

AUSTIN TRANSIT PARTNERSHIP

FY2021-2022 PROPOSED BUDGET



Blue Line Airport Station - Artist Conceptual Rendering



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BOARD OF DIRECTORS



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de Barrera
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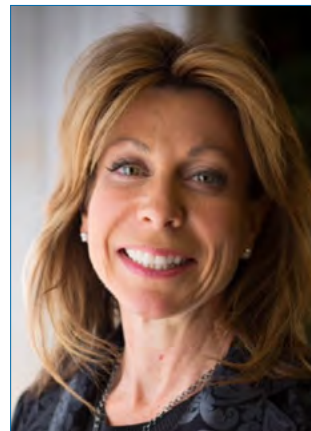
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**Eric Stratton
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**Gina Fiandaca
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ATP SENIOR LEADERSHIP



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Officer



Peter Mullan
Chief of Architecture
& Urban Design



Greg Canally
Chief Financial Officer
& Chief Development
Officer



Casey Burack
General Counsel &
Chief Administrative
Officer

INTRODUCTION & OVERVIEW

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MESSAGE FROM THE EXECUTIVE DIRECTOR

AUSTIN TRANSIT PARTNERSHIP BOARD,

I am very pleased to present to you the first full year, annual budget for the Austin Transit Partnership, an independent organization created jointly by the City of Austin and the Capital Metro Transportation Authority (Capital Metro) to implement Project Connect, the transformative transit expansion plan for our community.

With a 2020 population of just over one million residents, Austin is now the 11th largest city in the country, just behind San Jose, California. Austin will soon be among the ten largest cities in the country, and its growth is expected to continue—the Austin Chamber of Commerce projects that the Austin MSA will grow by 27.6% over the next decade. Fortunately, Austin citizens have long recognized the need to adequately fund public services, and they responded affirmatively last November to the plans to strengthen our transportation infrastructure—58% of Austin voters approved Project Connect.

Leading up to the 2020 election, the Capital Metro and the City engaged with community members and other stakeholders to develop and refine the Project Connect system plan, to ensure it will meet Austin's needs for faster and more reliable transportation and will improve access to essential services, such as education, healthcare, shopping, childcare, and employment. These needs are especially prevalent in historically underserved and unrepresented communities, and Project Connect will allow the whole community to benefit from these investments.

While our organization is still developing, we have already achieved some remarkable milestones since the agency's incorporation in December 2020.

- The governance structure has been established and our Board and advisory committee members selected;
- A talented staff with the experience, expertise, and commitment to implement Project Connect has been or is in the process of being recruited;
- The first Project Connect enhancements—neighborhood circulators in the Dessau, South Menchaca, and North Oak Hill neighborhoods—are online;
- The FTA has accepted our light rail projects into Project Development, a major step towards an eventual grant award;
- The Expo and Pleasant Valley Rapid Bus Transit projects have been included in the U.S. Department of Transportation's FY22 Annual Report on Funding Recommendations and recommended for funding in President Biden's FY22 Budget;
- Multiple ILA agreements between the City, Capital Metro, and ATP have been negotiated and approved; and,

MESSAGE FROM THE EXECUTIVE DIRECTOR

- Work has begun on many important aspects of project delivery, such as creating the Real Estate Acquisition Management Plan (RAMP) and developing the contractual and technical specifications for the rolling stock.

Shifting our gaze to the next 12 months, we will continue to advance Project Connect initiatives through the design phase.

- Our light rail projects are on course to reach 30% design and complete the environmental impact statement by the end of the next fiscal year;
- Procurements supporting Expo and Pleasant Valley BRT projects—vehicles and charging infrastructure, IDIQ contracts for construction, and shelter design and fabrication—to be awarded over the next four months;
- Design work to be completed this Fall for both projects with groundbreakings in December 2021 for Expo and January 2022 for Pleasant Valley;
- Work will progress on the RAMP, which is a required part of the FTA approval process, and our real estate team will be identifying opportunities for early acquisitions;
- Procurement will be working with all aspects of ATP to issue a Request for Proposal for our rolling stock and to procure required professional services contracts—such as acquisition, relocation, surveying, property management, appraisal, title, closing, legal, financial advisory, and depository services; and,
- ATP will move into full operations with the continued hiring of agency staff, the remodel of our dedicated Project Connect Program office, and the configuration and implementation of core financial, human resources, and project management software.

Looking back over these last few months, and the years leading up to the November election, I feel an immense sense of pride on what we have accomplished. I am also grateful to all who have worked so hard to help launch this transformative effort. Our efforts and those of our partners, the City and Capital Metro, will provide the transportation infrastructure, facilities, and services that will greatly enhance the mobility of Austin residents and their neighbors. While there will be challenges ahead, we look forward to partnering with you, the board, and the community on this transformative program.

Sincerely,



Randy Clarke

Executive Director

AGENCY OVERVIEW

On November 3, 2020, Austin voters approved Proposition A, which provided a dedicated revenue stream through an increase in the property tax rate to fund Project Connect. The ballot proposition also authorized an independent board to oversee and finance the acquisitions, construction, equipment, and operations and maintenance of the transit system. In anticipation of a successful election, Capital Metro and the City authorized the execution of an interlocal agreement creating the Austin Transit Partnership. ATP's Articles of Incorporation were signed by the Secretary of State on December 23, 2020, establishing ATP as an independent local government corporation, and operations began on January 1, 2021.

The bylaws of ATP, as approved by both the City and Capital Metro, established a 5-member board jointly appointed by members of the Capital Metro board and City Council. Three members are to be community experts in the fields of finance, engineering and construction, and community planning or sustainability. Austin City Council and Capital Metro board shall each have one representative. The ATP board is responsible for oversight of design, construction, financing, and implementation of Project Connect projects, in accordance with the Project Connect map and associated sequencing plan that was approved by the City and Capital Metro, and in partnership with the City and Capital Metro.



**Orange Line
Blue Line
Tunnel
Green Line - Ph. 1
Facilities**

**MetroRapid
MetroExpress
Pickup
Customer Technology Upgrades
Red Line Improvements**

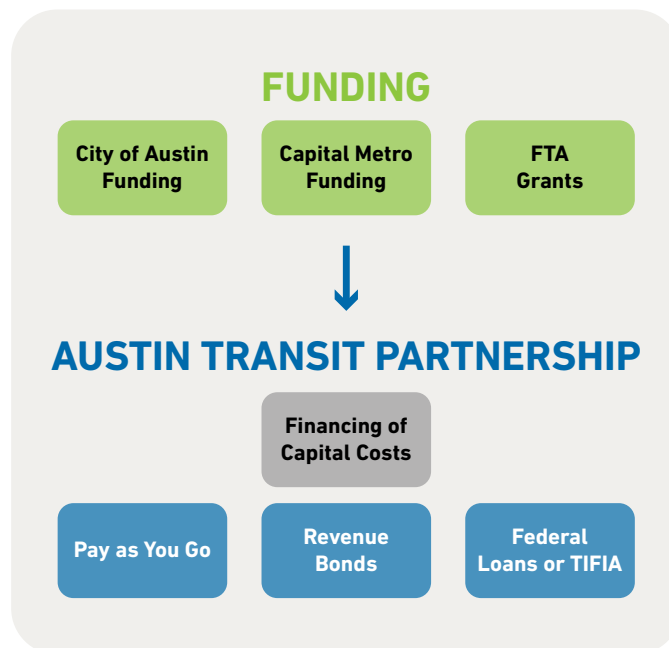
**Transit Supportive
Anti-Displacement
Investments**

AGENCY OVERVIEW

INTEGRATED FINANCIAL MODEL

Revenues dedicated to funding the project include funds from the City of Austin, Proposition A, Capital Metro, federal grants and fare revenues from operations. The revenues will be utilized to fund multiple project elements including construction costs, operating and maintenance, ongoing state of good repair investments, and debt service. The individual revenues are not dedicated to one type of project expenditure, rather there is flexibility to utilize the funding for the range of costs that will be necessary to construct and operate the project.

The City's contribution will be approximately 20% of the operations and maintenance property tax revenue collected by the City as approved by voters in November 2020. Capital Metro will provide sales taxes, capital funds, fare revenues and Park & Ride revenues. The revenues are anticipated to begin in different years, with an early capital contribution in 2021 and sales taxes beginning in 2023.



