



**AGENDA ITEM REQUEST FORM  
CITY OF JOHNSON CITY, TEXAS  
CITY COUNCIL**

**ITEM NO. 16**

**MEETING DATE:** February 2, 2021

**AGENDA PLACEMENT:**

- ☐ Ceremonial
- ☐ Consent
- ☒ Individual
- ☐ Closed Session

**CAPTION:**

Discussion of and action on an Outside Agency Funding Application between the City of Johnson City, Texas and Capital Area Rural Transportation System (CARTS) for Fiscal Year 2020-2021 for affordable transportation services within the City of Johnson City and surrounding areas in the amount of Two Thousand Dollars and No Cents (\$2,000.00) and authorizing the Chief Administrative Officer to issue a check for the same from the General Fund. (Staff)

**EXECUTIVE SUMMARY:**

CARTS submitted an Outside Agency Funding Application for City Council review and approval on January 28, 2021.

**Excerpt:**

CARTS provide public transportation service to the general public. Service provided is curb-to-curb demand response picking persons at their home and transporting them directly to the destination of their choice. Local service is provided on Tuesday and Thursday. Out-of-area transportation provided into Austin, San Antonio, Marble Falls and San Marcos from Johnson City.

CARTS has been engaging the public through public meetings, rider survey's and other means to get current customers and potential customers feedback on how CARTS is doing and where best to direct its assets to ensure a transportation network that effectively moves riders "where people want to go."

CARTS is requesting \$2,000 to be included in the City's Budget. This amount is used to match the federal dollars provided to CARTS for public transportation. The funding is used in the "operations" portion of our budget. This includes expenses such as fuel/oil, driver salaries and vehicle maintenance.

**FINANCIAL:**

<u>FYE 2021 Budget Amount</u>	<u>YTD Spent</u>	<u>Remaining</u>
\$17,200.00	\$12,000	\$5,200.00

**ATTACHMENTS:** CARTS Outside Agency Funding Application**SUGGESTED ACTION:**

Motion to approve an Outside Agency Funding Application between the City of Johnson City, Texas and Capital Area Rural Transportation System (CARTS) for Fiscal Year 2020-2021 for affordable transportation services within the City of Johnson City and surrounding areas in the amount of Two Thousand Dollars and No Cents (\$2,000.00) and authorizing the Chief Administrative Officer to issue a check for the same from the General Fund.

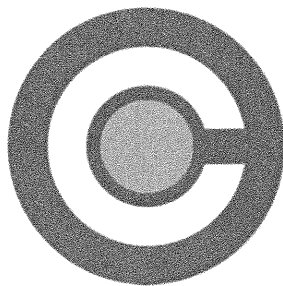
**PREPARED BY:** City Staff**DATE SUBMITTED:** 1/29/21

**City of Johnson City**  
**Outside Agency Funding Application**  
**Fiscal Year: 2021**



If you have any questions or to submit your application, please contact:

City of Johnson City  
Attention: Whitney Walston, Deputy City Secretary  
P.O. Box 369, Johnson City, TX 78636 [wwalston@johnsoncitytx.org](mailto:wwalston@johnsoncitytx.org)



Organization Name: Capital Area Rural Transportation System (CARTS) ID: 74-20291704

Address: 5300 Tucker Hill Lane, Cedar Creek, Texas 78612

Mailing Address: P.O. Box 6050, Austin, TX 78762

Contact Person: Josephine Tucker Title: Business Manager

Phone: 512-505-5617 E-Mail: jo@ridecarts.com

Fax: 512-478-1110 Website: RideCARTS.com

**Amount Requested: \$2,000**

*We thank you for your assistance and look forward to working with you in these challenging times.*



# Capital Area Rural Transportation System

## City of Johnson City Funding Request FY2021

### Mission Statement

Provide reliable, friendly, affordable transportation services to every customer, enhancing their quality of life by allowing them to maintain their independence. Our focus is on cost effectiveness and efficiency through the development of new and innovative technologies.

### Benefits to the Community

Transportation is a vital need that everyone must have for the public and communities with benefits of a better quality of life through improved mobility, better access to goods and services, healthier environment; alternatives to the needs of traditionally transit-dependent, low income, disabled, and the elderly; shopping and medical trips, and other need for our rural communities also address the workforce development, and economic independence to strengthen families and neighborhoods; and help seniors to remain independent.

The funding received from the City of Johnson City supports CARTS and allows us to preserve the existing transportation network. CARTS services are provided regardless of age, income, or disability.

CARTS services are provided to the general public. Anyone can ride the bus. The elderly age 65+ and persons with disabilities can ride for a reduced fare. Persons with disability under the age of 65 must complete an intake form as required by the American with Disability Act.

Most persons who utilize CARTS are elderly, persons with disabilities and others who do not have access to a vehicle. CARTS fares also make it affordable for elderly, low-income persons and for the general public to ride as well.

### Services Provided

CARTS provide public transportation service to the general public. Service provided is curb-to-curb demand response picking persons at their home and transporting them

directly to the destination of their choice. Local service is provided on Tuesday and Thursday. Out-of-area transportation provided into Austin, San Antonio, Marble Falls and San Marcos from Johnson City.

CARTS has been engaging the public through public meetings, rider survey's and other means to get current customers and potential customers feedback on how CARTS is doing and where best to direct its assets to ensure a transportation network that effective moves riders "where people want to go."

### **Funding Request**

CARTS is requesting **\$2,000** to be included in the City's Budget. This amount is used to match the federal dollars provided to CARTS for public transportation. The funding is used in the "operations" portion of our budget. This includes expenses such as fuel/oil, driver salaries and vehicle maintenance.

### **Attachments**

**501 (c)(3) Certificate of Exemption**

**Current Financial Statement**  
**CARTS 2019 Audit**

**Blanco County Schedule**

**Agency  
Certification**

I certify that all information reported in this application and attached is true, accurate, and complete to the best of my belief and knowledge. I certify that I am authorized to complete and submit this application on behalf of Capital Area Rural Transportation System (CARTS) and have been designated as such by its Board of Directors and/or governing body. I will provide written notice of any changes or additions to this information. I understand the agency may need to provide additional information during the application process.

**Applicant Acknowledgment and  
Agreement**

In the event of City approval of Applicant's donation request, Applicant, by his signature below, acknowledges the above terms and conditions and agrees to perform in accordance with these terms and conditions.

Date: 01/26/2021

Signature: \_\_\_\_\_



Printed Name: David L. Marsh

Title: General Manager

Packets should be directed to:

City of Johnson City  
Attention: Whitney Walston, Deputy City Secretary  
P.O. Box 369  
Johnson City, TX 78636  
[wwalston@johnsoncitytx.org](mailto:wwalston@johnsoncitytx.org)



CAPITAL AREA RURAL TRANSPORTATION SYSTEM  
ANNUAL FINANCIAL REPORT  
AND  
INDEPENDENT AUDITORS' REPORT  
YEAR ENDED AUGUST 31, 2019

# CAPITAL AREA RURAL TRANSPORTATION SYSTEM

## TABLE OF CONTENTS

	<u>Page</u>
INDEPENDENT AUDITORS' REPORT	1
MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)	3
BASIC FINANCIAL STATEMENTS	
GOVERNMENT-WIDE FINANCIAL STATEMENTS	
Statement of Net Position	13
Statement of Activities	14
FUND LEVEL FINANCIAL STATEMENTS	
Balance Sheet - Governmental Funds	15
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	16
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	17
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	18
NOTES TO THE FINANCIAL STATEMENTS	19

## CAPITAL AREA RURAL TRANSPORTATION SYSTEM

### TABLE OF CONTENTS - Continued

	<u>Page</u>
REQUIRED SUPPLEMENTARY INFORMATION	
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual (Non-GAAP Budgetary Basis) - General Fund	25
Supplemental Statement of Revenue, Expenditures, and Changes in Fund Balances - Local Government Funding	26
INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i>	27
INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND THE <i>STATE OF TEXAS SINGLE AUDIT CIRCULAR</i>	29
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	32
SCHEDULE OF EXPENDITURES OF STATE AWARDS	34
NOTES TO THE SCHEDULES OF FEDERAL AND STATE AWARDS	35
SCHEDULE OF FINDINGS AND QUESTIONED COSTS	36
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS	37



## INDEPENDENT AUDITORS' REPORT

Board of Directors  
Capital Area Rural Transportation System

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and general fund of Capital Area Rural Transportation System (CARTS) as of and for the year ended August 31, 2019, and the related notes to the financial statements, which collectively comprise CARTS' basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



## Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and general fund of CARTS, as of August 31, 2019, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## Other Matters

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis on pages 4 to 11, budgetary comparison information on page 25 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The Supplemental Statement of Revenue, Expenditures and Changes in Fund Balances - Local Government Funding and the Schedule of Expenditures of Federal and State Awards, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the *State of Texas Single Audit Circular*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

## Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 28, 2020, on our consideration of CARTS' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering CARTS' internal control over financial reporting and compliance.



