



**FY2023-2024
APPROVED
BUDGET**



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**Austin Transit Partnership
Texas**

For the Fiscal Year Beginning

October 01, 2022

Christopher P. Morill

Executive Director



TABLE OF CONTENTS

INTRODUCTION	4	DEPARTMENTAL OVERVIEW & OUTCOMES	17
Message from the Executive Director	4	FY 2023-24 Priority Outcomes	17
ATP Board of Directors	5	FY 2023-24 Department Overviews & Outcomes	18
ATP Organization	6		
About ATP	7	FUND SUMMARIES	21
BUDGET PROCESS	9	Operating Fund	21
Budget Timeline	9	Capital Funds	22
Budget Components	9	APPENDIX	25
Fund Framework	10	Financial Policies	25
BUDGET HIGHLIGHTS	11	Glossary	27
Revenue	11		
Spending	11		
Operating Fund	12		
Austin Light Rail Capital Fund	13		
CapMetro Projects	15		
Anti-Displacement Investments	16		

INTRODUCTION

MESSAGE FROM THE EXECUTIVE DIRECTOR

ATP Board of Directors,

I am pleased to present the Fiscal Year 2023-24 Approved Budget for the Austin Transit Partnership (ATP). ATP was created by the voters to deliver on a transformational investment in Austin's transit future – and this budget highlights how we will advance the implementation of Austin Light Rail and other elements of the Project Connect program.

Our team celebrates the collaboration among community members and our agency partners that resulted in the adoption of the Austin Light Rail Implementation Plan this past June. We committed to create this Plan with full transparency and engagement with the Austin community. In this budget, we pledge to continue investing in community participation and involving our diverse stakeholders.

This budget prioritizes resources for planning and community participation and involvement, as we look ahead to initiating the National Environmental Protection Act (NEPA) process, of which community plays such a vital role. This budget also – with our contracting partners – allows us to advance the planning, engineering and architectural & urban design work required for NEPA, as well as the Federal Transit Administration's Capital Improvement Grant (CIG) program.

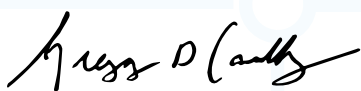
The FY24 Budget enhances transparency by simplifying our fund structure – making the budget for our expenditures more transparent to the public. We will be aligning expenses in a manner consistent with budgeting practices for large capital projects, which will help ensure eligible costs are well positioned for federal reimbursements and grant opportunities. Commitment to accountability and transparency are front and center in our continued readiness to implement Austin Light Rail. This includes investment in business services such as procurement and contract management; IT, including Enterprise Resource Planning system (ERP); communications services; legal services and human resources.

This budget maintains our personnel at 87 full-time equivalents (FTEs), the same number authorized by the Board for the current fiscal year. This past year demonstrated the dedication of our staff and the expertise critical to advancing Austin Light Rail. To that end, retaining our ATP team members is crucial for our work ahead. I am recommending a 3.5 percent wage increase for our employees and wish to express my gratitude for the hard work and service of our talented professionals.

Finally, the FY24 Approved Budget includes \$20 million in additional investments in Anti-Displacement, bringing ATP's total investment to \$120 million. We will continue to work with our City of Austin partners to ensure these funds are deployed for maximum benefit to our community.

Thank you for your leadership and service. The ATP team looks forward to the continued work ahead on your behalf – and in partnership with our community.

Sincerely,



GREG CANALLY

Executive Director

ATP BOARD OF DIRECTORS



**VERONICA CASTRO
DE BARRERA**

*Chair, Community Expert In
Architecture & Engineering*



KIRK WATSON

*Vice Chair,
Austin City Council, Mayor*



JOHN LANGMORE

*Community Expert
In Finance*



JUAN GARZA

*Community Expert in Community
Planning or Sustainability*



JEFFREY TRAVILLION

*CapMetro Board of
Directors, Chair*



DOTTIE WATKINS

*Ex Officio,
CapMetro President
& CEO*



ROBERT GOODE

*Ex Officio,
City Of Austin Interim
Assistant City Manager*



ATP ORGANIZATION

► BUSINESS AND LEGAL AFFAIRS

Key Services: Procurement & Contract Administration, Legal, Real Estate, Human Resources, Board Relations, IT & Communications Services

- Supports the development and execution of the Austin Light Rail delivery and contracting strategy.
- Integrates organization with input from industry, peer agencies and consultants with global expertise.

► FINANCIAL SERVICES

Key Services: Budget, Treasury, Accounting & Grants Management

- Executes Austin Light Rail financing, as envisioned by its stakeholders.
- Guides the Project Connect investment with transparency and accountability.

► INTERNAL AUDIT

- Reports directly to ATP Board and provides independent, objective audit and advisory services.
- Identifies improvements for ATP's governance, controls, and risk management for transparency and accountability.

► ARCHITECTURE AND URBAN DESIGN

- Develops ATP processes, services and products around User Centered Design principles.
- Ensures that the built environment for Austin Light Rail is pleasant, vibrant and instills a sense of civic pride in all Austinites.

► ENGINEERING AND CONSTRUCTION

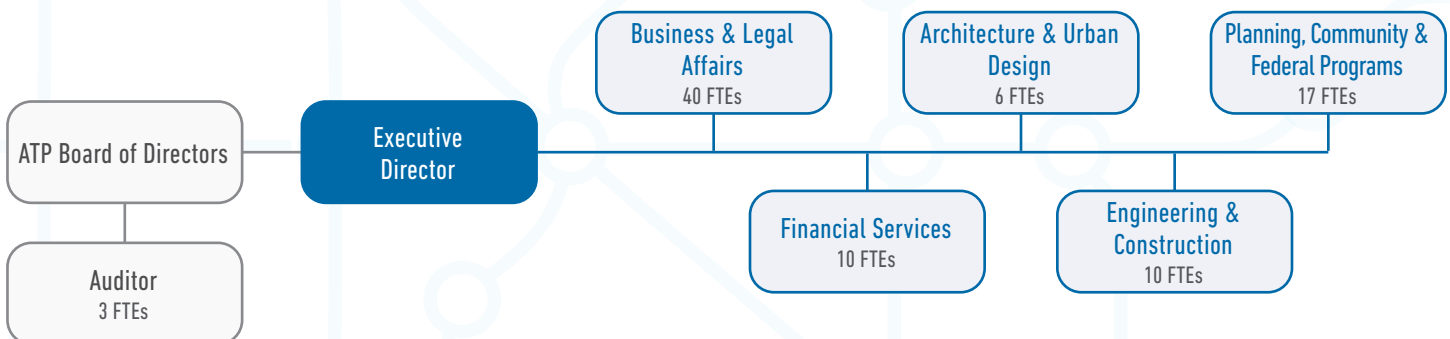
Key Services: Engineering & Delivery & Construction Services

- Leads light rail engineering efforts, in close coordination with the Architecture and Urban Design team.
- Oversees light rail construction, delivery preparation, and integration elements.