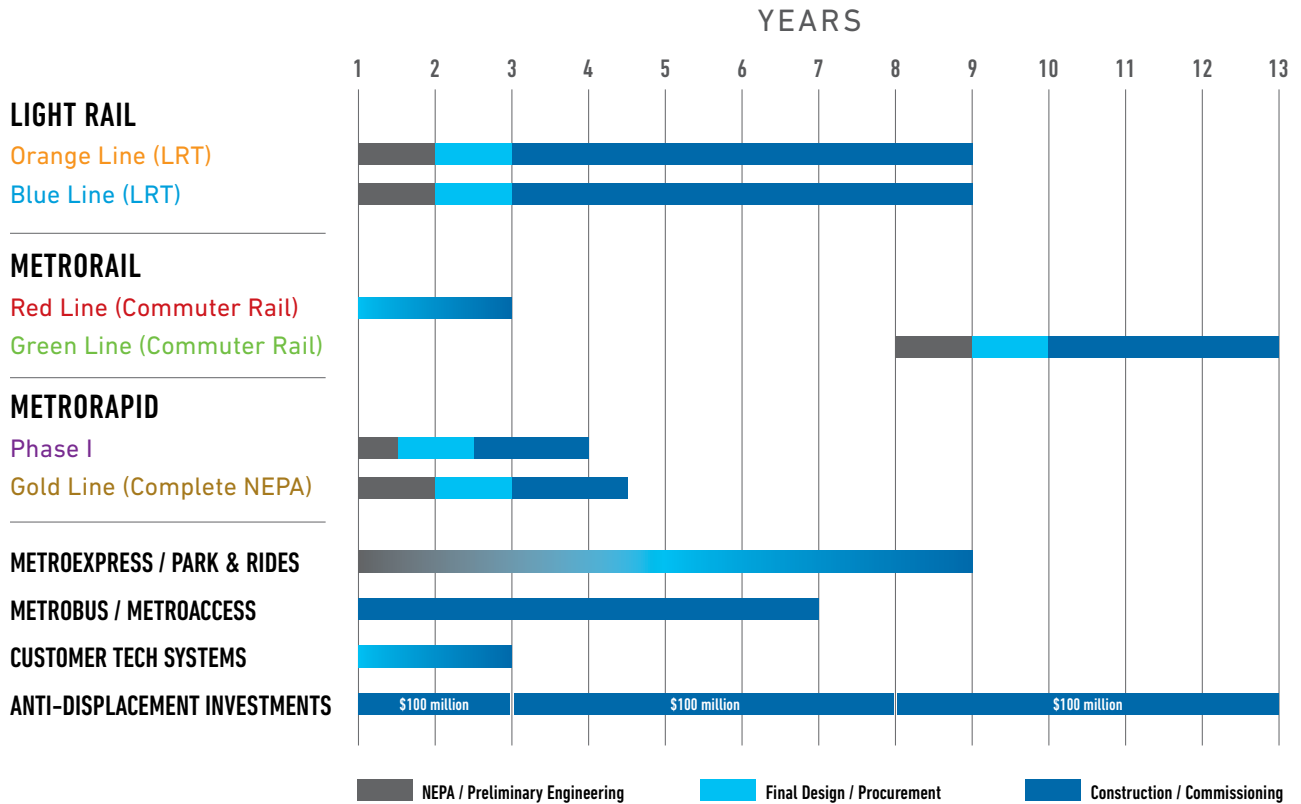
Federal grants are expected to be provided through FTA's Capital Investment Grant Program (CIG) utilizing both New Starts and Small Starts grants. New Starts grants are for fixed guideway projects exceeding \$300 million in size and requesting greater than \$100 million in grant funds. Small Starts grants are for transit projects under \$300 million in size with a request for less than \$100 million. Fixed guideway includes light rail, heavy rail and bus rapid transit projects, which have their own right of way. It is currently assumed that New Starts grant funding would be procured for the Orange and Blue Lines (including tunnel elements). Small Starts funding is assumed for the MetroRapid projects.

AGENCY OVERVIEW

ATP will fund construction of Project Connect elements through cash, known as pay-as-you-go financing, the issuance of revenue-backed bonds, and federal loans secured through the TIFIA loan program. ATP will also pay Capital Metro for the operations and maintenance of transit enhancement.

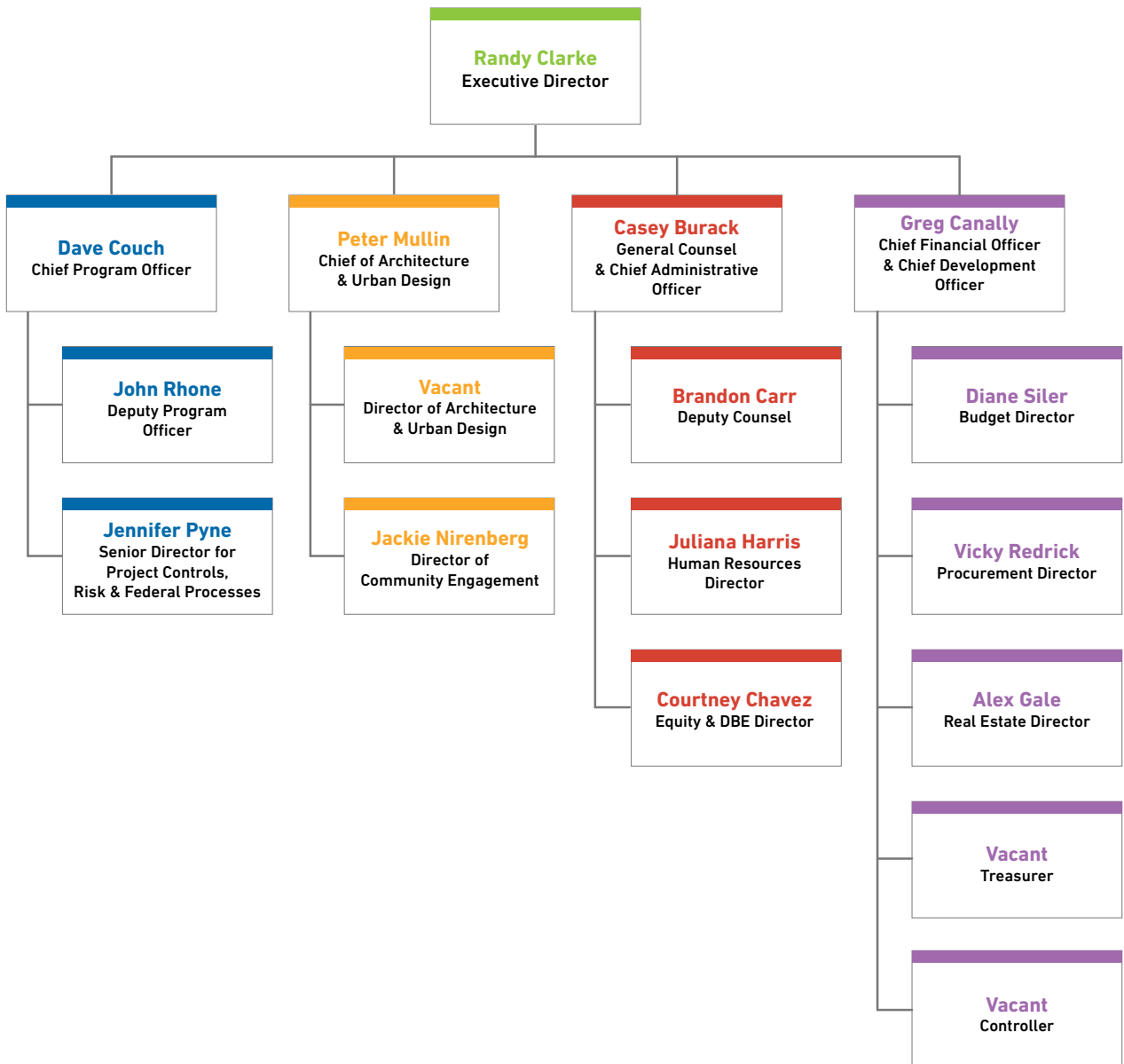
Project expenditures have been previously established with the approval of the sequencing plan. This plan guides and informs all aspects of ATP's operations, including development of the annual budget.

