

# 2026 TAX BUDGET

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# FY 2026 TAX BUDGET

**To:** Mayor Paul A. Koomar, President  
and Members, Board of Trustees

**Date:** July 1, 2025

**From:** India L. Birdsong Terry   
General Manager, Chief Executive Officer

**Subject:** FY 2026 Tax Budget

## EXECUTIVE SUMMARY

The Fiscal Year (“FY”) 2026 Tax Budget is an initial analysis of the financial trends affecting revenues, with preliminary forecasts on expenditures and service levels of the Greater Cleveland Regional Transit Authority (“Authority”). It is a forward-looking document that reviews estimated revenues for the next fiscal year. It is a valuable tool and the first step in the budget development process.

The Authority celebrated its 50<sup>th</sup> anniversary in 2025. On February 10, 2025, the Authority hosted a 50<sup>th</sup> Celebration: Night out at the Cavs. On June 21, 2025, the Authority hosted a 50<sup>th</sup> Anniversary and Rider Appreciation Event at Settler’s Landing Station. It was a milestone celebration, in coordination with Cuyahoga County and the opening of the lower level of the Veterans Memorial Bridge (Detroit-Superior).

Through May 2025, the Authority has purchased 48 railcars and another purchase of the remaining 12 cars is scheduled to occur later in 2025. The first railcar will be delivered in mid-2026 at the Port of Cleveland. This is truly another momentous day to celebrate.

Some additional highlights of 2025 include:

- Awarded Platinum Healthy Worksite Award through the Healthy Business Council of Ohio (“HBCO”) in February
- Welcomed a new Board Member: Mayor Marie Gallo, from the City of Parma Heights in March 2025
- Held the Women’s Leadership Conference “She Means Business” at the Cleveland Foundation, Minter Conference Center in March
- Held the Bus Rodeo 2025 on May 31<sup>st</sup> at the West Park Training Center
- Mayor Paul A. Koomar and Ms. Lauren Welch were re-elected as President and Vice-President, respectively, of the Board of Trustees
- Reappointed Board Member: Emily Garr Pacetti in June 2025
- Reappointed three Community Advisory Committee (“CAC”) members Johnny Brewington, Nichole Laird, and Dr. Joseph Sopko
- Reappointed two Civilian Oversight Committee (“COC”) members: David Morris and Rebecca Wharton
- Honored Asian American and Pacific Islander (“AAPI”) Heritage month with special bus stop signs



The Authority has been awarded several grants in 2025:

- \$2.7 million from the Diesel Emissions Reduction Grant (“DERG”) awarded by the Ohio Department of Transportation (“ODOT”) and the Ohio Environmental Protection Agency (“OEPA”)
- \$12 million from the Transportation Improvement Program (“TIP”) awarded by the Northeast Ohio Areawide Coordinating Agency (“NOACA”) for the Railcar Replacement Program
- \$48,910 from the TechCred for training by the Ohio Department of Development

Looking ahead, there will be new opportunities that the Authority can provide to serve and connect Greater Cleveland residents to the community by providing premier service.

## **General Fund Assumptions**

### **Inflation**

#### ***Assumption:***

**2.7% - 3.5%**

The inflation rate hit a high of 9.1% in June 2022, the highest level since 1981. Since then, the inflation rate has steadily dropped to 2.4% in May 2025. The FOMC median projection for real GDP growth is 1.8% and unemployment is projected at 4.3% in 2026. The inflation rate has remained between 2.3% and 3.0% over the last 5 months. The FOMC is projecting that inflation will end 2025 between 2.7% and 3.5% and maintain this level in 2026.

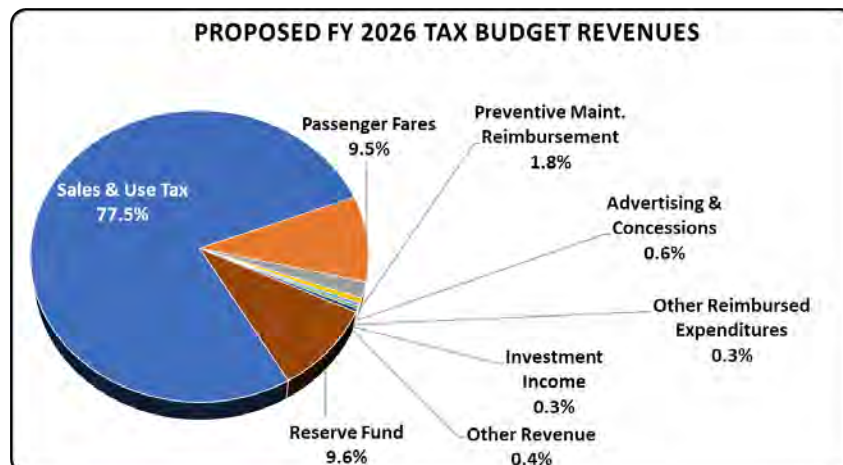
### **Interest Rates**

#### ***Assumption:***

**4.25% - 5.0%**

The Federal Reserve announced at its June 2025 Federal Open Market Committee (FOMC) meeting that the Federal Funds Rate (“FFR”) will maintain rates at 4.5%. Until the committee gains confidence that inflation is moving toward the target rate of 2.0%, the committee will continue to hold interest rates steady.

