



To: Austin Transit Partnership Board of Directors
From: Jamie Atkinson, Financial Services Manager
Date: September 28, 2023
Subject: FY23 Quarterly Performance Report as of June 30, 2023

Attached is the Austin Transit Partnership's (ATP) quarterly performance report through June 30, 2023. As a reminder, the FY23 budget approved on September 21, 2022 was for a twelve-month period beginning October 1, 2022, so the time period elapsed represents the first three quarters of the fiscal year.

As ATP's budget evolves and grows, the content of the quarterly updates will adjust accordingly. If there is additional financial information that you would be interested in receiving, please let me know.

xc: Greg Canally, Executive Director

AUSTIN TRANSIT PARTNERSHIP

FY23 Quarterly Performance Report as of June 30, 2023



About the Austin Transit Partnership (ATP) and Project Connect

Austin Transit Partnership was created by the City of Austin and CapMetro as an independent, local government corporation dedicated to delivering Austin’s first light rail project. Formed as a requirement of the City’s November 2020 Proposition A tax rate election, ATP is accountable for the financing, design, construction, and overall implementation of Project Connect. Our charge is to deliver on the voters’ transit vision in partnership with the community, in a way that embeds equity, sustainability, and transparency as overarching priorities. ATP is committed to meeting voters’ goals and honoring Austin’s values.

The FY23 annual budget reflects a twelve-month fiscal year from October 1, 2022 through September 30, 2023, and includes budgets for revenue, administrative expenses, capital expenditures, and reimbursements to the City of Austin for Transit-Supportive Anti-Displacement Investments. These budgets are described in more detail in the sections that follow as well as year-to-date (YTD) actual spending for the first three quarters of the fiscal year (October 1, 2022 through June 30, 2023).

Figure 1: FY23 Budgeted Total Available Funds (millions)

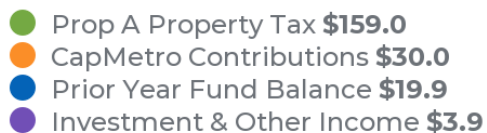
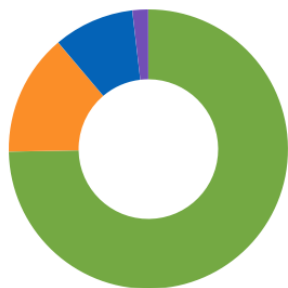


Figure 2: FY23 Budgeted Total Expenditures (millions)



Revenues

ATP’s annual revenues primarily come from two sources: ATP’s share of the City of Austin’s ad valorem property tax rate, as approved by the voters with the approval of Proposition A in November 2020, and CapMetro Project Connect Funds. These revenues, combined with a small amount of investment and other revenues and unspent prior year fund balances, comprise ATP’s total available funds (Figure 3).

Figure 3: Revenues through June 30, 2023 (in millions)

Source	FY23 Budget	YTD Actuals*
Balance from Prior Year	\$19.9	\$64.2
Proposition A Voter-Approved Revenue	159.0	136.1
CapMetro Project Connect Funds	30.0	0.0
Other Revenue	3.9	10.4
Total	\$212.8	\$146.5

*YTD Actuals include all revenues collected from October 1, 2022 to the time-period of this report.

Administrative Expenses

A total of \$17.7 million was expended through June 30, 2023 (Figure 4) for administrative expenses, which funded staff labor costs, including salaries, taxes, and fringe benefits; business support contracts, including legal contracts, financial advisory services, administrative office space, and reimbursements to the City of Austin and CapMetro for project support; and materials and other expenses, which includes staff development, travel and training costs, software and office supplies. Significant savings are being realized within Business Support Contracts due to the consolidation of ATP and partner staff at ATP's new headquarters offices and closing the satellite office space at 301 Congress Avenue.

Figure 4: Administrative Expenses through June 30, 2023 (in millions)

Categories	FY23 Budget	YTD Actuals*	Remaining Budget
Personnel	\$11.8	\$6.7	\$5.1
Business Support Contracts	21.9	9.3	12.6
Materials & Other	1.9	1.7	0.2
Total	\$35.6	\$17.7	\$17.9

*YTD Actuals include all expenditures from October 1, 2022 to the time-period of this report.

Transit-Supportive Anti-Displacement Investments

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 interlocal agreement (ILA) between ATP and the City of Austin, 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.

ATP appropriated \$100 million in its first three years and will appropriate another \$200 million over the next ten years. Due to the timing of the expenditures, funds allocated to the program may not be entirely consumed in the same fiscal year. The remaining unspent funds will be reserved in the Anti-Displacement Investments Fund for future needs.

Figure 7: ADI Expenditures through June 30, 2023 (in millions)

Project	Total Appropriations	ITD Actuals	Remaining Appropriations
Anti-Displacement Expenditures	\$100.0	\$18.7	\$81.3
Total	\$100.0	\$18.7	\$81.3

*ITD Actuals include all expenditures from inception to the time-period of this report.

Capital Expenditures

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. Unlike the operating budget, which appropriates funding annually, capital budget funds are available until expended, typically over multiple years. Through June 30, 2023, \$137.2 million was expended on Project Connect capital projects, primarily Light Rail, MetroRapid routes, and McKalla Station. Major project contracts are detailed in Figure 6 and project-specific highlights are described in the Project Connect Performance Updates section.