PROJECT CONNECT SEQUENCE PLAN



AGENCY ORGANIZATIONAL CHART

ATP LEADERSHIP



PROJECT CONNECT



PROJECT CONNECT

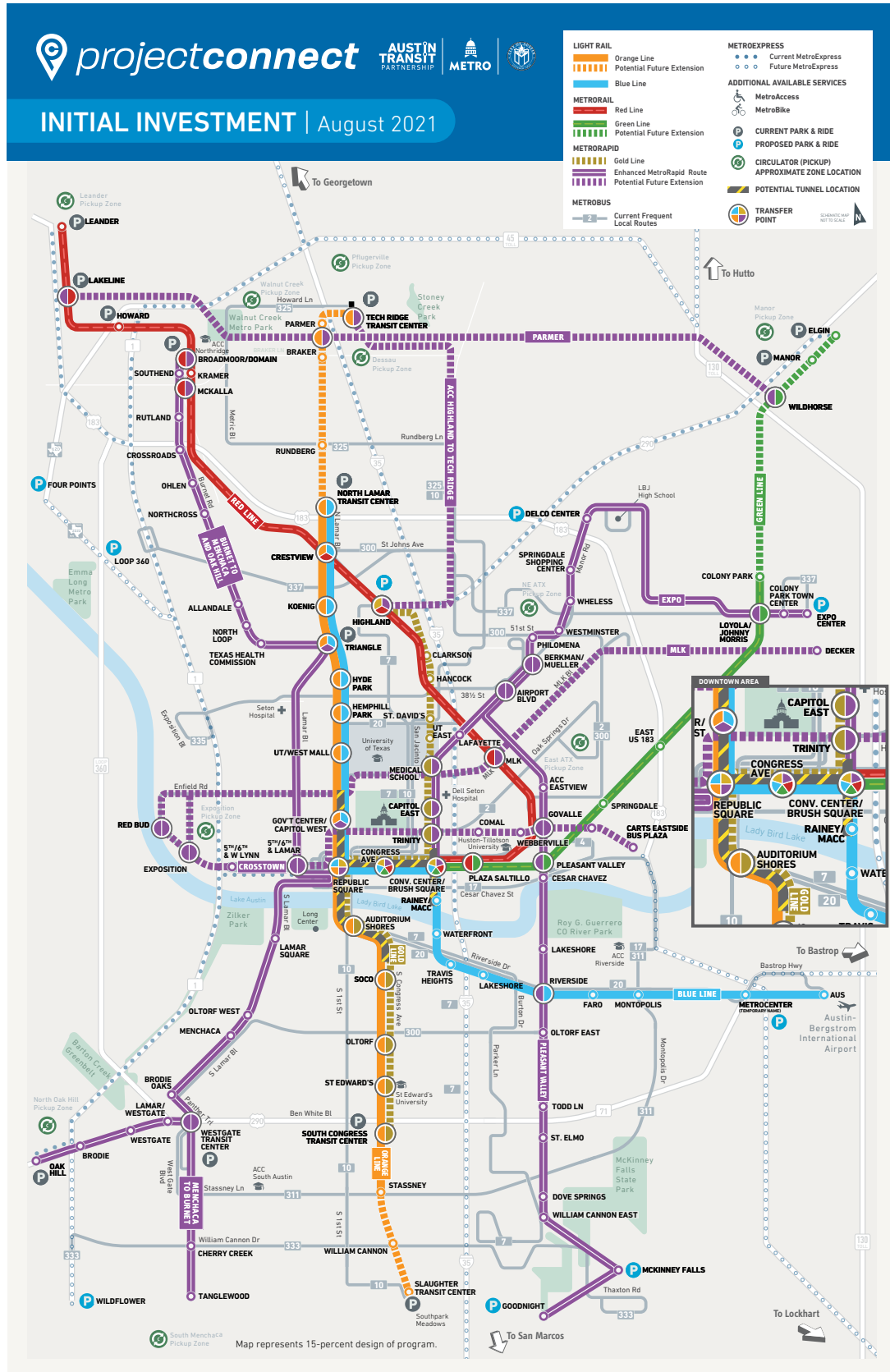
DESCRIPTION OF PROJECT CONNECT

Project Connect is a transformative public transit program that will bring many firsts to Austin. The program, adopted by voters in November 2020, is designed to increase connectivity to more neighborhoods in the Austin metro area and will make Austin one of the most equitable, sustainable, and innovative areas of the country.

Highlighted elements of Project Connect:

- **LIGHT RAIL** - The backbone of Project Connect is a light rail system consisting of two primary lines. The Orange Line starts at the North Lamar Transit Center, travels south through downtown and along South Congress Avenue to Stassney Lane. The Blue Line will travel from downtown, through Travis Heights, and east on Riverside Drive to Austin-Bergstrom International Airport.
- **REGIONAL RAIL** - Enhancements on the Red Line are also scheduled, with additional track planned to increase capacity and safety, as well as new stations, including a station at Q2 Stadium that will open in 2023.
- **DOWNTOWN TRANSIT TUNNEL/HUB** - Light rail will travel below street level through the downtown transit tunnel, separating light rail from traffic at street level. Key to the safety, connectivity, and on-time performance of the entire system will be the downtown transit hub, an underground concourse connecting the Convention Center/Brush Square, Rainey/MACC, Congress Avenue, and Republic Square light rail stations. Riders will be able to connect to both the Orange and Blue light rail lines (which will travel below downtown in subway tunnels), the Red Line regional rail and many bus routes through the downtown transit hub.
- **ENHANCED BUS SERVICE** - Project Connect includes four new MetroRapid routes to enhance frequency. The plan also envisions a zero-emissions bus fleet, and the agency has already completed an electric bus charging yard in North Austin.
- **PARK AND RIDES** - Nine new Park & Rides and one new regional transit center will be funded, enabling riders from the greater Austin area to connect efficiently to the transit system.
- **NEIGHBORHOOD CIRCULATORS** - On-demand pickup and drop-off service within geographic zones offer connections into the transit system.

PROJECT CONNECT



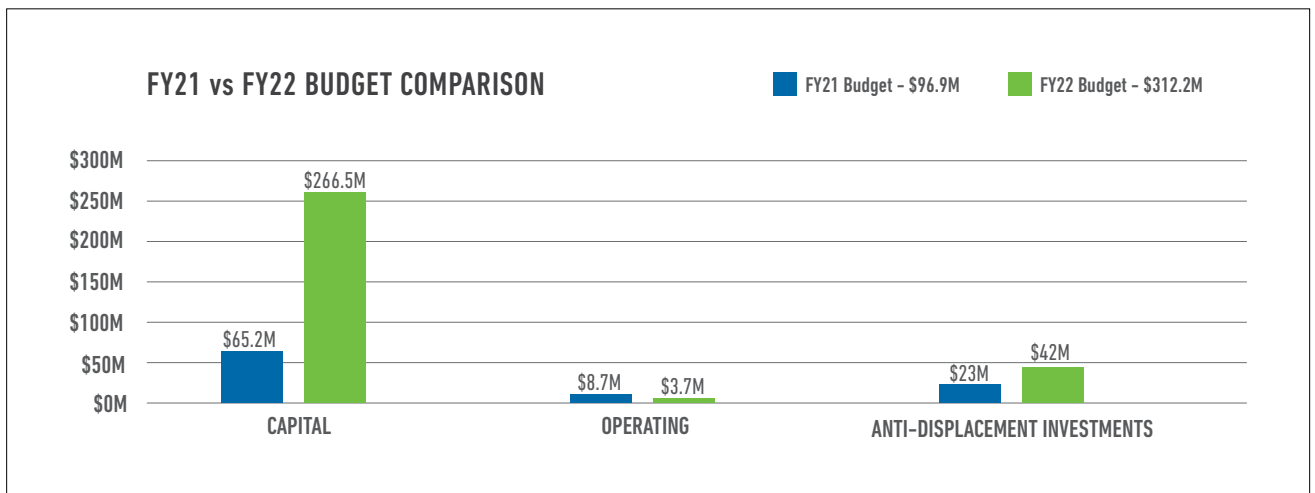
BUDGET HIGHLIGHTS



BUDGET HIGHLIGHTS

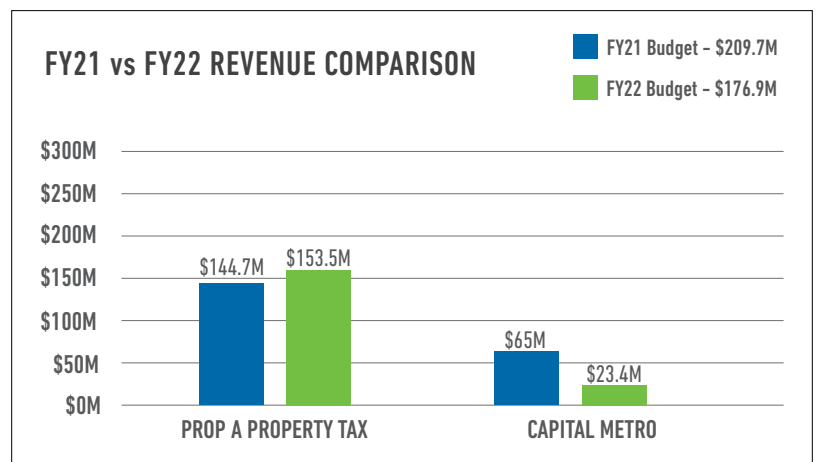
FY2021-2022

ATP's total operating and capital budget for FY 2021-2022 is \$312.2 million, with more than 85% of the budget funding Project Connect capital projects and an additional 13%, or \$42 million, budgeted for transit-supportive anti-displacement investments. This is a \$215.3 million increase from the prior fiscal year, which started in January 2020.



SOURCES OF FUNDS

The property tax revenue is increasing 6% over the previous year's budget and represents approximately 20% of the total O&M property tax collected by the City of Austin. ATP's FY22 revenue is projected to be \$176.9 million, a decline of \$32.8 million from the FY21 budget due to a planned decrease of Capital Metro contributions from \$65 million to \$23.4 million. The FY21



contribution included a one-time transfer of funds set aside over the course of the last few years in anticipation of advancing Project Connect. The contribution level for FY22 represents the normalized annual amount expected from Capital Metro over the forecast horizon.

BUDGET HIGHLIGHTS

PAY AND BENEFITS

Staff are ATP's most valuable resource — without a dedicated, expert staff, the goals of Project Connect would not be possible. In order to recognize and care for our staff, ATP provides a standard pay and benefits package. The FY22 budget also includes \$258,000 for a 3% wage increase planned for January 2022. Total pay and benefits for FY22 is \$15.2 million.

STAFFING

FY21 saw incredible growth throughout ATP. During the past six months, 37 staff members of the original 42.5 FTEs budgeted have been hired or seconded from Capital Metro. As the agency continues to build out capacity, additional staff will be added. In FY22, the budget estimates 42 new positions will be needed throughout the organization including community engagement; project oversight; legal, financial, and procurement services; architecture and urban design; and project delivery.

REAL ESTATE AND RIGHT-OF-WAY

The FY22 Budget includes funding for a consultant to provide real estate acquisition, relocation, surveying, property management, appraisal, title and closing services as well as funds for potential early acquisition of parcels. Real estate staff will complete the Real Estate Acquisition Management Plan required for FTA approval and will continue to work with City of Austin, Travis County, and State entities on real estate coordination for right-of-way and real estate needs.