## **REVENUES**



**Passenger Fares****\$32.7M**

Actual Passenger Fare Revenue received through May 2025 totaled \$12.1 million. This amount is 12% below 2024 actual receipts for the same period due to the timing of U Pass and student fare receipts. Total Passenger Fares for 2025 are estimated at \$31.0 million, 6.7% below 2024 actual revenues. Total passenger fares for 2026 are projected at \$32.7 million, a 2.0% increase.

**Advertising & Concessions*****Advertising Contract and Concessions*****\$1.6M*****Naming Rights: HealthLine******and MetroHealth Line*****\$0.4M*****Total*****\$2.0 M**

Advertising and Concessions revenue is composed of two subcategories. The first subcategory is comprised of the current advertising contract, concessions, and the new contract for advertising on the bus shelters. The second category is the Naming Rights, which includes Cleveland Clinic Foundation and University Hospitals for the HealthLine, and MetroHealth Medical Center for the MetroHealth Line. The Advertising & Concessions category is projected to total \$1.8 million in 2025. For 2026, advertising and concessions is projected at \$1.6 million, based on the contractual terms of the new advertising contract.

**Sales & Use Tax Revenue****\$265.6M**

The Authority receives a 1.0% Sales and Use Tax on sales of tangible personal property and on other transactions subject to the state Sales and Use Tax within Cuyahoga County. The 1% tax is of unlimited duration and was approved by the voters of Cuyahoga County in July 1975. The tax is levied and collected at the same time and on the same transactions as the permanent 5.75% Sales and Use Tax levied by the State, 1.0% levied by Cuyahoga County and a special 0.25% levied by Cuyahoga County.

Sales Tax for 2025 is estimated at \$265.7 million, 0.7% below budget and a 0.4% decrease from 2024 due to a \$3.1 million one-time reimbursement in 2024 from the State of Ohio for the extended Sales Tax Holiday. Sales tax receipts are projected at \$265.6 million for FY 2026.

**Investment Income****\$1.0M**

For FY 2025, the Investment Income is projected to end the year just over \$1.4 million, with an average yield of 4.05% on investments as of May. The Federal Reserve Bank anticipates interest rates to remain steady in 2025 and slowly decrease in 2026 and 2027. The estimated Investment Income is based on an average rate earned over the prior three years. The Investment Income is estimated at \$1 million for FY 2026 and projected to decrease in 2027 and 2028.

## **Other Revenue**

**\$1.5M**

This revenue category includes various miscellaneous receipts from contractors, hospitalization, claim reimbursements, rent, salvage sales, and sale of identification cards. Other Revenue is projected at \$1.5 million for FY 2026.

## **Transfers from Reserve Fund**

### ***Transfer for Revenue Stabilization***

**\$33.0M**

The transfer from the Revenue Stabilization Fund is projected at \$33.0 million. This transfer is to ensure a one-month ending balance in the General Fund required by Board policy. If revenues are higher than expected, the transfer may decrease.

## **Reimbursed Expenditures**

### ***Preventive Maintenance Activities***

**\$6.0M**

### ***Reimbursed Labor***

**0.5M**

### ***Other Reimbursements***

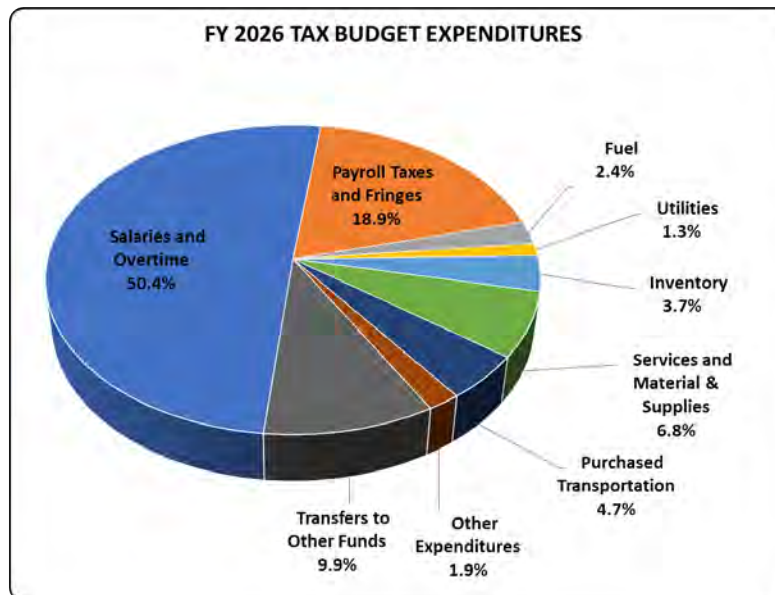
**0.5M**

### ***Total***

**\$7.0M**

This category consists of reimbursement of labor costs for capital projects, preventive maintenance activities within the Operating Budget, and diesel fuel tax refunds. For the 2026 Tax Budget, revenues from Reimbursed Expenditures are budgeted at \$7.0 million. For FY 2027 and FY 2028 the authority plans to increase the preventive maintenance reimbursement to \$21.0 million each year.

## **EXPENDITURES**



## **Salaries and Overtime**

**\$177.7M**

Total salaries and overtime for the 2026 Tax Budget are projected at \$177.7 million and account for 50% of the Authority's General Fund expenses. Service levels will remain the same in 2026. Total salaries for 2026 are estimated to decrease by 1.6% compared to FY 2025 estimates. This decrease is due to 2026 having 26 pays, while 2025 has a 27<sup>th</sup> pay for hourly employees, which occurs every 11-12 years, offset by union negotiated and non-bargaining increases for the year.

