Austin Transit Partnership

Proposed Budget

FISCAL YEAR 2026-27

Artist Conceptual Visualization

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Introduction

Message from Chief Executive Officer

Dear Board of Directors,

I am pleased to present the Austin Transit Partnership's Proposed Fiscal Year 2026–27 Budget.

This past year marked a period of exceptional progress and momentum for ATP, with several major milestones delivered on schedule. Key achievements include completion of the National Environmental Policy Act (NEPA) environmental review and receipt of the Record of Decision from the Federal Transit Administration (FTA), a vital milestone in securing federal funding. Austin Light Rail Phase 1 is the first major transit project to complete a Final Environmental Impact Statement (Final EIS), the most complex form of environmental review, within the required federal two-year timeline.

ATP also awarded contracts and began collaboration with our construction partners for the Civils, Rail, Stations and Systems elements of the Light Rail System (LRT) and the Operations and Maintenance Facility (OMF) and selected the manufacturer that will deliver the Light Rail Vehicles for this generational infrastructure investment. These accomplishments position ATP to transition into the next phase of project delivery executing our delivery plan with no delay.

During the upcoming fiscal year, ATP will prioritize protecting affordability & securing the corridor, effective contract management and implementation – *and most critically* – progressing & advancing through the Federal Transit Administration's Capital Investment Grants (CIG) New Starts program. Following the completion of the Project Development phase of this federal process, ATP expects to move into the Engineering phase—one of the final steps before executing a Full Funding Grant Agreement. This steady and undeterred progress is due to the collective expertise and unrelenting commitment from our ATP team and partners.

In FY 2026-27, our resources will go towards advancing final design; utility relocation planning; right-of-way acquisition, integration of the design/preconstruction readiness activities between our Civils, Rail, Stations contractor, our Operations & Maintenance contractor, and the Light Rail Vehicle manufacturer; and readying early work construction packages. ATP will continue to build on our prior years' successes that have been directly related to the participation of our broad partnerships. We are grateful for the continued engagement from our Board of Directors and the Austin community.

Our work will continue to rely on our stakeholders and partners as well as the expertise and support of our Board of Directors as we work together to deliver future-ready transit infrastructure designed for Austin.

Sincerely,

Greg Canally
Chief Executive Officer

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ATP Board of Directors

Veronica Castro de Barrera
ATP Chair, Community Director

Kirk Watson
ATP Vice Chair, Austin City Council, Mayor

Juan Garza
Community Director

Kammy Horne
Community Director

Jeffrey Travillion
CapMetro Board of Directors, Chair

EX OFFICIOS

Jon Fortune
City of Austin Deputy City Manager

Dottie Watkins
CapMetro President & CEO

Intention Statement & Values

Intention

To steward a vibrant culture of transit so that the people and places of Austin are more deeply connected.

Values

1. MEET PEOPLE WHERE THEY ARE

Planning and constructing a rail system is an extremely complex and technical endeavor — but talking about it doesn't have to be. We inspire greater curiosity and interest in light rail among Austinites when we keep our communications simple, compelling and relatable.

2. RESPECT THE RIDERS

Like any major infrastructure project, we have many constituencies to consider. Yet we must never lose sight of the most important ones — the riders who will one day rely on the light rail. When we put their interests and needs first, we know we're on the right track.

3. PROPEL AUSTIN FORWARD

As we help move our city forward, we carry the spirit of inclusivity, curiosity and independent thinking that brought us here — ensuring Austin's future will be even brighter than its past.

4. DO MOMENTOUS THINGS

We're building the future of Austin. It's a big job, but a thrilling one. We see a future city that is more connected and cherished by all who live here. We are motivated by the opportunity to leave such a large and lasting impact on the city we love.

5. ARRIVE AS EXPERTS

For many, the light rail and using public transit will be new experiences. We invite questions and seek opportunities to share our team's unique expertise and stories with the public.

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Organizational Overview

Planning, Community and Federal Programs

KEY SERVICES:

Project Controls, Planning and Reporting, and Community Participation and Involvement

- 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

Design and Construction

KEY SERVICES:

Design and Construction Services

Management and oversight of:

- Design, including architecture, urban design and engineering
- Construction, including permitting, building, inspections, testing, commissioning, safety certification and acceptance
- Light Rail Vehicle design, manufacturing, inspection, testing and acceptance
- High-performance infrastructure planning and certifications
- Public Art Program

Business and Legal Affairs

KEY SERVICES:

Procurement and Contract Administration, Legal Services, Real Estate, Government Relations and Human Resources

- Supports the development and execution of the Austin Light Rail delivery and contracting strategy
- Integrates organizational talent with input from industry, peer agencies and consultants to deliver global expertise
- Develops and implements legal, intergovernmental relations and real estate services for the project

Financial Services

KEY SERVICES:

Budget, Treasury, Accounting, IT Services, and Grants Management

- Oversees ATP's Investment Portfolio with the following principles guiding the investment of funds: preservation and safety of principle, maintenance of sufficient liquidity and the maximization of yield
- Guides the Project Connect investment with transparency, accountability and best practices
- Implements and administers the financing program that will provide the financial resources needed to implement Austin Light Rail

Communications Services

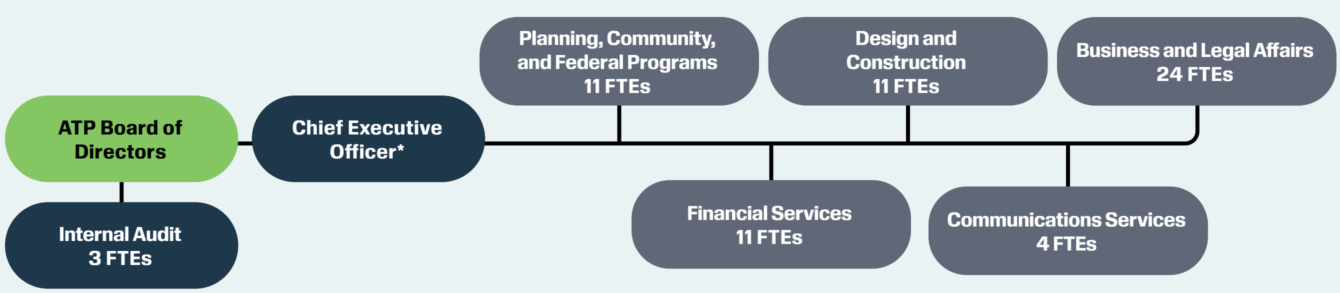
KEY SERVICES:

Communication Services

- Provides the public with timely and accurate information related to the delivery of Austin Light Rail
- Supports board relations and activities to enable a highly informed and engaged Board of Directors, and provide information to the public
- Engages employees and contracting partners as key project stakeholders

Internal Audit

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



*Chief Executive Officer is budgeted within the Business and Legal Affairs department and is included in the FTE count on that department page.