BUDGET HIGHLIGHTS

CONTRACTS

Throughout the remainder of this fiscal year and into FY22, procurement staff will be soliciting bids for a number of administrative and professional services, including real estate, legal, human resources, financial advisory and risk, debt issuance, banking and auditing. By the second quarter of next fiscal year, a request for proposals for rail vehicles will be issued, after establishing technical specifications. The budget also includes funding for the existing project management and design and engineering contracts as well as new contracts necessary for surveying, project controls, general engineering, and general planning services.

CAPITAL

For FY22, the total capital budget is \$266.5 million, which includes work in all areas of Project Connect. The light rail system, including the tunnel under Lady Bird Lake and downtown, will finish conceptual design this fiscal year and is on target to reach 30% design by the end of the next fiscal year. Both the MetroRapid Pleasant Valley and Expo projects have been included in the U.S. Department of Transportation's FY22 Annual Report on Funding Recommendations and recommended for funding in President Biden's FY22 Budget, and Capital Metro and ATP are coordinating with FTA to pursue Small Starts Grant Agreements under the CIG program. McKalla Station, which will support the new Q2 Stadium, is scheduled to begin construction in 2022. Design work on Park & Ride locations supporting the MetroRapid, MetroExpress and light rail lines along with the build-out of electrification infrastructure will begin, moving the projects into development.

FINANCIAL POLICIES

Along with the board's adoption of the FY22 Budget, ATP's foundational set of financial policies will also be approved establishing sound financial management practices based on industry best practices. The financial policies will help to ensure the thoughtful, cautious, and pragmatic oversight of the agency's financial resources. Included are 20 policies covering accounting, budget, purchasing, reserves, investments, and debt.

OPERATING BUDGET

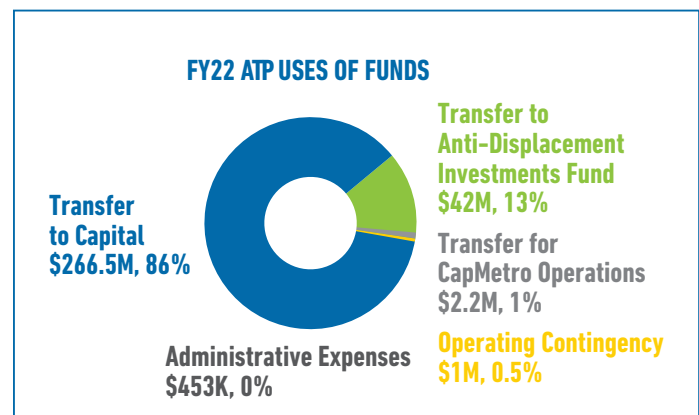
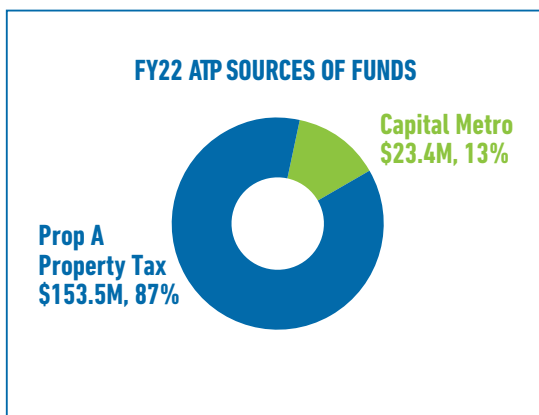


OPERATING BUDGET

OPERATING BUDGET OVERVIEW

On November 3, 2020, Austin voters approved Proposition A, which increased property tax revenue to fund the Project Connect transit system. The proposition dedicated additional revenue raised by the increased tax to an independent board that oversees and finances the acquisition, construction, equipping, and operations and maintenance of the transit system.

ATP's operating budget comprises five main components: a transfer to the capital budget to fund projects, the transit-supportive anti-displacement funding included in the proposition, a transfer to Capital Metro for system operations, administrative services and an operating contingency.



FY22 marks the first full budget year for ATP, which was incorporated in December 2020. The FY21 budget comprised the nine-month period of January through September 2021. While FY21 budgeted and estimated amounts are included in the charts and tables throughout the document, true comparisons will be difficult given the unusual fiscal year duration. In addition, FY21 was a transitional period focused on start-up and capacity building and does not represent the costs associated with a fully operational organization. Likewise, since ATP is a new entity, data prior to FY21 is not available. Future budgets will benefit from continued operations with the added ability for trend analysis and year-over-year comparisons.

OPERATING BUDGET

REVENUE

ATP's FY22 revenue is projected to be \$176.9 million, a decline of \$39.1 million from expected FY21 revenue due to a planned decrease of Capital Metro contributions from \$66.7 million to \$23.4 million. The FY21 contribution included a one-time transfer of funds set aside over the course of the last few years in anticipation of advancing Project Connect. The contribution level for FY22 represents the normalized annual amount expected from Capital Metro over the forecast horizon.

Revenue	FY21 Approved Budget	FY21 Estimate	FY22 Proposed Budget
Proposition A Property Tax	144,700,746	149,252,756	153,549,067
Capital Metro	65,000,000	66,749,749	23,365,670
Total Revenue	209,700,746	216,002,505	176,914,737

With the approval of Proposition A, voters authorized an increase in the ad valorem tax rate of \$0.0875 per \$100 valuation in the City of Austin for the current year. In FY21, that revenue is estimated at \$149.3 million. In FY22, property tax revenue is expected to increase by \$4.3 million, or 2.9% from the prior year. It should be noted that per State law, revenue collected can only increase 3.5% over the previous year. Additional revenue is generated from new properties added to the tax roll.

The timing and process for the City's transfer of property tax revenue to ATP is governed by the interlocal agreement with the City for transfer of property tax revenue, which was approved by the ATP board on June 16, 2021 and the Austin City Council on July 29, 2021. Included in the agreement is the apportionment formula the City will use to determine the share of tax revenue to transfer to ATP, which equals 20.789% of total M&O revenue collected less allowances for previously-approved tax increment reinvestment zones, homestead preservation zones and economic incentive agreements.

OPERATING BUDGET

EXPENDITURES

The FY22 expenditure budget is \$312.2 million, which represents a significant increase over FY21, ATP's abbreviated initial year, as was anticipated in the sequencing plan. The most significant driver of the increase is the progression of transit projects through planning into development and construction. The increase also reflects the planned expansion in funding for Anti-Displacement Investments and the continued build out of the administrative functions.

Expenditures	FY21 Approved Budget	FY21 Estimate	FY22 Proposed Budget
Transfer to Capital	65,176,909	46,601,845	266,500,000
Transfer to the Anti-Displacement Investments Fund	23,000,000	23,000,000	42,000,000
Transfer for CapMetro Operations	2,361,622	2,361,622	2,219,117
Operating Contingency	0	0	1,000,000
Administrative Expenses	6,352,118	251,219	452,909
Total Expenditures	96,890,649	72,214,685	312,172,026

TRANSFER TO CAPITAL

The \$266.5 million budgeted for capital represents the planned spending on all capital projects for FY22. Because all the revenue for FY22 is recorded directly into the Operating Fund, a transfer into capital is needed to fund project expenditures. On the capital ledger, the funding source is shown as cash. Details on the capital projects can be found in the Capital Budget section.

TRANSFER TO ANTI-DISPLACEMENT INVESTMENTS FUND

The funding approved on November 3, 2020 via Proposition A included \$300 million to prevent transportation investment-related displacement and ensure people of different incomes can benefit from the transportation investment. Per an ILA between ATP and the City, funds will be provided to the City on a reimbursement basis to administer and implement the Project Connect Anti-Displacement Programs. The City will use the funds:

- To acquire real property for transit supportive development that will preserve and/or increase the amount of affordable housing proximate to the transit corridors, or
- For financing tools and other anti-displacement strategies related to the implementation of Project Connect.

OPERATING BUDGET

Funds are budgeted in accordance with the sequencing plan and as established in Exhibit B of the ILA. The planned annual allotment of the \$300 million in Anti-Displacement Funds is \$23.0 million in FY21, \$42.0 million in FY22, \$35.0 million in FY23, and \$20.0 million in the subsequent 10 years. Since the City has projected it will not expend any of the FY21 allotment of funds, that \$23.0 million will be available in FY22 along with the second-year allotment, bringing the total available to the City to \$65.0 million, which has been included in its annual budget.

Anti-Displacement Investments Fund Summary			
	FY21 Approved Budget	FY21 Estimate	FY22 Proposed Budget
Unspent Balance from Prior Year	0	0	23,000,000
Transfer in from Operating Fund	23,000,000	23,000,000	42,000,000
Transfer to City of Austin	(23,000,000)	0	(65,000,000)
Unspent Funds	0	23,000,000	0

TRANSFER FOR CAPITAL METRO OPERATIONS

In 2019, PFM Financial Advisors developed the Project Connect Integrated Financial Model in close collaboration with the City of Austin and Capital Metro. The model established the viability of a financing plan predicated on a dedicated property tax revenue stream to back debt issued by an independent entity and was adopted as part of the ILA creating ATP. The model also recognized the revenue and operations costs associated with the Project Connect transit investments. As transit enhancements come on-line, ATP will receive the fare revenue resulting from those enhancements and provide support to Capital Metro for the additional operations costs. By August, Project Connect will have rolled out three pickup zones for the Dessau, South Menchaca, and North Oak Hill neighborhoods. The total funding transferring to Capital Metro for the operations of these enhancements in FY22 will be \$2.2 million.