**Payroll Taxes and Fringes****\$66.8M**

Payroll Taxes and Fringe Benefits are projected at \$66.8 million for the 2026 Tax Budget and account for nearly 19% of General Fund expenses. The main expenses include payroll taxes, health care, prescription, vision, dental, uniform allowances, Medicare and PERS (pension) expenses.

**Fuel****\$8.6M**

The fuel category includes diesel, compressed natural gas, gasoline, and electric propulsion power. The Energy Price Risk Management Program has helped to stabilize the cost of fuel, which has been one of GCRTA's most volatile expenses. The Authority's diesel fuel usage has decreased over the years as more CNG buses have been placed into service and older diesel vehicles are retired. For 2026, 40 new CNG buses and 19 new Paratransit vehicles are planned to be put into operation and 40 new CNG buses, 6 60-foot Bus Rapid Transit (BRT) CNG vehicles and 34 Paratransit vehicles are planned to be purchased.

**Other Expenditures**

<b><i>Utilities</i></b>	<b><i>\$4.7M</i></b>
<b><i>Inventory</i></b>	<b><i>13.0M</i></b>
<b><i>Services &amp; Materials</i></b>	<b><i>24.0M</i></b>
<b><i>Purchased Transportation/ADA</i></b>	<b><i>16.5M</i></b>
<b><i>Other Expenditures</i></b>	<b><i>6.7M</i></b>
<b><i>Total</i></b>	<b><i>\$64.9M</i></b>

The Utilities category includes natural gas (for facility heating), water/sewer, electricity, and telephone expenses. This category is budgeted at \$4.7 million for the 2026 Tax Budget. Electricity and natural gas usage are managed through contracts. The current contract for electricity began in 2022, which stabilized costs through 2027 at favorable prices for the Authority. Natural gas commodity costs are contracted through mid-2026, where new contracts will begin.

Inventory is budgeted at \$13.0 million. The Supply Chain Management section of the Authority's Fleet Management department has helped the Authority to maintain predictive maintenance and repairs on the Authority's newer fleets and carry out major purchases for supplies and equipment during the pandemic. The Authority continues to implement the predictive maintenance program that started in 2015 where parts are replaced based on a proactive maintenance program.

The main drivers of the Services and Materials category are service and maintenance contracts, advertising costs, equipment, and other miscellaneous supplies. This category is budgeted at \$24.0 million for the 2026 Tax Budget. The out years are planned to increase slightly each year based on contracts and inflation.

Purchased Transportation/ADA is budgeted at \$16.5 million for the 2026 Tax Budget. The Authority entered into 3 new contracts in 2023 and ridership has increased significantly in the past two years. Additional Paratransit buses are being purchased in 2026. The "Other

Expenditures” category includes travel and meeting expenses, training, claims, and other miscellaneous expenses. For the 2026 Tax Budget, \$6.7 million is projected for this category.

### **Transfers**

<b><i>Bond Retirement</i></b>	<b><i>\$6.8M</i></b>
<b><i>Capital Improvements</i></b>	<b><i>19.7M</i></b>
<b><i>Insurance Fund</i></b>	<b><i>2.5M</i></b>
<b><i>Reserve Fund</i></b>	<b><i>5.9M</i></b>
<b><i>Total</i></b>	<b><i>\$34.9M</i></b>

Transfers shown for the Bond Retirement are for the debt service net of the investment income earned in the Bond Retirement Fund. The \$6.8 million transfer to the Bond Retirement Fund for 2026 is needed to pay the principal and interest on all debt for 2026, as well as to maintain the recommended ending balance in the fund.

The \$19.7 million transfer to the Capital Improvement Fund covers 100% locally-funded capital projects in the RTA Capital Fund, as well as required local match for most grant-funded projects in the RTA Development Fund. The total contribution to capital (transfer to the Capital Improvement Funds and Bond Retirement Fund) is 10.0%. The recommended Board policy of a minimum transfer of 10% of Sales & Use Tax revenue continues to reflect the significant financial requirements of the Authority’s capital program.

The \$2.5 million transfer to the Insurance Fund is required to maintain the fund balance at the current recommended \$5 million level and to cover expected expenses for the 2026 Fiscal Year. A transfer of \$5.9 million to the Reserve Fund will cover a \$5 million transfer for rail vehicles and \$0.9 million which covers 1/12 of 27<sup>th</sup> pay expenses.

## **FINANCIAL INDICATORS**

The General Fund statement presented in this Tax Budget results in the following performance against the Authority's financial policy goals.

### **OPERATING EFFICIENCY**

**Operating Ratio:** Board policy requires a 25.0% ratio in operating revenues compared to total operating expenditures. This ratio shows the efficiency of management by comparing operating expenses to operating revenues. The 2026 Tax Budget yields an 11.2% ratio, which is below the policy objective.

**Operating Reserve:** The Operating Reserve is targeted for a period of 30 days, or 1 month, meaning the available cash equivalent to one month’s operating expenses to cover any unforeseen or extraordinary fluctuations. At a projected ending balance of \$26.8 million, the Operating Reserve for the 2026 Tax Budget is 1.0 months.