Austin, Texas  
May 28, 2020

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
(UNAUDITED)**

**CAPITAL AREA RURAL TRANSPORTATION SYSTEM  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)**

**AUGUST 31, 2019**

**INTRODUCTION**

The Capital Area Rural Transportation System (CARTS) is a single purpose agency that was created as an interlocal administrative agency of its member political subdivisions in 1978. The CARTS District in FY 2019 was a Rural/Urban Transit District (RTD/UTD) of the State of Texas and a political subdivision of the state. It derives its statutory authority as a Rural/Urban Transit District from Chapter 458 of the Transportation Code, and is the RTD for the non-urbanized area of the nine-county area of Bastrop, Burnet, Blanco, Caldwell, Fayette, Hays, Lee, Travis and Williamson counties, and UTD for the urbanized area of San Marcos. The urbanized add-on to the CARTS District is the result of the 2010 census by which the City of San Marcos became a newly urbanized area and joined CARTS. This added a representative to the CARTS District Board of Directors from the San Marcos City Council, increasing the board to ten (10) members. As noted later in the discussion, this UTD status will be discontinued in FY2020.

CARTS operates, coordinates and plans transportation service in its district. As a transit district, the CARTS District is entitled to certain allocations of state and federal funds administered by the Texas Department of Transportation (TxDOT) that originate from federal and state appropriations for public transit services and infrastructure. These funds are either allocated to CARTS on an annual basis pursuant to funding formulae established by TxDOT, or are awarded to CARTS for specific projects based on a competitive process particular to the funding source. For the urbanized area CARTS receives a direct allocation from the Federal Transit Administration (FTA) and state funds from TxDOT. These funds are also distributed based on federal and state formulae that apply to the federal Section 5307 funds and state appropriated funds.

The formula funding of federal and state rural and small urban public transit funds from the FTA and TxDOT comprise the sole source of dedicated funding to CARTS. Though these funds are subject to federal and state appropriations processes they represent our only dedicated funding. TxDOT and sometimes the FTA distribute other funds that are discretionary on a competitive basis, and CARTS routinely submits projects for consideration. CARTS also provides transportation under contract with human service agencies, local governments, other transit authorities, transportation brokers and private bus companies in order to garner sufficient revenues to support a comprehensive transportation resource in its District. These other contract revenues account for a significant part of the total CARTS revenues. Most revenues are structured as cost-reimbursable contracts.

As the CARTS District has no taxing or bonding authority and derives all of its revenues from grants, contracts, fares, fees, leases and other compensation related to providing and coordinating transportation services in its District, this limits the agency financially since most grants and contracts it administers are cost-reimbursable. A positive cash flow is only maintained by a combination of strategies that include a line of credit, a fund balance, and any government grants that are advanced.

**CAPITAL AREA RURAL TRANSPORTATION SYSTEM  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
AUGUST 31, 2019**

**INTRODUCTION - CONTINUED**

Pursuant to its mobility management mission in its District, CARTS operates bus terminals, and at some of these terminals it serves as an independent agent for the private intercity bus companies that provide service from the CARTS Stations. As the agent for the companies, CARTS receives a commission on the sale of bus tickets and freight shipments, and also derives revenues from vending, Western Union sales and other activities related to its terminal operation. CARTS is also a member of the National Bus Traffic Association (NBTA), the National Bus Tariff Clearinghouse, and derives revenues for those trips on its Interurban routes that connect to the national bus network. All CARTS Stations are also Greyhound stations with the Interurban routes serving as connectors to the national network of Greyhound.

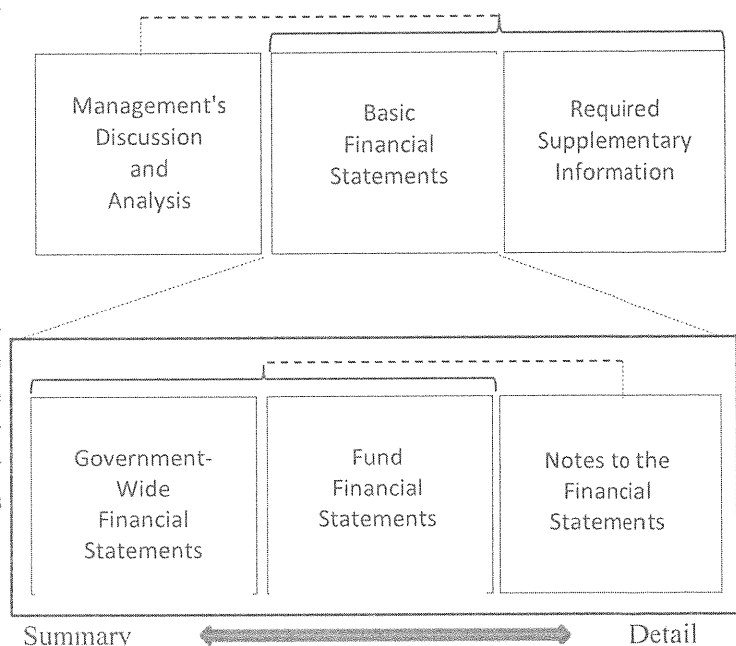
This section of the annual financial report presents our discussion and analysis of CARTS' financial performance during the fiscal year ended August 31, 2019. It should be read in conjunction with the financial statements, which follow this section.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This annual report consists of three parts - management's discussion and analysis (this section), the basic financial statements, and required supplementary information. The basic financial statements include two kinds of statements that present different views of the CARTS District:

- The first two statements are government-wide financial statements that provide both long-term and short-term information about the CARTS District's overall financial status.
- The next four statements are fund level financial statements that focus on individual parts of the government, reporting the CARTS District's operations in more detail than the government-wide statements.
- The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements.

**FIGURE A-1  
REQUIRED COMPONENTS OF  
CARTS ANNUAL FINANCIAL REPORT**



**CAPITAL AREA RURAL TRANSPORTATION SYSTEM  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
AUGUST 31, 2019**

**I. Government-wide Statements**

The government-wide statements report information about CARTS as a whole using accounting methods similar to those used by private-sector companies.

The statement of net position includes all of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the CARTS District's net position and if it has changed. Net position - the difference between the District's assets and liabilities - are one way to measure the District's financial health or position. Over time, increases or decreases in the CARTS District's net position is an indicator of whether its financial health is improving or deteriorating, respectively.

To assess the overall health of the District, it is necessary to consider additional factors such as changes in funding allocations or appropriations. The Texas Department of Transportation (TxDOT) has amended the allocation formulae and factors several times. These factors could have a significant impact on CARTS' finances over the succeeding years. If the Legislature or the U.S. Congress reduces appropriations for public transit or if TxDOT changes the formula distribution to the detriment of CARTS, the finances of the District will suffer, or conversely, if appropriations go up or formula distribution changes favor CARTS, its financial standing will improve.

The government-wide financial statements of the District include the governmental activities. The CARTS District's basic service of providing, coordinating and planning transportation is included here. Grants, contracts, fares, leases and other revenues finance most of these activities.

**II. Fund Financial Statements**

The fund financial statements provide more detailed information about the CARTS District's fund (the general fund), not CARTS as a whole. Funds are accounting devices that the District uses to keep track of specific sources of funding and spending for particular purposes.

The CARTS District has the following fund:

Governmental fund - The District's basic service is included in the governmental fund, which focuses on (1) how cash and other financial assets can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental fund statements provide a detailed short-term view that helps the reader to determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs.