**Reference the ATP Organizational Chart in the Appendix for more details.

Austin by the Numbers

Austin is the capital of the state of Texas. Incorporated on December 27, 1839, it has been one of the fastest-growing large cities in the United States since 2010.

General Facts

The city is the cultural and economic center of the Austin–Round Rock metropolitan area.

TOTAL POPULATION:
2,620,945
(Austin-Round Rock MSA)

AUSTIN POPULATION:
1,035,002

NUMBER OF BUSINESSES WITHIN A ¼ MILE OF THE ALIGNMENT
2,860

CITY SPANS:
324.8 sq mi

Austin is...

#2 **Most Populous State Capital** (after Phoenix, AZ)

#12 **Most Populous U.S. City**

#5 **Most Populous City in Texas** (after Houston, San Antonio, Dallas and Fort Worth)

#25 **Largest Metropolitan Area in the U.S.**

People and Economy

Median Home Sale Price
$572,400

Median Household Income
$90,430

For more information about the City of Austin:
AustinTexas.gov/Demographics

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About ATP and Performance Objectives

Austin Transit Partnership

Austin voters approved a referendum ("Prop A") to provide a dedicated revenue stream to fund investments in Project Connect, a program of transit improvements, including Austin Light Rail.

The Austin Transit Partnership is the local government corporation responsible for implementing Project Connect and leading Austin Light Rail. ATP is responsible for the day-to-day implementation, planning, financing, execution and oversight of Austin Light Rail.

Performance Objectives

ATP is advancing activities in preparation for the Austin Light Rail program, focusing on detailed design and preconstruction readiness while coordinating closely with our construction contracting partners, Austin Rail Constructors (ARC) and Kiewit Austin Partnership (KAP), to strengthen cost and schedule certainty. Key activities such as engineering development, permitting, utility coordination and early construction packaging are underway to support a smooth transition into construction. Through these efforts, ATP is establishing the critical groundwork needed to responsibly advance the project into full construction.

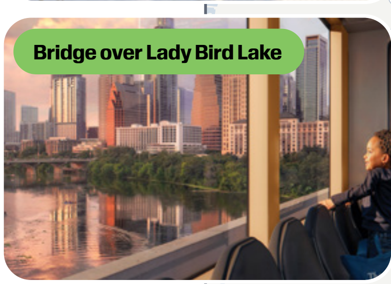
2020–21	2022–23	2023–25	2026–27	2027–33	2033
1. Approved & Established	2. Defining Scope & Goals	3. Planning, Design & Environmental Review	4. Engineering, Permitting & Preconstruction	5. Construction & Testing	6. Open for Service

Completed Step | Current Step | Upcoming Step

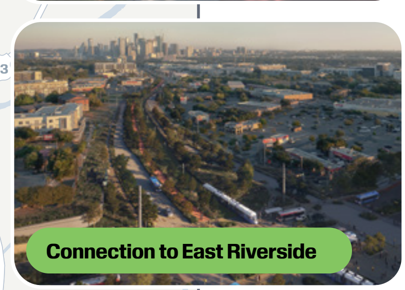
Schedule is for planning purposes, and final dates are contingent on contractor input and federal funding process.

Austin Light Rail Phase 1 and Priority Extensions


15 Stops at Key Locations


Bridge over Lady Bird Lake


Shaded Walk and Bike Pathways


Connection to East Riverside

What's Happening Next?

1. ATP will complete the Project Development phase of the CIG New Starts Program
2. ATP will advance design and preconstruction activities to establish the critical groundwork to responsibly advance the project into full construction

Budget Process

Budget Timeline

March-June	July	August	September
• Budget Development • Staff Engagement	• Presentation to Board of Directors • Publish Proposed Budget	• Presentation to Community Advisory Committee • Stakeholder Engagement	• Budget Adoption

Budget Components

Annual Budget

- Plan for allocating resources during fiscal year
- Prepared on a modified accrual basis
- 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 is set based on the total aggregate appropriation by project
- Available until funds are spent or de-appropriated (not constrained by fiscal year)

Annual Budget and Capital Budget:

- Require board authorization
- Approved during annual budget process

Spending Plan

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

Capital Budget and Spending Plan:

- 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.

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Revenue and Fund Structure

Revenue

ATP's FY27 revenue is primarily made up of contract revenue received from the City of Austin pursuant to an interlocal agreement with the approval of Proposition A.

In FY26, that Prop A revenue is estimated at $183 million and in FY27 it is projected at $194 million. Other sources of revenue include $15.6 million in investment interest income revenues. In the future, sources of funding will include grant receipts and proceeds generated through the issuance of debt or loans.

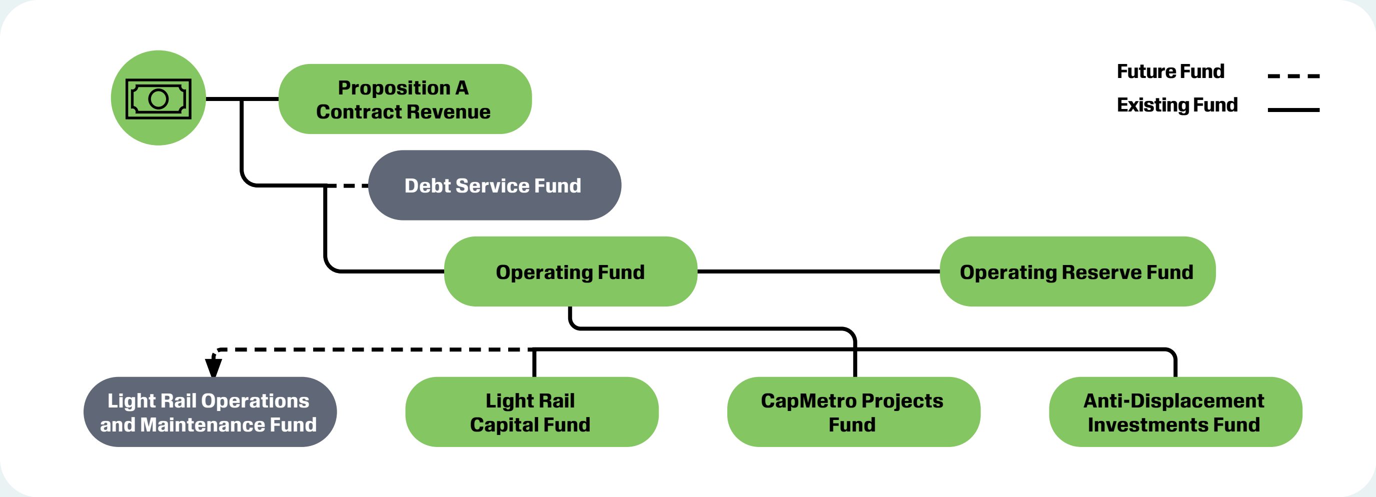
	FY26 BUDGET	FY26 PROJECTED	FY27 BUDGET
REVENUE			
Prop A Contract Revenue	$185,000,000	$183,000,000	$194,000,000
Other Revenue	$18,000,000	$19,000,000	$15,600,000
Total Revenue	**$203,000,000**	**$202,000,000**	**$209,600,000**