► PLANNING, COMMUNITY AND FEDERAL PROGRAMS

Key Services: Project Controls, Planning & Reporting

- Prepares ATP to successfully compete for funding and leads FTA coordination on federal funding opportunities.
- Oversees planning activities informed by community participation and public involvement.
- Implements scheduling, cost reporting, and document controls in compliance with federal requirements and industry best practices.





ABOUT ATP

Austin Transit Partnership (ATP) is a local government corporation created as a requirement of the City of Austin November 2020 Proposition A tax rate election. ATP is the entity responsible for implementing Project Connect.

ATP IS COMMITTED TO:



Delivering Austin's first light rail project



Investing in anti-displacement programs and enhanced transit options and infrastructure



Informing our work with the expertise and experiences of our diverse community and stakeholders

WHAT IS LIGHT RAIL?

- An electric train system used in metropolitan areas with stations spaced roughly ½ mile to a mile apart.
- Serves as part of the overall transit network, connecting people to key destinations where they live, work and play to improve mobility, connectivity, affordability, and sustainability.

Station view at Pleasant Valley Rd.
Artist Conceptual Rendering



► WHERE WE ARE

Following a thorough and informed community process, the Austin Light Rail Implementation Plan was unanimously approved in June 2023. The Austin Light Rail Implementation Plan recommends on-street light rail from 38th St. on Guadalupe St. to Oltorf St. on S. Congress Ave. and to Yellow Jacket Ln. on E. Riverside Dr. It also identified future priority extensions from 38th St. to Crestview and from Yellow Jacket to the Airport.

ATP is developing design for the first phase of Austin Light Rail. This work will support ATP's completion of National Environmental Policy Act (NEPA) requirements. The project will be evaluated by the Federal Transit Administration (FTA) for funding under FTA's Capital Investment Grant (CIG) program. ATP has kicked off necessary conversations to advance both of these initiatives.

As the program advances to the next stages of implementation, ATP is developing a delivery program for the series of projects that will complete Austin's first light rail project. Utilizing feedback collected through months of industry listening sessions and peer agency visits across the nation, ATP will soon begin issuing contracts that will lead to the start of construction.

AUSTIN LIGHT RAIL IMPLEMENTATION PLAN



9.8
MILES OF NEW
LIGHT RAIL

15
LIGHT RAIL
STATIONS

TRANSIT CONNECTIONS

METRO RAPID RED LINE
 HIGH FREQUENCY BUS PROPOSED GREEN LINE

ESTIMATED TRAVEL TIME

23 MINS 38TH - OLTORF
31 MINS 38TH - YELLOW JACKET

ESTIMATED AVG. # OF DAILY RIDERS SERVED (2040)

28,500

20,000+
AFFORDABLE HOUSING UNITS SERVED
(SUBSIDIZED)

ACCESS TO

136,000+ CURRENT JOBS
200,000+ FUTURE JOBS

ANTICIPATED CAPITAL COST (CURRENT DOLLARS)

\$4.5-\$4.8B
LOCAL AND FEDERAL DOLLARS

LEGEND
 AUSTIN LIGHT RAIL PHASE 1
 AUSTIN LIGHT RAIL PHASE 1 PRIORITY EXTENSION
 FUTURE AUSTIN LIGHT RAIL
 MAJOR TRANSFER POINT
 PARK & RIDE

BUDGET PROCESS

BUDGET TIMELINE



Step 1

ATP Budget Preparation



Step 2

Presentation to Board of Directors



Step 3

Budget Q&A Process



Step 4

Budget Adoption

BUDGET COMPONENTS



▶ ANNUAL BUDGET

- Plan for allocating resources during fiscal year
- Prepared on a modified accrual basis
- Budgetary control set at total appropriated budget, but segmented into smaller cost pools to provide greater oversight
- Funds available until end of fiscal year (Sept 30)



▶ CAPITAL BUDGET

- Funds are multi-year and set aside for a specific project or purpose
- Budgetary control set at the total aggregate appropriation by project
- Available until funds are spent or de-appropriated (not constrained by fiscal year)



▶ SPENDING PLAN

- Schedule for spending of capital appropriations
- Used for cash flow planning and determining needed additional appropriations

- Require board authorization
- Approved during annual budget process

- Components of capital project funding
- Used to inform annual budget process

▶ BUDGET AMENDMENTS

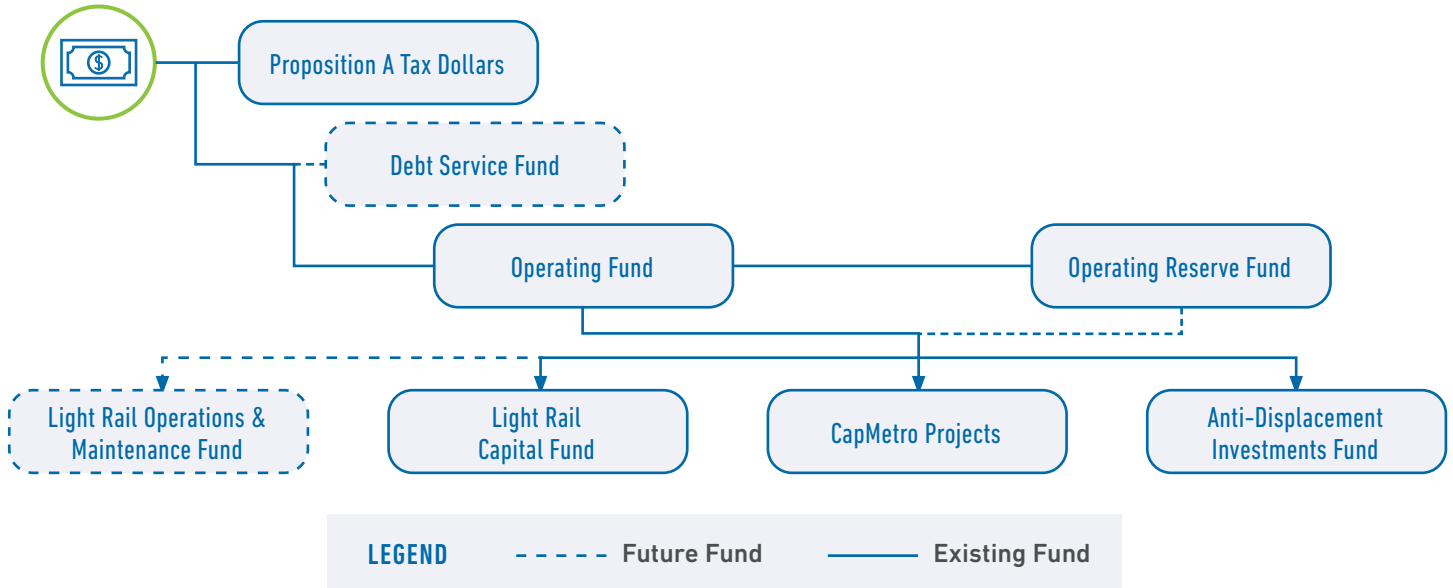
Once approved, the budget may be amended by the ATP Board of Directors via majority vote.

