transit Asset Management with no findings.
 - Completed facilities condition assessment.
 - Supported implementation of the enterprise asset management system.
- ◆ Organizational Development
 - Developed asset management standard procedures.

FY2023 Planned Initiatives

- ◆ Customer
 - Continue to foster good relations and provide technical and contract compliance for the building maintenance contract.
 - Continue the state of good repair to ensure a safe work environment.
- ◆ Organizational Effectiveness
 - Develop key objectives, guiding principles, and strategies associated with:
 - Computer aided drafting (CAD)
 - CAD file management
 - Construction Operations Building information exchange (COBie)
 - Computer Aided Facility Management (CAFM)
 - Integrated Workplace Management Standards (IWMS)
 - Computerized Maintenance Management System (CMMS)
 - Project close-out documentation
 - Develop industrial equipment assessment tool to better document condition and expected life of assets.
 - Complete state of good repair updates based on facility exit strategies and asset condition assessments.
 - Develop facilities monitoring and metering strategies.
 - Support the next phase of Hexagon software system.

- Update required FTA Transit Asset Management plan.
- ◆ Workforce
 - Develop condition-based procedures with predictive maintenance, automated fault detection and diagnostic protocols.
 - Finalize the facility smart technology strategy.
 - Implement an electrical safety training program.
- ◆ Community
 - Complete and refine facilities related guidelines, protocols and standards.
 - Finalize the energy, infrastructure and resiliency strategy.

Property and Asset Management Department Organizational Chart



Budget Changes

Labor and Benefits

Increase of \$868,347 from two new part-time FTE, 1 FTE transfer from Capital Design and Construction, 2 from Public Facilities, and 4 from the bus operations and maintenance oversight reorganization and approved performance-based pay increases to become effective in January 2023.

Other Expenses

Increase of \$2,389,851 mainly driven by \$2,143,290 in Other Services, of which \$953,026 is related to the bus operations and maintenance oversight reorganization affecting building maintenance contract and \$586,800 for the rebid of the HVAC contract, \$348,464 to improve the 2910 E. Fifth Street north-east and west employee parking lots, concrete expansion joint repairs and installation of landscaping and irrigation systems at 2910 E. Fifth Street and 9315 McNeil Road. locations. Investment of \$108,000 for a building automation system, and \$90,000 in for fall protection safety at 9315 McNeil Road, and an electric bus facility maintenance evaluation. Increase of \$172,116 in Temporary Help for facility painting.

	FY2021 Actual	FY2022 Budget	FY2022 Forecast	FY2023 Budget	Var \$ FY2023 vs. FY2022	Var % FY2023 vs. FY2022
LABOR & BENEFITS						
Salaries & Wages - Admin.	\$446,575	\$316,890	\$316,890	\$1,124,358	\$807,468	254.8%
Overtime - Administrative	78	—	—	—	—	N/A
FICA-Admin	40,719	23,708	23,708	82,967	59,259	250.0%
State Unemployment-Admin	1,296	720	720	2,340	1,620	225.0%
TOTAL LABOR & BENEFITS	488,668	341,318	341,318	1,209,665	868,347	254.4%
OTHER EXPENSES						
Other Professional Fees	600,325	925,000	925,000	960,000	35,000	3.8%
Permits And Fees	197	1,500	800	1,500	—	—%
Temporary Help	—	25,000	25,000	197,116	172,116	688.5%
Repair & Maintenance-Other	25,882	23,000	11,601	23,000	—	—%
Courier And Delivery Services	22	—	—	—	—	N/A
Other Services	2,144,684	2,506,825	3,218,857	4,650,115	2,143,290	85.5%
Office Supplies	992	7,000	6,701	7,000	—	—%
Other Supplies	15,797	20,500	20,320	76,700	56,200	274.1%
Non Capital Equipment	60,152	64,000	44,400	40,000	(24,000)	(37.5%)
Inspection Certificates	5,475	—	—	—	—	N/A
Dues And Subscriptions	—	1,007	1,007	1,607	600	59.6%
Airfare - Transportation	—	2,500	2,500	3,450	950	38.0%
Travel - Per Diem	—	320	320	480	160	50.0%
Seminar, Conferences, Registration	—	1,000	1,000	2,695	1,695	169.5%
Lodging	—	1,200	1,200	2,340	1,140	95.0%
Travel - Other	16	—	—	—	—	N/A
Postage	32	65	54	65	—	—%
5120601 - Lease-Operating Yard/Storage	—	—	2,025	2,700	2,700	N/A
Office Equipment	60	—	—	—	—	N/A
TOTAL OTHER EXPENSES	2,853,634	3,578,917	4,260,785	5,968,768	2,389,851	66.8%
TOTAL OPERATING EXPENSES	\$3,342,302	\$3,920,235	\$4,602,103	\$7,178,433	\$3,258,198	83.1%

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 and other facility management support for owned and leased non-public facilities.

FY2022 Accomplishments

- ◆ Internal/External Customer Service Excellence
 - Installed 15 bus stop shelters and amenities.
 - Installed water bottle filling stations at Park & Ride facilities.
 - Coordinated installation of e-paper signs at the Richard A. Moya Eastside Bus Plaza.
 - Supported Capital Design and Construction with enhancements to bus stops and transit centers.
- ◆ Stakeholder Engagement
 - Improved work order management tool.
 - Improved work order user experience.
 - Supported design of new service vehicles.
- ◆ Financial and Environmental Sustainability
 - Installed and maintained solar-powered lights at 30 sheltered bus stops.
- ◆ Staff Development
 - Developed an electrical safety program in coordination with the Safety department.

FY2023 Planned Initiatives

- ◆ Customer
 - Support Capital Design and Construction with enhancements to bus stops and transit centers.
 - Install 54 bus stop shelters and amenities.
 - Replace South Congress Transit Center and Pavilion Park & Ride roofs.
 - Upgrade Pavilion Park & Ride shelter lighting.
 - Refurbish remaining rail stations and bike shelters at Park & Rides and Transit Centers.

◆ Organizational Effectiveness

- Complete State of Good Repair based on facility exit strategies and asset condition assessments.
- Continue to improve work order management tool.

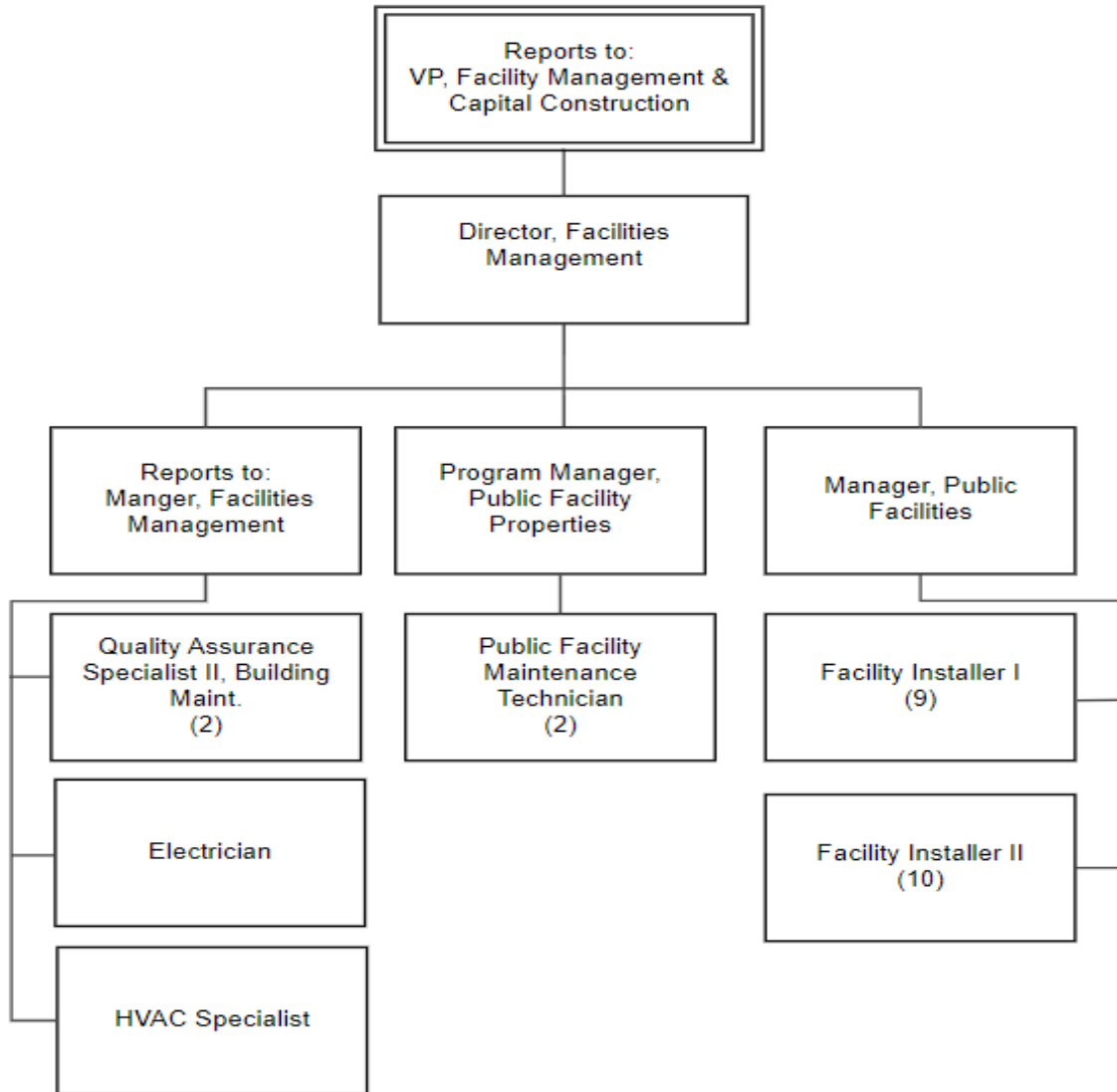
◆ Workforce

- Support design of new service non-revenue vehicles.
- Implement a continuous painting program for bus stops.
- Implement an electrical safety training program in coordination with the Safety department.
- Coordinate Hexagon software staff training for field use.

◆ Community

- Implement a public facility recycle program at 15 locations.
- Coordinate installation and removal of bus stop shelters and amenities.
- Support emergency response to community needs.

Public Facilities Department Organizational Chart



Budget Changes

Labor and Benefits

Increase of \$262,265 for 7 new FTEs and 2 FTEs transferred to Property Asset Management, and approved performance-based pay increases to become effective in January 2023.

Other Expenses

Increase of \$23,648 from \$99,992 in Electric, and \$94,686 in Drainage Service from contractual increases and a \$80,830 increase in Other Supplies mainly driven by support of 15 recycling locations offset by \$343,783 decrease Other Services from transferring the HVAC expense to the Property and Asset Management department.

	FY2021 Actual	FY2022 Budget	FY2022 Forecast	FY2023 Budget	Var \$ FY2023 vs. FY2022	Var % FY2023 vs. FY2022
LABOR & BENEFITS						
Salaries & Wages - Admin.	\$1,264,321	\$1,529,508	\$1,529,508	\$1,850,598	\$321,090	21.0%
Overtime - Administrative	82,757	151,275	151,275	73,481	(77,794)	(51.4%)
FICA-Admin	94,317	119,973	119,973	137,253	17,280	14.4%
State Unemployment-Admin	2,304	4,140	4,140	5,039	899	21.7%
Supplemental Sick	174	—	—	—	—	N/A
Uniform Allowance-Admin.	7,031	8,700	7,225	8,700	—	—%
Boot Allowance-Admin	1,095	2,210	1,764	3,000	790	35.7%
Other Benefits - Admin	(25)	—	—	—	—	N/A
TOTAL LABOR & BENEFITS	1,451,973	1,815,806	1,813,885	2,078,071	262,265	14.4 %
OTHER EXPENSES						
Repair & Maintenance-Other	236,252	234,864	223,937	242,764	7,900	3.4%
Electrical Services	101,355	140,004	136,004	168,005	28,001	20.0%
Custodial Services	1,273,934	1,307,864	887,835	1,315,549	7,685	0.6%
Other Services	456,996	881,573	551,583	537,790	(343,783)	(39.0%)
Office Supplies	309	120	100	120	—	—%
Other Supplies	39,042	85,850	84,000	166,680	80,830	94.2%
Maintenance Materials	56,551	50,000	40,000	60,000	10,000	20.0%
Electric	990,205	1,000,000	765,525	1,099,992	99,992	10.0%
Water And Sewer	283,700	320,004	171,000	320,004	—	—%
Gas	105,092	145,812	117,991	182,268	36,456	25.0%
Telephone-Local	1,920	2,400	1,920	2,400	—	—%
Drainage Service	254,246	261,036	183,753	355,704	94,668	36.3%
Garbage Collection	112,897	96,000	51,282	96,000	—	—%
Street Service	143,924	132,684	115,500	132,684	—	—%
Travel - Other	76	—	—	—	—	N/A
Tools And Equipment	1,343	2,600	2,000	4,500	1,900	73.1%
Safety Equipment	—	5,000	5,000	5,000	—	—%
TOTAL OTHER EXPENSES	4,057,841	4,665,811	3,337,430	4,689,459	23,648	0.5%
TOTAL OPERATING EXPENSES	\$5,509,814	\$6,481,618	\$5,151,315	\$6,767,530	\$285,912	4.4%

Public Safety and Emergency Management

Functions and Responsibilities

The Public Safety and Emergency Management department's primary mission is to ensure the safety of customers and employees, and to protect CapMetro property while maintaining the integrity of the service. The department provides security and emergency preparedness-related training for CapMetro and service provider personnel to enhance system safety 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 all security technology-related systems for the agency.