**CAPITAL AREA RURAL TRANSPORTATION SYSTEM  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
AUGUST 31, 2019**

**CONDENSED FINANCIAL INFORMATION**

	Governmental Activities	
	2019	2018
<b>Current Assets</b>		
Cash	\$ 5,756,138	\$ 5,993,283
Grant and other accounts receivable	2,231,359	2,977,724
Prepays	76,983	52,300
Total Current Assets	8,064,480	9,023,307
<b>Capital Assets</b>		
Land	1,221,919	1,289,611
Construction in progress	12,208,106	10,371,307
Buildings	12,938,772	13,188,541
Vehicles & equipment	19,052,231	17,999,256
Accumulated depreciation	(14,023,902)	(15,123,408)
Total Non-Current Assets	31,397,126	27,725,307
<b>Total Assets</b>	<u>\$ 39,461,606</u>	<u>\$ 36,748,614</u>
<b>Current Liabilities</b>		
Accounts payable	\$ 411,448	\$ 1,192,342
Accrued liabilities & line of credit	1,657,443	1,552,161
Total Current Liabilities	2,068,891	2,744,503
<b>Noncurrent Liabilities</b>		
Unearned revenue	2,143,072	2,768,232
Total Noncurrent Liabilities	2,143,072	2,768,232
<b>Deferred Inflows</b>		
Deferred grant and contract revenue	-	6,000
Total Deferred Inflows	-	6,000
<b>Net Position</b>		
Net investment in capital assets	31,397,126	27,725,307
Restricted for grants	139,959	-
Unrestricted	3,712,558	3,504,572
Total Net Position	35,249,643	31,229,879
<b>Total Liabilities, Deferred Inflows, and Net Position</b>	<u>\$ 39,461,606</u>	<u>\$ 36,748,614</u>

**CAPITAL AREA RURAL TRANSPORTATION SYSTEM  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
AUGUST 31, 2019**

**CONDENSED FINANCIAL INFORMATION - CONTINUED**

	Governmental Activities	
	2019	2018
<b>Program Revenue</b>		
Federal and State Awards	\$ 11,407,099	\$ 12,188,397
Contracts	2,149,225	2,701,260
Gain (loss) on sale of assets	64,490	(94,156)
Local government support	588,779	743,379
Ticket sales	39,255	27,772
Fares	268,125	277,987
Other	45,039	23,680
Total Revenues	14,562,012	15,868,319
<b>Expenses</b>		
Operating	9,332,017	9,383,801
Administration	1,210,231	1,216,947
Total Expenses	10,542,248	10,600,748
<b>Increase (Decrease) in Net Position</b>	<u>\$ 4,019,764</u>	<u>\$ 5,267,571</u>

**FINANCIAL ANALYSIS OF CARTS AS A WHOLE**

CARTS's net position was \$35,249,643 as of August 31, 2019. This is a net increase of \$4,019,764 over the August 31, 2018, balance of \$31,229,879.

During the year, the CARTS District's total revenue of \$14,562,012 was generated by grants, contracts, local government support, and commissions on ticket sales (intercity bus traffic), fares, sale of assets and other income. This is a decrease of \$1,419,204 (9%) from the prior year, primarily from gains on sales of assets in the prior year and fluctuations in procurement and delivery schedules for capital projects.

CARTS used \$6,204,864 in primarily capital grants (\$114,666 in general fund), investing \$395,081 architect and planning work on the Eastside Bus Plaza project, \$4,061,364 for thirty-nine (39) buses and eleven (11) support vehicles. It also expended \$1,365,063 on the construction in progress at the Tucker Hill Lane site, and \$201,301 for the Tucker Hill Park & Ride. Also, \$52,730 was invested in bus shelter materials, \$20,000 in software and \$109,325 for facility improvements at Plaza Saltillo and San Marcos.

**CAPITAL AREA RURAL TRANSPORTATION SYSTEM  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
AUGUST 31, 2019**

**FINANCIAL ANALYSIS OF CARTS AS A WHOLE - CONTINUED**

CARTS only has one fund (the General Fund). The fund balance increased \$275,674 this year as a result of proceeds from sales of vehicles. When a bus reaches or exceeds the useful life, the bus is replaced with a new vehicle. The old vehicle is listed on a public surplus auction and sold. If the old vehicle was purchased with government funds the funds received from the auction are re-invested in a new vehicle. If a new vehicle is not purchased in the same fiscal year the funds are recorded as revenue on the financial statements and in a segregated fund balance account until the funds can be re-invested.

The total operating cost in the general fund of the CARTS District's was \$14,597,307 of which \$6,204,864 (43%) was for capital outlays. The remaining \$8,392,443 for all other activities decreased by \$415,055 (5%) over the prior year. The 5% decrease was primarily due a \$146K drop in fuel, \$96K less in purchases of shop and facility equipment, \$43K in vehicle insurance and \$69K in VMC parts.

**BUDGET VARIANCES**

The final expenditures of approximately \$14.6 million were down by \$3.1 million from the original budgeted expenditures of \$17.7 million. \$2.9 million of this decrease was due to budgeted capital activities not completed during the fiscal year and the remaining \$0.2 million is the result of several line items (vehicle maintenance, fuel, salary, telephone) coming in well under budget.

Grant revenue was budgeted at approximately \$12.6 million. Actual grant revenue was \$11.3 million. Capital Outlays budgeted but deferred to the following fiscal year for the Eastside Bus Plaza construction phase accounted for this difference.

Contract revenues were approximately \$2.1 million and were budgeted at approximately \$2.5 million. Revenues from contracts with CMTA being the primary difference was under budget \$284K and the Title III funding from the Area Agency on Aging and Travis County were lower than estimated.

**OTHER FACTORS AND NEXT YEAR'S BUDGET**

As noted in every discussion, the Texas Department of Transportation has adopted funding formulae and factors for the Section 5311 federal funds that it administers as well as state funds appropriated by the Texas Legislature for rural and small urban transportation assistance. Trends show that CARTS funding has remained stable, but CARTS continues to develop other funding streams regionally and is aggressive in participating in TxDOT and FTA competitive calls for project funding. Appropriations by the Texas Legislature and the funding provided in the latest federal transportation act will govern overall funding amounts. The Texas Legislature must appropriate transit funds for the next biennium (2022-2023) and the U.S. Congress must continue to appropriate funds authorized in the federal transportation act.



**CAPITAL AREA RURAL TRANSPORTATION SYSTEM  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
AUGUST 31, 2019**

**OTHER FACTORS AND NEXT YEAR'S BUDGET - CONTINUED**

Action by TxDOT to allocate a larger portion of federal 5311 discretionary funds to transit districts based on revenue miles will maintain TxDOT formula program revenues to CARTS for 2020, and operations supported by grants secured through the Capital Area MPO, Capital Metro, and TxDOT competitive programs for Intercity Bus Enhancements (ICB) and other federal funding opportunities will maintain our route service hours for 2020 on our Interurban routes.

In 2020 CARTS has additional capital funds coming for buses and ancillary equipment that will continue to replenish the fleet, but capital funding for rolling stock will continue to be an ongoing need for CARTS. Even though the significant outlays in FY19 for rolling stock has secured our fleet standing for now, these capital needs will continue to be a priority for CARTS in 2020 and discretionary funding or other financial opportunities will be sought to fund these needs. The disposition of Austin HQ facility in 2017 replenished our unrestricted fund balance to provide a cash-flow cushion essential to our effective operation. That portion of the proceeds that were dedicated to the planning and construction of a new Austin bus hub have now been obligated and that project begins construction in 2020.

The aging of the CARTS facility network, five buildings constructed between 1990 and 2001, and the two added in 2009-11, will continue to contribute to our ongoing expenses, as maintenance and repair of these facilities accelerate with age. Renovations and improvements will continue on these assets and this will continue to be a discretionary grant priority. The renovation of the Bastrop facility is scheduled for 2020 as is the construction of an intermodal facility in Elgin, and the aforementioned Austin project, the Eastside Bus Plaza. A portion of each of these projects is funded by proceeds from the 2019 sale of the Round Rock Station.

Changes in the census designations in the region that affected CARTS in 2014, with San Marcos becoming an urbanized area and Georgetown and Kyle becoming a part of the Austin MSA had a significant effect on CARTS. Contract revenues from Capital Metro for service continuation in Georgetown and other suburban areas dedicated last year helped to partially replace lost medical transportation revenues. The Office of Mobility Management (OMM) jointly created by CARTS and Capital Metro continues to focus on eliminating gaps in services exacerbated by census changes and this activity will continue to create opportunity for additional collaboration between the two agencies. As transit development plans in other suburban areas are completed by Capital Metro there may be more opportunities for CARTS. We are now preparing for the planning project to plan for the mitigation of the effects of the next Census results in 2022.