OPERATING BUDGET

ADMINISTRATIVE EXPENSES

ATP as an entity was created with a specific purpose: to oversee and finance the acquisition, construction, equipping, and operations and maintenance for the transit system; and finance the transit-supportive anti-displacement strategies related to Project Connect. As such, the majority of the costs related to operating ATP, including staff, contracts, facility leases, office supplies, and staff development, will be incorporated into an allocation plan and apportioned to the capital projects. Non-allocable costs and overhead will be budgeted within the Operating Fund under Administrative Expenses. In FY22, the total Administrative Expenses, net the portion allocated to capital, is \$0.5 million. A description of the cost allocation plan is included in the Indirect Cost Allocation section of this document.

OPERATING CONTINGENCY

As a nascent organization, ATP is continually evaluating its organizational structure and funding requirements. A \$1.0 million contingency has been established to provide the agency with the ability to make minor adjustments to spending and nimbly respond to unplanned expenditures requirements.

FUND SUMMARY AND RESERVES

In FY21, \$209.7 million in revenue and \$96.9 million in expenditures were approved by the board. The remaining balance of \$112.8 million was reserved for future Project Connect costs. The amounts have been updated to \$216.0 million and \$72.2 million, respectively, based on current spending levels, bringing the total balance to be carried into FY22 to \$143.8 million. In FY22, expenditures are expected to outpace revenue by \$135.3 million, requiring use of those reserved funds. The funds reserved for future project commitments is expected to be \$8.5 million.

ATP Operating Fund Summary			
	FY21 Approved Budget	FY21 Estimate	FY22 Proposed Budget
Balance from Prior Year	0	0	143,787,820
Total Revenue	209,700,746	216,002,505	176,914,737
Total Expenditures	96,890,649	72,214,685	312,172,026
Reserved for Future Project Commitments	112,810,097	143,787,820	8,530,531

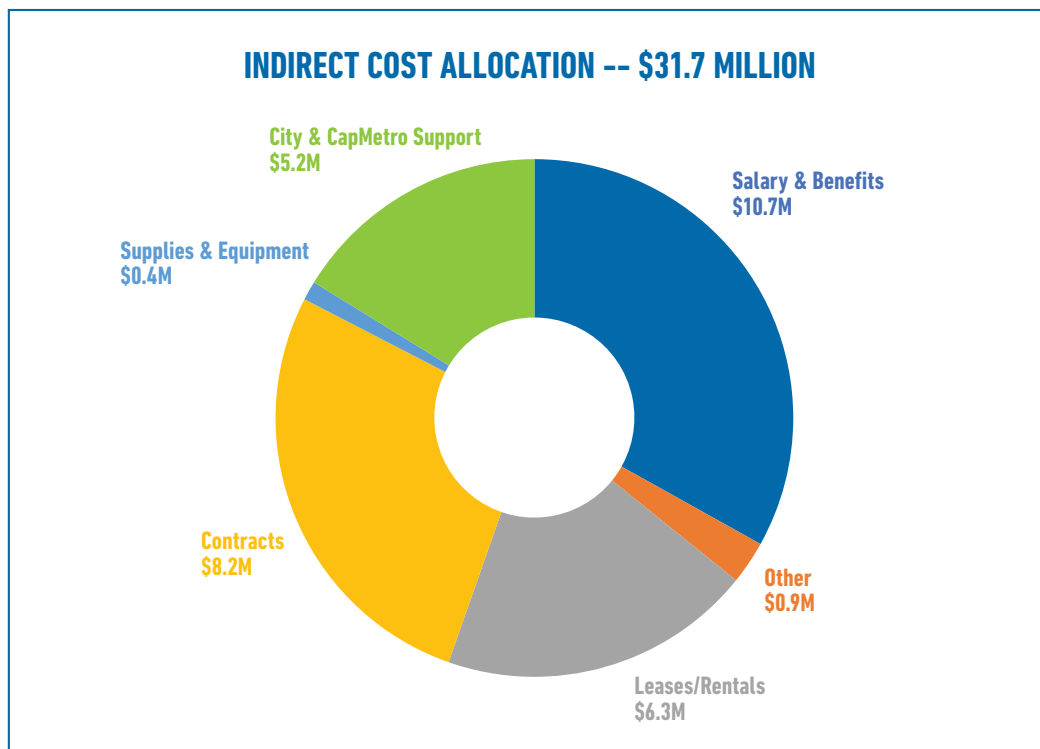
OPERATING BUDGET

INDIRECT COST ALLOCATION

Indirect costs, or overhead, are charges that are not identified with a single department and are used for more than one intended purpose.

ATP uses a simplified allocation procedure, as described in 2 CFR § 200 section B.2, because the agency has only one major function: to oversee and finance the acquisition, construction, equipping, and operations and maintenance of the transit system. As an agency, we are responsible for the delivery of Project Connect's set of capital projects. In simplified terms, ATP's cost allocation plan separates the total annual expenditures between direct and indirect costs. Once the indirect cost pool is determined, those costs are equitably distributed to each of our projects and activities.

ATP's indirect, or overhead, costs include general and administrative costs directly related to the corporate office and costs associated with the management and overseeing of the Project Connect transit projects. They include labor, rent, utilities, computer software and maintenance, supplies, equipment, staff development, and professional services. Also included are reimbursements to Capital Metro and the City of Austin for support with accounting, marketing, information technology, grant requirements, and the expediting of permit reviews. Costs are allocated to each project and activity based on a proportionate share of total annual expenditures incurred by those projects and activities.



CAPITAL BUDGET

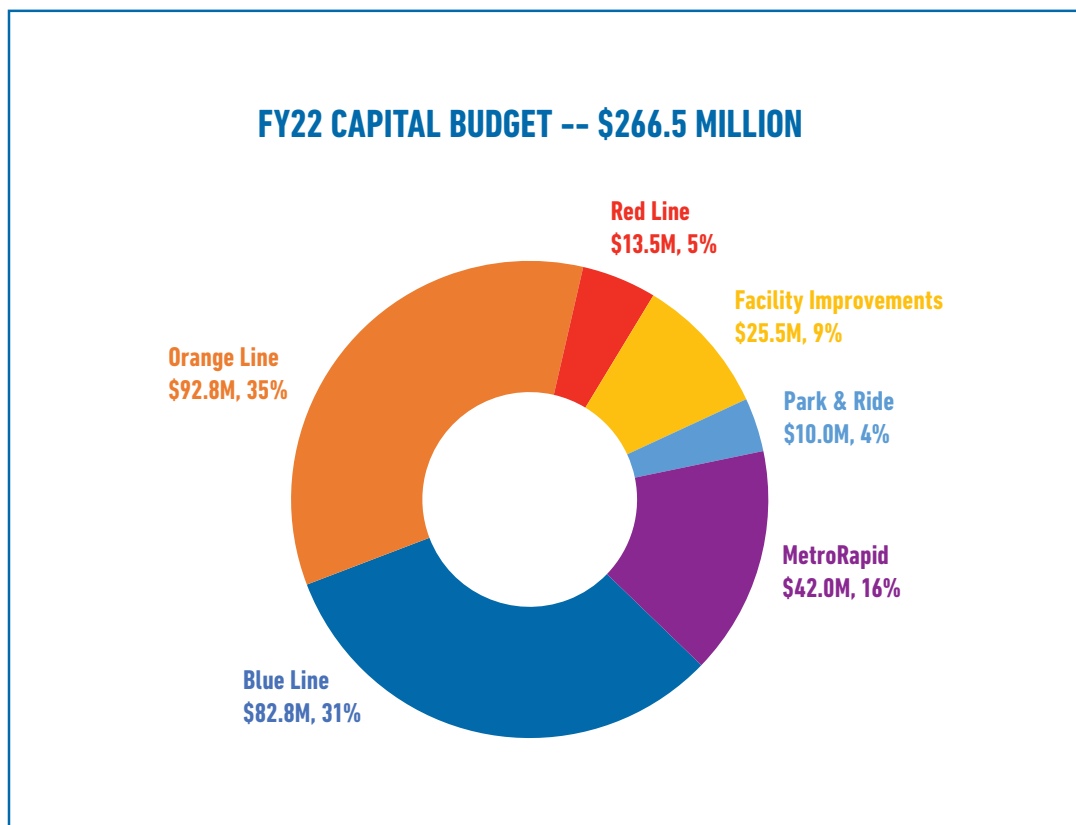


CAPITAL BUDGET

CAPITAL BUDGET OVERVIEW

Unlike the operating budget, which appropriates funding annually, capital budget funds are available until expended, typically over multiple years. The annual capital budget provides the additional appropriations necessary to begin new, or continue existing, projects. The capital budget funds major improvements and expansions of the agency's facilities and infrastructure, while the operating budget primarily funds the ongoing operations, including personnel, professional services, office leases, and other overhead costs. Essentially, the capital budget funds the total cost of acquiring or constructing an agency asset, including design, bidding, project management, right-of-way acquisition, and construction.