FUND FRAMEWORK

► FUNDS SUBJECT TO APPROPRIATION

The Austin Transit Partnership has established a series of funds to track the expenditures of separate activities. These funds, and their relationship to each other, are detailed below.

► RELATIONSHIPS BETWEEN FUNDS SUBJECT TO APPROPRIATION



PROPOSITION A TAX DOLLARS

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 a rapid transit system.

DEBT SERVICE FUND

Debt service funds are utilized to account for the accumulation of resources for, and the payment of short- and long-term debt.

OPERATING FUND

Net of funds deposited in the Debt Service Fund and appropriated annually, the Operating Fund collects the remaining agency revenues and disburses them to their respective functions.

OPERATING RESERVE FUND

The Operating Reserve Fund was established by financial policy to mitigate current and future risks (e.g., revenue shortfalls and unanticipated expenditures) and will maintain a reserve of at least 180 days of administrative expenses net of transfers.

LIGHT RAIL CAPITAL FUND

Capital project funds are used to account for financial resources to be used for the acquisition or construction of Austin Light Rail. Unlike an operating budget, capital budget funds are available until expended, typically over multiple years.

CAPMETRO PROJECTS FUND

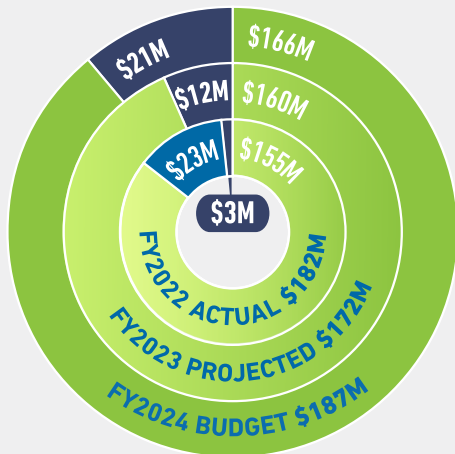
In addition to Light Rail, Project Connect investments include MetroRapid Bus Lines, Commuter Rail, and Park and Ride facilities. Funding for CapMetro-led delivery elements will be appropriated via budget amendment alongside governing interlocal agreements approved by both the CapMetro and ATP Boards.