FY2022 Accomplishments

◆ Internal/External Customer Service Excellence

- Completed the development and implementation of the Public Safety Ambassador and Community Intervention Programs. Focused on continuous improvement of these programs to enhance public safety throughout the system.
- Installed 33 video cameras at critical rail signal houses to allow rail operations to monitor critical locations to ensure that public safety and operational issues are mitigated as soon as possible to maintain reliable service.

◆ Stakeholder Engagement

- Continued work with regional public safety partners to prepare for and respond to emergencies and regional disasters that impact our community through exercises and actual events such as the 2022 winter storm and boil water notice.
- Conducted a full-scale emergency exercise at the battery electric bus facility to ensure first responder agencies, utilities and all CapMetro staff are prepared to respond to emergencies related to this new technology.
- Continued integration of the agency's video system with regional partners to improve both partners' efficiency and customer service.
- Continued Community Intervention collaboration with local partners to better serve diverse populations impacting our transit system.

◆ Financial and Environmental Sustainability

- Reallocated Public Safety resources between law enforcement, Public Safety Ambassadors and Community Intervention to use these resources more efficiently in the specific areas they are most effective. As the Public Safety Ambassador and Community Intervention Specialists started operations, resources formerly used exclusively for law enforcement were realigned with these programs that are effective response units for non-law enforcement incidents on the system.
- Revised and tested the agency's Continuity of Operations and Emergency Response Plans to ensure emergencies or disasters have the minimum impact to the system.

◆ Staff Development

- Provided Frontline Employee Emergency Situation Training. This initiative will have a positive impact on CapMetro's business operations and customers.

- Provided active threat response training to all employees to enhance safety at all agency facilities and throughout the transit system.
- Provided Mental Health First Aid Training to employees to enhance skills when dealing with people in crisis. Two classes have completed this training which will continue for all frontline personnel. The training is aligned with customer experience and safety initiatives.

FY2023 Planned Initiatives

◆ Customer

- Fully staff and finish building the Public Safety Ambassador and Community Intervention programs to work effectively in concert with the CapMetro Police Department to ensure the safety of customers and employees.
- Complete building the Public Safety Dispatch operations to support the agency's new approach to Public Safety and certify all Public Safety Dispatchers as Licensed Telecommunicators with the Texas Commission On Law Enforcement (TCOLE) which is required to start CapMetro Police operations.

◆ Community

- Conduct a full-scale rail and bus exercise with first responders in partner agencies to ensure an effective response to emergencies on the system and close coordination with our partners.
- Finalize deployment of the new Public Safety Ambassadors so that the most effective use of agency resources is achieved to ensure the safety of our customers and employees.

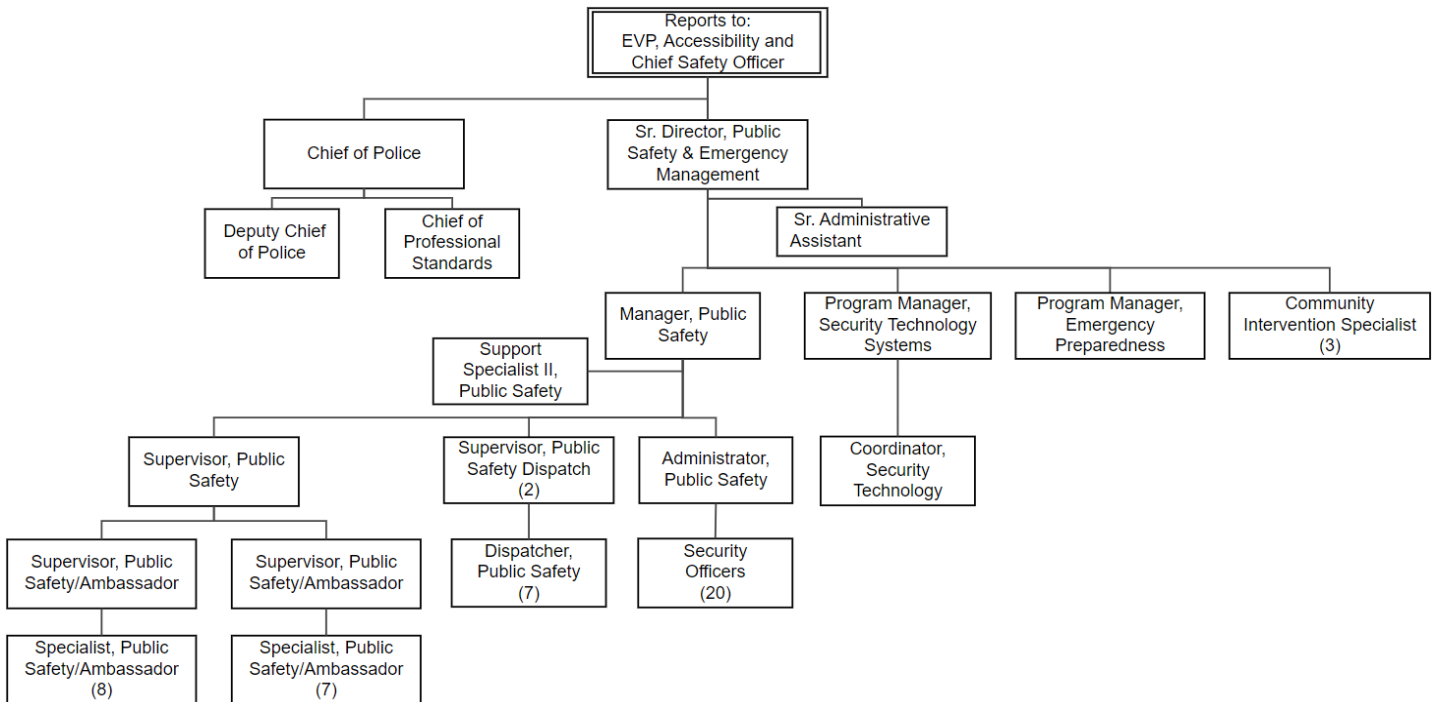
◆ Workforce

- Hold at least two Mental Health First Aid training classes to equip CapMetro employees with the tools necessary to respond effectively to persons in crisis.
- Provide frontline employee emergency situation training.
- Provide active threat response training to all employees to enhance safety at facilities and throughout the transit system.

◆ Organizational Effectiveness

- Conduct exercises to test the capabilities of CapMetro employees in executing the agency's Emergency Response Plan and Continuity of Operations Plans and conduct After Action Reviews (AARs) to ensure any identified deficiencies are corrected.
- Work closely with Austin Transit Partnership on all new project development in the areas of Public Safety and Emergency Management. Focus on new project Preliminary Hazard Analysis and Threat and Vulnerability Assessment to ensure organizational effectiveness and safety.

Public Safety and Emergency Management Department Organizational Chart



Budget Changes

Labor and Benefits

Increase of \$151,875 largely due to net 1 new FTE as well as approved performance-based pay increases to become effective in January 2023.

Other Expenses

Increase of \$91,622 is driven by increases of \$50,000 for Repair and Maintenance, \$172,504 in contracted Security Services expense, and \$45,682 for equipment expense. This is partially offset by a decrease of \$152,000 for Other Professional fees.

	FY2021 Actual	FY2022 Budget	FY2022 Forecast	FY2023 Budget	Var \$ FY2023 vs. FY2022	Var % FY2023 vs. FY2022
LABOR & BENEFITS						
Salaries & Wages - Admin.	\$1,109,880	\$3,017,093	\$3,017,093	\$3,648,794	\$631,701	20.9 %
Overtime - Administrative	19,956	114,000	114,000	114,001	1	— %
Salaries & Wages - Apd Officers	1,425,147	1,820,400	1,820,400	1,258,043	(562,357)	(30.9 %)
Operating-Overtime - APD Officers	23,685	359,000	359,000	359,000	—	— %
FICA-Admin	195,191	348,459	348,459	360,690	12,231	3.5 %
State Unemployment- Admin	15,855	14,940	14,940	9,179	(5,761)	(38.6 %)
Supplemental Sick	7,649	—	—	—	—	N/A
Uniform Allowance- Bargaining	256	—	—	—	—	N/A
Uniform Allowance-Admin.	709	500	500	20,400	19,900	3980.0 %
Boot Allowance-Admin	195	—	—	—	—	N/A
Other Benefits - Admin	(1,250)	—	—	—	—	N/A
Intern Pay	—	—	—	56,160	56,160	N/A
TOTAL LABOR & BENEFITS	2,797,273	5,674,392	5,674,392	5,826,267	151,875	2.7 %
OTHER EXPENSES						
Other Professional Fees	120,780	315,000	300,000	163,000	(152,000)	(48.3 %)
Temporary Help	129,038	—	—	—	—	N/A
Repair & Maintenance- Other	68,983	250,000	250,000	300,000	50,000	20.0 %
Security Services	1,057,780	1,627,496	1,600,000	1,800,000	172,504	10.6 %
Other Services	3,533	24,000	12,000	24,000	—	— %
Advertising Installation Expense	—	35,000	35,000	35,000	—	— %
Office Supplies	4,907	10,000	10,000	9,996	(4)	— %
Maps And Schedules	—	3,000	3,000	3,000	—	— %
Training Materials	1,672	—	—	—	—	N/A
Expendable Tools & Equipment	—	5,000	5,000	50,682	45,682	913.6 %
Other Supplies	1,955	10,000	18,000	18,040	8,040	80.4 %
Non Capital Equipment	44,304	25,000	25,000	12,370	(12,630)	(50.5 %)
Telephone-Local	440	12,000	12,000	—	(12,000)	(100.0 %)
Dues And Subscriptions	82	2,520	2,500	2,500	(20)	(0.8 %)
Airfare - Transportation	247	6,980	4,000	4,000	(2,980)	(42.7 %)

	FY2021 Actual	FY2022 Budget	FY2022 Forecast	FY2023 Budget	Var \$ FY2023 vs. FY2022	Var % FY2023 vs. FY2022
Travel - Per Diem	—	3,100	1,500	3,100	—	— %
Seminar, Conferences, Registration	4,915	1,380	1,300	1,700	320	23.2 %
Lodging	602	10,725	6,000	4,430	(6,295)	(58.7 %)
Business Meals - Local	—	495	500	—	(495)	(100.0 %)
Advertising/Promotion Media	19,796	30,000	30,000	30,000	—	— %
Postage	7	—	—	—	—	N/A
Other Miscellaneous Expenses	982	1,500	2,800	3,000	1,500	100.0 %
Food and Ice	612	1,500	1,500	1,500	—	— %
TOTAL OTHER EXPENSES	1,460,635	2,374,696	2,320,100	2,466,318	91,622	3.9 %
TOTAL OPERATING EXPENSES	\$4,257,908	\$8,049,088	\$7,994,492	\$8,292,585	\$243,497	3.0 %

Rail Commuter Operations

Functions and Responsibilities

The Rail Commuter Operations department provides management and oversight of regional rail service between Leander and downtown Austin. The service operates 10 commuter trains out of one operations facility in Central Austin, along 32 miles of track that services 9 stations along this right-of-way. The department manages rail operations strategic planning, rail operations regulatory compliance and risk reduction through post-incident analysis.