For FY22, the capital budget is solely funded through a transfer from the operating budget. It is planned that in the future, funding sources will expand to include revenue-backed debt, grants, federal loans, and various other smaller revenue.



CAPITAL BUDGET

For FY22, the total capital budget is \$266.5 million, which includes work in all areas of Project Connect. The light rail system, including the tunnel under Lady Bird Lake and downtown, will finish conceptual design this fiscal year and is on target to reach 30% design by the end of the next fiscal year. Both the MetroRapid Pleasant Valley and Expo projects have been included in the U.S. Department of Transportation's FY22 Annual Report on Funding Recommendations and recommended for funding in President Biden's FY22 Budget, and Capital Metro and ATP are coordinating with FTA to pursue Small Starts Grant Agreements under the CIG Program. McKalla Station, which will support Q2 Stadium, is scheduled to begin construction in 2022. Design work on Park & Ride locations supporting the MetroRapid, MetroExpress and light rail lines along with the build-out of electrification infrastructure will begin, moving the projects into development.

Project Name	FY22 Appropriation
Project Connect Program Management	27,000,000
Light Rail Orange Line	73,500,000
Light Rail Blue Line	63,500,000
Light Rail Tunnel	11,500,000
MLS Rail Station (McKalla)	13,500,000
MetroRapid Expo Center	11,000,000
MetroRapid Pleasant Valley	14,000,000
MetroRapid Menchaca-South Lamar	6,000,000
MetroRapid Gold Line	11,000,000
MR P&R Expo	2,000,000
MR P&R Pleasant Valley	2,000,000
MR P&R Menchaca/S Lamar & Gold Line	2,500,000
MetroExpress Park & Ride	3,500,000
MR In-Field Charging Expo	1,000,000
MR In-Field Charging Pleasant Valley	1,000,000
MR In-Field Charging Menchaca/S Lamar & Gold Line	3,500,000
Project Connect Facilities	20,000,000
Total Capital Budget	266,500,000

CAPITAL BUDGET

LIGHT RAIL PROJECTS

A total of \$175.5 million is being appropriated for the four light rail subprojects that comprise the Orange and Blue Lines: \$27.0 million for program management services, \$73.5 million for the Orange Line, \$63.5 million for the Blue Line, and \$11.5 million for the tunnel.

HDR, as the program manager/owner's representative for Project Connect, augments ATP and Capital Metro staff to successfully manage the program, provide NEPA compliance analysis and documentation, secure Federal Transit Administration funding and work with partner agencies. Tasks include help with scheduling, cost control, cost estimating, technical document review, strategic communications, graphics, video and 3D visualizations, conceptual and preliminary engineering, and alternatives analysis.

The Orange and Blue lines are progressing on parallel time schedules as defined through the sequencing plan. The 15% draft design packages have been prepared; surveys have been completed for the geotechnical boring locations for the tunnel; and all drilling has been completed. The FY22 budget includes funding for design and engineering, environmental compliance, project controls, utilities and surveys, and right-of-way acquisition.

METRORAIL RED LINE: MCKALLA STATION

The FY22 budget includes \$13.5 million, ATP's share of funding for McKalla Station, a new regional rail station that will provide increased mobility and transit options for the North Burnet area. Additional funds will be provided by Capital Metro. The station will be located adjacent to Q2 Stadium, near Delta Drive, on the MetroRail Red Line between Braker Lane and Rutland Drive. Currently, preliminary engineering and the environmental review is underway. Design is anticipated to be complete by the end of the calendar year with groundbreaking occurring in early 2022.

CAPITAL BUDGET

METRORAPID PROJECTS

The FY22 Capital Budget includes \$42.0 million for four new MetroRapid lines that will provide the Austin community and visitors with alternate routes to get around the city. Plans for MetroRapid include an all-electric expanded bus service, newly designed stations, and an improved customer experience. The four proposed MetroRapid projects include:

- The **Expo Center MetroRapid Project** consists of an approximately 12-mile route along some of the highest-ridership corridors in the Capital Metro system: Trinity Street, San Jacinto Boulevard, Manor Road, and Loyola Lane. A total of 44 stations will be served throughout the corridor, seamlessly connecting downtown Austin with northeast Austin.
- The **Gold Line MetroRapid Project** consists of a 6-mile route that would operate from Austin Community College Highland Campus to Republic Square Park. The route will travel along Airport, Red River, San Jacinto, Trinity, and 4th Streets and serve ten stations.
- The **Menchaca/South Lamar MetroRapid Project** consists of two extensions of the existing MetroRapid 803 service to the south and southwest connecting both areas to downtown Austin. The approximately 5-mile extension to Oak Hill would require seven new stations along the US 290 frontage road, while the approximately 4.5-mile extension to Slaughter Lane would follow Menchaca Road, also requiring seven additional stations. Both extensions would bolster the current 803 service, which is one of CapMetro's strongest-performing routes. Both route branches would converge on S. Lamar Boulevard to downtown Austin for a total of approximately 15.5 miles.
- The **Pleasant Valley MetroRapid Project** consists of an approximately 15-mile route along the E. William Cannon Drive, Pleasant Valley Road, and Airport Boulevard corridors. Because this route acts as a north-south spine east of I-35, extending transit coverage to the growing area of southeast Austin, it represents one of the highest-ridership corridors in the Capital Metro system. A total of 43 stations will be served throughout the corridor, improving mobility and connectivity of several communities in east/southeast Austin between Mueller and Goodnight Ranch.

CAPITAL BUDGET

The \$11.0 million and \$14.0 million for Expo and Pleasant Valley, respectively, will be part of the overall funding strategy that includes anticipated federal grant awards provided directly to Capital Metro. Both projects have completed 30% design with 100% design projected to be completed early 2022. Station construction is scheduled to begin winter 2021, and bus deliveries begin mid-2022. Service is anticipated to begin in summer 2023.

Menchaca-South Lamar is currently in design phase, and staff is analyzing options for federal funding. The line will be constructed in three phases. Phase 1 will include new Oak Hill and Menchaca legs; Phase 2 will include replacing the fleet with electric buses; and Phase 3 will include increasing frequencies to five minutes on the main corridor section to the Domain and 10 minutes on the extensions. The \$6.0 million included in the FY22 budget will allow for completion of design work and the start of station construction.

The Gold Line is also currently in design phase, and staff is evaluating project implementation phasing. The FY22 budget has \$11.0 million to complete design work and begin station construction.

METROEXPRESS AND PARK & RIDE

Over the next three years, nine additional Park & Ride locations will be established: four for MetroExpress routes — currently planned at Four Points, Loop 360, Oak Hill, and south MoPac — and five for the new MetroRapid routes. The \$10.0 million included in the FY22 budget will primarily cover design, site improvement, construction, and real estate acquisition. The completion of the Park & Rides will be coordinated with other route work and all projects are anticipated to be completed in FY24.

PROJECT CONNECT FACILITIES

Because the MetroRapid lines will use an all-electric fleet, charging stations at or near the end of each line are required. The FY22 budget includes funding of \$5.5 million to begin design and planning of the charging facilities. In addition, \$20.0 million is included to start design work on Project Connect maintenance facilities necessary to maintain the expanded transit system.



APPENDIX

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OPERATING FUND SUMMARY

ATP FY 2022 Operating Fund Summary			
	2021 Approved Budget	2021 Estimate	2022 Proposed Budget
Balance from Prior Year	0	0	143,787,820
Revenue			
Prop A Property Tax	144,700,746	149,252,756	153,549,067
Capital Metro	65,000,000	66,749,749	23,365,670
Total Revenue	209,700,746	216,002,505	176,914,737
Total Funds Available			
	209,700,746	216,002,505	320,702,557
Expenditures			
Transfer to Capital	65,176,909	46,601,845	266,500,000
Transfer to Anti-Displacement Investments Fund	23,000,000	23,000,000	42,000,000
Transfer for CMTA Operations	2,361,622	2,361,622	2,219,117
Operating Contingency	0	0	1,000,000
Administrative Expenses	6,352,118	251,219	452,909
Total Expenditures	96,890,649	72,214,685	312,172,026
Reserved for Future Project Commitments			
	112,810,097	143,787,820	8,530,531

ANTI-DISPLACEMENT FUND SUMMARY

ATP FY 2022 Anti-Displacement Investments Fund Summary			
	2021 Approved Budget	2021 Estimate	2022 Proposed Budget
Balance from Prior Year	0	0	23,000,000
Transfers In			
Operating Fund	23,000,000	23,000,000	42,000,000
Total Revenue	23,000,000	23,000,000	42,000,000
Total Funds Available	23,000,000	23,000,000	65,000,000
Expenditures			
Transfer to City of Austin	23,000,000	0	65,000,000
Total Expenditures	23,000,000	0	65,000,000
Balance			23,000,000

FINANCIAL POLICIES

OVERVIEW

The Government Finance Officers Association considers the adoption of financial policies to be a best practice in that they “are central to a strategic, long-term approach to financial management.” Specifically, well-written policies can institutionalize good financial management practices, help the organization avoid unnecessary risk, support favorable bond ratings, which in turn reduce the cost of borrowing, and clearly communicate the policy framework within which staff is working.