ANTI-DISPLACEMENT INVESTMENTS FUND

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

BUDGET HIGHLIGHTS

REVENUE

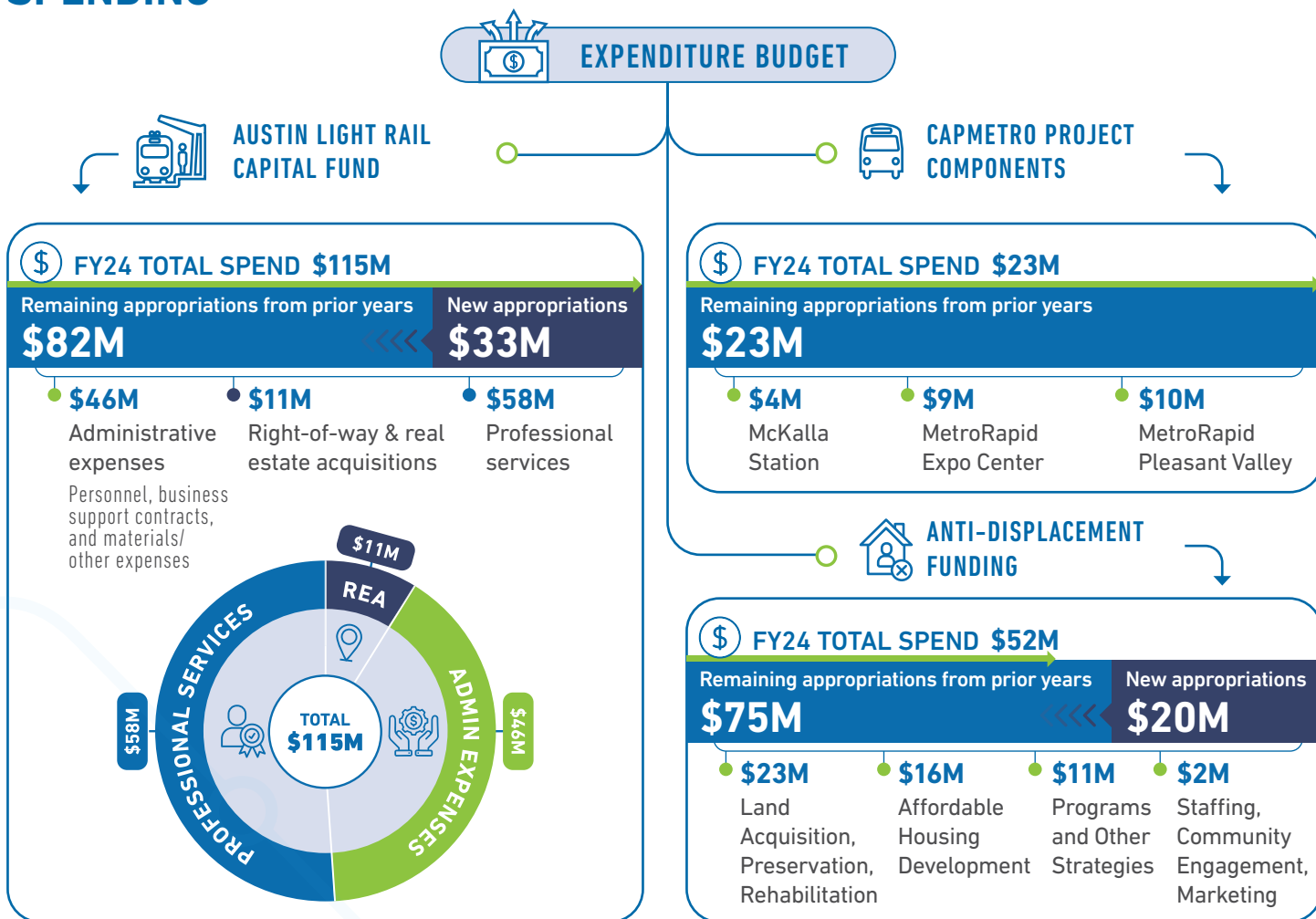


FUNDING SOURCE	FY22 ACTUAL	FY23 PROJECTED	FY24 BUDGET
Prop A Property Tax	\$155M	\$160M	\$166M
Investment & Other Revenue	\$3M	\$12M	\$21M
CapMetro Contributions	\$23M	-	-

▶ FUTURE FUNDING SOURCES

Debt Proceeds **\$0M** Grant Funding **\$0M**

SPENDING





Station View at 3rd St & Congress Ave
Artist Conceptual Rendering

OPERATING FUND

The Proposition A property tax revenue represents approximately 21% of the total operations and maintenance (O&M) property tax collected by the City of Austin and is ATP's primary revenue source. These revenues generally grow at 3.5% annually, per state statute. Current year estimates and budget year projections are provided to ATP by City of Austin.

▶ OPERATING FUND SUMMARY

	FY22 ACTUAL	FY23 BUDGET	FY23 ESTIMATE	FY24 BUDGET
Beginning Fund Balance	\$211,992,931	\$19,855,174	\$65,668,705	\$147,964,834
Revenues				
Prop A Property Tax	\$155,386,024	\$158,970,567	\$160,000,000	\$166,000,000
CapMetro ¹	\$23,366,128	\$30,000,000	-	-
Investments & Other Income	\$2,832,991	\$3,924,235	\$12,000,000	\$21,000,000
Total Revenues	\$181,585,143	\$192,894,802	\$172,000,000	\$187,000,000
Expenditures				
Administrative Expenses ²	\$21,101,804	\$35,552,489	\$24,000,000	-
Transfer to Prop A Revenue Reserve	-	\$20,000,000	\$20,000,000	-
Transfer to Anti-Displacement Fund	\$65,000,000	\$35,000,000	\$35,000,000	\$20,000,000
Transfer to Light Rail Capital Fund	\$169,207,681	-	-	\$33,000,000
Transfer to CapMetro Projects Fund ³	\$72,599,884	\$10,703,871	\$10,703,871	-
Total Expenditures	\$327,909,369	\$101,256,360	\$89,703,871	\$53,000,000
Total Revenues Less Expenditures	(\$146,324,226)	\$91,638,442	\$82,296,129	\$134,000,000
Future Project Commitment Reserve	\$65,668,705	\$111,493,616	\$147,964,834	\$281,964,834
Operating Reserve	-	\$20,000,000	\$20,000,000	\$20,000,000

1 CapMetro committed revenue will still be utilized for Project Connect projects but will remain with CapMetro.

2 To maximize ATP's allowable reimbursements from federal partners, administrative expenses will be charged to Capital Projects instead of the Operating Fund in FY24.

3 CapMetro-led Project Connect projects will be appropriated via budget amendments along with interlocal agreements approved by both the CapMetro and ATP Boards.



Station view at Pleasant Valley Rd.
Artist Conceptual Rendering

AUSTIN LIGHT RAIL CAPITAL FUND

The cornerstone of Project Connect is a new light rail system. The light rail project continues to progress through project development in partnership with CapMetro, the City of Austin, and other stakeholders.

▶ BOARD-APPROVED LIGHT RAIL APPROPRIATIONS

YEAR	APPROPRIATIONS
FY21	\$36M
FY22	\$169M
FY23	-
FY24	\$33M
Total	\$238M

▶ LIGHT RAIL CAPITAL SPEND

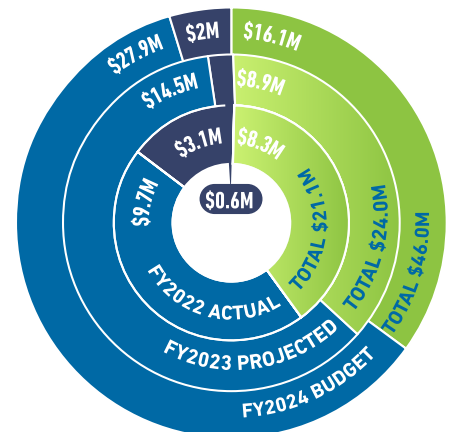
YEAR	SPEND
FY21	\$36M
FY22	\$48M
FY23 (Projected)	\$39M
FY24 (Projected)	\$115M
Total	\$238M

▶ AUSTIN LIGHT RAIL FY24 SPENDING

FY24 planned spending totals \$115 million, which includes funding for professional service contracts to continue environmental analysis, advanced conceptual engineering, and program management support. In FY24, administrative expenses will be charged to Capital Projects instead of the Operating Fund to maximize ATP's allowable reimbursements from federal partners. Administrative expenses total \$46 million and include administrative costs associated with light rail management and oversight, such as labor, rent, utilities, IT expenses, and staff development, as well as legal, financial and risk/procurement advisory services. Also included is costs related to employee benefits, business insurance, information technology infrastructure, and expedited permit reviews.

▶ ADMINISTRATIVE EXPENSES BY FISCAL YEAR

EXPENSE	FY22 ACTUAL	FY23 ESTIMATE	FY24 BUDGET
● Personnel	\$8.3M	\$8.9M	\$16.1M
● Business Support Contracts	\$9.7M	\$14.5M	\$27.9M
● Materials & Staff Development	\$3.1M	\$0.6M	\$2.0M
Total	\$21.1M	\$24.0M	\$46.0M





► **STAFFING**

The FY24 budget maintains the FY23 authorized staffing level of 87 positions, but strategically realigns some functions and positions to best support the organization’s needs. It includes priority positions in procurement, quality assurance, safety, scheduling, document controls, and environmental planning.