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 CONTRACT REVENUE

On Nov. 3, 2020, Austin voters approved Proposition A, which provided a dedicated property tax revenue stream. Proposition A contract revenue is ATP's primary revenue source. Current year estimates and budget year projections are provided to ATP by the City of Austin and must be appropriated annually by the City of Austin.

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. To date, ATP has not yet issued any debt.

OPERATING FUND

The Operating Fund collects ATP revenues and disburses them to their respective functions. Proposition A contract revenue is ATP's primary revenue source and must be appropriated annually by the City of Austin.

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 construction of or the acquisition of assets that will support 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 CapMetro Rapid 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 Nov. 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.

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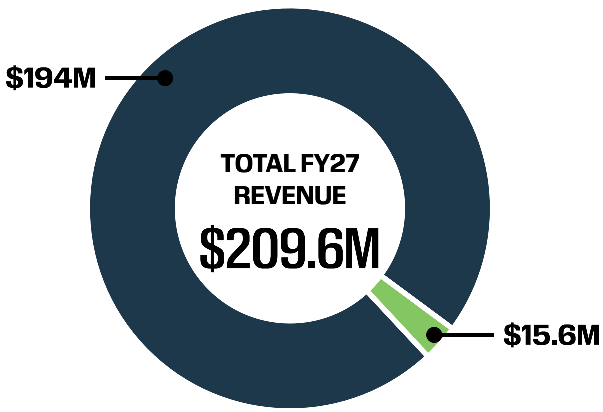
Budget Highlights

Revenue



	FY25 ACTUAL	FY26 PROJECTED	FY27 BUDGET
Prop A Contract Revenue	$176M	$183M	$194M
Investment and Other Revenue	$21M	$19M	$15.6M

Spending

Austin Light Rail Capital Fund

FY27 Available Appropriations
$399M

Remaining Appropriations from Prior Years
$44M

New Appropriations
$355M

FY27 TOTAL SPEND $398.5M

$348.5M
Professional Services and Right of Way

$46M
Administrative Expenses

$4M
Betterments for City of Austin

Anti-Displacement Fund

FY27 Available Appropriations
$63.5M

Remaining Appropriations from Prior Years
$43.5M

New Appropriations
$20M

FY27 TOTAL SPEND $20M

$20M
Land Acquisition, Preservation, and Rehabilitation; Affordable Housing Development; Staffing, Community Engagement, Marketing; Programs and Other Strategies

Capital Fund Overview

Austin Light Rail Capital Fund

The cornerstone of Project Connect is a new light rail system, Austin Light Rail. The project continues to progress through Project Development. Capital appropriations are multi-year and remain available until spent; therefore, appropriations may at times not necessarily equal planned spending.

Board-Approved Light Rail Appropriations

APPROPRIATIONS	
Prior Years	$430M
FY27 Prop A	$351M
Betterment Reimbursement	$4M
Total Appropriations	**$785M**
SPEND	
Prior Years	$386M
FY27	$399M
Total Spending	**$785M**
Net Available Appropriations	**$0M**

Note: Figures do not add due to rounding

Austin Light Rail FY27 Spending

$398.5M | FY27 TOTAL SPEND

$46M | Administrative Expenses

Business Support Contracts
- Legal
- Marketing and Engagement
- Financial Services
- Risk/Procurement Advisor
- IT Systems
- Facility Lease and Management
- City of Austin Project Connect Office

Personnel, Materials and Staff Development
- Labor
- IT Hardware
- Staff Development
- Material and Supplies

$348.5M | Professional Service Contracts and Right of Way

- Delivery Partner
- Progressive Design-Builder
  - Light Rail Civils/Systems
  - Operations and Maintenance Facility
- On-Call Engineering/Planning
- Real Estate Services
- Right of Way Acquisition

$4M | Betterments for City of Austin

Administration & Personnel

Staffing

FY27 budget development focused on organizational readiness and resource planning to balance staffing and contracting needs. This review resulted in a full-time equivalent (FTE) staffing level for FY27 of 64 positions, comprised of 57 currently filled positions and 7 vacant positions carried forward into the new fiscal year.

Administrative Services

Administrative expenses includes those such as legal, marketing and communications, as well as financial services. Core services also in this category support the organization's operations to include IT systems and office space.

Administrative Expenses by Fiscal Year

	FY25 ACTUAL	FY26 PROJECTED	FY27 BUDGET
Personnel	$11.8M	$11.6M	$14.6M
Business Support Contracts	$19.8M	$20.8M	$30.1M
Materials and Staff Development	$5M	$1M	$1.2M
Total	**$36.6M**	**$33.4M**	**$46M**

Note: Figures do not add due to rounding

Staffing Levels

Planning, Community and Federal Programs	10	1
Design and Construction	10	1
Communications Services	3	1
Financial Services	10	1
Business and Legal Affairs	22	2
Internal Audit	2	1

TOTAL POSITIONS

64

- **57 Currently Filled**
- **7 Future Hires**

FY27 Pay and Benefits

ATP offers a competitive benefits packet, but is not limited to, health care with vision and dental benefits. ATP offers a 401(k) retirement plan that includes employer contributions, leave program (to include paid parental leave), tuition reimbursement as well as stability pay, presenting an annual lump sum payment to eligible employees to acknowledge years of service. The FY27 Budget proposes an across-the-board pay increase of 3% for eligible employees.

FY27 Overview and Outcomes

FY27 Priorities Overview

The FY27 Priorities Overview provides an organizational performance framework to highlight the work during the fiscal year as ATP implements Project Connect and leads Austin Light Rail. These priorities inform the department goals, outcomes and overall performance reporting.

Protecting Affordability & Securing the Corridor

The next phase of work marks the transition of the Austin Light Rail program to advance final design and preconstruction activities to enable the first construction work package. During this phase of work, Austin Transit Partnership (ATP) and its contractors will focus on refining the system's design, strengthening coordination across partners and advancing certainty in project costs and schedules.