**Growth per Year:** This policy requires that growth in the cost per hour of service from year to year be at or below the rate of inflation. The cost per hour of service is a measure of service efficiency dividing total operating expenses by total service hours. The Growth per Year is the cost of delivering a unit of service (cost per hour of service) compared to the prior year. The

FOMC estimates inflation will fall between 2.7% and 3.5% in 2026. The 2026 Tax Budget estimates the cost per hour of service at \$174.80, which is 1.8% below the FY 2025 estimate. This indicator is projected to be met.

## **CAPITAL EFFICIENCY**

**Debt Service Coverage:** The Debt Service Coverage is a ratio measuring the Authority's ability to meet annual interest and principal payments on outstanding debts. The 2026 Tax Budget estimates the debt service coverage at 5.2, above Board policy minimum of 1.50.

**Sales & Use Tax Contribution to Capital:** Current Board policy requires that a minimum of 10.0% of the Sales & Use Tax receipts be applied to the capital needs of the Authority. These funds are used to meet the Authority's annual debt service payments, to provide the local match for grant funded capital projects, and to fund routine capital and asset maintenance projects included within the RTA Capital Fund. At 10.0%, this indicator is projected to be met.

**Capital Maintenance to Expansion:** Several years ago, the Board recognized that our emphasis must be to maintain the Authority's existing capital assets and revised this objective to a policy guideline of 75% to 90% of the Authority's capital projects. At 100% for the FY 2026 Tax Budget and each of the out years, the Authority's emphasis continues to be the maintenance of its existing assets as opposed to expansion projects. This continues to remain the best course as the Authority continues its bus replacement program, equipment upgrades, rail vehicle replacements, and rail infrastructure improvements.

## **CAPITAL IMPROVEMENT FUNDS**

The Authority's Capital Improvement Funds are used to account for the acquisition, construction, replacement, repair and rehabilitation of major capital facilities and equipment. The Capital Improvement Funds are composed of grant-funded projects as well as 100% locally funded items. The funds needed to meet the grant requirements typically require a 20% local match. Financial resources are appropriated to sustain capital infrastructure needs through retention of investment earnings, contributions from Sales and Use Tax proceeds, as well as any issuance of debt.

Transportation is a capital-intensive business and the Authority's focus has been on addressing various State of Good Repair ("SOGR") projects. The Authority's priorities continue to include replacement of rail vehicles and maintenance and repair of rail infrastructure, including tracks, bridges, signals, and substations. Additional funding has been transferred in prior years above the 10% contributions to capital policy goal. For the next three years, 2026 through 2028, the funds received from Preventive Maintenance ("PM") reimbursements are budgeted at \$6 million, \$21 million, and \$21 million, respectively.

Financial resources are allocated through a comprehensive review process of capital projects, which prioritizes funding of requested projects. It continues to maintain the focus of the Authority's long-term strategic capital plan, as well as to address the existing and future financial and operational issues.



The 2026 through 2030 estimated capital expenditures are predicated on year-to-date outlays, obligations and projected commitments, as well as the approved five-year Capital Improvement Plan. Projected grant revenues include current, as well as, expected traditional and non-traditional grant awards and are based on a continuation of current funding levels. Over the next ten years, the Authority's capital program will continue to focus on various SOGR projects throughout the system. These include the on-going bus replacement program, rail car purchases, rehabilitation of rail track and infrastructure, signal and overhead catenary systems, and various facility improvement and upgrades.

## **BOND RETIREMENT FUND**

The General Fund is the source of funds necessary to make the principal and interest payments for the Authority's outstanding debt. Such transfers represent the debt service less the investment income earned in the Bond Retirement Fund. Debt service payments of \$7.6 million are expected in the FY 2026 Tax Budget. The Authority has its debt rated highly by the major rating agencies (AAA from Standards & Poor and Aa1 from Moody's).

## **INSURANCE FUND**

The Insurance Fund includes a combination of self-and-purchased insurance coverage. Projected activities in the FY 2026 Tax Budget include a combined \$3.1 million for premium outlays and payments for the settlement of claims. This will require a \$2.5 million transfer from the General Fund to maintain the recommended fund balance established by the Authority's Risk Management Department.

## **SUPPLEMENTAL PENSION FUND**

Authority employees who were employed by predecessor transit systems are covered by supplemental benefit payments. Activities expected within this fund in the FY 2026 Tax Budget include \$28,000 of revenue from investment income, projected benefit payments of \$9,000 for remaining employees. The authority retains a fund balance at the recommended levels.

## **LAW ENFORCEMENT TRUST FUND**

In 1988, the Authority became involved with the FBI Cleveland Transnational Organized Crime Western Hemisphere Task Force ("Task Force") (formerly known as the Northern Ohio Law Enforcement Task Force (NOLETF), which was formerly known as the Caribbean/Gang Task Force). The Task Force is a multi-jurisdictional team of law enforcement personnel. Transit Police's involvement is assisting other policing agencies with intelligence and/or investigations. In addition to the benefits of intelligence gathering and improved inter-department relations, the Authority derives revenue from seized and confiscated monies and/or properties of those convicted and prosecuted by the Task Force.

Revenue obtained through the Task Force may be expended for non-budgeted items for law enforcement purposes. Furthermore, certain guidelines have been instituted by the State Attorney General's Office for the reporting and disbursement of funds. Total expenditures for FY 2026 are projected at \$25,000.