As the delivery framework is solidified, additional staffing needs would require mid-year budget amendment approval from the Board.

► **FY24 PAY & BENEFITS**

ATP’s interdisciplinary team brings a diverse range of expertise committed to the mission of the organization and responsive and accountable to our partners, both locally and federally. In order to recruit and retain this level of expertise, ATP offers a robust benefits packet that includes, but is not limited to, health care with vision and dental benefits, a 401(k) retirement plan that includes employer contributions, paid time off (to include paid parental leave), and tuition reimbursement.

► **STAFFING COMPARISON, FY23-FY24¹**

DEPARTMENT	FY23	FY24
Architecture & Urban Design	8	6
Business & Legal Affairs	30	41
Engineering & Construction	12	10
Financial Services	7	10
Planning, Community & Federal Programs	27	17
Internal Audit	3	3
Total	87	87



CONTRACT PARTNERS PROVIDING SUPPORT

- HDR
- HUG (HKS, UNstudio & Gehl)
- AECOM
- Ernst & Young
- HNTB

¹ Communications and Community Engagement activities have been realigned to Business & Legal Affairs and Planning, Community & Federal Programs, respectively.





McKalla Station construction

CAPMETRO PROJECTS

The ATP Board of Directors approved investments in CapMetro-led Project Connect elements, which include two MetroRapid bus lines and commuter rail. These three elements, MetroRapid Expo Center and Pleasant Valley routes and McKalla Rail Station, are fully appropriated and construction is underway. Funding for additional CapMetro-led projects will be appropriated via budget amendment alongside interlocal agreements approved by both the CapMetro and ATP Boards.

► CAPMETRO PROJECTS FUND SUMMARY

CAPMETRO PROJECTS	PRIOR YEAR APPROPRIATIONS	EST. SPEND THROUGH PRIOR YEAR	FY24 PROJECTED SPEND
McKalla Station	\$25.0M	\$21.5M	\$3.5M
MetroRapid Expo Center	\$17.7M	\$8.8M	\$8.9M
MetroRapid Pleasant Valley	\$18.0M	\$7.7M	\$10.3M
Total	\$60.6M	\$38.0M	\$22.6M

► MCKALLA STATION

McKalla Station is a new regional rail transit station being constructed as part of Project Connect and will provide increased transit options for the North Burnet area and at Q2 Stadium, Austin’s Major League Soccer stadium. The station will be located on the MetroRail Red Line between Braker Lane and Rutland Drive, along the east side of Q2 Stadium.

► NEW METRORAPID LINES

Plans for MetroRapid include an all-electric expanded bus service, newly designed stations, and an improved customer experience. MetroRapid Expo Center and Pleasant Valley routes will serve some of the highest ridership corridors in the CapMetro system. The Expo Center and Pleasant Valley routes are under construction and anticipated to open in 2025.

METRORAPID EXPO CENTER

- Approx. 12-mile route along Trinity St., San Jacinto Blvd., Manor Rd., and Loyola Ln.
- 44 stations served
- Local funding match of \$17.7 million fully appropriated via FY22 budget amendment

METRORAPID PLEASANT VALLEY

- Approx. 15-mile route along E. William Cannon, Pleasant Valley Rd., and Airport Blvd. corridors
- 43 stations served
- Local funding match of \$18.0 million appropriated via FY22 budget amendment

ANTI-DISPLACEMENT INVESTMENTS

Proposition A includes \$300 million to prevent transportation investment-related displacement. Per an interlocal agreement (ILA) between ATP and the City, the City will be reimbursed for administration and implementation of the Project Connect Anti-Displacement Programs.

The City will use the funds:

- To acquire property for transit supportive development that preserves and/ or increases the amount of affordable housing near to the transit corridors.
- For financing tools and other anti-displacement strategies related to the implementation of Project Connect.

▶ ANTI-DISPLACEMENT ANTICIPATED EXPENDITURES

EXPENDITURE	FY23	FY24
Land Acquisition, Preservation, Rehabilitation	\$13.5M	\$23.0M
Affordable Housing Development	\$5.5M	\$16.0M
Programs and Other Strategies	\$5.0M	\$11.0M
Staffing, Community Engagement, Marketing	\$1.4M	\$1.5M
Total Anticipated Spend	\$25.4M	\$51.5M

▶ ANTI-DISPLACEMENT UPDATES



\$34M+

Project Connect funds awarded¹

¹ Through Austin Housing Finance Corporation (subsidiary)

7 DEVELOPMENTS



with

986 INCOME RESTRICTED UNITS

in gentrifying areas near Project Connect

IN CONSTRUCTION NOW

LIBERTAD AUSTIN AT GARDNER

a 198-unit multifamily development



50 UNITS

of Permanent Supportive Housing for families experiencing homelessness, in partnership with Caritas of Austin



JUNE 2025

est. completion date

▶ ANTI-DISPLACEMENT FUND SUMMARY

	FY22 ACTUAL	FY23 BUDGET	FY23 ESTIMATE	FY24 BUDGET
Beginning Fund Balance	-	\$65,000,000	\$65,000,000	\$74,600,000
Revenues				
Transfer from Operating Fund	\$65,000,000	\$35,000,000	\$35,000,000	\$20,000,000
Total Revenues	\$65,000,000	\$35,000,000	\$35,000,000	\$20,000,000
Expenditures				
Services	-	\$41,000,000	\$25,400,000	\$51,500,000
Total Expenditures	-	\$41,000,000	\$25,400,000	\$51,500,000
Total Revenues Less Expenditures	\$65,000,000	(\$6,000,000)	\$9,600,000	(\$31,500,000)
Reserved for Future Investments	\$65,000,000	\$59,000,000	\$74,600,000	\$43,100,000

DEPARTMENTAL OVERVIEW & OUTCOMES

FY 2023-24 PRIORITY OUTCOMES

In FY24, ATP's strategic objectives encompass Federal Process, Design, and Community-focused outcomes, with a primary emphasis on solidifying the partnership with the Federal Transit Administration (FTA), advancing design and engineering efforts, and enhancing community engagement. This work will be completed mainly leveraging existing resources with HDR, HNTB, AECOM, Ernst & Young Infrastructure Advisors, HUG Joint Venture, which have all been previously approved by the ATP Board.