Those changes in the 2010 Census in our District configuration have affected our allocations and sources of funding from TxDOT and required CARTS to become a Federal Transit Administration (FTA) Direct Recipient of Section 5307 funds for the San Marcos urban area. In 2020 CARTS dropped that designation and turned over the Designated Recipient status for 5307 funds for the San Marcos/Redwood UZA to the City of San Marcos. CARTS has now reverted back to a Rural Transit District and solely conforms to that designation in its governance and activities.

**CAPITAL AREA RURAL TRANSPORTATION SYSTEM  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
AUGUST 31, 2019**

**COSTS OF SERVICE MEASURES**

The CARTS District plans and proposes service by using an annual process of determining its cost per hour of service provided. This tool is useful for forecasting costs for specific routes, or for pricing services for purchasers of service, or for responding to competitive grant opportunities to expand services in the District. Cost per mile is another performance/planning/indicator measured.

The methodology for determining the Cost per Hour (CPH) and the Cost per Mile (CPM) is straightforward. The CPH is the total number of dollars spent providing services, as determined by the accompanying financial statements, divided by the total number of hours provided by CARTS in all modes of its services provided. The CPM is the total number of dollars spent providing services, as determined by the accompanying financial statements, divided by the total number of vehicle miles provided by CARTS in all modes of its services provided. There are six (6) different ways that the respective numbers are calculated:

1. CPH / CPM total: This includes all General Fund expenditures, capital included.
2. CPH / CPM operating/bus capital: This includes all General Fund operating expenditures, plus capital expended for bus purchases.
3. CPH / CPM, operating/bus capital local match only: This includes all General Fund operating expenditures plus the 20% local share required to match capital bus purchases that are federally funded.
4. CPH / CPM, operating only: This includes General Fund expenditures, less total capital outlay. This is the most commonly used CPH as it reflects most accurately the direct costs to operate service.
5. CPH / CPM, capital: This includes capital outlay only.
6. CPH / CPM, bus capital: This includes only the cost of bus purchases.

The basis of the calculations for the above planning numbers for 2019, based on expenses for 2019 is represented below.

Service Hour Source	Rate per Hour	Rate per Mile
CPH / CPM General Fund Expenditures per hour/mile	\$ 126.47	\$ 8.71
CPH / CPM General Fund Operating and Bus Capital	105.56	7.27
CPH / CPM General Fund Operating plus 20% Bus Capital	79.28	5.46
CPH / CPM General Fund Operating	72.71	5.01
CPH / CPM Total Capital Outlay	53.76	3.70
CPH / CPM Bus Capital Outlay	32.85	2.26

**CAPITAL AREA RURAL TRANSPORTATION SYSTEM  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
AUGUST 31, 2019**

**COSTS OF SERVICE MEASURES - CONTINUED**

Service Hour Source	Mode	Total Hours	Vehicle Miles
Rural Paratransit	Paratransit	45,150	498,244
Bastrop Fixed Route Service	Fixed Route	2,400	33,231
Interurban	Fixed Route	13,391	344,078
Commuter	Fixed Route	3,625	112,130
Capital Metro Contract	Fixed Route	21,757	338,439
Capital Metro Contract	Paratransit	3,073	25,297
San Marcos Urban	Fixed Route	18,638	265,586
San Marcos Urban	Paratransit	7,391	59,495
Total Hours of Service/Miles FYE 8/31/19		115,425	1,676,500
<b>Total General Fund Expenditures</b>			<b>\$ 14,597,307</b>
<b>General Fund Operating Expenditures (excludes capital)</b>			<b>\$ 8,392,443</b>
<b>Total Bus Capital Outlays</b>			<b>\$ 3,791,815</b>
<b>Total Capital Outlays</b>			<b>\$ 6,204,864</b>

**CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT**

This financial report is designed to provide a general overview of CARTS finances and to demonstrate its accountability for the money it receives. If you have questions about this report or need additional financial information, contact Tammy Atkins, the Chief Finance Officer of CARTS, at (512) 481-1011.

## BASIC FINANCIAL STATEMENTS

**CAPITAL AREA RURAL TRANSPORTATION SYSTEM**  
**STATEMENT OF NET POSITION**  
**AUGUST 31, 2019**

**ASSETS**

Cash and cash equivalents	\$ 4,200,973
Federal and state government awards receivable	1,708,857
Accounts receivable	522,502
Prepaid expenses	76,983
Cash restricted for capital awards	1,555,165
Land and construction in progress	13,430,025
Building, vehicles, and equipment, net	17,967,101
<b>Total assets</b>	<u>39,461,606</u>

**LIABILITIES**

Accounts payable	411,448
Accrued liabilities	915,306
Unearned revenues	2,143,072
Debt-due within one year	742,137
<b>Total liabilities</b>	<u>4,211,963</u>

**DEFERRED INFLOWS**

Deferred grant and contract revenue	<u>-</u>
<b>Total deferred inflows</b>	<u>-</u>

**NET POSITION**

Net investment in capital assets	31,397,126
Restricted for grants	139,959
Unrestricted	3,712,558
<b>Total net position</b>	<u>\$ 35,249,643</u>

The accompanying notes are an integral part of this financial statement.

**CAPITAL AREA RURAL TRANSPORTATION SYSTEM  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED AUGUST 31, 2019**

**REVENUE**

Federal and state government capital awards	\$ 8,308,365
Federal and state government operating awards	3,098,734
Contracts	2,149,225
Gain (loss) on sale of assets	64,490
Local government support	588,779
Other	352,419
<b>Total Revenue</b>	<u>14,562,012</u>

**EXPENDITURES**

Depreciation	2,149,805
Facility maintenance and repair	146,515
Fuel	751,628
Insurance	330,584
Interest expense	22,482
Internet, technology, & telephone	390,784
Marketing	10,868
Office equipment and supplies	112,949
Other	94,592
Payroll and related	5,959,698
Professional services	71,886
Rent	28,759
Toll fees	28,472
Utilities	104,282
Vehicle maintenance	338,944
<b>Total Expenditures</b>	<u>10,542,248</u>

<b>Revenue Over Expenditures</b>	4,019,764
----------------------------------	-----------

<b>Beginning Fund Balance/Net Position</b>	<u>31,229,879</u>
--	-------------------

<b>Ending Fund Balance/Net Position</b>	<u><u>\$ 35,249,643</u></u>
---	-----------------------------

The accompanying notes are an integral part of this financial statement.

**CAPITAL AREA RURAL TRANSPORTATION SYSTEM  
BALANCE SHEET - GOVERNMENTAL FUNDS  
AUGUST 31, 2019**

**ASSETS**

Cash and cash equivalents	\$ 4,200,973
Federal and state government awards receivable	1,708,857
Accounts receivable	522,502
Prepaid expenses	76,983
Cash restricted for capital awards	1,555,165
<b>Total assets</b>	<u>8,064,480</u>

**LIABILITIES**

Accounts payable	411,448
Accrued liabilities	915,306
Unearned revenues	2,143,072
Debt-due within one year	742,137
<b>Total liabilities</b>	<u>4,211,963</u>

**Deferred inflows**

Deferred grant and contract revenue	522,502
<b>Total deferred inflows</b>	<u>522,502</u>

**FUND BALANCE**

Non-spendable	76,983
Restricted for grants	139,959
Unassigned	3,113,073
<b>Total fund balance</b>	<u>\$ 3,330,015</u>

The accompanying notes are an integral part of this financial statement.

**CAPITAL AREA RURAL TRANSPORTATION SYSTEM  
RECONCILIATION OF THE BALANCE SHEET OF  
GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION  
AUGUST 31, 2019**

<b>TOTAL FUND BALANCE - TOTAL GOVERNMENTAL FUNDS</b>	<b>\$ 3,330,015</b>
--	---------------------

Amounts reported for governmental activities in the statement of net position are different due to the following:

Capital assets, net of accumulated depreciation are not financial resources and, therefore, are not reported in the funds.	31,397,126
--	------------

Certain receivables are not available to pay current-period expenditures and, therefore, are deferred in the funds. This amount includes deferred inflows related to retainage.	<u>522,502</u>
---	----------------

<b>NET POSITION - GOVERNMENTAL ACTIVITIES</b>	<b><u><u>\$ 35,249,643</u></u></b>
---	------------------------------------

The accompanying notes are an integral part of this financial statement.