ACCOUNTING POLICIES

1. ATP will establish accounting practices that conform to generally accepted accounting principles as set forth by the authoritative standard-setting body for not-for-profit entities.
2. ATP’s annual financial report will be audited by an independent certified public accounting firm and will be issued no later than six months following the end of the fiscal year. ATP’s report will include a Statement of Net Position; a Statement of Revenues, Expenses, and Changes in Net Position; a Statement of Cash Flows; Notes to the Financial Statements; the Auditor’s Opinion; and other information as required.
3. The audit firm will report the results of the annual audit to ATP’s Finance and Risk Advisory Committee within 60 days after the issuance of the annual report. The Chief Financial Officer will ensure the timely resolution of audit recommendations as applicable.
4. The Internal Auditor shall be responsible for conducting financial and performance audits. The Executive Director shall be responsible for establishing a process to ensure timely resolution of audit recommendations.
5. Capital assets shall be recorded at cost and depreciated over their useful lives using the straight-line method.
6. All grants and other federal and state funds will be managed to comply with the laws, regulations, and guidance of the grantor.
7. Grant revenue will be recognized when all eligibility requirements have been met. The grantor will retain a reversionary interest in the capital asset over the estimated useful life of that asset.

FINANCIAL POLICIES

BUDGET POLICIES

8. A five-year financial forecast will be prepared annually, projecting revenue and expenditures. The forecast will be used as a planning tool in developing the following year's budget.
9. The board shall adopt an annual operating budget and capital budget no later than its September board meeting immediately preceding the start of the fiscal year. The proposed budget will be made available for public review at least 21 days prior to the board meeting.
10. Budget accountability rests primarily with individual departments. Department directors will review budget variances on a quarterly basis with ATP's Budget Director. Significant budget variances will be further evaluated by the Budget Director and the responsible chief to determine whether remedial action is required. If remedial action is required, the Budget Director will make recommendations to the Chief Financial Officer/Chief Development Officer to address the variance.
11. Quarterly reports on year-to-date spending compared to budget will be provided to the Board; such reports will be reported no later than 45 days after the end of each quarter, with the 4th Quarter report reported no later than 60 days after the end.

RESERVE AND CONTINGENCY POLICIES

12. Reserves and contingencies may be set aside periodically for specific future purposes. The Chief Financial Officer shall develop procedures for utilization of such reserves.

PURCHASING POLICIES

13. ATP shall have and maintain a procurement policy, to be approved by the board, that is consistent with all applicable local, state, and federal statutes, and:
 - a. Provides for public confidence in the integrity, fairness, and accountability of ATP's procurement system.
 - b. Ensures the fair and equitable treatment of all persons who deal with the procurement system of ATP.
 - c. Promotes contracting opportunities for all Disadvantaged Business Enterprises (DBEs), Minority-Owned Business Enterprises (MBEs), and Women-Owned Business Enterprises (WBEs), both as prime contractors and subcontractors.
 - d. Fosters full and open competition.
 - e. Meets the customer's needs in terms of cost, quality, and timeliness of the delivered product or service.

FINANCIAL POLICIES

- f. Promotes positive relationships through courtesy and impartiality in all phases of the procurement process.
- g. Handles confidential information or proprietary information with proper consideration of the ethical and legal ramifications of disclosure.
- h. Maintains the integrity of ATP's procurement system.
- i. Provides for the timely, impartial resolution of all procurement issues.
- j. Provides increased efficiency and effectiveness in ATP's procurement activities, thereby exercising good stewardship of public funds and maximizing, to the fullest extent possible, the purchasing value of those public funds.

INVESTMENT POLICIES

- 14. ATP's portfolio shall be designed and managed in a manner responsive to the public trust and consistent with local, state and federal law. ATP investments will be made in accordance with the following objectives in priority order:
 - a. Preservation of capital and protection of principal.
 - b. Maintenance of sufficient liquidity to meet operating needs.
 - c. Security of ATP funds and investments.
 - d. Diversification of investments to avoid unreasonable or avoidable risks.
 - e. Maximization of return on the portfolio.
- 15. As a nonprofit entity acting on behalf of the City of Austin, ATP is subject to Chapter 2256 of the Texas Government Code and may accordingly invest its funds in:
 - a. Obligations of the United States or its agencies and instrumentalities.
 - b. Direct obligations of the state of Texas.
 - c. Other obligations, the principal and interest on which are unconditionally guaranteed or insured by the state of Texas or the United States or its agencies and instrumentalities, including obligations that are fully guaranteed or insured by the Federal Deposit Insurance Corporation or by the explicit full faith and credit of the United States.
 - d. Obligations of states, agencies, counties, cities, and other political subdivisions of any state having been rated as to investment quality by a nationally recognized investment rating firm and having received a rating of not less than A or its equivalent.

FINANCIAL POLICIES

- e. Bankers' acceptance, so long as each such acceptance has a stated maturity of 270 days or less from the date of its issuance, will be liquidated in full at maturity, is eligible collateral for borrowing from a Federal Reserve Bank, and is accepted by a domestic bank whose short-term obligations are rate at least A-1, P-1, or the equivalent by a nationally recognized credit rating agency or which is the largest subsidiary of a bank holding company whose short-term obligations are so rated.
- f. Commercial paper with a stated maturity of 365 days or less from the date of its issuance that either:
 - i. Is rated not less than A-1, P-1, or the equivalent by at least two nationally recognized credit rating agencies.
 - ii. Is rated at least A-1, P-1, or the equivalent by at least one nationally recognized credit rating agency and is fully secured by an irrevocable letter of credit issued by a bank organized and existing under the laws of the United States or any state thereof.
- g. Fully collateralized repurchase agreements having a defined termination date, placed through a primary government securities dealer, as defined by the Federal Reserve, or a financial institution doing business in Texas, and secured by a combination of cash and obligations described by a. above (the principal and interest on which are guaranteed by the United States or any of its agencies), pledged with a third party selected or approved by ATP, and having a market value (including accrued interest) of no less than the principal amount of the funds disbursed. The term includes direct security repurchase agreements and reverse security repurchase agreements. The term of any reverse repurchase agreement may not exceed 90 days after the reverse security repurchase agreement is delivered. Money received by ATP under the terms of a reverse security repurchase agreement may be used to acquire additional authorized investments, but the term of the authorized investment acquired must mature not later than the expiration date stated in the reverse security repurchase agreement.
- h. Certificates of deposit issued by depository institutions that have a main office or branch office in Texas that are:
 - i. guaranteed or insured by the Federal Deposit Insurance Corporation, or its successor.
 - ii. secured by obligations that are described by a. through d. above, which are intended to include all direct federal agency or instrumentality issues that have a market value of not less than 102% of the principal amount plus accrued interest of the certificates.

FINANCIAL POLICIES

- i. Share certificates issued by a depository institution that has a main office or branch office in Texas and that is guaranteed or insured by the National Credit Union Share Insurance or its successor.
- j. Securities and Exchange Commission (SEC)-registered and regulated, no-load money market mutual funds that comply with the SEC Rule 2a7, and provides ATP with a Prospectus and other information required by the Securities Exchange Act of 1934 or the Investment Company Act of 1940. Excluding bond proceeds, no more than 80% of ATP's monthly average fund balance may be invested in money market mutual funds. And excluding bond proceeds, ATP may not invest funds under its control in an amount that exceeds 10% of the total assets of any individual money market mutual fund.
- k. Local government investment pools (LGIP) organized in accordance with the Interlocal Cooperation Act (Chapter 791, Texas Government Act) and that meet the requirements of the PFIA Section 2256.016, to include:
 - i. assets that consist exclusively of the obligations that are described by Section IV.A., a. through i. above and/or money market mutual funds permitted in j. above that are also consistent with the Investment Policies and Objectives adopted by the LGIP.
 - ii. continuously rated no lower than AAA, AAAM or at an equivalent by at least one nationally recognized rating service.
 - iii. provide ATP with all PFIA required reporting, financial, and disclosure information.
- l. A securities lending program that meets the following conditions:
 - i. A securities lending agreement shall be executed in writing.
 - ii. The securities lending agreement and all loans shall be executed only with a primary securities dealer, as defined by the Federal Reserve; or a financial institution doing business in the state of Texas that has a senior debt rating of at least A or its equivalent by two nationally recognized rating services.
 - iii. The securities lending agreement shall have a term of one year or less.
 - iv. All loans shall be terminable at any time.
 - v. The securities lending agreement shall require that all collateral be pledged to or owned by ATP, held in ATP's name, and as applicable, deposited simultaneously as the security loaned with a third party approved by ATP.

FINANCIAL POLICIES

- vi. Collateralization requirements for all loans shall:
 - 1. include the term or maturity of all collateral that ends no later than the expiration date of the specific loan transaction.
 - 2. be collateralized at not less than 102% of the market value of the securities loaned to included accrued interest and be marked-to-market daily with market value reported daily to ATP.
 - 3. be collateralized by:
 - a. pledged securities issued by the United States government or its agencies or instrumentalities as defined in Section IV.A. a. through d. above.
 - b. cash invested in accordance with Section IV.A. a. through d., f., or j. listed above.
- 16. Investments in collateralized mortgage obligations are strictly prohibited. These securities are also disallowed for collateral positions.