► FEDERAL PROCESS

FY24 will be primarily focused on continuing to advance the work needed to solidify ATP's partnership with the Federal Transit Administration (FTA). This includes the following:

- Completing the FTA's required steps for recognition as a federal grant recipient.
- Initiating the environmental analysis required by the National Environmental Policy Act (NEPA).
- Entering the Capital Improvement Grant (CIG) process to continue the path towards a Full Funding Grant Agreement for Austin Light Rail Phase 1.

► DESIGN

ATP will advance engineering and architectural efforts by leveraging the ATP Board-approved contracts for HDR, AECOM, HNTB, and HUG. This work will inform the environmental analysis to determine right of way needs and provide additional cost information to the ATP Board and staff.

► COMMUNITY

The FY24 Budget also includes new resources to enhance public involvement and community engagement efforts. A key focus by ATP will be to inform design principles with human centered design and user experiences as it relates to the transit environment.





FY 2023-24 DEPARTMENT OVERVIEWS & OUTCOMES

► BUSINESS & LEGAL AFFAIRS

Business and Legal Affairs encompasses several key services and divisions of ATP, including Procurement and Contract administration, Real Estate, Legal Services, IT and Communications Services, Human Resources, and Board Relations.

DEPARTMENT OUTCOMES

- Recruit and retain the personnel necessary to deliver light rail in Austin.
- Finalize delivery and contracting strategy and develop the initial procurements.
- Complete and implement governance reforms recommended by the Board's governance assessment.
- Solicit and contract local communications resources to position Austin Light Rail for implementation with a priority on transparency and access to public information.

► ARCHITECTURE & URBAN DESIGN

Architecture and Urban Design's core mission is to ensure that ATP processes, services and products are developed around User Centered Design principles and ensures that the built environment for Austin Light Rail is pleasant, vibrant and instills a sense of civic pride in all Austinites.

DEPARTMENT OUTCOMES

- Advanced Concept Design for Stations and Typical System-wide Elements, including traction powered substations and communications facilities.
- Design Development of typical System design elements for a prototypical modular station design as well as iterations that can be applied to various stations in the system.
- Develop Sustainability Design Criteria, Guidelines, and an interactive toolkit to ensure implementation through project delivery and achieve agency goals.

BUSINESS & LEGAL AFFAIRS BUDGET

COST CATEGORY	FY23	FY24
Personnel	\$3,085,137	\$7,156,820
Business Support Contracts	\$10,164,090	\$11,596,200
Materials & Other Expenses	\$637,322	\$1,112,810
Total Budget	\$13,886,549	\$19,875,830
FTE Count	30	41

ARCHITECTURE & URBAN DESIGN BUDGET

COST CATEGORY	FY23	FY24
Personnel	\$971,748	\$1,207,918
Business Support Contracts	-	-
Materials & Other Expenses	\$79,600	\$84,100
Total	\$1,051,348	\$1,292,018
FTE Count	8	6



► ENGINEERING & CONSTRUCTION

Engineering and Construction leads all phases of light rail engineering efforts and will manage light rail construction with ATP’s contracting partners. Engineering and Construction also manages integration of light rail program elements including design coordination; planning and design for operations and maintenance facilities; systems and vehicles planning; third party and utilities agreements; and program contract management.

DEPARTMENT OUTCOMES

- Advance engineering and design to support activities related to NEPA and CIG, including the following:
 - » LRT design, including guideway, systems, and stations;
 - » Utility relocations; and
 - » Concept of operations planning to inform design requirements.

► FINANCIAL SERVICES

ATP’s primary financial goal is to implement Austin Light Rail, as envisioned by its stakeholders, as efficiently and as effectively as possible. The Financial Services team is comprised of Budget, Treasury, Accounting, and Grant Management functions, all of which work in partnership to manage the public investment with transparency and accountability throughout the program.

DEPARTMENT OUTCOMES

- Successfully establish ATP’s credit profile, enhancing ATP’s financial credibility and reliability. This will facilitate access to short- and long-term funding programs, enabling ATP to meet its financial requirements and objectives more effectively.
- Maintain a commitment to transparent reporting on the allocation and utilization of funds received by ATP.
- Provide consistent and satisfactory customer service to both internal and external stakeholders, promptly addressing needs.

ENGINEERING & CONSTRUCTION BUDGET

COST CATEGORY	FY23	FY24
Personnel	\$1,874,008	\$2,495,216
Business Support Contracts	-	\$100,000
Materials & Other Expenses	\$491,900	\$110,300
Total	\$2,365,908	\$2,705,516
FTE Count	12	10

FINANCIAL SERVICES BUDGET

COST CATEGORY	FY23	FY24
Personnel	\$1,044,243	\$1,691,607
Business Support Contracts	\$4,106,678	\$10,161,303
Materials & Other Expenses	\$66,450	\$110,950
Total	\$5,217,371	\$11,963,860
FTE Count	7	10



► PLANNING, COMMUNITY & FEDERAL PROGRAMS

Planning, Community and Federal Programs comprise several key functions. The Program Controls team implements scheduling, cost reporting, and document controls. The Planning team leads environmental regulatory compliance and coordination to integrate transit service planning, land use planning, and equity, informed by public involvement. A key focus of the planning team is coordination with FTA on federal funding opportunities. The community participation and public involvement team works across the organization and in stride with ATP’s planning efforts for community-informed decision-making throughout light rail implementation.

PLANNING, COMMUNITY & FEDERAL PROGRAMS BUDGET

COST CATEGORY	FY23	FY24
Personnel	\$2,027,944	\$2,997,219
Business Support Contracts	\$68,000	\$625,000
Materials & Other Expenses	\$587,600	\$542,610
Total	\$2,683,544	\$4,164,829
FTE Count	27	17

DEPARTMENT OUTCOMES

- Successfully work with FTA to affirm grant eligibility, as first step of the federal funding process.
- Build on the community participation and public involvement program to provide transparency through regular information and opportunities for timely, meaningful input into the process.
- Complete environmental analysis on advanced conceptual engineering for public review.