Note: Per the governing interlocal agreement with CapMetro for the McKalla Station, ATP is responsible for reimbursing 43% of costs incurred. In FY21 and FY22 ATP reimbursed 100% of invoices received so the remaining amount is credited against the FY23 cost, reducing the total ITD Actuals amount for that project. This does not impact the total appropriations for that project, just the reimbursement schedule.

Figure 5: Capital Expenditures through June 30, 2023 (in millions)

Project	Total Appropriations	ITD Actuals	Remaining Appropriations
Light Rail Projects	\$205.1	\$107.5	\$97.5
McKalla-MLS RedLine Station	25.0	7.4	17.6
MetroRapid Expo Center	17.7	11.7	5.9
MetroRapid Pleasant Valley	18.0	8.3	9.7
Other CapMetro Projects	27.6	1.9	25.7
Total	\$293.3	\$136.8	\$156.4

*ITD Actuals include all expenditures from inception to the time-period of this report.

Major Project Contracts

In accordance with ongoing efforts to transition to an independent governance model, ATP awarded several major professional services contracts in FY23. These project-specific contracts with HDR for project management support, AECOM and HNTB for advanced conceptual engineering work, and architectural and urban design firms HKS, UNStudio, and Gehl—referred to as ‘HUG’—for systemwide architecture, urban design, and engineering services are detailed in Figure 6, which includes all paid invoices during the service period.

Figure 6: Major Project Contracts (in millions)

Contract	April	May	June	Total	Description
HDR	\$0.2	\$3.3	\$0.5	\$4.1	Program Development, Management Services, NEPA Services for Austin Light Rail
AECOM	0.4	0.4	0.2	1.0	Conceptual Engineering Services for Austin Light Rail
HNTB	0.0	0.2	0.0	0.2	Conceptual Engineering Design / Environmental Support
HUG	1.2	0.8	0.8	2.7	Systemwide Architecture, Urban Design and Engineering Services

Project Connect Performance Updates

In the third quarter of FY23, substantial progress was demonstrated on the development of the Austin Light Rail Implementation Plan, and construction continued on MetroRapid and Red Line improvements.

Light Rail – During the third quarter of FY2023, ATP was focused on community engagement around the options for the light rail implementation plan.

Community dialogue is critical to inform the decisionmaking process for Austin Light Rail. A robust period of community engagement on the options was initiated on March 21, 2023 with a public meeting at the Central Library. During the six-week engagement period, over 8,000 in-person interactions, 90 events and outreach at 45 bus stop/train station locations resulted in over 5,600 comments on the Austin Light Rail Project. In May, ATP published the Light Rail Community Engagement Report that memorialized the process and what we heard.

ATP hosted the Austin Light Rail Industry Expo on May 25, 2023. With more than 370 registrations, the Project Delivery team provided information about upcoming contracting opportunities to partner and deliver light rail in Austin. The Expo was designed to facilitate potential partnership opportunities between large and local/small business contractors vital to the construction of the Austin Light Rail and to ensure high quality opportunities for disadvantaged, minority-owned, women-owned, and other local businesses to participate in both prime and subcontracting roles.

At the June 6, 2023, Joint Partnership meeting, the Austin City Council, the ATP Board and the CapMetro Board convened to take important action to advance Austin Light Rail. Each entity approved the Austin Light Rail Implementation Plan during the first week of June, which sets the course for the first phase of the project. This recommendation will allow the program to progress through a multi-year process of continuing project development, environmental review, and coordination with the Federal Transit Administration on federal grant funding.

MetroRapid – Project Connect includes new Pleasant Valley and Expo Center MetroRapid routes.

CapMetro continued coordination with the City of Austin to advance design, utility clearance, and permitting, issuing stations to contractors for construction as plans are ready. In February, CapMetro communicated that Expo Center and Pleasant Valley routes are now anticipated to open in 2025. This is later than originally estimated 2023 revenue service date due to supply chain delays and the end-of-line charging stations required for the new electric vehicles.

Red Line Improvements – Enhancements to the Red Line include additional track to increase capacity and safety as well as new stations, including McKalla Station at Q2 Stadium that will open in 2024.

Advanced drainage culvert construction was completed for McKalla Station in October 2022. Trackwork and station platform construction are ongoing.



FY 2023 Operating Fund Summary

	2023 Budget	2023 YTD Actuals
Balance from Prior Year	19,855,174	65,668,705
Revenue		
Prop A Property Tax	158,970,567	136,103,350
CapMetro Contributions	30,000,000	-
Investment & Other Income	3,924,235	10,352,930
Total Revenue	192,894,802	146,456,279
Total Funds Available	212,749,976	212,124,985
Expenditures		
Administrative Expenses	35,552,489	17,675,021
Transfer to Light Rail Capital Fund	-	-
Transfer to Operating Reserve	20,000,000	20,000,000
Transfer to Anti-Displacement Investments Fund	35,000,000	35,000,000
Transfer to CapMetro Projects Fund	10,703,871	10,703,871
Total Expenditures	101,256,360	83,378,892
Reserved for Future Project Commitments	111,493,616	128,746,093

*YTD Actuals include all expenditures from October 1, 2022 to the time-period of this report.