While completion of the preconstruction phase for the two progressive design-build contracts will span FY27 and FY28, the focus over the next fiscal year will primarily be risk reduction and reducing unknowns, interface management across contractor teams and advancing design with safety, reliability and operational requirements. Key activities include advancing engineering for tracks, stations and systems to certain design milestones; preparing required permits; coordinating utility relocation and right of way needs; and developing early construction work packages to support an efficient transition into construction. Throughout FY27, outreach and coordination with community stakeholders and public agencies will be ongoing to help inform project design and regularly share project updates.

Alongside advancing the design, securing critical corridor elements through right-of-way acquisition protects the long-term affordability for Austin Light Rail and avoids future constraints that would impact the alignment.

By the conclusion of preconstruction, design and permits will be finalized and the critical groundwork necessary to proceed into full construction in a disciplined and fiscally responsible manner will be complete.

Effective Contract Management & Implementation

The contracting and delivery strategy developed and implemented for Austin Light Rail over the last three years is an integrated approach that aligns with the federal process, increases project schedule and cost certainty and allows for a dynamic approach to authorizing the work packages that will advance the project.

With flexibility in mind, the Light Rail Vehicle (LRV) procurement, which is expected to be awarded in Summer 2026, includes two main phases. The first phase of work will be focused on preliminary design and coordination. During this period, the selected vendor will work with the contractor teams to align civils, station, structural and systems design activities with the specific considerations of the vehicle they will be supplying. Following initial design coordination, the LRV manufacturer will be authorized to move into preliminary design of the vehicle for Austin Light Rail. With Board approval, the second phase of the LRV contract will authorize completion of final design, manufacturing, delivery and testing of the vehicles. This thoughtful contracting approach continues to position the project for federal readiness and manage risk through each phase of the contract.

During the design stage, there will be multiple touchpoints with the community and key stakeholders to solicit feedback and input on certain elements of the vehicle.

Progressing and Advancing through the Federal Process

In partnership with FTA, ATP accomplished several major milestones in the federal funding process. Key achievements include completion of the National Environmental Policy Act (NEPA) environmental review and receipt of the Record of Decision from the FTA, a vital milestone in securing federal funding. Austin Light Rail Phase 1 is the first major transit project to complete a Final Environmental Impact Statement (Final EIS), the most complex form of environmental review, within the required federal two-year timeline.

ATP will continue to collaborate closely with the FTA in FY27 to advance Austin Light Rail through the Capital Investment Grants (CIG) process. ATP anticipates completing Project Development and is preparing for the next phase of the grant process, entry to Engineering—one of the final steps before executing a Full Funding Grant Agreement.

This work includes development of scope, schedule, and cost information with the contractor teams and conducting a full assessment of risks and approach with FTA. ATP is also responsible for preparing an updated FTA ratings package, financial plan, and Project Management Plan and subplans that describe the processes in place to manage the project. Collectively, these activities will position ATP for potential entry into the Engineering phase, which is a critical step toward securing federal grant funding.

Department Outcomes

Planning, Community and Federal Programs

Planning, Community and Federal Programs contribute several key functions critical to delivering the light rail project.

The Project Controls team implements scheduling, cost reporting, and document controls. These functions support the effective management of contracts within budget and schedule targets as well as compliance with FTA reporting requirements for federally funded projects.

The Planning team leads environmental regulatory compliance, with a focus on the NEPA process. In addition, the team leads the coordination to integrate transit service planning and land use planning, and analyses to support the evaluation process required by the FTA's CIG Program.

Community engagement builds awareness and support for the project, solicits and analyzes input, coordinates communications with stakeholders and disseminates educational information about the project and process. ATP also supports workforce development efforts in the region and local capacity-building to deliver the project.

DEPARTMENT OUTCOMES

- Execution of workplans to complete requirements for Project Development and entry to Engineering as needed for federal funding.
- Development and implementation of effective processes and procedures for cost reporting and scheduling.
- Execution of public involvement plan to educate and offer the community meaningful opportunities to offer input throughout the project delivery.

Planning, Community and Federal Programs Budget

	FY26 PROJECTED	FY27 BUDGET
ADMINISTRATIVE EXPENSES	**$2.1M**	**$2.8M**
Personnel	$1.9M	$2.5M
Business Support Contracts	$0.2M	$0.2M
Materials and Other Expenses	-	$0.1M
FTE Count	**10**	**11**

Design and Construction

Design and Construction will collaborate with final design and construction contractors to develop a design that is high performing, people centered and fully integrated into the surrounding community and urban context. Design oversight efforts include design reviews, associated stakeholder coordination and permitting; management of third party and utilities agreements; quality and safety management; requirements management; systems assurance, and safety and security planning.

Architecture and Urban Design leads Austin Light Rail's architectural and urban design efforts and collaborates with internal and external technical teams to support a design that is high performing, people centered and fully integrated into the surrounding community and urban context.

Public Art advances the integration of community-based art throughout the system, aligning Austin's culture and identity with the customer experience through the meaningful representation of local artists and their work.

DEPARTMENT OUTCOMES

- Ensures that the built environment for Austin Light Rail is pleasant, vibrant and instills a sense of civic pride in all Austinites.
- Define light rail project design goals, criteria, standards and guidelines to be implemented by the design-build contractors, light rail vehicle manufacturers and even adjacent development (via coordination with City of Austin requirements).
- Advance design to support federal requirements, including completion of Project Development and entry into Engineering in compliance with FTA CIG requirements.
- Collaborate with design-build contractors to identify project innovations, including value engineering, constructability improvements, construction phasing and sequencing concepts and early works activities.
- Establish and support the Austin Light Rail Public Art Program to integrate community-based art into stations and systemwide elements.

Design and Construction Budget

	FY26 PROJECTED	FY27 BUDGET
ADMINISTRATIVE EXPENSES	**$4.8M**	**$7.5M**
Personnel	$2.6M	$3.0M
Business Support Contracts	$2.2M	$4.5M
Materials and Other Expenses	-	$0.1M
FTE Count	**10**	**11**

Financial Services

The Financial Services team is comprised of Budget, Treasury, Accounting, IT Services and Grant Management functions, all of which work in partnership to manage public investment with transparency and accountability throughout the program.

Budget and Treasury collaborates closely with leaders across the organization to effectively manage the organization's spend and deploys the funds within the investment portfolio to generate interest income.

IT Services provides assistance with oversight of platforms utilized across the organization and collaborates with all departments to ensure their IT needs are met.