► INTERNAL AUDIT

Internal Audit aims to help improve ATP’s governance, control, and risk management by providing objective audit and advisory services. Organizationally independent of ATP management, Internal Audit reports directly to the ATP Board and aims to strengthen ATP’s transparency and accountability for stewardship of government resources and the achievement of community goals.

INTERNAL AUDIT BUDGET

COST CATEGORY	FY23	FY24
Personnel	\$276,445	\$585,460
Business Support Contracts	\$252,000	\$120,000
Materials & Other Expenses	\$29,210	\$18,260
Total	\$557,655	\$723,720
FTE Count	3	3

DEPARTMENT OUTCOMES

- Enhance accountability and transparency by conducting constructive and helpful performance audits.
- Help build an ethical, community-driven, and improvement-focused culture by operating ATP’s ethics hotline and providing resources, guidance, and training to ATP staff.
- Continue to build an internal audit function and annual risk assessment process to address ATP’s critical risks and the Board’s expectations in adherence with the ATP Internal Audit Charter and quality standards mandated by the International Professional Practices Framework promulgated by the Institute of Internal Auditors.

FUND SUMMARIES

OPERATING FUND

	FY22 ACTUAL SPEND	FY23 BUDGETED SPEND	FY23 ESTIMATED SPEND	FY24 BUDGETED SPEND
Beginning Fund Balance	\$211,992,931	\$19,855,174	\$65,668,705	\$147,964,834
Revenues				
Prop A Property Tax	\$155,386,024	\$158,970,567	\$160,000,000	\$166,000,000
CapMetro ¹	\$23,366,128	\$30,000,000	-	-
Investments & Other Income	\$2,832,991	\$3,924,235	\$12,000,000	\$21,000,000
Total Revenues	\$181,585,143	\$192,894,802	\$172,000,000	\$187,000,000
Total Available Funds:	\$393,578,074	\$212,749,976	\$237,668,705	\$334,964,834
Expenditures & Transfers				
Administrative Expenses ²	\$21,101,804	\$35,552,489	\$24,000,000	-
Transfer to Operating Reserve	-	\$20,000,000	\$20,000,000	-
Transfer to Anti-Displacement Fund	\$65,000,000	\$35,000,000	\$35,000,000	\$20,000,000
Transfer to Light Rail Capital Fund	\$169,207,681	-	-	\$33,000,000
Transfer to CapMetro Projects Fund ³	\$72,599,884	\$10,703,871	\$10,703,871	-
Total Expenditures & Transfers	\$327,909,369	\$101,256,360	\$89,703,871	\$53,000,000
Reserved for Future Project Needs (Total Available Funds Net Expenditures & Transfers)	\$65,668,705	\$111,493,616	\$147,964,834	\$281,964,834
Operating Reserve	-	\$20,000,000	\$20,000,000	\$20,000,000

1 CapMetro committed revenue will still be utilized for Project Connect projects but will remain with CapMetro.

2 To maximize ATP's allowable reimbursements from federal partners and grant opportunities, administrative expenses will be charged to Capital Projects instead of the Operating Fund in FY24.

3 CapMetro-led Project Connect projects will be appropriated via budget amendments along with interlocal agreements approved by both the CapMetro and ATP Boards.

CAPITAL FUNDS

Funds appropriated within the Capital Funds (Light Rail Capital Fund, CapMetro Projects Fund and Anti-Displacement Investments Fund) are multi-year. The appropriated funds are available until either the funds are utilized or de-appropriated, which typically takes place at the end of the project lifecycle. The following Fund Summaries reflect appropriated dollars and expected spend within the respective fund.

► LIGHT RAIL CAPITAL FUND

	FY22 ACTUAL SPEND	FY23 BUDGETED SPEND	FY23 ESTIMATED SPEND	FY24 BUDGETED SPEND
Beginning Fund Balance	-	\$121,679,548	\$121,679,548	\$82,000,000
New Appropriations				
Transfer from Operating Fund	\$169,207,681	-	-	\$33,000,000
Total New Appropriations	\$169,207,681	-	-	\$33,000,000
Total Available Appropriations	\$169,207,681	\$121,679,548	\$121,679,548	\$115,000,000
Expenditures				
Professional Services	\$47,528,133 ¹	\$50,000,000	\$39,679,548	\$58,000,000
Project Management	\$26,445,521	\$20,000,000	\$23,529,548	\$29,000,000
Environmental Analysis	-	\$0	\$1,850,000	\$5,600,000
Engineering Services	\$19,657,906	\$23,000,000	\$6,000,000	\$9,900,000
Architectural Services	-	\$3,000,000	\$7,800,000	\$7,600,000
ROW/REA Consulting	-	\$4,000,000	\$500,000	\$5,900,000
Right-of-Way & Real Estate Acquisitions	-	-	-	\$11,000,000
Pre-Acquisition Activities	-	-	-	\$11,000,000
Administrative Expenses ²	-	-	-	\$46,000,000
Personnel	-	-	-	\$16,134,240
Business Support Contracts	-	-	-	\$27,876,730
Materials & Other Expenses	-	-	-	\$1,989,030
Total Expenditures	\$47,528,133	\$50,000,000	\$39,679,548	\$115,000,000
Reserved for Future Project Needs (Total Available Funds Net Expenditures & Transfers)	\$121,679,548	\$71,679,548	\$82,000,000	-

1 Certain costs incurred under the Commercial, Risk and Project Delivery Advisory Services contract were capitalized and moved to the Light Rail Capital Fund as part of the year-end FY22 audit.

2 To maximize ATP's allowable reimbursements from federal partners and grant opportunities, administrative expenses will be charged to Capital Projects instead of the Operating Fund in FY24.