## **RESERVE FUND**

The Authority established the Reserve Fund to help protect the Authority from future economic downturns and cost increases. The Reserve Fund retains funding for six accounts: Compensated Absences, Fuel, Hospitalization, Rolling Stock, an account for budget years with 27 pay periods, and Revenue Stabilization. A transfer of \$5.0 million is projected in the FY 2026 Tax Budget for the replacement of rail vehicles, which will be transferred to the Development Fund for the Rail Car Replacement Project. A transfer of \$0.9 million is projected for 27<sup>th</sup> pay period expenses. A transfer of \$33.0 million is budgeted in FY 2026 to the General Fund from the Revenue Stabilization fund, ensuring a 1-month operating reserve at year-end.

# General Fund Balance Analysis

	FY 2026 Tax Budget	FY 2027 Plan	FY 2028 Plan
<b>Revenues</b>			
Operating Revenues			
Passenger Fares	\$ 32,650,000	\$ 33,470,000	\$ 34,150,000
Advertising & Concessions	1,600,000	1,700,000	1,800,000
Naming Rights	425,000	425,000	425,000
Investment Income	1,000,000	950,000	600,000
<b>Total Operating Revenues</b>	<b>35,675,000</b>	<b>36,545,000</b>	<b>36,975,000</b>
Non-Operating Revenues			
Sales & Use Tax	265,620,000	267,500,000	269,000,000
Reimbursed Expenditures	7,000,000	22,000,000	22,000,000
Other Non-Operating Revenue	1,500,000	1,500,000	1,500,000
Transfer from Reserve Fund - Revenue Stabilization	33,000,000	31,000,000	11,407,721
<b>Total Non-Operating Revenues</b>	<b>307,120,000</b>	<b>322,000,000</b>	<b>303,907,721</b>
<b>Total Revenues</b>	<b>342,795,000</b>	<b>358,545,000</b>	<b>340,882,721</b>
<b>Expenditures</b>			
Operating Expenditures			
Salaries & Overtime	177,670,830	181,574,700	182,407,100
Payroll Taxes & Fringes	66,771,870	66,615,480	68,555,530
Fuel (Diesel, CNG, Propulsion Power, Propane, Gasoline)	8,556,000	8,825,000	8,825,000
Utilities	4,746,000	4,556,000	4,556,000
Inventory	13,000,000	13,000,000	13,000,000
Services, Materials & Supplies	24,004,340	24,602,450	25,217,590
Purchased Transportation	16,500,000	17,000,000	17,500,000
Other Expenditures	6,682,000	6,881,000	6,881,000
<b>Total Operating Expenditures</b>	<b>317,931,040</b>	<b>323,054,630</b>	<b>326,942,220</b>
<b>Revenues less Operating Expenses</b>	<b>24,863,960</b>	<b>35,490,370</b>	<b>13,940,501</b>
Transfers to Other Funds			
Transfers to/from Insurance Fund	2,500,000	2,500,000	2,500,000
Transfers to/from Reserve Fund	5,878,615	5,878,615	5,878,615
Transfers to/from Capital			
Transfers to/from Bond Retirement Fund	6,804,839	2,902,958	1,447,000
Transfers to/from Capital Improvement Fund	19,757,161	23,847,042	25,453,000
<b>Total Transfers to/from Capital</b>	<b>26,562,000</b>	<b>26,750,000</b>	<b>26,900,000</b>
<b>Total Transfers to/from Other Funds</b>	<b>34,940,615</b>	<b>35,128,615</b>	<b>35,278,615</b>
<b>Total Expenditures</b>	<b>352,871,655</b>	<b>358,183,245</b>	<b>362,220,835</b>
Excess/(Deficiency) of Total Revenues over Total Expenditures	(10,076,655)	361,755	(21,338,114)
Beginning Balance	36,878,582	26,801,927	27,163,682
<b>Projected Ending Balance</b>	<b>\$ 26,801,927</b>	<b>\$ 27,163,682</b>	<b>\$ 5,825,568</b>
<b># Months Reserves - Estimated</b>	<b>1.0</b>	<b>1.0</b>	<b>0.2</b>

## Financial Policy Goals

		Goal	FY 2026 Tax Budget	FY 2027 Plan	FY 2028 Plan
Operating Efficiency	<b>Operating Ratio</b> Ratio that shows the efficiency of management by comparing operating expenses to operating revenues. Operating Revenues divided by Operating Expenses. Operating Revenues include Passenger Fares, Advertising & Concessions, Naming Rights, Investment Income, Other Revenue	<b>≥ 25%</b>	11.2%	11.3%	11.3%
	<b>Cost per Service Hour</b> Measure of service efficiency. Total Operating Expenses (less force account labor) divided by Total Service Hours		174.80	177.61	179.75
	<b>Growth per Year</b> Cost of delivering a unit of service (Cost per Hour), compared to the prior year; to be kept at or below the rate of inflation	<b>≤ Rate of Inflation 2.7% - 3.5%</b>	-1.8%	1.6%	1.2%
	<b>Operating Reserve (months)</b> Equal or above one month's operating expenses to cover unforeseen or extraordinary fluctuations in revenues or expenses	<b>≥ 1 month</b>	1.0	1.0	0.2
Capital Efficiency	<b>Debt Service Coverage</b> The measure of the Authority's ability to meet annual interest and principal payments on outstanding debt.	<b>≥ 1.5</b>	5.2	11.4	8.5
	<b>Sales Tax Contribution to Capital</b> Sales tax revenues to be allocated directly to the Capital Improvement Fund to support budgeted projects or to the Bond Retirement Fund to support debt service payments.	<b>≥ 10%</b>	10.0%	10.0%	10.0%
	<b>Capital Maintenance to Expansion</b> The capital program requires a critical balance between maintenance of existing assets and expansion efforts.	<b>79% - 90%</b>	100%	100%	100%