**CAPITAL AREA RURAL TRANSPORTATION SYSTEM  
STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED AUGUST 31, 2019**

**REVENUE**

Federal and state government capital awards	\$ 8,242,094
Federal and state government operating awards	3,098,734
Contracts	2,149,225
Local government support	588,779
Proceeds from sale of assets	441,730
Other	352,419
<b>Total Revenue</b>	<u>14,872,981</u>

**EXPENDITURES**

Capital outlay	6,204,864
Facility maintenance and repair	146,515
Fuel	751,628
Insurance	330,584
Interest expense	22,482
Internet, technology, & telephone	390,784
Marketing	10,868
Office equipment and supplies	112,949
Other	94,592
Payroll and related	5,959,698
Professional services	71,886
Rent	28,759
Toll fees	28,472
Utilities	104,282
Vehicle maintenance	338,944
<b>Total Expenditures</b>	<u>14,597,307</u>

<b>Net change in fund balances</b>	275,674
<b>Fund balances - beginning of year</b>	<u>3,054,341</u>
<b>Fund balances - end of year</b>	<u><u>\$ 3,330,015</u></u>

The accompanying notes are an integral part of this financial statement.

**CAPITAL AREA RURAL TRANSPORTATION SYSTEM  
RECONCILIATION OF THE STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCES OF  
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED AUGUST 31, 2019**

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$	275,674
--	----	---------

Amounts reported for *governmental activities* in the statement of activities are different due to the following:

Governmental funds report capital outlays as expenditures and proceeds from sales at the gross amount received. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense and gain(loss) on sale based on net book value of the asset at the time of the sale. This is the amount by which depreciation exceeded capital outlay expenses in the current period.

3,677,819

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. These include the recognition of unearned revenue.

66,271

CHANGE IN NET ASSETS - GOVERNMENTAL ACTIVITIES

\$ 4,019,764

The accompanying notes are an integral part of this financial statement.

**CAPITAL AREA RURAL TRANSPORTATION SYSTEM**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**AUGUST 31, 2019**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**REPORTING ENTITY**

The Capital Area Rural Transportation System (CARTS) is a single purpose agency that was created in 1978 under the Interlocal Cooperation Act of 1971 as an Interlocal administrative agency of its member political subdivisions. CARTS is a Rural Transit District of the State of Texas and a political subdivision of the state. It derives its statutory authority as a Rural Transit District from Chapter 458 of the Transportation Code, and is the Rural Transit District for the nine-county area of Bastrop, Burnet, Blanco, Caldwell, Fayette, Hays, Lee, Travis and Williamson counties. The objective of CARTS is to coordinate resources for public transportation in Federal Planning Region 12. CARTS is not included in any other governmental reporting entity as defined in Section 2100, Codification of Governmental Accounting and Financial Reporting Standards.

The financial statements of CARTS have been prepared in conformity with U.S. generally accepted accounting principles as applied to governmental units. The Governmental Accounting Standards Board is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The financial statements include:

- 1 A Management's Discussion and Analysis (MD&A) section that provides an analysis of CARTS' overall financial position and results of operations.
- 2 Financial statements prepared using full accrual accounting for all of CARTS' activities, including capitalization and depreciation of fixed assets.
- 3 Fund financial statements to focus on the major funds.

These and other changes are reflected in the accompanying financial statements (including notes to the financial statements).

CARTS' basic financial statements include government-wide and fund financial statements. Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. The government-wide focus is more on the sustainability of CARTS as an entity and the change in CARTS' net position resulting from the current year's activities. CARTS does not have any business type activities.

**GOVERNMENTAL FUND TYPES**

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of CARTS:

**CAPITAL AREA RURAL TRANSPORTATION SYSTEM**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**AUGUST 31, 2019**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

**GOVERNMENTAL FUND TYPES - CONTINUED**

General Fund:

CARTS accounts for financial resources used for general operations in this fund. All financial resources are accounted for in the General Fund.

**NET POSITION/FUND BALANCE (NONSPENDABLE, RESTRICTED, COMMITTED, ETC.)**

For the government-wide financial statements, restricted net position represents assets that have externally imposed restrictions by grantors. Assets may also be restricted as imposed by law through constitutional provisions or enabling legislation. Net investment in capital assets represents capital assets, net of accumulated depreciation and is reduced by outstanding balances of debt that is attributed to the acquisition, construction, or improvement of those assets.

Governmental funds are reported in the following classifications:

Nonspendable - amounts that cannot be spent because they are either not in spendable form or they are required, legally or contractually, to be maintained intact. This classification includes items such as inventories, prepaid amounts, assets held for resale, and long-term receivables.

Restricted - as in the government-wide financial statements, these amounts represent assets that have externally imposed restrictions by creditors, grantors, contributors, or laws or regulations of other governments. Assets may also be restricted as imposed by law through constitutional provisions or enabling legislation.

Unassigned – amounts that have not been restricted, committed, or assigned. The General Fund is the only fund that reports positive unassigned fund balance.

**BASIS OF ACCOUNTING**

The governmental fund financial statements are presented on the modified accrual basis of accounting, which recognizes revenues in the accounting period in which they become measurable and available and recognizes expenditures when the related fund liability is incurred, if measurable. All revenue is considered program revenue because CARTS receives no taxes or other general revenue. CARTS uses a 60-day period to determine if revenue is susceptible to accrual (available) under the modified basis of accrual.

**DEPOSIT POLICY**

CARTS has not adopted a policy limiting the government's allowable deposits.

**CAPITAL AREA RURAL TRANSPORTATION SYSTEM**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**AUGUST 31, 2019**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

**CAPITAL ASSETS**

Capital assets purchased or acquired with a cost of \$5,000 or more are reported at historical cost. Contributed assets are reported at estimated fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line method over the estimated useful lives as follows:

Buildings	40 years
Vehicles and equipment	5-7 years

**FEDERAL AND STATE GOVERNMENT AWARDS AND ACCOUNTS RECEIVABLE**

CARTS has not recorded an allowance for uncollectible accounts against the grants or accounts receivable balances because the receivables are considered to be 100% collectible. All receivables on the statement of financial position are due within the next fiscal year. CARTS estimates allowances for doubtful accounts by evaluating the creditworthiness, the historical collections, and the aging of the accounts. Once an account is deemed uncollectible, it is written off. Receivables are considered delinquent based on how recently payments have been received.

**ACCRUED LEAVE**

In accordance with CARTS' policy, each full-time employee earns eight hours of vacation and sick leave a month. Part-time employees earn a pro-rata portion based on the number of hours worked. Vacation hours may accumulate up to 120 hours and sick leave may accumulate up to 960 hours. Accumulated vacation earned but not used is vested and payable to the employee upon termination.

**ESTIMATES**

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**SUBSEQUENT EVENTS**

Management of CARTS has evaluated subsequent events for disclosure through the date of the Independent Auditors' Report, the date the financial statements were available to be issued (see Note 9).

**CAPITAL AREA RURAL TRANSPORTATION SYSTEM**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**AUGUST 31, 2019**

**NOTE 2: DEBT-DUE WITHIN ONE YEAR**

CARTS has a revolving line of credit that may be renewed every six months with an interest rate of 2.55% and a total available balance of \$2,200,000. The balance outstanding at August 31, 2019, is \$742,137. The line of credit is collateralized by a CD with a value of \$2,241,662.

	Beginning Balance	Additions	Payments	Ending Balance
Line of credit	<u>\$ 736,669</u>	<u>\$ 5,468</u>	<u>\$ -</u>	<u>\$ 742,137</u>

**NOTE 3: CAPITAL ASSETS**

	Beginning Balance	Additions	Deletions	Ending Balance
Capital assets not being depreciated:				
Land	\$ 1,289,611	\$ -	\$ (67,692)	\$ 1,221,919
Construction in progress	10,371,307	1,836,799	-	12,208,106
	<u>\$ 11,660,918</u>	<u>\$ 1,836,799</u>	<u>\$ (67,692)</u>	<u>\$ 13,430,025</u>
Capital assets being depreciated:				
Buildings	\$ 13,188,541	\$ 109,325	\$ (359,094)	\$ 12,938,772
Vehicles and equipment	17,999,256	4,258,740	(3,205,765)	19,052,231
Accumulated depreciation	<u>(15,123,408)</u>	<u>(2,149,805)</u>	<u>3,249,311</u>	<u>(14,023,902)</u>
	<u>\$ 16,064,389</u>	<u>\$ 2,218,260</u>	<u>\$ (315,548)</u>	<u>\$ 17,967,101</u>

**NOTE 4: CONCENTRATIONS**

At year-end, bank balances in excess of Federal Deposit Insurance Corporation coverage amounted to \$5,453,821.