► **CAPMETRO PROJECTS FUND**

	FY22 ACTUAL SPEND	FY23 BUDGETED SPEND	FY23 ESTIMATED SPEND	FY24 BUDGETED SPEND
Beginning Fund Balance	-	\$60,263,134	\$60,263,134	\$40,475,187
New Appropriations				
Transfer from Operating Fund	\$72,599,884	\$10,703,871	\$10,703,871	-
Total New Appropriations	\$72,599,884	\$10,703,871	\$10,703,871	-
Total Available Appropriations	\$72,599,884	\$70,967,005	\$70,967,005	\$40,475,187
Expenditures				
MetroRapid Expansion	\$8,834,295	\$24,799,301	\$12,947,038	\$19,135,976
Red Line Improvements	\$3,478,710	-	\$15,327,252	\$3,509,874
Other CapMetro Projects	\$23,745	-	\$2,217,528	-
Total Expenditures	\$12,336,750	\$24,799,301	\$30,491,818	\$22,645,850
Reserved for Future Project Needs (Total Available Funds Net Expenditures & Transfers)	\$60,263,134	\$46,167,704	\$40,475,187	\$17,829,337

► ANTI-DISPLACEMENT INVESTMENTS FUND

	FY22 ACTUAL SPEND	FY23 BUDGETED SPEND	FY23 ESTIMATED SPEND	FY24 BUDGETED SPEND
Beginning Fund Balance	-	\$65,000,000	\$65,000,000	\$74,600,000
New Appropriations				
Transfer from Operating Fund	\$65,000,000	\$35,000,000	\$35,000,000	\$20,000,000
Total New Appropriations	\$65,000,000	\$35,000,000	\$35,000,000	\$20,000,000
Total Available Appropriations	\$65,000,000	\$100,000,000	\$100,000,000	\$94,600,000
Expenditures				
Anti-Displacement Services	-	\$41,000,000	\$25,400,000	\$51,500,000
Total Expenditures	-	\$41,000,000	\$25,400,000	\$51,500,000
Reserved for Future Project Needs (Total Available Funds Net Expenditures & Transfers)	\$65,000,000	\$59,000,000	\$74,600,000	\$43,100,000

APPENDIX

FINANCIAL POLICIES

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.” Well-written policies can institutionalize good financial management practices, help the organization avoid unnecessary risk, support favorable bond ratings to 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 Governmental Accounting Standards Board (GASB) for governmental 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. The annual report will include a government-wide Statement of Net Position and a government-wide Statement of Activities, which are accounted for on a full-accrual accounting basis and an economic-resources focus, using accounting methods similar to those used by private-sector companies. ATP’s annual report will also include fund financial statements that provide more detailed information about ATP’s most significant funds, rather than for the entity as a whole.
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. Only assets with a value of at least \$10,000 and a life of at least four years shall be capitalized. 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 grantor’s laws, regulations, and guidance.
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.

Station view near University of Texas campus
Artist Conceptual Rendering





► BUDGET POLICIES

1. A five-year financial forecast will be prepared in advance of construction, projecting revenue and expenditures. The forecast will be used as a planning tool in developing the following year's budget.
2. The Board shall adopt an annual budget no later than its September board meeting immediately preceding the start of the fiscal year. The approved budget will be made available for public review at least 21 days prior to the board meeting.
3. Budget accountability rests primarily with individual departments. Department EVPs will review budget variances on a quarterly basis with ATP's Financial Services Manager. Significant budget variances will be further evaluated by the Financial Services Manager and the responsible EVP to determine whether remedial action is required. If remedial action is required, the Financial Services Manager will make recommendations to the Chief Financial Officer to address the variance.
4. 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 close of each quarter, with the 4th Quarter report reported no later than 60 days after the close of the year.

► RESERVE & CONTINGENCY POLICIES

1. A Revenue Reserve of at least 180 days of administrative expenses shall be budgeted annually and used for unanticipated events that reduce or delay revenue collection. Funds shall be allocated from the Revenue Reserve by the ATP Board through a budget amendment. Funds shall be allocated each year in the budget process to replace any use of the Revenue Reserve during the preceding fiscal year to maintain the balance of the Revenue Reserve at the level set above.
2. Reserves and contingencies may be set aside periodically for specific future purposes. These funds are to be used at the discretion of the Chief Financial Officer.

► DEBT MANAGEMENT POLICIES

1. ATP shall establish a sinking fund to ensure that cash is available to make timely debt service payments.
2. Refunding of outstanding debt obligation should produce overall positive net present value savings of at least approximately 4.25% of the refunded par.
3. 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.
4. ATP shall use competitive procurement methods to select professional firms in the bond issuance process.
5. The term of debt obligations issued by ATP should be equal to or less than the useful life of the item being financed.
6. ATP may not enter into a debt or financing arrangement unless the transaction is in full compliance with all applicable state and federal laws.



Station View at Oltorf
Artist Conceptual Rendering

GLOSSARY

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: 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.

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.

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.

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.

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

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.

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.

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

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



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Austin Transit Partnership Board of Directors Resolution
Meeting Date: 9/20/2023
ATP-2023-016
Resolution Approving the ATP Fiscal Year 2024 Budget

Subject: Approval of a resolution adopting the Fiscal Year 2024 Budget.

Fiscal Impact: Establishes the FY2024 Budget at \$115,000,000 with new appropriations totaling \$53,000,000 and authorizes 87.0 full-time equivalent employees.

Responsible Department: Finance.

Executive Summary: Austin Transit Partnership (“ATP”) requires an approved budget for FY2024 to authorize expenditures necessary to oversee and finance the acquisitions, construction, equipping, and operations and maintenance of Austin’s rapid transit system. The ATP FY2024 budget totals \$115,000,000, comprised of \$58,000,000 for professional services, \$11,000,000 for right-of-way and real estate pre-acquisition activities, and \$46,000,000 for administrative expenses, which includes funding for 87.0 full-time equivalent positions. \$82,000,000 remains available from prior year capital appropriations, so this budget includes \$33,000,000 in new appropriations to fully fund the \$115,000,000 light rail budget. This budget also approves new appropriations totaling \$20,000,000 for transit-supportive anti-displacement investments.

Procurement Summary: None.

Disadvantaged Business Enterprise Program Summary: Does not apply.



RESOLUTION OF THE AUSTIN TRANSIT PARTNERSHIP

BOARD OF DIRECTORS

STATE OF TEXAS
COUNTY OF TRAVIS

Resolution ID: ATP-2023-016

Resolution Approving the ATP Fiscal Year 2024 Budget

WHEREAS, Austin Transit Partnership staff has developed a budget for Fiscal Year 2024 to fund the expenditures necessary to oversee and finance the acquisition, construction, equipping, and operations and maintenance of Project Connect during the next fiscal year;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of ATP that the ATP Fiscal Year 2024 budget is hereby adopted, including amendments, attached hereto as Exhibit A.

A handwritten signature in blue ink, appearing to read "Brandon Carr", written over a horizontal line.

Brandon Carr
Secretary of the Board

A handwritten date "9/20/23" in blue ink, written over a horizontal line.

Date