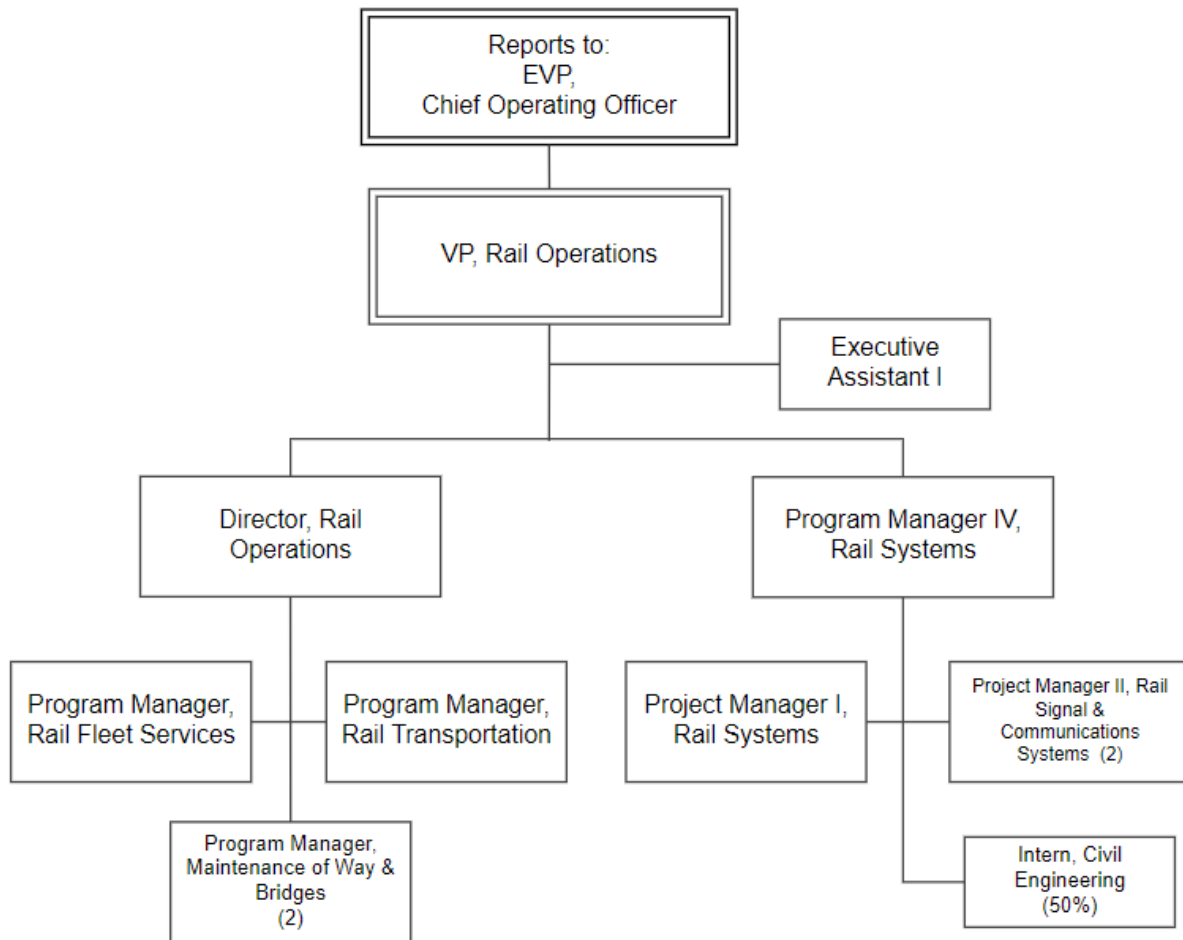
FY2022 Accomplishments

- ◆ Internal/External Customer Service Excellence
 - Began construction of additional siding track between Leander and Lakeline stations.
 - Upgraded cooling system on DMU fleet.
 - Completed clean oil test and stencil (COTS) program on 4 DMUs.
 - Started mid-life overhaul of major components on DMU fleet.
 - Continued PTC optimization.
 - Continued state of good repair program for bridges, track and crossings.
 - Replaced 4,960 feet of steel ties with wood ties and new rail.
 - Designed a quiet zone in the Domain area.
 - Completed 3,395 miles of undercutting for state of good repair.
 - Completed first phase of culvert upgrades.

FY2023 Planned Initiatives

- ◆ Customer
 - Install air treatment systems on DMUs to improve air quality.
 - Complete clean oil test and stencil (COTS) program on 4 DMUs
 - Complete mid-life overhaul of major components on DMU fleet.
 - Continue state of good repair program for bridges, track and crossings.
 - Complete construction of additional siding track between Leander and Lakeline stations.
 - Construct a quiet zone in the Domain area.
 - Continue undercutting for state of good repair.
 - Complete second phase of culvert upgrades.

Rail Commuter Operations Department Organizational Chart



Budget Changes

Labor and Benefits

Increase of \$57,944 due to approved performance-based pay increases to become effective in January 2023.

Other Expenses

Decrease of \$2,869,598 driven by a decrease in Commuter Rail Services of \$3,161,301 due mainly to the reduction in the number of DMU overhauls required for the year. An increase in Consultation Fees of \$250,000 for assistance with optimization support, train announcements and a rail simulator upgrade. A decrease of \$93,000 in Other Services for uniform rebranding completed in FY2022. Net increase of \$96,463 in Diesel, Gasoline and Fuel-North Operations driven by higher fuel costs. Fuel is budgeted at \$2.40 per gallon, an increase of \$0.50 per gallon compared to FY2022. Finally, a net increase in travel-related expenses of \$19,300 due to the return of in-person conferences and seminars.

	FY2021 Actual	FY2022 Budget	FY2022 Forecast	FY2023 Budget	Var \$ FY2023 vs. FY2022	Var % FY2023 vs. FY2022
LABOR & BENEFITS						
Salaries & Wages - Admin.	\$1,050,581	\$1,237,789	\$1,237,789	\$1,297,675	\$59,886	4.8%
FICA-Admin	77,465	94,075	94,075	92,312	(1,763)	(1.9%)
State Unemployment-Admin	2,318	2,160	2,160	1,981	(179)	(8.3%)
Other Benefits - Admin	(100)	—	—	—	—	N/A
TOTAL LABOR & BENEFITS	1,130,264	1,334,024	1,334,024	1,391,968	57,944	4.3 %
OTHER EXPENSES						
Consultation Fees	292,411	670,000	306,000	920,000	250,000	37.3 %
Maintenance-Radios	1,707	3,200	3,200	11,200	8,000	250.0 %
Other Services	—	100,000	100,000	7,000	(93,000)	(93.0)%
Diesel	442,702	600,528	610,000	680,971	80,443	13.4 %
Gasoline	839	456	400	636	180	39.5 %
Fuel-North Ops .	105,677	79,200	79,200	95,040	15,840	20.0 %
Office Supplies	3,461	3,600	3,600	5,040	1,440	40.0 %
Expendable Tools & Equipment	607	—	—	—	—	N/A
Diesel Fuel Tax	10,894	9,900	7,900	9,900	—	— %
Gasoline Fuel Tax	87	60	50	60	—	— %
Commuter Rail Services	16,452,168	24,717,851	20,992,321	21,556,550	(3,161,301)	(12.8)%
Performance Deficiency Credits PDC	(158,680)	—	—	—	—	N/A
Dues And Subscriptions	12,187	33,075	20,000	42,575	9,500	28.7 %
Airfare - Transportation	330	10,600	2,000	21,400	10,800	101.9 %
Travel - Per Diem	196	1,700	800	2,600	900	52.9 %
Seminar, Conferences, Registration	2,493	10,400	2,500	10,800	400	3.8 %
Lodging	929	8,800	2,000	16,000	7,200	81.8 %
Travel - Other	92	—	—	—	—	N/A
Business Meals - Local	128	600	200	600	—	— %
Postage	3	—	1	—	—	N/A
Tools And Equipment	6,001	4,300	4,301	4,300	—	— %
Other Miscellaneous Expenses	—	3,000	3,000	3,000	—	— %
TOTAL OTHER EXPENSES	17,174,233	26,257,270	22,137,473	23,387,672	(2,869,598)	(10.9)%
TOTAL OPERATING EXPENSES	\$18,304,497	\$27,591,294	\$23,471,497	\$24,779,640	\$(2,811,654)	(10.2)%

Rail Freight Management

Functions and Responsibilities

The Rail Freight Management department is responsible for managing and preserving CapMetro's railroad assets used for transportation of freight and transit. 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.

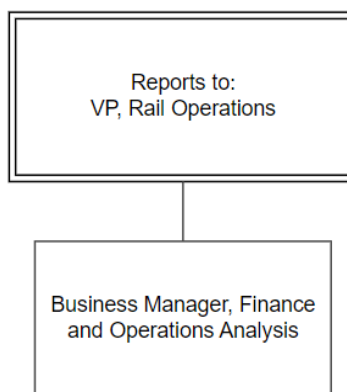
FY2022 Accomplishments

- ◆ Internal/External Customer Service Excellence
 - Replaced bridge at milepost 115.
 - Replaced 2,000 ties on the East subdivision.
 - Replaced 1,500 ties on the West subdivision.
 - Began replacement of two spans of the bridge at milepost 52.44.

FY2023 Planned Initiatives

- ◆ Customer
 - Rehabilitate TxDOT crossings at TxDOT's direction.
 - Complete replacement of two spans on the bridge at milepost 52.44.
 - Rehabilitate bridge at milepost 90.14.

Rail Freight Management Department Organizational Chart



Budget Changes

Labor and Benefits

Increase of \$1,732 due to approved performance-based pay increases to become effective in January 2023.

Other Expenses

Increase of \$156,897 driven by Right of Way Herzog Transit Services based on an increase of fees for the use of the tracks.

	FY2021 Actual	FY2022 Budget	FY2022 Forecast	FY2023 Budget	Var \$ FY2023 vs. FY2022	Var % FY2023 vs. FY2022
LABOR & BENEFITS						
Salaries & Wages - Admin.	\$116,176	\$117,921	\$117,921	\$119,648	\$1,727	1.5%
FICA-Admin	8,569	8,823	8,823	8,825	2	—%
State Unemployment-Admin	144	178	178	181	3	1.7%
TOTAL LABOR & BENEFITS	124,888	126,922	126,922	128,654	1,732	1.4%
OTHER EXPENSES						
Consultation Fees	22,478	434,000	85,000	434,000	—	—%
Row Herzog Transit Services	1,383,452	1,461,717	1,651,740	1,618,614	156,897	10.7%
Expendable Tools & Equipment	—	1,000	1,000	1,000	—	—%
Telephone-Local	825	—	—	—	—	N/A
Dues And Subscriptions	—	6,100	6,100	6,100	—	—%
TOTAL OTHER EXPENSES	1,406,755	1,902,817	1,743,840	2,059,714	156,897	8.2%
TOTAL OPERATING EXPENSES	\$1,531,643	\$2,029,739	\$1,870,762	\$2,188,368	\$158,629	7.8%

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.

FY2022 Accomplishments

◆ Internal/External Customer Service Excellence

- Trained staff on the use of geographic information system (GIS) software for real estate and right-of-way (ROW) purposes, to facilitate locating and identifying existing utility crossings, along with the County Appraisal District's data for accurate reporting.
- Supported the acquisition of real estate tracts for Project Connect.
- Acquired site for new Demand Response north base.

◆ Stakeholder Engagement

- Built relationships and worked with local and private agencies to locate new park and ride sites.
- Worked with Texas Department of Transportation (TxDOT) on bridge inspection and maintenance projects.

◆ Financial and Environmental Sustainability

- Identified and established license agreements for public crossings.
- Continued developing agreements and licensing with fiber optic providers for the relocation of lines and infrastructure improvements.

FY2023 Planned Initiatives

◆ Customer

- Enhance the ROW application webpage for a better internal and external customer experience.
- Continue support of real estate tract acquisition for Project Connect.

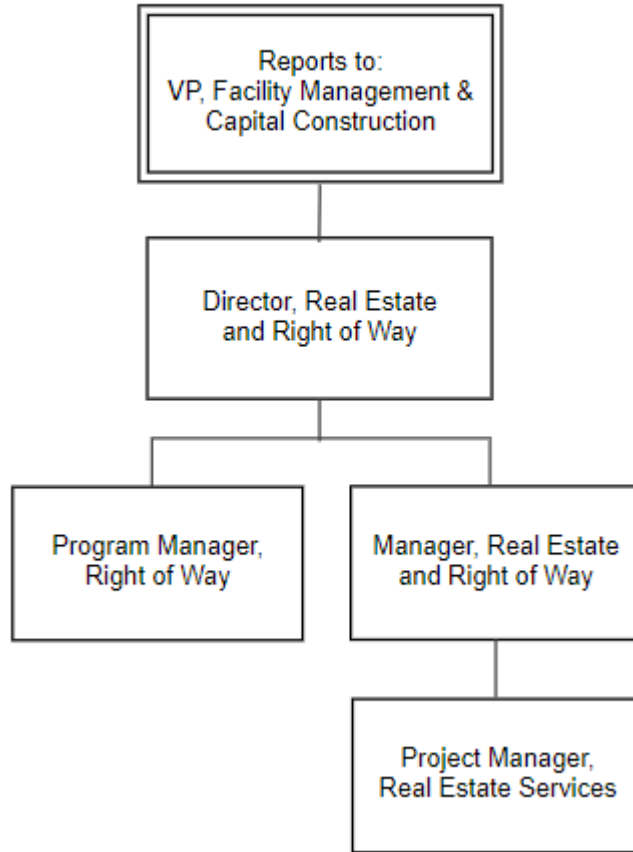
◆ Organizational Effectiveness

- Confirm legal ownership of CapMetro's ROW boundaries.
- Create a plan to resolve encroachments within ROW boundaries.
- Perform a review of licenses and real estate documents.
- Fully utilize the inventory tracking software by adding GIS.

◆ Community

- Collaborate with stakeholders on upcoming projects to ensure that their needs are met as well as all local and federal requirements.

Real Estate and Facility Planning Organization Chart



Budget Changes

Labor and Benefits

Increase of \$50,813 for position reclassifications and approved performance-based pay increases to become effective in January 2023.

Other Expenses

Decrease of \$1,143,546 mainly driven by \$1,302,892 in Lease Administrative Facility for a later start date for the additional administrative space and the removal of the North Base Demand Response facility budget as the cost will continue to be captured by in the Demand Response Oversight department. The Lease Administrative Facility includes contractual increases and the addition of leased parking \$324,000 for a temporary police station and \$18,900 for a mobile health clinic.

facility.