## Capital Improvement Fund Balance Analysis

	FY 2026 Tax Budget	FY 2027 Plan	FY 2028 Plan
<b>Revenues</b>			
Federal / State Revenues			
Federal Capital Grants	\$ 110,600,926	\$ 106,771,073	\$ 73,492,154
State Capital Grants	20,000,000	15,000,000	15,000,000
<b>Total Federal / State Revenues</b>	<b>130,600,926</b>	<b>121,771,073</b>	<b>88,492,154</b>
Other Revenue			
Investment Income	1,100,000	1,100,000	1,100,000
Other Revenue	25,000,000	-	-
<b>Total Other Revenue</b>	<b>26,100,000</b>	<b>1,100,000</b>	<b>1,100,000</b>
Transfers			
Transfer from General Fund	19,757,161	23,847,042	25,453,000
Transfer from Reserve Fund	5,000,000	5,000,000	5,000,000
<b>Total Transfers</b>	<b>24,757,161</b>	<b>28,847,042</b>	<b>30,453,000</b>
<b>Total Revenue</b>	<b>181,458,087</b>	<b>151,718,115</b>	<b>120,045,154</b>
<b>Expenditures</b>			
Capital Outlay			
Capital Outlay - Development Fund	163,251,157	145,963,841	104,365,193
Asset Maintenance	2,560,000	2,560,000	2,560,000
Routine Capital	1,990,500	1,940,000	2,004,150
<b>Total Capital Outlay</b>	<b>167,801,657</b>	<b>150,463,841</b>	<b>108,929,343</b>
Excess/(Deficiency) of Total Revenues over Total Expenditures	13,656,430	1,254,274	11,115,811
Beginning Balance	317,602,612	331,259,041	332,513,315
<b>Projected Ending Balance</b>	<b>\$ 331,259,041</b>	<b>\$ 332,513,315</b>	<b>\$ 343,629,127</b>



## Bond Retirement Fund Balance Analysis

	FY 2026 Tax Budget	FY 2027 Plan	FY 2028 Plan
<b>Revenues</b>			
Transfers			
Transfer from the General Fund	\$ 6,804,839	\$ 2,902,958	\$ 1,447,000
<b>Total Transfers</b>	<b>6,804,839</b>	<b>2,902,958</b>	<b>1,447,000</b>
Other Revenues			
Investment Income	100,000	100,000	100,000
<b>Total Other Revenues</b>	<b>100,000</b>	<b>100,000</b>	<b>100,000</b>
<b>Total Revenues</b>	<b>6,904,839</b>	<b>3,002,958</b>	<b>1,547,000</b>
<b>Expenditures</b>			
Debt Service			
Principal	6,935,000	2,795,000	1,340,000
Interest	697,750	351,000	211,250
<b>Total Debt Service</b>	<b>7,632,750</b>	<b>3,146,000</b>	<b>1,551,250</b>
Other Expenditures			
Other Expenditures	1,500	1,500	1,500
<b>Total Other Expenditures</b>	<b>1,500</b>	<b>1,500</b>	<b>1,500</b>
<b>Total Expenditures</b>	<b>7,634,250</b>	<b>3,147,500</b>	<b>1,552,750</b>
Excess/(Deficiency) of Total Revenues over Total Expenditures	(729,411)	(144,542)	(5,750)
Beginning Balance	1,124,028	394,617	250,075
<b>Projected Ending Balance</b>	<b>\$ 394,617</b>	<b>\$ 250,075</b>	<b>\$ 244,325</b>

## Insurance Fund Balance Analysis

	FY 2026 Tax Budget	FY 2027 Plan	FY 2028 Plan
<b>Revenues</b>			
Transfer from General Fund	\$ 2,500,000	\$ 2,500,000	\$ 2,500,000
Investment Income	100,000	100,000	100,000
<b>Total Revenues</b>	<b>2,600,000</b>	<b>2,600,000</b>	<b>2,600,000</b>
<b>Expenditures</b>			
Claims and Premium Outlay	3,100,000	3,100,000	3,100,000
<b>Total Expenditures</b>	<b>3,100,000</b>	<b>3,100,000</b>	<b>3,100,000</b>
Excess/(Deficiency) of Total Revenues over Total Expenditures	(500,000)	(500,000)	(500,000)
Beginning Balance	7,721,651	7,221,651	6,721,651
<b>Projected Ending Balance</b>	<b>\$ 7,221,651</b>	<b>\$ 6,721,651</b>	<b>\$ 6,221,651</b>