**NOTE 5: RETIREMENT PLAN**

CARTS offers a 457(b) retirement plan for its employees. The plan is an elective plan, which is available to all employees. CARTS matches 100% of all employee contributions up to 3%. CARTS' contributions during the current year were \$48,504.

**CAPITAL AREA RURAL TRANSPORTATION SYSTEM**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**AUGUST 31, 2019**

**NOTE 6: BUDGET**

CARTS adopts an annual budget for the General Fund. CARTS amends the budget as needed during the year. All annual appropriations lapse at fiscal year-end. The original budget was not amended during the year. There were several negative variances in expenses due to no budget amendments being made during the year and difficulties in predicting expenses for the upcoming year.

**NOTE 7: COMMITMENTS**

CARTS entered into a 40-year lease on July 22, 2008, with the City of Georgetown, for use of the land on which a facility has been constructed. While the lease agreement contains provisions for rent, currently, the City of Georgetown is allowing CARTS use of the land for no cost.

CARTS has entered into agreements to purchase 7 additional vehicles. As of August 31, 2019, the total vehicle purchase orders is approximately \$704,917.

**NOTE 8: RISK MANAGEMENT**

CARTS is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. CARTS has joined with other cities/political subdivisions in the state to participate in the Texas Municipal League Intergovernmental Risk Pool, a public entity risk pool, consisting of approximately 2,600 member cities/political subdivisions located throughout the state of Texas. CARTS' premiums to the risk pool are for general liability, property, auto physical damage, auto liability, mobile equipment, errors and omissions, and workers' compensation.

Texas Municipal League Intergovernmental Risk Pool operates under the terms of interlocal agreements with the member entities and is a public entity risk pool operating as a common risk management and insurance program. The pool has a worker's compensation fund, a property fund, and a liability fund. Members may choose to participate in one or more of the funds. CARTS' risk is limited to the amount of premiums paid unless the pool should fail, in which case, CARTS would be liable for its ratable share of the pool deficit.

The funds of the public entity risk pool are intended to be self-sustaining through member contributions. CARTS pays an annual premium to the risk pool for its insurance coverages. The pool carries, as required by the interlocal agreements, insurance or reinsurance through commercial insurance companies that is believed, by the management of the pool, to be adequate to protect the financial stability of the existence of the pool. It is anticipated that such coverages will continue to vary in the future as the pool reserves the right to adjust the insurance/reinsurance coverage.

Commercial insurance is carried for employee fidelity. Settled claims resulting from these risks have not exceeded insurance coverage in any of the past three years, and there was no significant reduction of insurance coverage from the prior year.

**CAPITAL AREA RURAL TRANSPORTATION SYSTEM**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**AUGUST 31, 2019**

**NOTE 9: SUBSEQUENT EVENTS**

On October 22, 2019, a \$3 million grant was executed for the construction of the Eastside Bus Plaza. On January 31, 2020 CARTS entered into an agreement with G. Hyatt Construction for the Eastside Bus Plaza construction. The groundbreaking ceremony was on February 28, 2020.

On January 31, 2020 CARTS closed on Right of Way agreement with the Texas Department of Transportation. CARTS received \$487,778 for the TXDOT acquisition of 19,321 square feet of Highway 71 frontage property for \$53,100 and the remaining \$434,678 for the disassembly and re-assembly of the CARTS' entrance to accommodate the Highway 71 Improvement Project.

**NOTE 10: ADJUSTMENTS TO CONVERT FUND STATEMENT TO GOVERNMENT-WIDE**

Fund balance	\$ 3,330,015
Add capital assets not recorded in the fund statements	31,397,126
Add unavailable revenue not included in government-wide statements	<u>522,502</u>
Net position	<u><u>\$ 35,249,643</u></u>
Change in fund balance	\$ 275,674
Purchases of capital assets	6,204,864
Sale of capital assets	(377,240)
Depreciation expense not included in the fund statements	(2,149,805)
Change in unavailable revenue from prior year	<u>66,271</u>
Change in net position	<u><u>\$ 4,019,764</u></u>



## REQUIRED SUPPLEMENTARY INFORMATION

**CAPITAL AREA RURAL TRANSPORTATION SYSTEM**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) - GENERAL FUND**  
**FOR THE YEAR ENDED AUGUST 31, 2019**

	<u>Original/ Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>REVENUES</b>			
Federal and state government capital awards	\$ 6,758,260	\$ 8,242,094	\$ 1,483,834
Federal and state government operating awards	5,817,546	3,098,734	(2,718,812)
Contracts	2,533,355	2,149,225	(384,130)
Local government support	575,000	588,779	13,779
Proceeds from sale of assets	-	441,730	441,730
Other	350,509	352,419	1,910
Total revenues	<u>16,034,670</u>	<u>14,872,981</u>	<u>(1,161,689)</u>
<b>EXPENDITURES</b>			
Capital outlay	9,061,863	6,204,864	2,856,999
Facility maintenance and repair	92,500	146,515	(54,015)
Fuel	850,000	751,628	98,372
Insurance	365,000	330,584	34,416
Interest expense	63,235	22,482	40,753
Internet, technology, & telephone	381,400	390,784	(9,384)
Marketing	50,000	10,868	39,132
Office equipment and supplies	89,500	112,949	(23,449)
Other	46,999	94,592	(47,593)
Payroll and related	6,005,847	5,959,698	46,149
Professional services	128,500	71,886	56,614
Rent	3,000	28,759	(25,759)
Toll fees	35,001	28,472	6,529
Utilities	114,001	104,282	9,719
Vehicle maintenance	407,000	338,944	68,056
Total expenditures	<u>17,693,846</u>	<u>14,597,307</u>	<u>3,096,539</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>\$ (1,659,176)</u>	<u>\$ 275,674</u>	<u>\$ 1,934,850</u>

**CAPITAL AREA RURAL TRANSPORTATION SYSTEM  
SUPPLEMENTAL STATEMENT OF REVENUE, EXPENDITURES AND CHANGES  
IN FUND BALANCES - LOCAL GOVERNMENT FUNDING  
FOR THE YEAR ENDED AUGUST 31, 2019**

	Local Operating Revenue	Local Planning Revenue	Expenditures	Revenue Over Expenditures	Beginning Fund Balance	Ending Fund Balance
Bastrop County	\$ 10,000	\$ -	\$ 10,000	\$ -	\$ -	\$ -
Blanco County	3,000	-	3,000	-	-	-
Burnet County	8,000	-	8,000	-	-	-
Caldwell County	3,000	-	3,000	-	-	-
Fayette County	10,000	-	10,000	-	-	-
Hays County	20,000	-	20,000	-	-	-
Lee County	10,000	-	10,000	-	-	-
Williamson County	10,000	-	10,000	-	-	-
City of Bastrop	20,000	-	20,000	-	-	-
City of Blanco	1,000	-	1,000	-	-	-
City of Burnet	8,000	-	8,000	-	-	-
City of Elgin	3,000	-	3,000	-	-	-
City of Flatonia	2,000	-	2,000	-	-	-
City of Giddings	3,375	-	3,375	-	-	-
City of La Grange	11,500	-	11,500	-	-	-
City of Lexington	300	-	300	-	-	-
City of Lockhart	6,104	-	6,104	-	-	-
City of Schulenburg	500	-	500	-	-	-
City of San Marcos	450,000	-	450,000	-	-	-
City of Taylor	9,000	-	9,000	-	-	-
	<u>\$ 588,779</u>	<u>\$ -</u>	<u>\$ 588,779</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>



**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON  
AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Board of Directors  
Capital Area Rural Transportation System

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and general fund of Capital Area Rural Transportation System (CARTS) as of and for the year ended August 31, 2019, and the related notes to the financial statements, which collectively comprise CARTS' basic financial statements, and have issued our report thereon dated May 28, 2020.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered CARTS' internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the CARTS' internal control. Accordingly, we do not express an opinion on the effectiveness of CARTS' internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether CARTS' financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Austin, Texas

May 28, 2020



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR  
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE  
REQUIRED BY THE UNIFORM GUIDANCE AND THE *STATE OF TEXAS*  
*SINGLE AUDIT CIRCULAR***

Board of Directors  
Capital Area Rural Transportation System

**Report on Compliance for Each Major Federal and State Program**

We have audited Capital Area Rural Transportation System's (CARTS) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the *State of Texas Single Audit Circular* that could have a direct and material effect on each of CARTS' major federal and state programs for the year ended August 31, 2019. CARTS' major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

**Management's Responsibility**

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

**Auditors' Responsibility**

Our responsibility is to express an opinion on compliance for each of CARTS' major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of *Subpart F Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements*, and *Cost Principles (Uniform Guidance)*. Those standards and Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about CARTS' compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of CARTS' compliance.