	FY2021 Actual	FY2022 Budget	FY2022 Forecast	FY2023 Budget	Var \$ FY2023 vs. FY2022	Var % FY2023 vs. FY2022
LABOR & BENEFITS						
Salaries & Wages - Admin.	\$399,095	\$424,113	\$424,113	\$472,853	\$48,740	11.5%
FICA-Admin	28,873	32,791	32,791	34,864	2,073	6.3%
State Unemployment-Admin	576	720	720	720	—	—%
TOTAL LABOR & BENEFITS	428,543	457,624	457,624	508,437	50,813	11.1%
OTHER EXPENSES						
Consultation Fees	15,035	100,000	100,000	205,000	105,000	105.0%
Other Professional Fees	418	155,000	155,000	175,000	20,000	12.9%
Permits And Fees	10	1,500	1,500	1,500	—	—%
Temporary Help	—	45,500	45,500	45,500	—	—%
Repair & Maintenance-Other	93,882	46,000	46,000	46,000	—	—%
Other Services	3,263	62,250	50,000	55,000	(7,250)	(11.6%)
Office Supplies	356	1,500	1,500	1,500	—	—%
Other Supplies	534	5,000	5,000	5,000	—	—%
Dues And Subscriptions	9,806	10,275	10,275	10,050	(225)	(2.2%)
Airfare - Transportation	67	877	877	877	—	—%
Travel - Per Diem	—	797	797	797	—	—%
Seminar, Conferences, Registration	250	1,920	1,920	1,920	—	—%
Lodging	—	1,200	1,200	1,200	—	—%
Postage	—	450	450	450	—	—%
Lease-Passenger Stations	34,500	78,000	78,000	80,000	2,000	2.6%
Lease-Passenger Parking Facilities	296,465	436,878	436,878	434,208	(2,670)	(0.6%)
Lease-Operating Yard/Storage	139,934	112,509	112,509	155,000	42,491	37.8%
Lease-Administrative Facility	1,700,108	4,892,304	1,877,000	3,589,412	(1,302,892)	(26.6%)
TOTAL OTHER EXPENSES	2,294,629	5,951,960	2,924,406	4,808,414	(1,143,546)	(19.2%)
TOTAL OPERATING EXPENSES	\$2,723,172	\$6,409,584	\$3,382,030	\$5,316,851	\$(1,092,733)	(17.0%)

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, including 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.

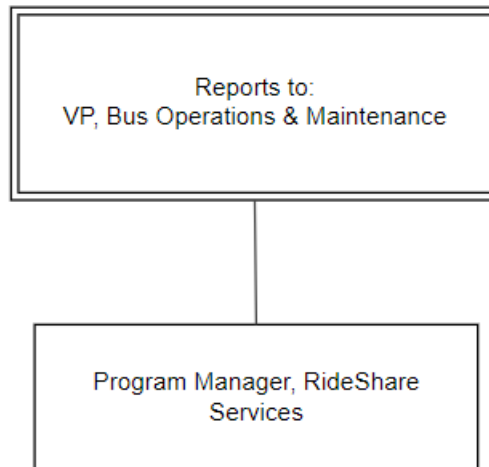
FY2022 Accomplishments

- ◆ Internal/External Customer Service Excellence
 - Partnered with EAN Holdings, LLC, on Project Rebound to reestablish MetroRideShare as a safe mode of transportation.
- ◆ Financial and Environmental Sustainability
 - Continued to grow MetroRideShare program.

FY2023 Planned Initiatives

- ◆ Customer
 - 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 safe and core component of the region's transportation system.

RideShare Department Organizational Chart



Budget Changes

Labor and Benefits

No significant changes for FY2023.

Other Expenses

Decrease of \$198,339 due to a decrease in the number of vanpool vehicles in FY2023 compared to FY2022.

	FY2021 Actual	FY2022 Budget	FY2022 Forecast	FY2023 Budget	Var \$ FY2023 vs. FY2022	Var % FY2023 vs. FY2022
LABOR & BENEFITS						
Salaries & Wages - Admin.	\$91,615	\$91,398	\$91,398	\$96,448	\$5,050	5.5%
FICA-Admin	6,964	6,837	6,837	7,111	274	4.0%
State Unemployment-Admin	144	178	178	181	3	1.7%
TOTAL LABOR & BENEFITS	98,723	98,413	98,413	103,740	5,327	5.4 %
OTHER EXPENSES						
Office Supplies	369	500	500	600	100	20.0%
Other Supplies	—	2,000	2,000	5,450	3,450	172.5%
Telephone-Local	480	840	480	480	(360)	(42.9%)
GRH Reimbursement	—	1,380	640	600	(780)	(56.5%)
Rideshare	1,260,282	1,928,478	1,177,167	1,711,527	(216,951)	(11.2%)
Dues And Subscriptions	1,125	1,125	1,800	1,375	250	22.2%
Airfare - Transportation	616	500	100	1,435	935	187.0%
Travel - Per Diem	297	575	125	1,188	613	106.6%
Seminar, Conferences, Registration	625	1,405	405	1,725	320	22.8%
Lodging	1,148	800	200	3,884	3,084	385.5%
Advertising/Promotion Media	—	—	—	11,000	11,000	N/A
TOTAL OTHER EXPENSES	1,264,942	1,937,603	1,183,417	1,739,264	(198,339)	(10.2)%
TOTAL OPERATING EXPENSES	\$1,363,665	\$2,036,016	\$1,281,830	\$1,843,004	\$(193,012)	(9.5)%

Safety

Formerly Safety, Risk Management and Accessible Services Management

Functions and Responsibilities

The Safety Department is responsible for addressing operational, construction, environmental and industrial safety-related matters. This is done through the development and implementation of related programs and oversight activities.

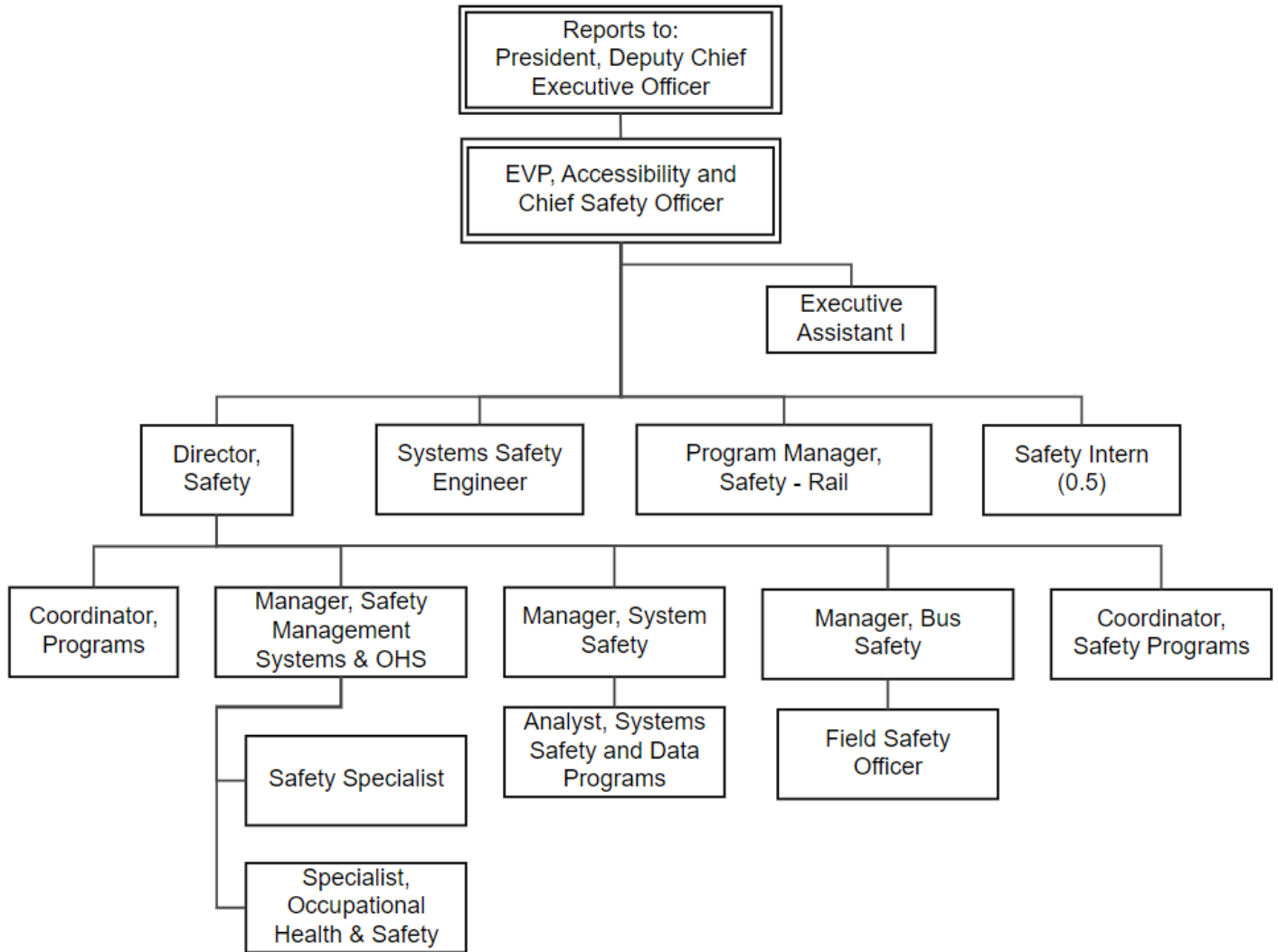
FY2022 Accomplishments

- ◆ Internal/External Customer Service Excellence
 - Partnered with Rail Operations and Public Safety to educate the public and raise awareness of the need for rail safety education at Kramer Station for Rail Safety Week.
 - Provided Safety Committee meetings with service providers to address and discuss health and safety issues/concerns.
 - Established Construction Safety observations and inspections process for Project Connect and Capital Design and Construction related projects to enhance safety to employees, workers and the public.
- ◆ Organizational Development
 - Onboarded several MV Transportation safety personnel to the Safety department to increase safety visibility and oversight.

FY2023 Planned Initiatives

- ◆ Customer
 - Continue the development and implementation of the agency's Safety Management System Program. Risk-based safety approach will minimize agency's risk to hazards and improve overall safety.
 - Continue providing Safety Committee meetings with service providers to address and discuss health and safety issues/concerns
- ◆ Organizational Effectiveness
 - Continue to implement management of change process to ensure agency sustainability regardless of changes in business goals, employee and customer expectations, or change to software.

Safety, Risk Management and Accessible Services Management Organizational Chart



Budget Changes

Labor and Benefits

Increase of \$544,050 due to 6 new FTEs and approved performance-based pay increases to become effective in January 2023.

Other Expenses

Increase of \$360,993 due to an increase of Consultation Fess of \$356,316 for safety management services as well as new Automated External Defibrillators (AEDs).

	FY2021 Actual	FY2022 Budget	FY2022 Forecast	FY2023 Budget	Var \$ FY2023 vs. FY2022	Var % FY2023 vs. FY2022
LABOR & BENEFITS						
Salaries & Wages - Admin.	\$858,674	\$1,055,480	\$1,055,477	\$1,562,715	\$507,235	48.1%
Intern Pay	5,114	—	—	—	—	N/A
FICA-Admin	70,678	75,690	75,689	111,473	35,783	47.3%
State Unemployment-Admin	2,863	1,980	1,980	3,060	1,080	54.5%
Expense For W/C Claims	54,838	—	—	—	—	N/A
W/C Admin Fees (2% Of Claims)	254	—	—	—	—	N/A
Other Benefits - Admin	(50)	48	—	—	(48)	N/A
TOTAL LABOR & BENEFITS	992,371	1,133,198	1,133,146	1,677,248	544,050	48.0%
OTHER EXPENSES						
Consultation Fees	44,550	80,000	125,000	436,316	356,316	445.4%
Medical Services	8,715	15,304	8,139	—	(15,304)	(100.0%)
Other Professional Fees	194,970	—	—	—	—	N/A
Temporary Help	37,394	—	—	—	—	N/A
Courier And Delivery Services	8	—	—	—	—	N/A
Office Supplies	6,607	3,000	1,893	4,000	1,000	33.3%
Maps And Schedules	804	3,000	1,250	—	(3,000)	(100.0%)
Other Supplies	32,600	40,000	19,624	39,996	(4)	—%
Non Capital Equipment	—	4,300	2,300	4,000	(300)	(7.0%)
Telephone-Local	480	480	280	480	—	—%
Property Insurance Premiums	106,343	—	—	—	—	N/A
Physical Damage Recoveries	(9,767)	—	—	—	—	N/A
Rail Liability Claim Payments	2,336,924	—	—	—	—	N/A
Auto Liability Loss	73,751	—	—	—	—	N/A
Public Officials Liab. Premiums	18,731	—	—	—	—	N/A
Crime Insurance Premium	8,506	—	—	—	—	N/A
Other Business Insurance	129,075	—	—	—	—	N/A
Dues And Subscriptions	3,121	—	3,705	5,105	5,105	N/A
Airfare - Transportation	—	982	1,600	3,600	2,618	266.6%
Travel - Per Diem	—	183	600	1,800	1,617	883.6%
Seminar, Conferences, Registration	4,182	600	3,000	5,400	4,800	800.0%

	FY2021 Actual	FY2022 Budget	FY2022 Forecast	FY2023 Budget	Var \$ FY2023 vs. FY2022	Var % FY2023 vs. FY2022
Lodging	13,573	594	2,400	7,000	6,406	1078.5%
Travel - Other	186	61	300	1,800	1,739	2850.8%
Advertising/Promotion Media	2,273	269,200	7,500	269,200	—	—%
Postage	86	—	—	—	—	N/A
Other Miscellaneous Expenses	2,538	—	—	—	—	N/A
TOTAL OTHER EXPENSES	3,015,650	417,704	177,591	778,697	360,993	86.4%
TOTAL OPERATING EXPENSES	\$4,008,020	\$1,550,902	\$1,310,737	\$2,455,945	\$905,043	58.4%

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.