## Supplemental Pension Fund Balance Analysis

	FY 2026 Tax Budget	FY 2027 Plan	FY 2028 Plan
<b>Revenues</b>			
Investment Income	\$ 28,000	\$ 25,000	\$ 23,000
<b>Total Revenues</b>	<b>28,000</b>	<b>25,000</b>	<b>23,000</b>
<b>Expenditures</b>			
Benefit Payments	9,000	9,000	9,000
<b>Total Expenditures</b>	<b>9,000</b>	<b>9,000</b>	<b>9,000</b>
Excess/(Deficiency) of Total Revenues over Total Expenditures	19,000	16,000	14,000
Beginning Balance	1,527,847	1,546,847	1,562,847
<b>Projected Ending Balance</b>	<b>\$ 1,546,847</b>	<b>\$ 1,562,847</b>	<b>\$ 1,576,847</b>

## Law Enforcement Trust Fund Balance Analysis

	FY 2026	FY 2027	FY 2028
	Tax Budget	Plan	Plan
<b>Revenues</b>			
Law Enforcement Revenue	\$ 15,000	\$ 10,000	\$ 10,000
Investment Income	5,000	5,000	
<b>Total Revenues</b>	<b>20,000</b>	<b>15,000</b>	<b>10,000</b>
<b>Expenditures</b>			
Capital & Related Expenditures	25,000	25,000	25,000
<b>Total Expenditures</b>	<b>25,000</b>	<b>25,000</b>	<b>25,000</b>
Excess/(Deficiency) of Total Revenues over Total Expenditures	(5,000)	(10,000)	(15,000)
Beginning Balance	284,409	279,409	269,409
<b>Projected Ending Balance</b>	<b>\$ 279,409</b>	<b>\$ 269,409</b>	<b>\$ 254,409</b>

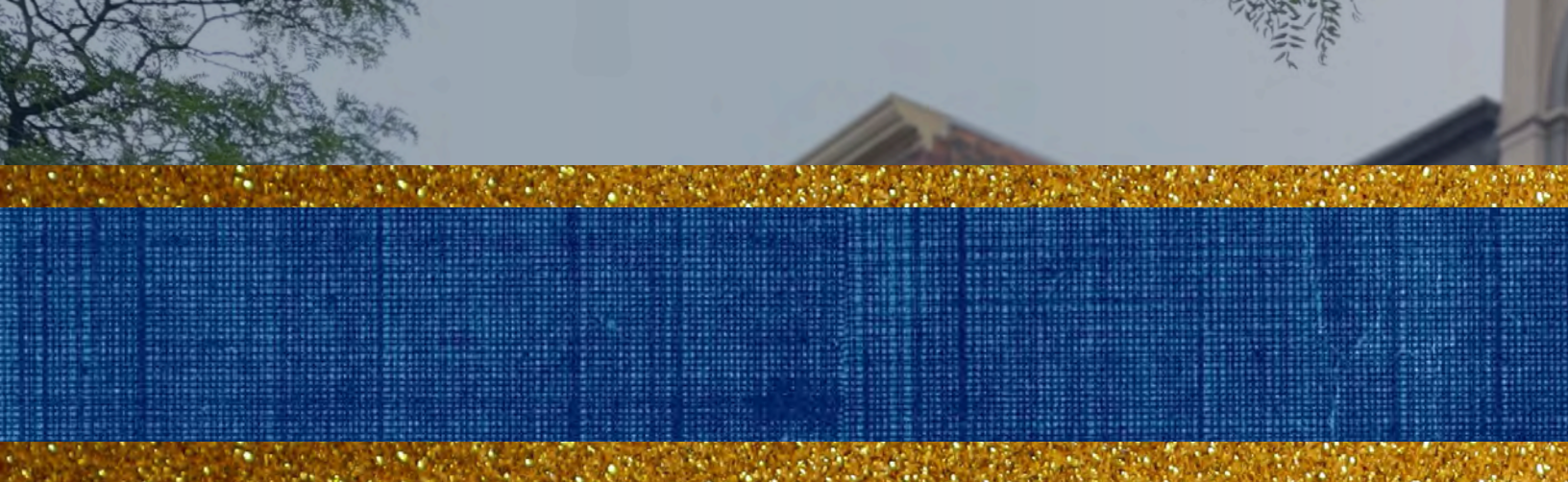
## Reserve Fund Balance Analysis

	FY 2026	FY 2027	FY 2028
	Tax Budget	Plan	Plan
<b>Revenues</b>			
Transfers			
Transfer from GF for Rolling Stock Reserve	\$ 5,000,000	\$ 5,000,000	\$ 5,000,000
Transfer from GF for 27th Pay	878,615	878,615	878,615
<b>Total Transfers</b>	<b>5,878,615</b>	<b>5,878,615</b>	<b>5,878,615</b>
Other Revenue			
Investment Income	5,000,000	5,000,000	3,000,000
<b>Total Other Revenue</b>	<b>5,000,000</b>	<b>5,000,000</b>	<b>3,000,000</b>
<b>Total Revenues</b>	<b>10,878,615</b>	<b>10,878,615</b>	<b>8,878,615</b>
<b>Expenditures</b>			
Transfers			
Transfer to RTA Development Fund for Rolling Stock Reserve	5,000,000	5,000,000	5,000,000
Transfer to GF for Revenue Stabilization	33,000,000	31,000,000	11,407,721
<b>Total Expenditures</b>	<b>38,000,000</b>	<b>36,000,000</b>	<b>16,407,721</b>
Excess/(Deficiency) of Total Revenues over Total Expenditures	(27,121,385)	(25,121,385)	(7,529,106)
Beginning Balance	87,902,924	\$ 51,281,539	\$ 26,160,154
<b>Projected Ending Balance</b>	<b>\$ 60,781,539</b>	<b>\$ 26,160,154</b>	<b>\$ 18,631,048</b>
<b>Rolling Balances</b>			
Compensated Absences	\$ 3,489,957	\$ 3,677,785	\$ 4,099,547
Fuel	3,315,373	3,493,805	3,894,468
Hospitalization	2,754,970	2,903,241	3,236,179
Rolling Stock Reserve	40,140	42,301	47,152
27th Pay	4,723,389	5,808,929	7,353,701
Revenue Stabilization	46,457,710	10,234,094	0
<b>Total</b>	<b>\$ 60,781,539</b>	<b>\$ 26,160,154</b>	<b>\$ 18,631,048</b>