DEBT MANAGEMENT POLICIES

- 17. ATP shall issue debt by selling bonds competitively, by negotiated sale, or through private placements. The method of sale shall be determined prior to the issuance of debt and will be dependent on market conditions.
- 18. ATP shall use competitive procurement methods to select professional firms in the bond issuance process.
- 19. The term of debt obligations issued by ATP should equal the lesser of the useful life of the item being financed with no term exceeding 30 years.
- 20. ATP may not enter into a debt or financing arrangement unless the transaction is in full compliance with all applicable state and federal laws.

BUDGET PROCESS

BUDGET DEVELOPMENT

The operating and capital budgets have been prepared with the goal of delivering a fiscally prudent, balanced budget and developed in compliance with the included financial policies. ATP's primary financial goal is to implement Project Connect, as envisioned by its stakeholders, as efficiently and as effectively as possible. The budget process is a key piece of the strategy to achieve these results in a coordinated manner and to make fiscally responsible decisions that will ultimately produce a premier transit system for Austin.

The budget process serves two principal purposes. Internally, development of the budget provides a forum for the coordinated planning of objectives and tasks within ATP and between its partner organizations. It sets the expectations for performance in the coming year. For the community and other stakeholders, the budget reports on the status of projects and services, detailing the agency's operational objectives, capital improvements, and funding plans.

The annual budget is prepared on a modified accrual basis and adopted by the board of directors each fiscal year. Budgetary control is set at the total annual appropriated budget. Operationally, the annual budget is segmented into smaller cost pools with individual appropriation controls in place to provide a greater level of budgetary checks. With respect to capital budgets, project contingency accounting is used to control expenditures within available project funding limits. Prior to adoption, the proposed budget is presented to the board of directors, the finance risk advisory committee, and posted on the internet. Adoption of the budget must be on or before September 30 of each year.

The internal process is a collaborative and iterative one, with the agency's senior leadership providing strategic direction and critical review, managers and project managers preparing resource estimates, and financial staff providing feedback and technical support for the process. The board is engaged during budget development to review major assumptions, structural elements, and cost drivers. Once the proposed budget has been published, the ATP board provides final review and adoption with support from the Finance & Risk Advisory Committee.



BUDGET PROCESS

BUDGET DOCUMENT

This document is designed to convey to the reader the financial plan for ATP in a clear, concise, and easy to read manner. To that end, it has been divided into four sections. The Introduction includes information about ATP and Project Connect, as well as highlights of the budget. The goal of the Introduction is to provide the most important information so that a general user may not need to delve deeper into the document. The next two sections discuss the Operating and Capital Budgets in detail. The agency's revenue, expenses, reserves, and allocation model are addressed in the Operating Budget. The Capital Budget provides total appropriations and project details on a project-by-project basis. The final section, the Appendix, provides supporting materials. Included are the agency's financial policies, a description on the budget process, and a glossary of terms and acronyms used throughout the document.

GLOSSARY & ACRONYMS

5309: A reference to FTA Capital Investment Grant (New Starts) Program, Title 49 U.S.C., Section 5309 providing funding for the design and construction of transit systems.

5337: The State of Good Repair Grants Program (49 U.S.C. 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.

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.

APPROPRIATION: The legal device by which a governing body authorizes the spending of government funds for specific purposes. Operating appropriations are approved for a single fiscal year, but capital improvement appropriations are multi-year and remain in place until exhausted.

BOND: A debt instrument that requires repayment of a specified principal amount on a certain date (maturity date), together with interest at a stated rate.

BOND ISSUANCE/SALE: The process where a taxing entity sells bonds as a means of borrowing capital for projects. The taxing entity then repays this debt to the lender over a period of time similar to the manner in which a homeowner pays a mortgage.

BOND PROCEEDS: The amount of principal received from bond issuances (sales) to back up capital improvement expenses.

BUILD CENTRAL TEXAS: 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.

CAPITAL AREA METROPOLITAN PLANNING ORGANIZATION (CAMPO): The Metropolitan Planning Organization (MPO) for Bastrop, Burnet, Caldwell, Hays, Travis, and Williamson Counties. MPOs are federally required throughout the country in areas with a population of 50,000 or more and are required to produce a 20+ year transportation plan, called a Regional Transportation Plan (RTP), and a four-year planning document called the Transportation Improvement Program (TIP).

CAPITAL BUDGET: A plan of proposed projects or investments for fixed assets (primarily infrastructure) and the means of financing them. The annual capital budget is the primary means by which most of the acquisition and construction activities for facilities and major improvements of a government occur.

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

GLOSSARY & ACRONYMS

CAPITAL OUTLAY: An item that costs more than \$5,000 and has a useful life of more than one year.

CAPITAL METROPOLITAN TRANSPORTATION AUTHORITY: Commonly referred to as Capital Metro, is a public transportation provider located in Austin, Texas. It operates buses, paratransit services, and a regional rail system known as the Capital MetroRail in Austin and several suburbs in Travis and Williamson counties.

REGIONAL RAIL: Train service for urban passenger consisting of local short distance travel operating between a central city and adjacent suburbs.

CENTRAL TEXAS REGIONAL MOBILITY AUTHORITY (CTRMA): An independent government agency created in 2002 to improve the transportation system in Williamson and Travis counties. Its mission is to implement innovative, multimodal transportation solutions that reduce congestion and create transportation choices that enhance quality of life and economic vitality.

EXPENDITURE: A decrease in net financial resources. They include current operating expenses that require the current or future use of net current assets, debt service, and capital outlay.

FIXING AMERICA'S SURFACE TRANSPORTATION ACT (FAST ACT): A funding and authorization bill to govern United States federal surface transportation spending. It was passed by Congress on December 3, 2015, and President Barack Obama signed it on December 4.

FISCAL YEAR (FY): 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 Austin Transit Partnership is from October 1 through September 30.

FIXED-ROUTE BUS: Local bus service including rail connectors.

FEDERAL RAILROAD ADMINISTRATION (FRA): The agency of the federal government within the U.S. Department of Transportation that is responsible for promulgating and enforcing rail safety regulations, administering railroad assistance programs, conducting research and development in support of improved railroad safety and national rail transportation policy, and consolidating government support of rail transportation activities.

FEDERAL TRANSIT ADMINISTRATION (FTA): The agency of the federal government within the U.S. Department of Transportation that is responsible for providing, administering, and monitoring funds to transit agencies.

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

GLOSSARY & ACRONYMS

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

GENERALLY ACCEPTED ACCOUNTING PRINCIPLES (GAAP): The established standards that guide how financial statements are prepared and presented, such as what items should be recognized, what amounts should be reported for each of the elements, what line items should be included, how items should be aggregated, and what specific information is most important.

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

INTERLOCAL AGREEMENT (ILA): A contractual agreement between two or more governmental entities to provide a governmental function or service that each party to the contract is authorized to perform individually. Governed by Chapter 791 of the Texas Government Code.

LOCAL GOVERNMENT CORPORATION (LGC): A local government corporation may be created under Texas Transportation Code Chapter 431 to aid and act on behalf of one or more local governments to accomplish any governmental purpose of those local governments. A local government corporation has the powers of a transportation corporation authorized for creation by the Texas Transportation Commission, which among other powers, includes the power to issue bonds and notes.

LONG-RANGE FINANCIAL PLAN (LRFP): A 10-year plan that forecasts the financial resources and projected expenditures based on planned levels of service and strategic goals.

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

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

MAINTENANCE & OPERATIONS (M&O) BUDGET: The portion of the budget that provides for the day-to-day operation of Austin Transit Partnership.

PARK & RIDE: A transport system in which drivers leave their cars in a designated parking area and travel to their final destination by train or bus.

PROJECT CONNECT: program of projects to expand the transit system operated by Capital Metro.

RESERVE: An account in which a portion of the fund balance is set aside for a future use and which is, therefore, not available for further appropriation or expenditure.

GLOSSARY & ACRONYMS

REVENUE: The income generated from taxes, fees, payments, grants, and other revenue. Also includes transfers from other governmental entities.

RIGHT OF WAY (ROW): A type of easement granted or reserved over the land for transportation purposes, such as a highway, public footpath, rail transport, canal, as well as electrical transmission lines, and oil and gas pipelines.

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

TEXAS DEPARTMENT OF TRANSPORTATION (TXDOT): The Texas government agency responsible for the construction and maintenance of the state highway system, rail, and public transportation systems in the state.

TRANSFER: The authorized exchange of cash or other resources between funds, departments, accounts, or other entities. Must include a revenue-to-expense transaction.

TRANSIT ORIENTED DEVELOPMENT (TOD): An intentional mixing of land use and transit through the creation of compact, walkable, mixed-use communities within walking distance of a transit stop or station.

TRANSPORTATION INFRASTRUCTURE FINANCE AND INNOVATION ACT (TIFIA):

It is a program that provides federal credit assistance in the form of direct loans, loan guarantees and standby lines of credit to finance surface transportation projects of national and regional significance. TIFIA credit assistance provides improved access to capital markets, flexible repayment terms and potentially more favorable interest rates than can be found in private capital markets for similar instruments.

U.S. DEPARTMENT OF TRANSPORTATION (USDOT): The Federal department responsible for developing and coordinating policies that will provide an efficient and economical national transportation system, with due regard for need, the environment, and the national defense.