FY2022 Accomplishments

◆ Internal/External Customer Service Excellence

- Continued to monitor COVID-19 ridership and make service adjustments as appropriate.
- Provided planning analysis and feedback to the Austin Transit Partnership on proposed Project Connect service level route changes and impacts to existing and planned CapMetro services.
- Coordinated with the city of Austin Urban Trails Program in development of a Red Line Trail and Bergstrom Spur analysis and strategic plan.
- Continued improving rider and on-time performance metrics for optimal ongoing performance monitoring.
- Continued work with Travis County, Round Rock and Georgetown to modify routes and add service where appropriate.
- Engaged transit development plan partners to negotiate service agreements.
- Optimized bus stops along seven corridors with improved bus stop spacing, enhanced high-ridership stops, safer crossings and better bicycle-pedestrian-transit-rider interaction.
- Continued 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 inquires.
- Continued 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.
- Continued coordination with the city of Austin to plan, develop and implement targeted infrastructure improvements to optimize and improve transit safety, speed and reliability. This includes implementation of the 2020 Safety and Mobility Bond projects which allocate \$14 million to transit enhancements and supportive projects such the addition of red markings to the West 5th Street shared bus/bike lane and multiple enhanced transit stops designed to safely and effectively accommodate bicycles and pedestrians.
- Submitted two FTA RAISE Grants for North Ops charging infrastructure and resiliency planning.
- Submitted FTA 2021 Pilot Program for Transit-Oriented Development Planning grant for the 6.5-mile Orange Line South Corridor.
- Initiated equitable transit-oriented development (ETOD) with selected consultant in the year-long corridor and station study on the North Lamar/Guadalupe and Riverside corridors.

- Continued to support and provide input to the city of Austin's Strategic Mobility Plan and Transportation Criteria Manual.
 - Continued to monitor and evaluate actionable plans that improve the quality and reliability of services developed as part of Cap Remap.
 - Continued to develop new scheduling processes that improve the quality and integrity of data from the scheduling system to all customer-facing systems plus refine and optimize the time required to process and publish required data sets for each service change.
- ◆ Financial and Environmental Sustainability
- Drafted the Sustainability and Climate Vision Plan.
 - Drafted green building and infrastructure training initiative to integrate into capital projects .
 - Developed the Clean Energy Plan.
 - Developed strategy for achieving Platinum Level APTA Sustainability Commitment.
 - Submitted FTA BUILD Grant for funding for McKalla Station in collaboration with our private partner, Austin FC.
 - Completed a Strategic Expansion Plan for MetroBike, an all-electric bicycle fleet serving as a micro mobility tool specifically linked to transit.
- ◆ Staff Development
- Worked with the University of Texas Civil Engineering Senior Capstone course to provide sample projects and develop solutions to real-world engineering problems.
 - Sourced planning and civil engineering interns to support staff and allow for professional growth of students, with the goal of bringing them into the CapMetro family in the long term.

FY2023 Planned Initiatives

- ◆ Customer
- Continue to support the Austin Transit Partnership on development of and incorporation of Project Connect into existing and planned CapMetro services.
 - Continue to coordinate with the city of Austin Urban Trails Program in development of a Red Line Trail and Bergstrom Spur analysis and strategic plan.
 - Continue to coordinate with the city of Austin Bike, Walk, Roll Strategic plan and seamless incorporation of active transportation to and from transit facilities.
 - Optimize bus stops along multiple corridors with improved bus stop spacing, enhanced high-ridership stops, safer crossings and better bicycle-pedestrian-transit-rider interaction.
 - Develop customer delay tool that highlights where the most customers are experiencing the most delay. Use the tool to prioritize investments in future transit speed and reliability projects.
 - Continue coordination with the city of Austin to plan, develop and implement targeted infrastructure improvements to optimize and improve transit safety, speed and reliability. This includes implementation of the 2020 Safety and Mobility Bond projects which allocate \$14 million to transit enhancements and other supportive projects such transit priority lanes on the South 1st Street Bridge.

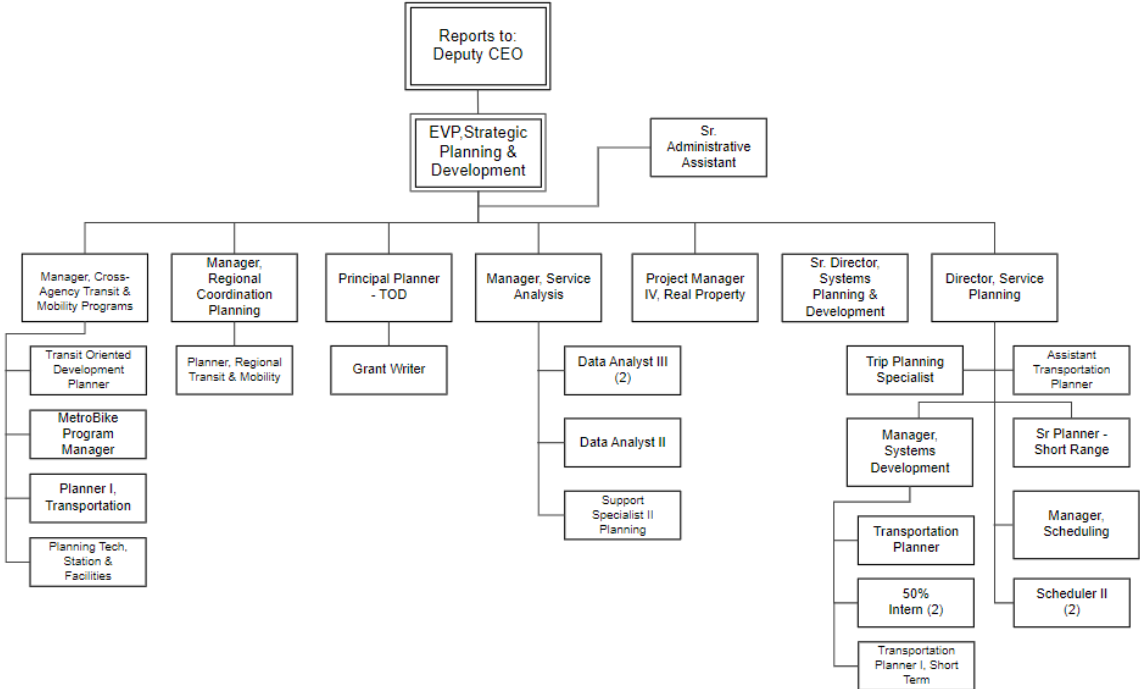
◆ Community

- Implement the MetroBike Strategic Expansion Plan by working in conjunction with the Austin Transportation Department and the MetroBike department to construct MetroBike stations at new MetroRapid stops.

◆ Workforce

- Work with the University of Texas Civil Engineering Senior Capstone course to provide sample projects and develop solutions to real-world engineering problems.
- Seek planning and civil engineering interns to support staff and allow for professional growth of students, with the goal of bringing them into the CapMetro family in the long term.

Strategic Planning and Development Department Organizational Chart



Budget Changes

Labor and Benefits

Increase of \$562,524 due to the addition of 3 new FTEs, 1 transfer from Innovative Mobility, 2 transfers from MetroBike, 1 transfer to Enterprise Program Management and the approved performance-based pay increases to become effective in January 2023.

Other Expenses

Increase of \$2,154,811 driven by \$2,548,325 in Consultation Fees for the 5-year Service Plan and trail studies for Red Line and Bergstrom Spur. A \$85,720 increase in Temporary Help to assist in the execution of the Sustainability Vision Policy statement. A decrease in Other Services of \$18,500 due to the completion of the sustainability route map. An escalation of \$18,460 for Dues and Subscriptions because of increases in membership fees. A credit for Expense Reimbursements for \$704,000 for transit development plans in Travis County and neighboring cities. An increase of \$204,000 in Capital Contributions reflects \$704,000 increase for the previously mentioned transit plans plus a reduction of \$500,000 for the completion of bus stop and corridor improvements.

	FY2021 Actual	FY2022 Budget	FY2022 Forecast	FY2023 Budget	Var \$ FY2023 vs. FY2022	Var % FY2023 vs. FY2022
LABOR & BENEFITS						
Salaries & Wages - Admin.	\$1,996,929	\$2,233,729	\$2,233,729	\$2,759,380	\$525,651	23.5%
Overtime - Administrative	6,249	—	—	—	—	N/A
FICA-Admin	142,601	162,948	164,819	198,743	35,795	22.0%
State Unemployment-	3,429	4,322	4,322	5,400	1,078	24.9%
Other Benefits - Admin	(25)	—	—	—	—	N/A
TOTAL LABOR &	2,149,183	2,400,999	2,402,870	2,963,523	562,524	23.4%
OTHER EXPENSES						
Consultation Fees	475,585	2,394,996	2,394,996	4,943,321	2,548,325	106.4%
Permits And Fees	38	—	—	—	—	N/A
Temporary Help	—	—	—	85,720	85,720	N/A
Other Services	15,000	35,200	34,000	16,700	(18,500)	(52.6%)
Office Supplies	1,039	2,500	2,000	6,350	3,850	154.0%
Other Supplies	134	—	—	—	—	N/A
Telephone-Local	2,880	2,880	3,200	4,320	1,440	50.0%
Dues And Subscriptions	58,395	68,603	68,603	87,063	18,460	26.9%
Airfare - Transportation	—	9,139	9,000	13,550	4,411	48.3%
Travel - Per Diem	—	6,305	6,305	7,970	1,665	26.4%
Seminar, Conferences, Registration	8,727	24,320	24,320	22,860	(1,460)	(6.0%)
Lodging	—	12,600	12,150	19,200	6,600	52.4%
Travel - Other	—	—	450	—	—	N/A
Business Meals - Local	396	—	1,500	4,300	4,300	N/A
Postage	8	—	25	—	—	N/A
Other Miscellaneous Expenses	4,851	—	—	—	—	N/A
Food and Ice	1,288	—	—	—	—	N/A
Expense Reimbursements	—	—	—	(704,000)	(704,000)	N/A
Capital Contributions- Other Jurisdictions	690,488	1,500,000	1,500,000	1,704,000	204,000	13.6%
TOTAL OTHER EXPENSES	1,258,828	4,056,543	4,056,549	6,211,354	2,154,811	53.1%
TOTAL OPERATING EXPENSES						
	\$3,408,012	\$6,457,542	\$6,459,419	\$9,174,877	\$2,717,335	42.1%

Systemwide Accessibility

Functions and Responsibilities

The Systemwide Accessibility department was created in FY2022 and is responsible for ensuring all agency activities and programs are universally accessible to all persons and particularly those with disabilities. The department is responsible for managing and overseeing CapMetro's activities associated with service provisions in compliance with the Department of Transportation regulations for the Americans with Disabilities Act (ADA) Title II. The department is responsible for ensuring safe access to systemwide transit and coordinates with agency departments including Operations, Planning, Capital Design and Construction, Communications, Marketing, Customer Service, Community Engagement, Information Technology and Procurement to ensure all agency services are universally available to persons with diverse functional abilities. The department also assesses and recommends the implementation of innovative technology solutions to identify and address barriers to accessing transit for people with disabilities.

FY2022 Accomplishments

◆ Internal/External Customer Service Excellence

- Outlined the role of Systemwide Accessibility both internally to the CapMetro board of directors and the Austin Transit Partnership board, as well as providing presentations to advisory committees and city of Austin committees to explain the primacy of universal accessibility in all agency and cross collaborative activities.
- Served as subject matter expert on ADA compliance and accessible design for the new MetroRapid Pleasant Valley and Expo Center routes, including presenting to the FTA, reviewing design, field work and providing recommendations regarding the full complement of the projects.
- Scoped and added wheelchair charging stations at all end of line locations for MetroRapid projects and in design documents for light rail park and ride stations.
- Researched and provided best practices accessibility design considerations for high-capacity transit from agencies industrywide.
- Conducted a planning process with Enterprise Program Management, IT, Legal and Procurement in preparation for accessible technology pilots to promote the customer experience.
- Executed Vehicle Grant Program to nonprofit organizations in the CapMetro service area along with managing data reporting on vehicle usage.
- Aligned goals of the Transit Empowerment Fund to include accessibility as one of three strategic goal focus areas for the fund.
- Provided training to agency staff on accessible documents.
- Worked with People and Culture on an agencywide disability sensitivity training.
- Responded on behalf of the agency to all matters dealing with customer-related issues regarding face masks requirements and other requirements regarding COVID for customers sitting disability concerns using CapMetro services.
- Ensured accessibility in design and testing of new technologies including the MetroAccess operations technology system, data warehouse project, Oracle ERP deployment and new fare systems initiatives.

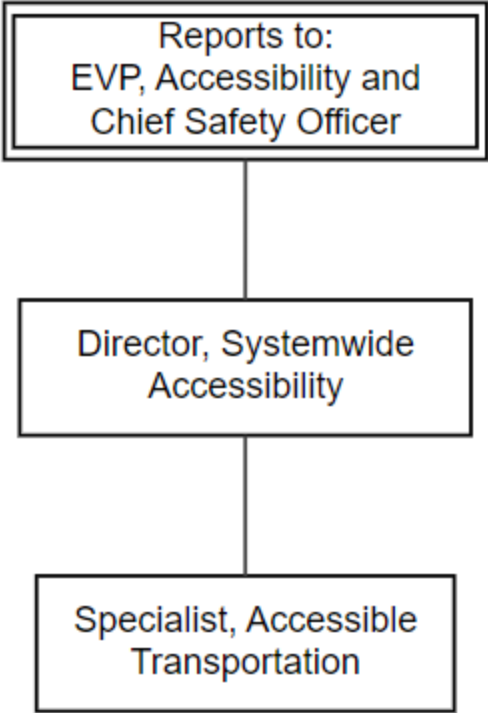
- Provided subject matter expertise to a range of RFP solicitations agencywide.
- Implemented process improvements to ADA customer complaint process.