DEPARTMENT OUTCOMES

- Continue to develop and enhance our Enterprise Reporting Platform (Oracle Fusion) to expand financial controls and reporting capabilities.
- Continue to assist the project team in the implementation of the project delivery strategy by ensuring the project delivery schedule is informed by the availability of funds, both at the local level and federal level.
- Continue advancing Austin Transit Partnership's financing program and successfully issue the first set of Contract Revenue Bonds for the Austin Light Rail program.
- Maintain a commitment to transparent reporting on the allocation and utilization of funds received by ATP.

Financial Services Budget

	FY26 PROJECTED	FY27 BUDGET
ADMINISTRATIVE EXPENSES	**$11.4M**	**$16.4M**
Personnel	$1.8M	$2.3M
Business Support Contracts	$9.0M	$13.5M
Materials and Other Expenses	$0.6M	$0.6M
FTE Count	**10**	**11**

Business and Legal Affairs

Business and Legal Affairs encompasses several key services and divisions of ATP including Procurement and Contract Administration, Real Estate Services, Legal Services, Government Relations and Human Resources.

Contract management and monitoring is a key service provided by the Procurement team with a focus on risk management — working closely with the Finance Services workgroup to provide financial controls that guide ATP's work.

DEPARTMENT OUTCOMES

- Continue implementation of project delivery and contracting strategy, including the successful management of Phase 1 of two Progressive Design-Build contracts for the final design and construction of the (i) Operations and Maintenance Facility and (ii) nearly every other aspect of the light rail system, as well as a fixed price contract for light rail vehicles.
- Implement ATP's real estate acquisition strategy, including coordination with the City of Austin for priority acquisition activities.
- Continue to improve ATP's operational resiliency, building on processes and procedures to support business operations and the successful integration of contracting partners for project delivery.
- Advance ATP's federal strategy to advance Austin Light Rail in the CIG New Starts application process with the FTA.

Business and Legal Affairs Budget

	FY26 PROJECTED	FY27 BUDGET
ADMINISTRATIVE EXPENSES	**$10.7M**	**$14.1M**
Personnel	$4.5M	$5.4M
Business Support Contracts	$5.9M	$8.3M
Materials and Other Expenses	$0.2M	$0.4M
FTE Count	**22**	**24**

Communications Services

Communications Services manages ATP's numerous platforms to provide **public information** and **media relations**, support community engagement and promote public awareness across a wide range of audiences to effectively educate the public about Austin Light Rail. The workgroup delivers comprehensive communications services in support of a multi-disciplinary team composed of ATP's staff and the organization's contracting partners to ensure timely and accurate delivery of information across multiple communications workstreams. Communications Services also delivers internal communications to support internal stakeholders to inform, motivate and engage the collective Austin Light Rail team composed of ATP employees and its contracting partners.

Communications Services also provides support for the ATP Board of Directors and leads the organization's **Board Relations** activities. This includes the delivery of information at live-streamed board meetings and maintaining online platforms to deliver public information. Regular engagement with the ATP Board is a key objective for staff to support the board members in their role to provide financial stewardship for the project.

Activities also include supporting the Austin Light Rail Advisory Group comprised of community members appointed by the ATP Board who have relevant expertise in large-scale capital delivery projects that can support ATP's work.

DEPARTMENT OUTCOMES

- Expand public involvement in support of Austin Light Rail and increase brand visibility for the project and ATP.
- Distribute public information across numerous digital channels (e.g., newsletters, social media, web platforms) to educate the public about ATP and light rail.
- Cultivate an informed and engaged workforce delivering Austin Light Rail.
- Engage Board leadership so that Executive Management provides concise, actionable and timely information for informed decisions.

	FY26 PROJECTED	FY27 BUDGET
ADMINISTRATIVE EXPENSES	**$3.8M**	**$4.3M**
Personnel	$0.4M	$0.7M
Business Support Contracts	$3.4M	$3.5M
Materials and Other Expenses	-	$0.1M
FTE Count	**3**	**4**


ATP

Internal Audit

Internal Audit improves ATP's governance, control and risk management by providing objective audit and advisory services. Independent of ATP management, Internal Audit reports to the ATP Board and strengthens ATP's transparency and accountability to safeguard government resources and achieve community goals.

DEPARTMENT OUTCOMES

- Enhance accountability and transparency by conducting constructive and helpful audits and advisory services.
- Help promote an ethical, community-driven and improvement-focused culture by operating ATP's ethics hotline and providing fraud, waste and abuse resources and training to ATP staff.
- Oversee and direct an internal audit function and annual risk assessment process to address ATP's critical risks and the Board's expectations in accordance with the ATP Internal Audit Charter and professional auditing standards.

Internal Audit Budget

	FY26 PROJECTED	FY27 BUDGET
ADMINISTRATIVE EXPENSES	**$0.5M**	**$0.7M**
Personnel	$0.4M	$0.6M
Business Support Contracts	$0.1M	$0.1M
Materials and Other Expenses	-	-
PROFESSIONAL SERVICES	-	-
FTE Count	**2**	**3**

Topics Considered in Projects this Year

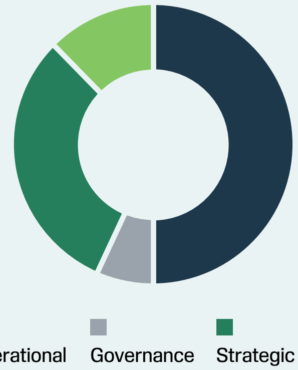
Contractor Reimbursements for Other Direct Costs

Human Resources

Interlocal Agreements

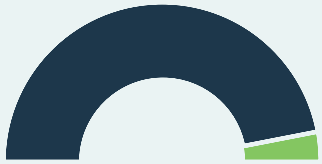
Progress On Addressing Noted Risks

Recommendations issued by category



As of June 2026, 78% of total audit recommendations have been confirmed as implemented.

Fraud, Waste and Abuse Training



91%

ATP staff who have attended fraud, waste and abuse training

Project Connect Partner Components

CapMetro Projects

The ATP Board of Directors approved investments in CapMetro-led Project Connect elements, which include two Rapid bus lines, associated Park and Ride facilities for the Rapid bus lines, Red Line improvements, and a South Demand Response Center. 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	EST. SPEND THROUGH FY26	FY27 PROJECTED SPEND
Rapid Expo	$17.7M	$0.0
Rapid Pleasant Valley	$18.0M	$0.0
South Demand Response Center	$13.5M	$0.0
Expo Center and Goodnight Ranch Park & Rides	$37.5M	$0.0
Total	**$86.7M**	**$0.0**

New Rapid Lines

Plans for Rapid include an all-electric expanded bus service, newly designed stations and an improved customer experience. Expo Center and Pleasant Valley Rapid Lines serve some of the highest ridership corridors in the CapMetro System. The Expo Center (837 Rapid) and Pleasant Valley (800 Rapid) are both in full service as of June 2026.