## 2026 Tax Budget Funds Summary

	General Fund	RESTRICTED FUNDS							Total of All Funds	
		RTA Development Fund	RTA Capital Fund	Bond Retirement Fund	Insurance Fund	Supplemental Pension Fund	Law Enforcement Trust Fund	Reserve Fund		
		CAPITAL FUNDS								
Revenues										
Operating Revenues										
Passenger Fares	\$ 32,650,000									\$ 32,650,000
Advertising & Concessions	1,600,000									1,600,000
Naming Rights	425,000									425,000
Investment Income	1,000,000	\$ 1,000,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 28,000	\$ 5,000	\$ 5,000,000		7,333,000
Total Operating Revenues	35,675,000	1,000,000	100,000	100,000	100,000	28,000	5,000	5,000,000		42,008,000
Non-Operating Revenues										
Sales & Use Tax	265,620,000									265,620,000
Reimbursed Expenditures	7,000,000									7,000,000
Federal		110,600,926								110,600,926
State		20,000,000								20,000,000
Bond Proceeds										
Other Non-Operating Revenue	1,500,000	25,000,000					15,000			26,515,000
Total Non-Operating Revenues	274,120,000	155,600,926					15,000			429,735,926
Transfers										
Transfer from General Fund			19,757,161	6,804,839	2,500,000			5,878,615		
Transfer from RTA Capital Fund		16,000,000								
Transfer from Reserve Fund										
For Compensated Absences	-									
For Fuel	-									
For Hospitalization	-									
For Rolling Stock Reserve		5,000,000								
For 27th Pay	-									
For Revenue Stabilization	33,000,000									
Total Transfers	33,000,000	21,000,000	19,757,161	6,804,839	2,500,000	-	-	5,878,615		
Total Revenues	342,795,000	177,600,926	19,857,161	6,904,839	2,600,000	28,000	20,000	10,878,615		471,743,926
Expenditures										
Operating Expenditures										
Salaries & Overtime	177,670,830									177,670,830
Payroll Taxes & Fringes	66,771,870									66,771,870
Fuel (Diesel, CNG, Propulsion Power, Gasoline)	8,556,000									8,556,000
Utilities	4,746,000									4,746,000
Inventory	13,000,000									13,000,000
Services, Materials & Supplies	24,004,340									24,004,340
Purchased Transportation	16,500,000									16,500,000
Other Expenditures	6,682,000									6,682,000
Total Operating Expenditures	317,931,040									317,931,040
Non-Operating Expenditures										
Capital Outlay		163,251,157	4,550,500							167,801,657
Debt Service (Principal & Interest)				7,632,750						7,632,750
Other Expenditures				1,500	3,100,000	9,000	25,000			3,135,500
Total Non-Operating Expenditures	-	163,251,157	4,550,500	7,634,250	3,100,000	9,000	25,000			178,569,907
Sub-Total Expenditures	317,931,040	163,251,157	4,550,500	7,634,250	3,100,000	9,000	25,000			496,500,947
Revenues less Expenditures	24,863,960	14,349,769	15,306,661	(729,411)	(500,000)	19,000	(5,000)	10,878,615		(24,757,021)
Transfers to Other Funds										
Transfer to General Fund										
Transfer to Insurance Fund	2,500,000									
Transfer to Supplemental Pension Fund	-									
Transfer to Bond Retirement Fund	6,804,839									
Transfer to RTA Capital Fund	19,757,161									
Transfer to RTA Development Fund		16,000,000								
Transfer to Reserve Fund										
For Rolling Stock Reserve	5,000,000							5,000,000		
For 27th Pay	878,615							-		
For Revenue Stabilization								33,000,000		
Total Transfers to Other Funds	34,940,615		16,000,000					38,000,000		
Total Expenditures	352,871,655	163,251,157	20,550,500	7,634,250	3,100,000	9,000	25,000	38,000,000		496,500,947
Excess/(Deficiency) of Total Revenues over Total Expenditures										
Expenditures	(10,076,655)	14,349,769	(693,339)	(729,411)	(500,000)	19,000	(5,000)	(27,121,385)		(24,757,021)
Beginning Balance	36,878,582	314,074,194	3,528,418	1,124,028	7,721,651	1,527,847	284,409	87,902,924		453,042,052
Available Ending Balance	\$ 26,801,927	\$ 328,423,962	\$ 2,835,079	\$ 394,617	\$ 7,221,651	\$ 1,546,847	\$ 279,409	\$ 60,781,539	\$ 428,285,031	





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