FY2023 Planned Initiatives

◆ Customer

- Plan, research, pilot and transition to larger implementation of customer facing technologies that improve the customer experience for passengers with disabilities along with the general riding public. This will result in a roll out of a solution following a pilot process where persons with disabilities have an opportunity to provide feedback and input through a participatory design model to help inform the final product.
- Continue process to develop and implement deliverables of an ADA self evaluation and transition plan to serve as a gap analysis tool and method to document, remedy and monitor progress on ADA compliance and accessibility.
- Continue to work on an accessibility technology policy and process to develop a digital access policy for the agency
- Complete a self evaluation and ADA Transition Plan for agency programs, services an facilities.
- Roll out agencywide training to support disability sensitivity training of agency staff.
- Develop specific campaigns and marketing materials for both National Disability Employment Month and the anniversary of the Americans with Disabilities Act to highlight the importance of transportation to gaining and maintaining employment for persons with disabilities.

Systemwide Accessibility Organizational Chart



Budget Changes

Labor and Benefits

Increase of \$101,128 due to 1 new FTE and approved performance-based pay increases to become effective in January 2023.

Other Expenses

Increase of \$209,890 due to an increase of Consultation Fees for \$250,000. This is offset by a decrease in Other Professional Fees for \$38,000.

	FY2021 Actual	FY2022 Budget	FY2022 Forecast	FY2023 Budget	Var \$ FY2023 vs. FY2022	Var % FY2023 vs. FY2022
LABOR & BENEFITS						
Salaries & Wages - Admin.	\$—	\$92,137	\$92,137	\$186,247	\$94,110	102.1%
FICA-Admin	—	6,893	6,893	13,732	6,839	99.2%
State Unemployment-Admin	—	180	180	359	179	99.4%
TOTAL LABOR & BENEFITS	—	99,210	99,210	200,338	101,128	101.9%
OTHER EXPENSES						
Consultation Fees	—	175,000	150,000	425,000	250,000	142.9%
Other Professional Fees	—	53,000	15,000	15,000	(38,000)	(71.7%)
Office Supplies	—	1,000	—	—	(1,000)	(100.0%)
Maps And Schedules	—	2,000	—	—	(2,000)	(100.0%)
Other Supplies	—	10,000	—	—	(10,000)	(100.0%)
Dues And Subscriptions	—	—	—	1,200	1,200	N/A
Airfare - Transportation	—	—	—	500	500	N/A
Travel - Per Diem	—	—	—	240	240	N/A
Seminar, Conferences, Registration	—	—	—	850	850	N/A
Lodging	—	—	—	1,100	1,100	N/A
Advertising/Promotion Media	—	5,000	—	12,000	7,000	140.0%
TOTAL OTHER EXPENSES	—	246,000	165,000	455,890	209,890	85.3%
TOTAL OPERATING EXPENSES	\$—	\$345,210	\$264,210	\$656,228	\$311,018	90.1%

Wellness and Fitness Center

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 CapMetro'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 CapMetro's fitness centers.

FY2022 Accomplishments

- ◆ Engaged Workforce
 - Completed recertification of wellness center program accreditation.
 - Launched pre-retirement planning sessions for all team members.
 - Sponsored several health events, including the health fair, 5k run and bike night.

FY2023 Planned Initiatives

- ◆ Organizational Effectiveness
 - Enhance health and fitness resources for bus and rail operators to utilize in the field or at home with an emphasis on exercises and stretches to reduce injury and improve safety.
 - Maintain shoe recycling program as a resource to assist disadvantaged community members.
 - Enhance tobacco cessation program.
 - Procure services for the Onsite Employee Wellness Center.
 - Maintain virtual exercise classes complimentary to in-person wellness activities.
 - Sponsor various enhanced wellness activities, such as blood drives, a benefit fair, financial wellbeing and community events such as bike night, turkey trot, and 5k and 10k runs.
 - Update and support the Drug and Alcohol Program.

Budget Changes

Other Expenses

Increase of \$1,044,685 due to increases in Other Professional Fees of \$1,072,890 for a new health clinic coming online in FY2023 as well as contractual increases.

	FY2021 Actual	FY2022 Budget	FY2022 Forecast	FY2023 Budget	Var \$ FY2023 vs. FY2022	Var % FY2023 vs. FY2022
LABOR & BENEFITS						
Wellness Center Exp	\$23,729	\$36,492	\$36,492	\$46,800	\$10,308	(28.2 %)
TOTAL LABOR & BENEFITS	23,729	36,492	36,492	46,800	10,308	(28.2 %)
OTHER EXPENSES						
Other Professional Fees	224,621	285,366	285,366	1,358,256	1,072,890	376.0 %
Other Services	655	13,800	13,800	15,280	1,480	10.7 %
Office Supplies	586	42,000	26,000	41,250	(750)	(1.8) %
Other Supplies	—	65,400	81,000	31,400	(34,000)	(52.0) %
Dues And Subscriptions	—	150	150	150	—	— %
Business Meals - Local	4,039	—	—	—	—	N/A
Postage	—	10	10	75	65	650.0 %
Recognition Program	10,372	22,500	22,500	27,500	5,000	22.2 %
TOTAL OTHER EXPENSES	240,273	429,226	428,826	1,473,911	1,044,685	243.4 %
TOTAL OPERATING EXPENSES	\$264,002	\$465,718	\$465,318	\$1,520,711	\$1,054,993	226.5 %

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Glossary



CapMetro

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 CapMetro and the city of Austin that will be in charge of implementing Project Connect.

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

Balanced Budget: Wherein revenues must match expenditures.

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.

CAMPO: Capital Area Metropolitan Planning Organization

Cap Remap: Largest service change in CapMetro'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

CFO: Chief Financial Officer

CFRO: Chief Financial and Risk Officer

CFR: Code of Federal Regulations

CIG: Capital Investment Grant Program

CIP: Capital Improvement Plan

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

COO: Chief Operating Officer

CRM: Customer Relationship Management

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 onboard diesel engines. A DMU requires no separate locomotive, as the engines are incorporated into 1 or more of the carriages.

DMS: Dynamic Message Signs

ERP: Enterprise Resource Planning

ETOD: Equitable Transit-Oriented Development. A fair-minded way to build cities that prioritize tightly connected neighborhoods with a mix of residential and commercial uses.

EVP: Executive Vice President

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 CapMetro 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): An FTE is one or more employees who cumulatively work 40 hours per week.

Fund Balance: An accounting term to describe the difference between assets and liabilities.

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

ILA: An Interlocal agreement is used when a district is performing for or receiving a service from a local governmental entity. These agreements are pursuant to the Interlocal Cooperation Contracts Act, Chapter 791 of the Texas Government Code.

KPI: Key Performance Indicators are financial and non-financial metrics used to quantify objectives to reflect strategic performance of an organization.

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 (parallel to fixed-route services) provided to customers with disabilities, established in accordance with the ADA.

MetroBike: A bicycle sharing system providing first and last mile transportation solutions

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): An on-time trip is one that departs 0 minutes early and no more than 5 minutes late.

On-Time Performance (Paratransit): 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 CapMetro

OCC: Operations Control Center

OSHA: The Occupational Safety and Health Act of 1970 created the Occupational Safety and Health Administration (OSHA) to ensure safe and healthful working conditions for workers by setting and enforcing standards and by providing training, outreach, education and assistance.

OTP: On-time performance

Paratransit Services: Transportation services (parallel 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.

Placemaking: The planning, design and management of public spaces with regard to the communities that will inhabit them.

Project Connect: A transformational expansion of the region’s public transit system, designed to improve access to essential jobs, health care and education. Established as a separate organization, the Austin Transit Partnership (ATP) will guide the Project Connect investment with transparency and accountability throughout the program.

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 bodysuits.

PSAC: Public Safety Advisory Committee

PTC: Positive train control 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.

PR: Public Relations

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 endpoint, distinguished from trips run for maintenance purposes or trips that 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.

Safety Blitzes: Safety Blitzes are events where a curriculum, signage or an obstacle course, is built around trending safety topics, or concepts to make the community aware of, and how to prevent the hazard.

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

Service Area: All of Austin and several surrounding areas within Travis County and Williamson County extending more than 500 square miles.

SMS: Safety management system 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.

SSGA: Small Starts Grant Agreement

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 Hub: Combines multiple bus stops together in one area to improve the efficiency and speed of movement regarding the bus. These small hubs also have the technology needed to provide real-time information.

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 students, faculty and staff with the University of Texas campus.

UX: User eXperience

UZA: Urbanized areas

VP: Vice President

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.

WMATA: Washington Metropolitan Area Transit Authority

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



CapMetro

Project Name	FY2023 Approved Budget	FY2024 Planned	FY2025 Planned	FY2026 Planned	FY2027 Planned	TOTAL	Page
Facilities and Real Estate							
Facility Enhancements - PAM	\$51,908,962	\$49,744,500	\$58,330,000	\$37,250,000	\$708,292	\$197,941,754	A-4
Facility Enhancements Grants and Capital Contributions	(22,250,000)	(17,250,000)	(28,250,000)	(37,250,000)	—	(105,000,000)	A-4
Facility State of Good Repair	2,707,567	734,450	1,027,200	976,000	607,289	6,052,506	A-5
Facilities and Real Estate Net Total	32,366,529	33,228,950	31,107,200	976,000	1,315,581	98,994,261	
Information Technology Systems and Infrastructure							
Information Technology - Enterprise Systems	12,256,823	3,318,066	1,723,096	670,000	1,325,000	19,292,985	A-6
Information Technology - Infrastructure	2,793,957	1,750,000	750,000	2,700,000	1,100,000	9,093,957	A-7
Information Technology - Transit Systems	7,175,167	8,721,065	10,574,584	9,108,780	5,069,383	40,648,979	A-8
Information Technology Systems and Infrastructure Net Total	22,225,947	13,789,131	13,047,680	12,478,780	7,494,383	69,035,921	
Infrastructure Development							
Bus Stop Amenities and Enhancements	12,670,350	9,243,461	9,676,173	6,428,219	2,462,565	40,480,768	A-9
Bus Stops - New	1,960,000	1,000,000	1,000,000	1,000,000	600,000	5,560,000	A-10
Downtown Station	930,566	160,000	—	—	—	1,090,566	A-11
Facility Enhancements - CPG	62,405,094	65,000,000	44,500,000	61,000,000	107,000,000	339,905,094	A-12
Facility Enhancements Grants and Capital Contributions	(9,552,850)	(48,500,000)	(47,600,000)	(50,000,000)	(40,000,000)	(195,652,850)	A-12
Infrastructure Enhancements	9,491,309	1,830,000	630,000	630,000	630,000	13,211,309	A-13
Infrastructure Enhancements Grants and Capital Contributions	(3,417,744)	—	—	—	—	(3,417,744)	A-13
Infrastructure Development Net Total	74,486,725	28,733,461	8,206,173	19,058,219	70,692,565	201,177,143	
Project Connect							
Project Connect	181,340,000	90,464,083	23,180,417	12,982,500	10,000,000	317,967,000	A-14
Project Connect Grants and Capital Contributions	(181,340,000)	(90,464,083)	(23,180,417)	(12,982,500)	(10,000,000)	(317,967,000)	A-14
Project Connect Net Total	—	—	—	—	—	—	

Project Name	FY2023 Approved Budget	FY2024 Planned	FY2025 Planned	FY2026 Planned	FY2027 Planned	TOTAL	Page
Public Safety and Emergency Management							
Public Safety and Emergency Management Equipment and Enhancements	4,372,000	2,353,633	2,405,000	1,000,000	1,349,835	11,480,468	A-15
Public Safety and Emergency Management Net Total	4,372,000	2,353,633	2,405,000	1,000,000	1,349,835	11,480,468	
Railroad Commuter							
Railroad Commuter Enhancements	39,467,164	7,080,000	700,000	700,000	700,000	48,647,164	A-16
Railroad Commuter Enhancements Grants and Capital Contributions	(423,600)	(200,000)	(200,000)	(200,000)	(200,000)	(1,223,600)	A-16
Railroad Commuter State of Good Repair	7,959,838	3,000,000	2,750,000	3,400,000	4,500,000	21,609,838	A-17
Railroad Commuter State of Good Repair Grants and Capital Contributions	(4,860,871)	(3,000,000)	(2,750,000)	(3,400,000)	(4,500,000)	(18,510,871)	A-17
Railroad Commuter Net Total	42,142,530	6,880,000	500,000	500,000	500,000	50,522,530	
Railroad Freight							
Railroad Freight State of Good Repair	3,287,329	45,000	45,000	45,000	45,000	3,467,329	A-18
Railroad Freight State of Good Repair Grants and Capital Contributions	(2,315,570)	—	—	—	—	(2,315,570)	A-18
Railroad Freight Net Total	971,759	45,000	45,000	45,000	45,000	1,151,759	
Vehicles							
Bus Fleet	52,679,000	63,528,000	3,686,000	86,612,000	37,350,000	243,855,000	A-19
Bus Fleet Grants and Capital Contributions	(22,212,827)	(2,677,858)	(2,677,858)	(2,677,858)	(2,677,858)	(32,924,259)	A-19
Fleet System Enhancements	2,533,440	316,000	500,000	1,750,000	500,000	5,599,440	A-20
Non-Revenue Fleet	2,154,600	521,000	33,000	686,000	—	3,394,600	A-21
Paratransit Fleet	11,914,500	7,433,000	4,297,000	—	5,432,000	29,076,500	A-22
Paratransit Fleet Grants and Capital Contributions	—	(3,989,000)	—	—	—	(3,989,000)	A-22
Vehicles Net Total	47,068,713	65,131,142	5,838,142	86,370,142	40,604,142	245,012,281	
Capital Project Contingency	5,000,000	2,000,000	2,000,000	2,000,000	2,000,000	13,000,000	A-23
Grand Total Capital Spending	475,007,666	318,242,258	167,807,470	228,938,499	181,379,365	1,371,375,257	
Grand Total Grants and Capital Contributions	(246,373,462)	(166,080,941)	(104,658,275)	(106,510,358)	(57,377,858)	(681,000,894)	
Grand Total Capital Spending Net of Grants and Capital Contributions	\$228,634,204	\$152,161,317	\$63,149,195	\$122,428,141	\$124,001,507	\$690,374,363	



Summary

FY2023 - FY2027 Capital Improvement Plan						
	FY2023	FY2024	FY2025	FY2026	FY2027	Total
Spending Categories						
Other	\$475,007,666	\$318,242,258	\$167,807,470	\$228,938,499	\$181,379,365	\$1,371,375,257
Total	475,007,666	318,242,258	167,807,470	228,938,499	181,379,365	1,371,375,257
Funding Sources						
Local Funds	228,634,204	152,161,317	63,149,195	122,428,141	124,001,507	690,374,363
Grants	87,462,683	33,158,293	12,772,858	5,822,858	6,922,858	146,139,550
Other Capital Contributions	158,910,779	132,922,648	91,885,417	100,687,500	50,455,000	534,861,344
Total	\$475,007,666	\$318,242,258	\$167,807,470	\$228,938,499	\$181,379,365	\$1,371,375,257

Project Name

Facility Enhancements

Project Type

Facilities and Real Estate

Project Description

This project category includes a new temporary police station, new Demand Response north and south base sites, a new MetroBike operations and administrative facility, 2910 East 5th Street maintenance office renovations and additional facilities collaboration space associated with the planned workforce mobility implementation plan.