RAPID EXPO CENTER LINE (837)

- Approximately 12-mile route along Trinity St., San Jacinto Blvd., Manor Rd., and Loyola Ln.

RAPID PLEASANT VALLEY LINE (800)

- Approximately 15-mile route along E. William Cannon Dr., Pleasant Valley Rd., and Airport Blvd. corridors.

Expo Center and Goodnight Ranch Park & Rides

Accompanying the 837 and 800 Rapid Lines are a community investment of two new Park & Rides at the end of each route. The Expo Center Park & Ride is the eastern terminus for the 837 Rapid Line and provides customer parking spaces, transfers to additional CapMetro routes and Pickup, fleet charging infrastructure and customer amenities adjacent to the Travis County Expo Center.

The Goodnight Ranch Park & Ride is the southern terminus of the 800 Rapid Line and is integrated into the Goodnight Ranch development with customer parking spaces, transfers to additional CapMetro routes, fleet charging infrastructure and customer amenities. Construction on both Park & Rides completed in June 2026.

Anti-Displacement Investments

Anti-Displacement Updates

Proposition A included $300 million to mitigate transportation investment-related displacement and ensure people of different incomes can benefit from their investment in their own community. The Displacement Prevention program uses short-term strategies to support current residents along the Project Connect corridors and long-term investments to create and preserve housing opportunities so more of the community can benefit from Austin Light Rail and other Project Connect services. The City of Austin administers the anti-displacement program initiatives from the $300 million Project Connect displacement prevention funds.

Voter-approved Prop A included

$300M

for anti-displacement funding as a companion to Project Connect

With the FY27 Budget approval, ATP will have appropriated

$180M

for long-term and short-term strategies to address potential displacement

Anti-Displacement Categories:

1. Affordable Housing Development
2. Land Acquisition and Preservation
3. Programs and Other Anti-Displacement Strategies

The People

Community Initiated Solutions (CIS) supports residents at risk of transit-related displacement, providing funding, capacity building, and technical help through the Housing Department.

FY26 HIGHLIGHTS:

The City's Community Initiated Solutions program continued in its third year of services including:

- Community Land Trust Accelerator
- Estate Planning
- Housing Stability support for Participants in the Maternal Health network

FY27 ANTICIPATED ACCOMPLISHMENTS:

- Continuation of tenant stabilization, homeowner preservation and economic mobility programming
- Evaluation of 3 years of programming
- Solicitations for identified service gaps to advance resident stabilization

Outreach since last report:

27,000

reached through classes, events, flyers, tabling, etc. (we excluded social media reach from this year's reporting for outreach)

CIS programs served (since last report):

1,021

The Places

(REAL ESTATE INVESTMENTS):

$2.5M

Preserve at Central Park

Equity investment to partially repay seller financing from the 2023 acquisition by AHFC and Texas Housing Conservancy and enable permanent debt.

$150K

806 Vargas Rd (Ownership Development)

GNDC 2 unit affordable ownership project, following a prior $240K ADCAP award.

$300K

The Sasha

60 unit 9% LIHTC project (SAFE Place/DMA) under construction in Montopolis; funding gap due to site-related cost overruns after contingency depletion. Total Project Connect funding: $4.16M.

FUTURE REAL ESTATE DEVELOPMENT:

Development continues for the 125 acres of City-owned property along East Riverside adjacent to Austin Light Rail's planned Grove Station and partially paid for with Project Connect funding. This year has seen the start of community engagement efforts and the procurement process.

The City has also begun the solicitation process for the development of 2908 S. Congress Ave., the former El Gallo Restaurant site located ½ mile from the planned Oltorf Station. The site is expected to yield between 90-150 units and is anticipated to begin construction in 2029.

Fund Summaries

Operating Fund

	FY24 ACTUAL	FY25 ACTUAL	FY26 BUDGET	FY26 PROJECTED	FY27 BUDGET
Beginning Fund Balance	$99,995,294	$169,563,499	$381,733,730	$337,136,316	$379,136,316
REVENUES					
Prop A Property Tax	$166,388,368	$176,712,228	$185,000,000	$183,000,000	$194,000,000
Investments and Other Income	$21,179,837	$20,860,589	$18,000,000	$19,000,000	$15,600,000
Total Revenue	**$187,568,205**	**$197,572,817**	**$203,000,000**	**$202,000,000**	**$209,600,000**
Total Available Funds	**$287,563,499**	**$367,136,316**	**$584,733,730**	**$539,136,316**	**$588,736,316**
EXPENDITURE AND TRANSFERS					
Administrative Expenses	-	-	-	-	-
Transfer to Operating Reserve Fund	-	-	-	-	-
Transfer to Anti-Displacement Fund	$20,000,000	$20,000,000	$20,000,000	$20,000,000	$20,000,000
Transfer to Light Rail Capital Fund	$98,000,000	$10,000,000	$111,000,000	$111,000,000	$351,000,000
Transfer to CapMetro Projects Fund	-	-	$29,000,000	$29,000,000	-
Total Expenditure and Transfers	**$118,000,000**	**$30,000,000**	**$160,000,000**	**$160,000,000**	**$371,000,000**
Reserved for Future Project Needs	**$169,563,499**	**$337,136,316**	**$424,733,730**	**$379,136,316**	**$217,736,316**
Operating Reserve Fund	**$20,000,000**	**$20,000,000**	**$20,000,000**	**$20,000,000**	**$20,000,000**

Light Rail Capital Fund

	FY24 ACTUAL	FY25 ACTUAL	FY26 BUDGET	FY26 PROJECTED	FY27 BUDGET
Beginning Fund Balance	$87,085,587	$124,030,210	$63,030,210	$56,455,456	$44,047,872
NEW APPROPRIATIONS					
Transfer from Operating Fund	$98,000,000	$10,000,000	$111,000,000	$111,000,000	$351,000,000
Transfer from City of Austin	-	-	-	-	$4,000,000
Total New Appropriations	**$98,000,000**	**$10,000,000**	**$111,000,000**	**$111,000,000**	**$355,000,000**
Total Available Appropriations	**$185,085,587**	**$134,030,210**	**$174,030,210**	**$167,455,456**	**$399,047,872**
EXPENDITURES					
Professional Service Contracts	$30,427,146	$41,021,880	$132,000,000	$90,051,000	$188,500,000
Right of Way Acquisition	-	-	-	-	$160,000,000
Administrative Expenses	$30,628,231	$36,552,874	$41,670,000	$33,356,584	$45,969,470
Betterments for City of Austin	-	-	-	-	$4,000,000
Total Expenditures	**$61,055,377**	**$77,574,754**	**$173,670,000**	**$123,407,584**	**$398,469,470**
Reserved for Future Project Needs	**$124,030,210**	**$56,455,456**	**$360,210**	**$44,047,872**	**$578,402**