### Opinion on Each Major Federal and State Program

In our opinion, CARTS complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended August 31, 2019.

### Report on Internal Control Over Compliance

Management of CARTS is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered CARTS' internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with Uniform Guidance and the *State of Texas Single Audit Circular*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of CARTS' internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and the *State of Texas Single Audit Circular*. Accordingly, this report is not suitable for any other purpose.



Austin, Texas  
May 28, 2020

**CAPITAL AREA RURAL TRANSPORTATION SYSTEM  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED AUGUST 31, 2019**

Federal Grantor Pass Through Grantor/ Program Title	Term	Pass-Through Grantor's Number	Federal CFDA Number	Award Amount	Federal Expenditures
U.S. Department of Transportation/Passed Through the Federal Transit Authority:					
Project # TX-2016-077	09/01/2015 - ongoing	N/A	20.507	\$ 808,144	\$ 77,061
Project# TX-2017-074	09/01/2016 - ongoing	N/A	20.507	827,312	47,884
Project# TX-2018-038-01	09/01/2017 - ongoing	N/A	20.507	847,229	317,987
Project# TX-2019-037-00	01/01/2019 - 12/31/2019	N/A	20.507	872,780	579,155
Project# TX-95-X090-01	09/02/2015 - ongoing	N/A	20.507	3,280,000	274,239
					<u>1,296,326</u>
Section 5339 BBF 1701 (14)010_17	11/01/2017 - 02/28/2019	TX-2017-010	20.526	195,302	61,871
Section 5339 BBF 1702 (14)010_17	11/01/2017 - 02/31/2019	TX-2017-010	20.526	62,530	57,180
Section 5339 BBF 1801 (14)18	05/22/2018 - 12/31/2018	TX-34-0018	20.526	100,342	100,342
Section 5339 BBF 1901 (14)45	09/01/2018 - 08/31/2019	TX-2018-045-00	20.526	316,501	316,501
CMTA 5339-B New Freedom Projects FY12 Shelters	8/23/2012 - ongoing	TX-57-X042	20.526	45,600	21,340
CMTA 5339-B NF FY11 FY12 Shelters	08/14/2013 - ongoing	TX-57-X046	20.526	40,000	20,844
CMTA 5339-B Buses	11/27/2017 - 09/30/2021	TX-2017-075	20.526	4,950,000	3,026,005
					<u>3,604,083</u>
Total for Federal Transit Cluster					<u>4,900,409</u>
U.S. Department of Transportation/Passed Through the Texas Department of Transportation:					
Section 5311 (Project# ICB 1701 (14) 013)	12/01/2016 - 11/30/2018	TX-2016-013	20.509	1,926,570	94,647
Section 5311 (Project #ICB 1901 (14)030_18	11/01/2018 - 08/31/2020	TX-2018-030	20.509	1,546,570	773,285
Section 5311 (Project#RPT 1801 (14) 030_18)	05/01/2018 - 08/31/2019	TX-2018-030	20.509	1,668,754	1,533,640
Section 5311 (Project#RPT 1904 (14) 39_19)	04/24/2019 - 08/31/2020	TX-2019-039	20.509	1,664,087	649,223
Section 5311 (Project# RPT 1899 (14) (EBP)	08/01/2017 - 08/31/2019	51018991418	20.509	1,878,090	476,091
Section 5311 (Project# RPT 1899 (14) (THL)	08/01/2017 - 08/31/2019	51018991418	20.509	1,000,000	415,297
Section 5311 (RD 1902 (14) 032_17)	09/01/2018 - 12/31/2109	TX-2017-32	20.509	490,000	201,300
	Total CFDA 20.509				<u>4,143,483</u>



CAPITAL AREA RURAL TRANSPORTATION SYSTEM  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS - CONTINUED  
YEAR ENDED AUGUST 31, 2019

Federal Grantor Pass Through Grantor/ Program Title	Term	Pass-Through Grantor's Number	Federal CFDA Number	Award Amount	Federal Expenditures
U.S. Department of Transportation/Passed Through the Texas Department of Transportation: Section 5311 (Project#TGR 1703 (14)043)	01/01/2016 - 12/31/2018	TX-2016-043 Total CFDA 20.933	20.933	9,800,000	865,010
					865,010
Total Expenditures of Federal Awards					\$ 9,908,902

CAPITAL AREA RURAL TRANSPORTATION SYSTEM  
SCHEDULE OF EXPENDITURES OF STATE AWARDS  
YEAR ENDED AUGUST 31, 2019

Federal Grantor/ Pass Through Grantor/ Program Title	Term	Pass-Through Grantor's Number	Program or Award Amount	Federal Expenditures
Texas Department of Transportation: State match for CFDA #20.509. Section 5311 RUR State Program	09/01/2018 - 08/31/2019	TX-2016-043	\$ 1,004,008	\$ 1,004,008 <u>1,004,008</u>
Texas Department of Transportation: State match for CFDA #20.507. Section 5311 URB 1901 (14)	09/01/2018 - 08/31/2019	N/A	245,618	\$ 245,618 <u>245,618</u>
Texas Department of Transportation Section 5339 State RUR Discretionary	04/29/2019 - 08/31/2020	TX-2019-018	849,735	247,443 <u>247,443</u>
Total Expenditures of State Awards				\$ 1,497,069 <u><u>1,497,069</u></u>

**CAPITAL AREA RURAL TRANSPORTATION SYSTEM**  
**NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS**  
**YEAR ENDED AUGUST 31, 2019**

**NOTE 1: BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal and state awards includes the federal and state grant activity of CARTS and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and *the State of Texas Single Audit Circular*.

**NOTE 2: INDIRECT COST RATE**

CARTS has not elected to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

**CAPITAL AREA RURAL TRANSPORTATION SYSTEM  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED AUGUST 31, 2019**

<b>I. Summary of Auditors' Results</b>	<u>Description</u>						
Financial statements							
a. Type of auditors' report issued	Unmodified						
Internal control over financial reporting:							
b. Material weakness(es) identified?	None						
c. Significant deficiency(ies) that are not considered to be material weaknesses?	None reported						
d. Noncompliance material to the financial statements noted?	No						
Federal awards							
Internal control over major programs:							
e. Material weakness(es) identified?	None						
f. Significant deficiency(ies) identified that are not considered to be material weaknesses?	None reported						
g. Type of auditors' report issued on compliance for major programs	Unmodified						
h. Any audit findings disclosed that are required to be reported in accordance with section 2 CFR 200.516(a) and <i>State of Texas Single Audit Circular</i> ?	No						
i. Major federal and state program(s) were:							
<table border="1"> <thead> <tr> <th>CFDA No.</th> <th>Name of Program</th> </tr> </thead> <tbody> <tr> <td>20.507, 20.526</td> <td>Federal Transit Cluster</td> </tr> <tr> <td>State</td> <td>Section 5311 RUR State Program Section 5311 URB 1901 (14) - Match for CFDA 20.507</td> </tr> </tbody> </table>	CFDA No.	Name of Program	20.507, 20.526	Federal Transit Cluster	State	Section 5311 RUR State Program Section 5311 URB 1901 (14) - Match for CFDA 20.507	
CFDA No.	Name of Program						
20.507, 20.526	Federal Transit Cluster						
State	Section 5311 RUR State Program Section 5311 URB 1901 (14) - Match for CFDA 20.507						
j. Dollar threshold considered between Type A and Type B federal and state programs:	\$750,000						
k. Auditee qualified as low risk?	Yes						
<b>II. Findings Relating to the Financial Statements which are required to be reported in Accordance with Generally Accepted Government Auditing Standards</b>							
None							
<b>III. Findings and Questioned Costs for Federal Awards</b>							
None							

CAPITAL AREA RURAL TRANSPORTATION SYSTEM  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
YEAR ENDED AUGUST 31, 2019

Prior Audit Findings

None

## Exemption Verification Letter



Texas Comptroller of Public Accounts  
Austin, TX 78774

March 04, 2019

CAPITAL AREA RURAL TRANSPORTATION SYS., CARTS

AUSTIN, TX null

According to the records of the Comptroller of Public Accounts, the following exemption(s) from Texas taxes apply to the above organization(s):

Sales and use tax, as of 06-20-1980

(provide Texas sales and use tax exemption certificate Form 01-339 (Back) to vendor)

The entity is not exempt from hotel occupancy tax.