FY2023 - FY2027 Capital Improvement Plan						
	FY2023	FY2024	FY2025	FY2026	FY2027	Total
Spending Categories						
Other	\$51,908,962	\$49,744,500	\$58,330,000	\$37,250,000	\$708,292	\$197,941,754
Total	51,908,962	49,744,500	58,330,000	37,250,000	708,292	197,941,754
Funding Sources						
Local Funds	25,758,962	23,994,500	22,480,000	—	708,292	72,941,754
Grants	3,900,000	8,500,000	7,600,000	—	—	20,000,000
Other Capital Contributions	22,250,000	17,250,000	28,250,000	37,250,000	—	105,000,000
Total	\$51,908,962	\$49,744,500	\$58,330,000	\$37,250,000	\$708,292	\$197,941,754

Estimated Operating Cost Impact

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

Project Benefits

Health clinics will allow certain health services to be more convenient to employees. New Demand Response O&M sites will support its planned growth and insourcing of vehicle maintenance. The temporary police station will improve overall public safety. A new MetroBike facility in coordination with the city of Austin will continue to improve and grow the MetroBike solution and provide more "first and last mile" options. Safety and asset improvements will provide a safer work environment, improved asset resiliency and reduce potential for unplanned interruptions.

Strategic Priority and Objective

These projects collectively support the following strategic priorities and objectives: Customer: Provide a convenient, desirable, and accessible option for mobility in the region and its various communities. Organizational Effectiveness: CapMetro responsibly and sustainably delivers on its mission.

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 compressors, central and vehicle vacuums, clock systems, dust collector grinders, engine washers, exhaust hose reels, fluid hose reel, fuel dispensers, fuel system upgrades, handwash stations, HVAC systems, electrical equipment, kitchen equipment, lifts, lighting, pressure washers, reverse osmosis system, roof replacements, scrubber, solvent reclaimers, under ground storage tanks, uninterruptible power supplies, wastewater equipment, water softeners, and other facility assets.

Spending Categories

Other

Total

Funding Sources

Local Funds

Grants

Total

FY2023 - FY2027 Capital Improvement Plan						
	FY2023	FY2024	FY2025	FY2026	FY2027	Total
Other	\$2,707,567	\$734,450	\$1,027,200	\$976,000	\$607,289	\$6,052,506
Total	2,707,567	734,450	1,027,200	976,000	607,289	6,052,506
Local Funds	2,707,567	734,450	1,027,200	976,000	607,289	6,052,506
Grants	—	—	—	—	—	—
Total	\$2,707,567	\$734,450	\$1,027,200	\$976,000	\$607,289	\$6,052,506

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, reduces reactive maintenance costs, and in some cases increases operating efficiencies.

Strategic Priority and Objective

These projects collectively support the following strategic priorities and objectives: Customer: Provide a convenient, desirable, and accessible option for mobility in the region and its various communities. Organizational Effectiveness: CapMetro responsibly and sustainably delivers on its mission.

Project Name

Information Technology - Enterprise Systems

Project Type

Information Technology Systems and Infrastructure

Project Description

This project category includes back office systems, web resources, data services and business intelligence.

FY2023 - FY2027 Capital Improvement Plan						
	FY2023	FY2024	FY2025	FY2026	FY2027	Total
Spending Categories						
Other	\$12,256,823	\$3,318,066	\$1,723,096	\$670,000	\$1,325,000	\$19,292,985
Total	12,256,823	3,318,066	1,723,096	670,000	1,325,000	19,292,985
Funding Sources						
Local Funds	12,256,823	3,318,066	1,723,096	670,000	1,325,000	19,292,985
Grants	—	—	—	—	—	—
Total	\$12,256,823	\$3,318,066	\$1,723,096	\$670,000	\$1,325,000	\$19,292,985

Estimated Operating Cost Impact

Enterprise systems are expected to increase operating expenses by \$2,078,285 per year as systems go live and enter into maintenance.

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 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: Customer: Provide a convenient, desirable, and accessible option for mobility in the region and its various communities. Organizational Effectiveness: CapMetro responsibly and sustainably delivers on its mission. Workforce: CapMetro has a productive, invested, and valued workforce. Community: CapMetro is the leader in supporting a growing region, collaborating with partners and local communities.

Project Name

Information Technology - Infrastructure

Project Type

Information Technology Systems and Infrastructure

Project Description

This project category includes security, network and infrastructure foundational components for technology delivery.

FY2023 - FY2027 Capital Improvement Plan						
	FY2023	FY2024	FY2025	FY2026	FY2027	Total
Spending Categories						
Other	\$2,793,957	\$1,750,000	\$750,000	\$2,700,000	\$1,100,000	\$9,093,957
Total	2,793,957	1,750,000	750,000	2,700,000	1,100,000	9,093,957
Funding Sources						
Local Funds	2,793,957	1,750,000	750,000	2,700,000	1,100,000	9,093,957
Grants	—	—	—	—	—	—
Total	\$2,793,957	\$1,750,000	\$750,000	\$2,700,000	\$1,100,000	\$9,093,957

Estimated Operating Cost Impact

Infrastructure systems are expected to increase operating expenses by \$822,400 per year as systems go live and enter into maintenance.

Project Benefits

New components, 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 cyber security 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: Customer: Provide a convenient, desirable, and accessible option for mobility in the region and its various communities. Organizational Effectiveness: CapMetro responsibly and sustainably delivers on its mission. Workforce: CapMetro has a productive, invested, and valued workforce.

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

Project Description

This project category includes customer experience, technology for rider experience and operational service delivery systems.

FY2023 - FY2027 Capital Improvement Plan						
	FY2023	FY2024	FY2025	FY2026	FY2027	Total
Spending Categories						
Other	\$7,175,167	\$8,721,065	\$10,574,584	\$9,108,780	\$5,069,383	\$40,648,979
Total	7,175,167	8,721,065	10,574,584	9,108,780	5,069,383	40,648,979
Funding Sources						
Local Funds	7,175,167	8,721,065	10,574,584	9,108,780	5,069,383	40,648,979
Grants	—	—	—	—	—	—
Total	\$7,175,167	\$8,721,065	\$10,574,584	\$9,108,780	\$5,069,383	\$40,648,979

Estimated Operating Cost Impact

Transit systems are expected to increase operating expenses by \$2,659,326 per year as systems go live and enter into maintenance.

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 enhance safety and improve the efficiency and quality 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: Customer: Provide a convenient, desirable, and accessible option for mobility in the region and its various communities. Organizational Effectiveness: CapMetro responsibly and sustainably delivers on its mission. Workforce: CapMetro has a productive, invested, and valued workforce.

Project Name Bus Stop Amenities and Enhancements

Project Type Infrastructure Development

Project Description

This project category is for bus stop infrastructure improvements including shelters, shelter improvements, free standing shade structures, signage, Corridor Program Office and CapMetro bus stop coordination facility, Lakeline station east side platform design and construction, rebranding of MetroRapid and local shelters, Park and Ride ePaper signage and MetroRapid stations relocation.

FY2023 - FY2027 Capital Improvement Plan						
	FY2023	FY2024	FY2025	FY2026	FY2027	Total
Spending Categories						
Other	\$12,670,350	\$9,243,461	\$9,676,173	\$6,428,219	\$2,462,565	\$40,480,768
Total	12,670,350	9,243,461	9,676,173	6,428,219	2,462,565	40,480,768
Funding Sources						
Local Funds	12,670,350	9,243,461	9,676,173	6,428,219	2,462,565	40,480,768
Grants	—	—	—	—	—	—
Total	\$12,670,350	\$9,243,461	\$9,676,173	\$6,428,219	\$2,462,565	\$40,480,768

Estimated Operating Cost Impact

There are no new operating costs associated with these projects.

Project Benefits

These projects will improve the transit experience by providing facilities that meet riders' needs. New funding is included for bus stop infrastructure improvements and Dean Keaton Metro Rapid station relocation.

Strategic Priority and Objective

These projects support strategic priorities and objectives: Customer: Provide a convenient, desirable, and accessible option for mobility in the region and its various communities. Organizational Effectiveness: CapMetro responsibly and sustainably delivers on its mission. Community: CapMetro is the leader in supporting a growing region, collaborating with partners and local communities.

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

Project Description

This project category includes small scale transit hubs, bus stops near the MLS soccer stadium and functional street furniture

FY2023 - FY2027 Capital Improvement Plan						
	FY2023	FY2024	FY2025	FY2026	FY2027	Total
Spending Categories						
Other	\$1,960,000	\$1,000,000	\$1,000,000	\$1,000,000	\$600,000	\$5,560,000
Total	1,960,000	1,000,000	1,000,000	1,000,000	600,000	5,560,000
Funding Sources						
Local Funds	1,960,000	1,000,000	1,000,000	1,000,000	600,000	5,560,000
Grants	—	—	—	—	—	—
Total	\$1,960,000	\$1,000,000	\$1,000,000	\$1,000,000	\$600,000	\$5,560,000

Estimated Operating Cost Impact

There are no new operating costs associated with these projects.

Project Benefits

The construction of new MetroRapid stations at MLS soccer stadium and small scale transit hubs will provide increased access to public transit and increased ridership.

Strategic Priority and Objective

These projects support strategic priorities and objectives: Customer: Provide a convenient, desirable, and accessible option for mobility in the region and its various communities. Organizational Effectiveness: CapMetro responsibly and sustainably delivers on its mission. Community: CapMetro is the leader in supporting a growing region, collaborating with partners and local communities.

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

Project Description

This project category is for integration of new pedestrian crossings with signal preemption at 4th and Sabine, integration of existing railroad gates and signals at 4th and Sabine, and supply, installation and testing of auxiliary power cords for Downtown Station.

FY2023 - FY2027 Capital Improvement Plan						
	FY2023	FY2024	FY2025	FY2026	FY2027	Total
Spending Categories						
Other	\$930,566	\$160,000	\$—	\$—	\$—	\$1,090,566
Total	930,566	160,000	—	—	—	1,090,566
Funding Sources						
Local Funds	930,566	160,000	—	—	—	1,090,566
Grants	—	—	—	—	—	—
Total	\$930,566	\$160,000	\$—	\$—	\$—	\$1,090,566

Estimated Operating Cost Impact

There are no new operating costs associated with these projects.

Project Benefits

These projects will provide pedestrian and bike safety enhancements at the Downtown Station area. The auxiliary power cords will allow the DMUs to be powered off during extended layovers which will comply with environmental concerns and for relationships with adjacent properties.

Strategic Priority and Objective

These projects support strategic priorities and objectives: Customer: Provide a convenient, desirable, and accessible option for mobility in the region and its various communities. Organizational Effectiveness: CapMetro responsibly and sustainably delivers on its mission. Community: CapMetro is the leader in supporting a growing region, collaborating with partners and local communities.

Project Name

Facility Enhancements

Project Type

Infrastructure Development

Project Description

This project category includes bus electrification infrastructure, bus garage, return track at north operations rail maintenance facility, extension of north operations rail maintenance facility to accommodate Green Line vehicle maintenance and storage facility, rail storage facility at Austin Wye, monuments and signs rebranding, Saltillo development at Navasota and 5th intersection bulb out, North Lamar transit center redevelopment and campus reconfiguration at the 2910 East 5th street administrative facility.