CapMetro Projects Fund

	FY24 ACTUAL	FY25 ACTUAL	FY26 BUDGET	FY26 PROJECTED	FY27 BUDGET
Beginning Fund Balance	$54,572,853	$34,080,605	$25,981,560	$22,893,452	$818,972
NEW APPROPRIATIONS					
Transfer from Operating Fund	-	-	$29,000,000	$29,000,000	-
Transfer from the City of Austin	-	-	-	-	-
Total New Appropriations	-	-	$29,000,000	$29,000,000	-
Total Available Appropriations	**$54,572,853**	**$34,080,605**	**$54,981,560**	**$51,893,452**	**$818,972**
EXPENDITURES					
CapMetro Rapid Expansion	$5,015,580	$8,670,911	$3,300,000	$786,038	-
Red Line Improvements	$15,476,668	-	-	-	-
Other CapMetro Projects	-	$2,516,242	$51,000,000	$50,288,442	-
Total Expenditures	**$20,492,248**	**$11,187,153**	**$54,300,000**	**$51,074,480**	**-**
Reserved for Future Project Needs	**$34,080,605**	**$22,893,452**	**$681,560**	**$818,972**	**$818,972**

Anti-Displacement Investments Fund

	FY24 ACTUAL	FY25 ACTUAL	FY26 BUDGET	FY26 PROJECTED	FY27 BUDGET
Beginning Fund Balance	$75,140,727	$50,168,786	$48,994,137	$49,991,554	$43,472,216
NEW APPROPRIATIONS					
Transfer from Operating Fund	$20,000,000	$20,000,000	$20,000,000	$20,000,000	$20,000,000
Transfer from the City of Austin	-	-	-	-	-
Total New Appropriations	**$20,000,000**	**$20,000,000**	**$20,000,000**	**$20,000,000**	$20,000,000
Total Available Appropriations	**$95,140,727**	**$70,168,786**	**$68,994,137**	**$69,991,554**	**$63,472,216**
EXPENDITURES					
Anti-Displacement Reimbursement	$44,971,941	$20,177,232	$20,000,000	$26,519,339	$20,000,000
Total Expenditures	**$44,971,941**	**$20,177,232**	**$20,000,000**	**$26,519,339**	$20,000,000
Reserved for Future Project Needs	**$50,168,786**	**$49,991,554**	**$48,994,137**	**$43,472,216**	**$43,472,216**

Light Rail Financial Forecast

Estimated Capital Requirements

As ATP proceeds through the Project Development and Engineering phases of the FTA's CIG New Starts grant process, costs will be incurred to continue its planning efforts and prepare for the construction phase of the project. These costs are reflective of the resources, both internal and external, required to meet the milestones. Both the Estimated Spend and Sources and Uses graphics provide an estimated view on the capital expenditures required to progress through these critical planning stages and the resources available to meet each of these needs.

FY27 and FY28 Anticipated Capital Expenditures

Light Rail Track and System

Work will be inclusive of:

- Advancing design of tracks, stations, and systems permit coordination
- Advanced utility work
- Property acquisition
- Development of early construction work packages

Operations and Maintenance Facility

Initial Phase will be inclusive of:

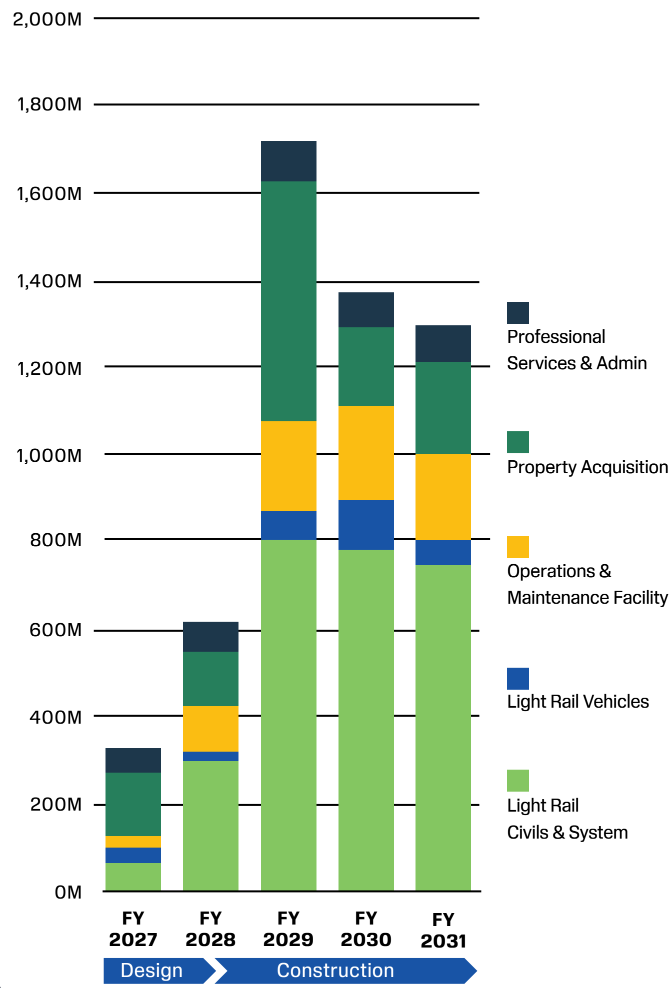
- Advancing design of the operations and maintenance facility
- Property acquisition

Vehicles

Initial Phase will be inclusive of:

- Design coordination of vehicles specifications

FINANCIAL FORECAST ESTIMATED SPEND (IN MILLIONS)



The funding and financing sources needed to cover the anticipated expenditures in the following years will be derived from:

- Cash on hand (existing fund balance, future Prop A Contract Revenue and interest income)
- Federal contributions disbursed in accordance with an expected full funding grant agreement
- Debt and loan proceeds raised through both short and long-term obligations, that are issued on an as-needed basis in consideration of the project's affordability envelope

Projected annual expenditures required to implement Austin Light Rail represent a combination of eight major elements that will constitute ATP's capital investment from Project Development and Engineering and into the construction phase. The investment in each of the elements described below are anchored by detailed, preliminary engineering estimates and independent cost appraisals developed along with the Light Rail Implementation Plan and continually honed as we work through the Project Development and Engineering phase in anticipation of construction.