Texas taxpayer identification number: 32002682519

This exemption verification is not a substitute for the completed exemption certificates that are required when claiming exemption from Texas taxes. Vendors should be familiar with the requirements for accepting the certificates in good faith from their customers.

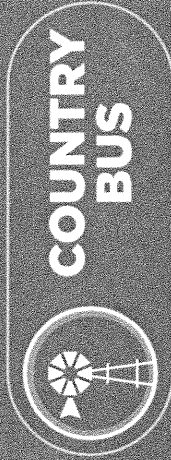
This exemption verification does not mean that the organization holds a permit for collecting or remitting any Texas taxes.

Exempt organizations must collect tax on most sales. For more information, please see our publication Exempt Organizations: Sales and Purchases (96-122). Online registration is available.

For information concerning sales taxpayer permit status, please use the vendor search we provide online.

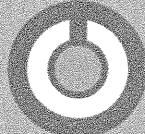
Corporations that are registered in Texas with the Secretary of State must maintain a current registered agent and registered office address. Information is available from Business and Nonprofit Forms page of the Secretary of State's website. Additionally, out-of-state corporations, limited liability companies, or limited partnerships transacting business in Texas may need to file a Certificate of Authority or Registration with the Texas Secretary of State. More information is available from the Foreign or Out-of-State Entities page on the Secretary of State's website.

Our publications and other helpful information are available on our website. If you need more information, write to us at [exemplorgs@cpa.texas.gov](mailto:exemplorgs@cpa.texas.gov), or call us at 800-252-5555.



Capital Area Rural Transportation System

CARTS RIDE LINE 1 (512) 478-RIDE (7433)



**CARTS**

Capital Area Rural Transportation System

Regional Transportation for the non-urbanized areas of Bastrop, Blanco, Burnet, Caldwell Fayette, Hays, Lee, Travis and Williamson counties & the San Marcos urbanized area.

CARTS delivers transportation tailored specifically for each of the one hundred and sixty-nine communities it serves. The service frequency in or to the various communities range from many times a day to once a month. Be sure to visit the CARTS web site at [RideCARTS.com](http://RideCARTS.com) for updates and further route information for each community. Persons traveling out of town can use the Interurban Coach service. Most Country Bus schedules make connections to Interurban Coach services.

Rides are scheduled Monday thru Friday from 8am to 4pm / 24 hours advance notice required. Local vehicles serve neighboring towns so local ride times may vary.

#### CURB-TO-CURB SERVICES RESERVED BY PHONE

Enjoy the convenience of having a CARTS bus pick you up at your home, take you to your destination, and then back home again. We will set up a time for pickup within our time slots of general availability. On your first call we will request information to enter into your customer profile, and after that we will know you when you call.

CARTS can help you or someone you know who needs a ride to go shopping, city businesses, medical appointments, work, senior centers or for any other purpose.

Vehicles serve neighboring towns so local ride times may vary.

#### COUNTRY BUS FARES

Fares are set by zones. A CARTS customer service agent will inform you of ride costs when booking the trip. All fares are based on a one-way trip.

Zone 1 City \$2.00 \$1.00  
Trips wholly within a town or city

Zone 2 Intra-county \$4.00 \$2.00  
Trips originating and ending within the same county

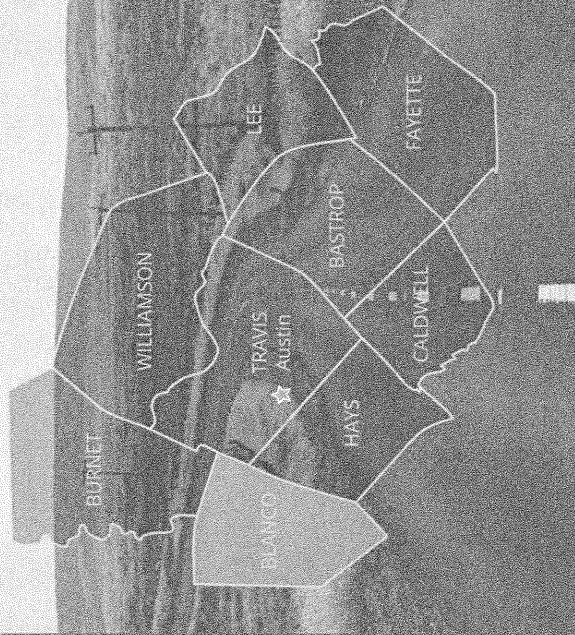
Zone 3 Inter-county \$6.00 \$3.00  
Trips with destinations outside the county of origin

#### HOPTHRU

CARTS bus passes are now available on your phone. **HOPTHRU** is a streamlined mobile ticketing app for use on public transportation. Text "**hopthru**" to **43506** and download a link. After creating an account, tap "**Buy Passes**" on the main screen, select your preferred CARTS service from the list of agencies, and then select your desired pass type, just before boarding the bus, tap on your pass to activate it. Present your pass to the driver while boarding and your off!

#### NATIONAL CONNECTIONS

Bus and Train Services: CARTS operates intercity bus terminals for Greyhound and makes connections to Greyhound stations. Which can take care of your shipping or travel needs nationwide. At our San Marcos Station, AMTRAK rail service is also available. Visit the CARTS web site at [RideCARTS.com](http://RideCARTS.com) for station address and further information.



**BLANCO  
COUNTY**

[RIDECARTS.COM](http://RIDECARTS.COM)

\*Reduced Fare: Registered CARTS Customers, Seniors 65 and older, Persons with Disabilities, and Children Under 12.

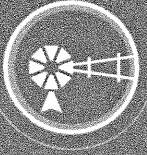




# BLANCO COUNTY

CARTS RIDE LINE (512) 478-RIDE (7433)

CARTS CAPITAL AREA RURAL TRANSPORTATION SYSTEM



## COUNTRY BUS

Capital Area Rural Transportation System

### COUNTIES SERVED

BASTROP  
BLANCO  
BURNET  
CALDWELL  
FAYETTE  
HAYS  
LEE  
TRAVIS  
WILLIAMSON

RIDECARTS.COM

Community Served	Destination	Route Day	Departure	Return	One-Way	Reduced
<b>City of Blanco</b>	Local Service	Tue, Wed & Thurs	9:00a - 12:30p		\$2.00	\$1.00
	To: Johnson City	Tue & Thurs	1:00p	4:00p	\$4.00	\$2.00
	To: Marble Falls	2nd Monday	8:30a	2:00p	\$6.00	\$3.00
	To: Austin	4th Friday	8:30a	2:00p	\$6.00	\$3.00
	To: San Marcos	2nd Friday	8:00a	2:00p	\$6.00	\$3.00
	To: San Antonio	1st & 3rd Friday	8:00a	2:00p	\$6.00	\$3.00
<b>City Of Johnson City</b>	Local Service	Tues & Thurs	1:00p - 4:00p		\$2.00	\$1.00
	To: Marble Falls	2nd Monday	9:00a	2:00p	\$6.00	\$3.00
	To: Austin	4th Friday	9:00a	2:00p	\$6.00	\$3.00
	To: San Marcos	2nd Friday	8:30a	2:00p	\$6.00	\$3.00
	To: San Antonio	1st & 3rd Friday	8:30a	2:00p	\$6.00	\$3.00
<b>Spring Branch</b>	To: Blanco	Thursday	9:00a	12:30p	\$4.00	\$2.00
	To: Austin	4th Friday	9:00a	2:00p	\$6.00	\$3.00
	To: Johnson City	Thursday	8:30a	12:00p	\$4.00	\$2.00
	To: San Antonio	1st & 3rd Friday	9:00a	2:00p	\$6.00	\$3.00