FY2023 - FY2027 Capital Improvement Plan						
	FY2023	FY2024	FY2025	FY2026	FY2027	Total
Spending Categories						
Other	\$62,405,094	\$65,000,000	\$44,500,000	\$61,000,000	\$107,000,000	\$339,905,094
Total	62,405,094	65,000,000	44,500,000	61,000,000	107,000,000	339,905,094
Funding Sources						
Local Funds	56,752,244	25,000,000	4,500,000	11,000,000	67,000,000	164,252,244
Grants	652,850	—	—	—	—	652,850
Other Capital Contributions	5,000,000	40,000,000	40,000,000	50,000,000	40,000,000	175,000,000
Total	\$62,405,094	\$65,000,000	\$44,500,000	\$61,000,000	\$107,000,000	\$339,905,094

Estimated Operating Cost Impact

Operating costs associated with these project include \$2,000 per year for utilities at the Rail Storage Facility at Austin Wye and \$30,000 per year for the electric bus canopies.

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: Customer: Provide a convenient, desirable, and accessible option for mobility in the region and its various communities. Organizational Effectiveness: CapMetro responsibly and sustainably delivers on its mission. Community: CapMetro is the leader in supporting a growing region, collaborating with partners and local communities.

Project Name Infrastructure Enhancements

Project Type Infrastructure Development

Project Description

This project category includes Airport-Lamar Red Line grade separation, double tracking at three locations and MetroBike station expansion and replacement.

FY2023 - FY2027 Capital Improvement Plan						
	FY2023	FY2024	FY2025	FY2026	FY2027	Total
Spending Categories						
Other	\$9,491,309	\$1,830,000	\$630,000	\$630,000	\$630,000	\$13,211,309
Total	9,491,309	1,830,000	630,000	630,000	630,000	13,211,309
Funding Sources						
Local Funds	6,073,565	1,830,000	630,000	630,000	630,000	9,793,565
Grants	3,417,744	—	—	—	—	3,417,744
Total	\$9,491,309	\$1,830,000	\$630,000	\$630,000	\$630,000	\$13,211,309

Estimated Operating Cost Impact

There are no new operating costs associated with these projects.

Project Benefits

These projects support further design for grade separation for the Red Line and freight rail traffic at Airport and Lamar intersection, additional MetroBike e-assist bikes and stations and preliminary engineering design for double tracking for Red Line optimization from Onion street to East Timbes including new Plaza Saltillo station platforms, from East Timbes to the 7th street bridge and from Adelphi Street to McNeil road including five bridges.

Strategic Priority and Objective

These projects support strategic priorities and objectives: Customer: Provide a convenient, desirable, and accessible option for mobility in the region and its various communities. Organizational Effectiveness: CapMetro responsibly and sustainably delivers on its mission. Community: CapMetro is the leader in supporting a growing region, collaborating with partners and local communities.

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, McKalla-MLS Red Line Station, park and rides, end of line electric charging infrastructure and non-revenue vehicles. It includes consultants for the Orange and Blue lines, program manager owner representative and CapMetro costs. Program expense is funded by the Austin Transit Partnership, Small Starts Grant Program and a small contribution from the city of Austin.

FY2023 - FY2027 Capital Improvement Plan						
	FY2023	FY2024	FY2025	FY2026	FY2027	Total
Spending Categories						
Other	\$181,340,000	\$90,464,083	\$23,180,417	\$12,982,500	\$10,000,000	\$317,967,000
Total	181,340,000	90,464,083	23,180,417	12,982,500	10,000,000	317,967,000
Funding Sources						
Local Funds	—	—	—	—	—	—
Grants	50,357,821	15,246,435	—	—	—	65,604,256
Other Capital Contributions	130,982,179	75,217,648	23,180,417	12,982,500	10,000,000	252,362,744
Total	\$181,340,000	\$90,464,083	\$23,180,417	\$12,982,500	\$10,000,000	\$317,967,000

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 threefold.

Strategic Priority and Objective

These projects support strategic priorities and objectives: Customer: Provide a convenient, desirable, and accessible option for mobility in the region and its various communities. Community: CapMetro is the leader in supporting a growing region, collaborating with partners and local communities.

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

Project Description

This project category includes cameras, emergency management technology systems, video system integration software, rapid deployable video system, access control system replacement, lobby check-in system and rail signal house security.

FY2023 - FY2027 Capital Improvement Plan						
	FY2023	FY2024	FY2025	FY2026	FY2027	Total
Spending Categories						
Other	\$4,372,000	\$2,353,633	\$2,405,000	\$1,000,000	\$1,349,835	\$11,480,468
Total	4,372,000	2,353,633	2,405,000	1,000,000	1,349,835	11,480,468
Funding Sources						
Local Funds	4,372,000	2,353,633	2,405,000	1,000,000	1,349,835	11,480,468
Grants	—	—	—	—	—	—
Total	\$4,372,000	\$2,353,633	\$2,405,000	\$1,000,000	\$1,349,835	\$11,480,468

Estimated Operating Cost Impact

Public safety and emergency management equipment and enhancements are expected to increase operating expenses by \$100,000 per year due to the increased maintenance costs of the continued expansion of the video system and new public safety technology systems which include Police Department Radio/CAD/RMS systems.

Project Benefits

Video system expansion and upgrades will continue to have a positive impact on public safety by enhancing situational awareness at CapMetro facilities and vehicles. Projects will benefit the new police department by providing the mission critical systems needed to support CapMetro PD operations.

Strategic Priority and Objective

These projects support strategic priorities and objectives: Customer: Provide a convenient, desirable, and accessible option for mobility in the region and its various communities. Organizational Effectiveness: CapMetro responsibly and sustainably delivers on its mission.

Project Name

Railroad Commuter Enhancements

Project Type Railroad Commuter

Project Description

This project category includes double track, drainage and signals at McKalla Red Line station, Lakeline Leander Siding, Broadmoor station, Domain area quiet zone, rail signal vital Sim software and PTC optimization.

FY2023 - FY2027 Capital Improvement Plan						
	FY2023	FY2024	FY2025	FY2026	FY2027	Total
Spending Categories						
Other	\$39,467,164	\$7,080,000	\$700,000	\$700,000	\$700,000	\$48,647,164
Total	39,467,164	7,080,000	700,000	700,000	700,000	48,647,164
Funding Sources						
Local Funds	39,043,564	6,880,000	500,000	500,000	500,000	47,423,564
Grants	—	—	—	—	—	—
Other Capital Contributions	423,600	200,000	200,000	200,000	200,000	1,223,600
Total	\$39,467,164	\$7,080,000	\$700,000	\$700,000	\$700,000	\$48,647,164

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.

Strategic Priority and Objective

These projects support strategic priorities and objectives: Customer: Provide a convenient, desirable, and accessible option for mobility in the region and its various communities. Community: CapMetro is the leader in supporting a growing region, collaborating with partners and local communities.

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, rail grade crossings, track undercutting, bridge replacement survey, laptops for maintenance vehicles and crossing improvements partially funded by TxDOT.

FY2023 - FY2027 Capital Improvement Plan						
	FY2023	FY2024	FY2025	FY2026	FY2027	Total
Spending Categories						
Other	\$7,959,838	\$3,000,000	\$2,750,000	\$3,400,000	\$4,500,000	\$21,609,838
Total	7,959,838	3,000,000	2,750,000	3,400,000	4,500,000	21,609,838
Funding Sources						
Local Funds	3,098,967	—	—	—	—	3,098,967
Grants	4,605,871	2,745,000	2,495,000	3,145,000	4,245,000	17,235,871
Other Capital Contributions	255,000	255,000	255,000	255,000	255,000	1,275,000
Total	\$7,959,838	\$3,000,000	\$2,750,000	\$3,400,000	\$4,500,000	\$21,609,838

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 action will be undertaken to maximize the useful life of the assets.

Strategic Priority and Objective

These projects support strategic priorities and objectives: Customer: Provide a convenient, desirable, and accessible option for mobility in the region and its various communities. Organizational Effectiveness: CapMetro responsibly and sustainably delivers on its mission.

Project Name Railroad Freight State of Good Repair

Project Type Railroad Freight

Project Description

This project category includes bridge replacements and rehabilitations and crossing improvements.

FY2023 - FY2027 Capital Improvement Plan						
	FY2023	FY2024	FY2025	FY2026	FY2027	Total
Spending Categories						
Other	\$3,287,329	\$45,000	\$45,000	\$45,000	\$45,000	\$3,467,329
Total	3,287,329	45,000	45,000	45,000	45,000	3,467,329
Funding Sources						
Local Funds	971,759	45,000	45,000	45,000	45,000	1,151,759
Grants	2,315,570	—	—	—	—	2,315,570
Total	\$3,287,329	\$45,000	\$45,000	\$45,000	\$45,000	\$3,467,329

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: Customer: Provide a convenient, desirable, and accessible option for mobility in the region and its various communities. Organizational Effectiveness: CapMetro responsibly and sustainably delivers on its mission.

Project Name Bus Fleet

Project Type Vehicles

Project Description

This project category includes replacements and additions of electric buses, commuter coaches and electric bus chargers.

FY2023 - FY2027 Capital Improvement Plan						
	FY2023	FY2024	FY2025	FY2026	FY2027	Total
Spending Categories						
Other	\$52,679,000	\$63,528,000	\$3,686,000	\$86,612,000	\$37,350,000	\$243,855,000
Total	52,679,000	63,528,000	3,686,000	86,612,000	37,350,000	243,855,000
Funding Sources						
Local Funds	30,466,173	60,850,142	1,008,142	83,934,142	34,672,142	210,930,741
Grants	22,212,827	2,677,858	2,677,858	2,677,858	2,677,858	32,924,259
Total	\$52,679,000	\$63,528,000	\$3,686,000	\$86,612,000	\$37,350,000	\$243,855,000

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 objective: Organizational Effectiveness: CapMetro responsibly and sustainably delivers on its mission.

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

Project Description

This project category includes replacements and additions of camera systems on vehicles and at facilities and the addition of heavy duty driver barriers on buses.

FY2023 - FY2027 Capital Improvement Plan						
	FY2023	FY2024	FY2025	FY2026	FY2027	Total
Spending Categories						
Other	\$2,533,440	\$316,000	\$500,000	\$1,750,000	\$500,000	\$5,599,440
Total	2,533,440	316,000	500,000	1,750,000	500,000	5,599,440
Funding Sources						
Local Funds	2,533,440	316,000	500,000	1,750,000	500,000	5,599,440
Grants	—	—	—	—	—	—
Total	\$2,533,440	\$316,000	\$500,000	\$1,750,000	\$500,000	\$5,599,440

Estimated Operating Cost Impact

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

Project Benefits

Camera systems improve security and help respond to incidents that occur on and around transit service and facilities, especially accidents. Heavy-duty driver barriers provide protection for operators, reducing physical assaults. Radio consoles provide a reliable communication network for the Control Center which monitors transit service and handles incidents and emergencies.

Strategic Priority and Objective

These projects support strategic priorities and objectives: Customer: Provide a convenient, desirable, and accessible option for mobility in the region and its various communities. Workforce: CapMetro has a productive, invested, and valued workforce.

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

Project Description

This project category includes replacements and additions of non-revenue vehicles.

FY2023 - FY2027 Capital Improvement Plan						
	FY2023	FY2024	FY2025	FY2026	FY2027	Total
Spending Categories						
Other	\$2,154,600	\$521,000	\$33,000	\$686,000	\$—	\$3,394,600
Total	2,154,600	521,000	33,000	686,000	—	3,394,600
Funding Sources						
Local Funds	2,154,600	521,000	33,000	686,000	—	3,394,600
Grants	—	—	—	—	—	—
Total	\$2,154,600	\$521,000	\$33,000	\$686,000	\$—	\$3,394,600

Estimated Operating Cost Impact

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

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 objective: Organizational Effectiveness: CapMetro responsibly and sustainably delivers on its mission.

Project Name Paratransit Fleet **Project Type** Vehicles

Project Description

This project category includes replacements and additions of demand-response vehicles.

FY2023 - FY2027 Capital Improvement Plan						
	FY2023	FY2024	FY2025	FY2026	FY2027	Total
Spending Categories						
Other	\$11,914,500	\$7,433,000	\$4,297,000	\$—	\$5,432,000	\$29,076,500
Total	11,914,500	7,433,000	4,297,000	—	5,432,000	29,076,500
Funding Sources						
Local Funds	11,914,500	3,444,000	4,297,000	—	5,432,000	25,087,500
Grants	—	3,989,000	—	—	—	3,989,000
Total	\$11,914,500	\$7,433,000	\$4,297,000	\$—	\$5,432,000	\$29,076,500

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 objective: Organizational Effectiveness: CapMetro responsibly and sustainably delivers on its mission.

Project Name Capital Project Contingency **Project Type** Capital Project Contingency

Project Description

This project category includes reserve for contingencies.

FY2023 - FY2027 Capital Improvement Plan						
	FY2023	FY2024	FY2025	FY2026	FY2027	Total
Spending Categories						
Other	\$5,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$13,000,000
Total	5,000,000	2,000,000	2,000,000	2,000,000	2,000,000	13,000,000
Funding Sources						
Local Funds	5,000,000	2,000,000	2,000,000	2,000,000	2,000,000	13,000,000
Grants	—	—	—	—	—	—
Total	\$5,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$13,000,000

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: Organizational Effectiveness: CapMetro responsibly and sustainably delivers on its mission.

**CAPMETRO
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)
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	\$63,393	2.6 %
2020	961,855	2,235,584	\$150,639,599	\$64,913	6.3 %
2021	975,321	2,298,224	\$163,778,682	\$71,300	3.5 %

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

(1) Source: City of Austin 2021 Annual Comprehensive Financial Report.