Capital Investment Elements

SUPPORT FACILITIES

An Operations and Maintenance Facility will store and service Light Rail Vehicles and equipment, and house administrative functions such as light rail operational control and oversight.

SITEWORK AND SPECIAL CONDITIONS

Early coordination with utilities will expedite utility work required before major construction begins, thus mitigating potential delays.

LAND AND EXISTING IMPROVEMENTS

Real property acquisition of necessary land and improvements for the light rail project and any relocation of owners, businesses and tenants.

SYSTEMS

Systems to power light rail include train control and signals, traffic protection, communication with operators and passengers, security, and fare collection systems.

VEHICLES

Americans with Disabilities Act (ADA) - compliant light rail vehicles, propelled by electricity collected from overhead wires, will provide live information for passengers and can be coupled to expand capacity.

PROFESSIONAL SERVICES

Contracts to support the agency through project management, planning, engineering, legal and real estate services, construction, testing and commissioning, and system start-up activities.

GUIDEWAYS AND TRACKS

The Austin Light Rail branched line stretches 9.8-miles north, south and east of downtown Austin. This includes guideways at grade, aerial structures, and track elements.

STATIONS, STOPS AND TERMINALS

Features 15 ADA-accessible light rail stations spaced ½ - 1 mile apart providing access to transit-supportive land use, connections to transit and destinations such as jobs, education and healthcare.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Austin Transit Partnership

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. Following these guidelines, this budget was created to be in compliance with all policies.

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 Board 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 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, per Texas State Comptroller standards. 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.

Budget Policies

1. The Board shall adopt an annual 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.

2. Budget accountability rests primarily with individual departments. Department Executive Vice Presidents (EVP) will review budget variances on a quarterly basis with ATP's Senior Vice President of Financial Services, Budget and Treasury (Budget Director). Significant budget variances will be further evaluated by the Budget Director and the responsible EVP to determine whether remedial action is required. If remedial action is required, the Budget Director will make recommendations to the Chief Financial Officer to address the variance.

3. 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.

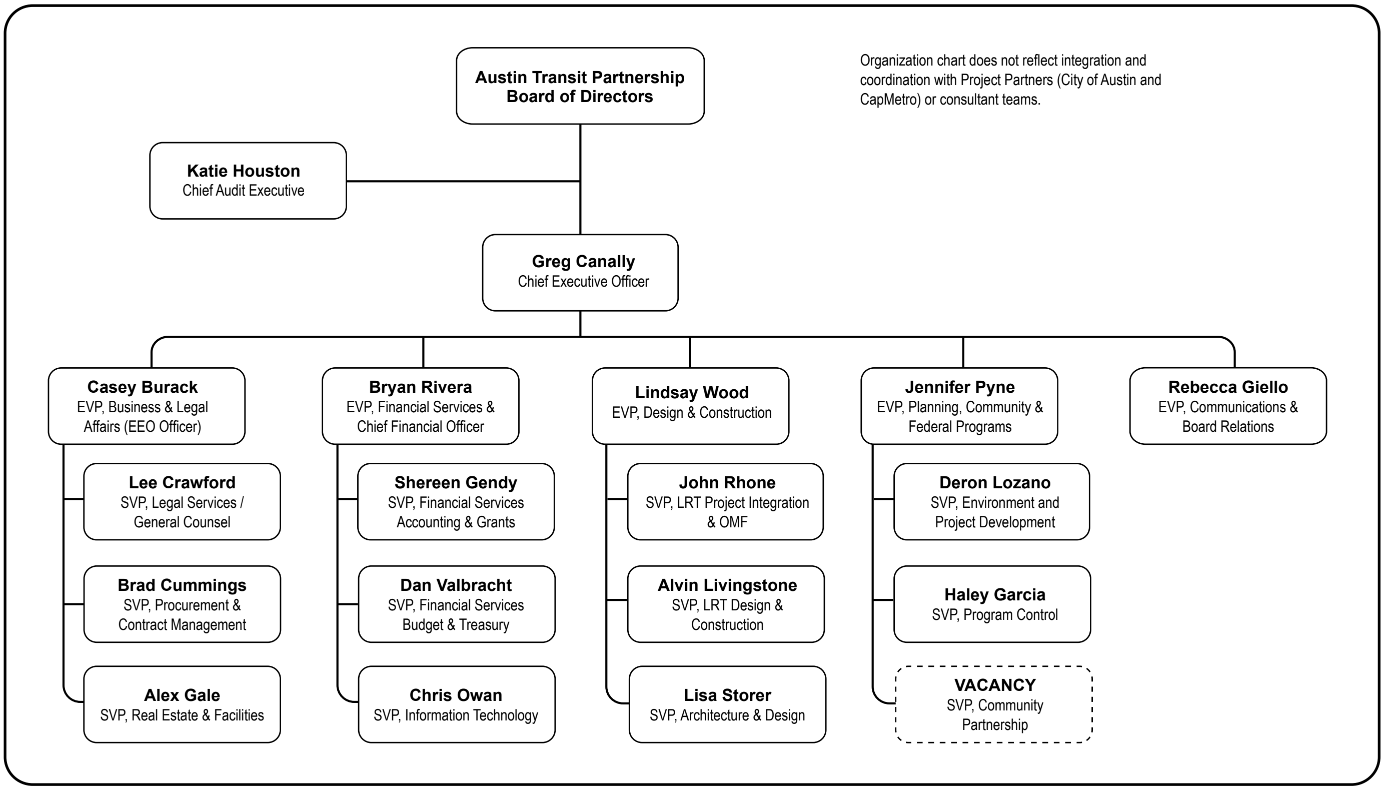
Reserve and Contingency Policies

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 or in response to an increase in administrative expenses 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 when debt obligations are issued.
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 or loans, both short and long term, through a competitive sale, by negotiated sale, or through private placements. The method of sale shall be determined prior to the issuance 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.

Organization at a Glance



FTE COUNT BY DEPT.	FY24	FY25	FY26	FY27 BUDGET
Planning, Community, and Federal Programs	17	11	11	11
Design and Construction	16	14	12	11
Financial Services	10	8	11	11
Business and Legal Affairs	41	30	28	24
Communication Services	0	0	0	4
Internal Audit	3	3	3	3
Total	**87**	**66**	**65**	**64**

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.

Balanced Budget
A budget in which revenues are equal to expenditures.

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 an entity sells bonds as a means of borrowing capital for projects. The 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 the entity 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
A measure of financial position calculated as total revenues minus total expenditures.

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 contract revenue, 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.

GOVERNMENT FINANCE OFFICERS ASSOCIATION

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October 01, 2025

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October 01, 2022

Christopher P. Morrill

Executive Director

Austin Transit Partnership

Learn more and get involved at atptx.org