

Proposed 2026 Debt Issuance

Committee of the Whole

May 5, 2026

FY 2026 Debt Issuance

- \$35.0M new debt in Sales Tax Revenue Bonds
- Term 20 years
- Restricted to finance local portion of Capital Projects
- Managing Liquidity

Major Capital Projects

- Bus Garages - Paratransit Lifts
- Bus Replacements
- Facility Improvements - (Bridges/HVAC/Roofing)
- Rail Projects - (Track/Stations/Communication Systems/Substations)
- MetroHealth BRT
- Fare Collection System

Current Outstanding Debt*^

Year	Total Principal Outstanding	% of Debt Paid as of 12/31/25
2025	\$ 13.96	-
2026	\$ 7.02	49%
2027	\$ 4.23	70%
2028	\$ 2.89	80%
2029	\$ 1.48	90%
2030	\$ 0	100%

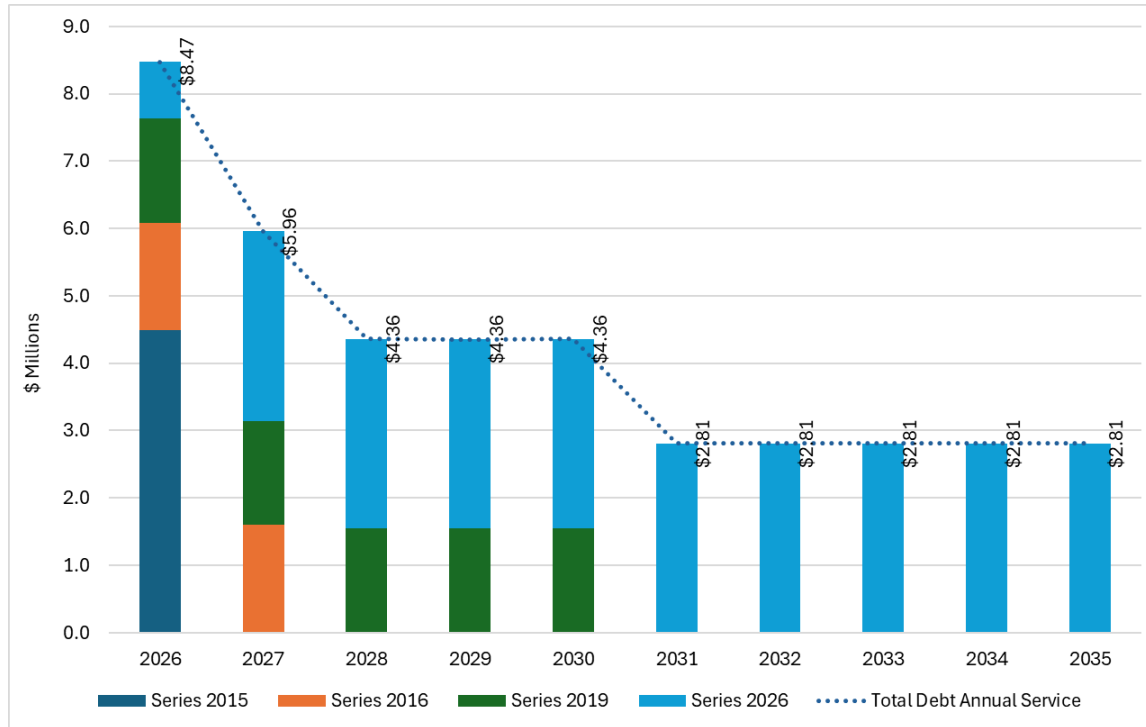
* - As of December 31

^ - in millions

Annual Debt Service Payments^

Year	Principal	Interest	Total Debt Service Paymts.
2026	\$ 6.94	\$ 0.70	\$ 7.63
2027	\$ 2.80	\$ 0.35	\$ 3.15
2028	\$ 1.34	\$ 0.21	\$ 1.55
2029	\$ 1.41	\$ 0.14	\$ 1.55
2030	\$ 1.48	\$ 0.07	\$ 1.55

Current Outstanding & Proposed Debt Service



- After 2030, proposed annual debt service will remain below current debt service to be paid in 2026 and 2027

Note: Reflects debt service thru 2035

Financing Schedule

- Resolution For Board Approval – May 19, 2026
- Ratings Presentations – Moody’s and Standard & Poor’s – Week of June 1, 2026
- Ratings expected – Week of June 15, 2026
- Sale of Bonds – Week of July 6, 2026
- Execute Closing Documents – Week of July 13, 2026
- Closing Week of July 20th or July 27th (Funds received)

Long-Term Rating Scale

- **Investment Grade:** Ratings from **AAA** (strongest) to **BBB-**. These indicate "adequate" to "extremely strong" capacity to pay
- **Speculative Grade:** Ratings from **BB+** to **D**. These carry higher default risk and are more sensitive to adverse economic conditions
- **CreditWatch & Outlook:** Supplemental indicators highlighting the potential direction of a rating (Positive, Negative, or Stable) over the short to medium term

U.S Mass Transit Ratings & Outlooks (S&P)

Selected U.S. Transit Agency Credit Ratings (As of late 2025)

<u>Transit Agency/Authority</u>	<u>Region</u>	<u>Rating*</u>	<u>Outlook</u>
Central Puget Sound RTA (First/Second Lien)	WA	AAA	Stable
Greater Cleveland RTA	OH	AAA	Stable
Harris County Metro Transit Authority	TX	AAA	Stable
LA County Metro Trans. Auth. (Prop A/C)	CA	AAA	Stable
Regional Transportation District	CO	AAA	Stable
San Mateo County Transit District	CA	AAA	Stable
Santa Clara Valley Trans. Auth.	CA	AAA	Stable
Tri-County Metro Trans. District (TriMet)	OR	AAA	Stable
VIA Metropolitan Transit Authority	TX	AAA	Stable
Dallas Area Rapid Transit (DART)	TX	AA+	Stable
Massachusetts Bay Trans. Authority (MBTA)	MA	AA+	Stable
Metropolitan Atlanta RTA (MARTA)	GA	AAA	Stable
Utah Transit Authority (Senior Lien)	UT	AA+	Stable
Bi-State Development Agency (Metro)	MO	AA	Stable
Chicago Transit Authority (1st Lien Sales Tax)	IL	AA	Stable
San Francisco Bay Area Rapid Transit (BART)	CA	AA-	Negative

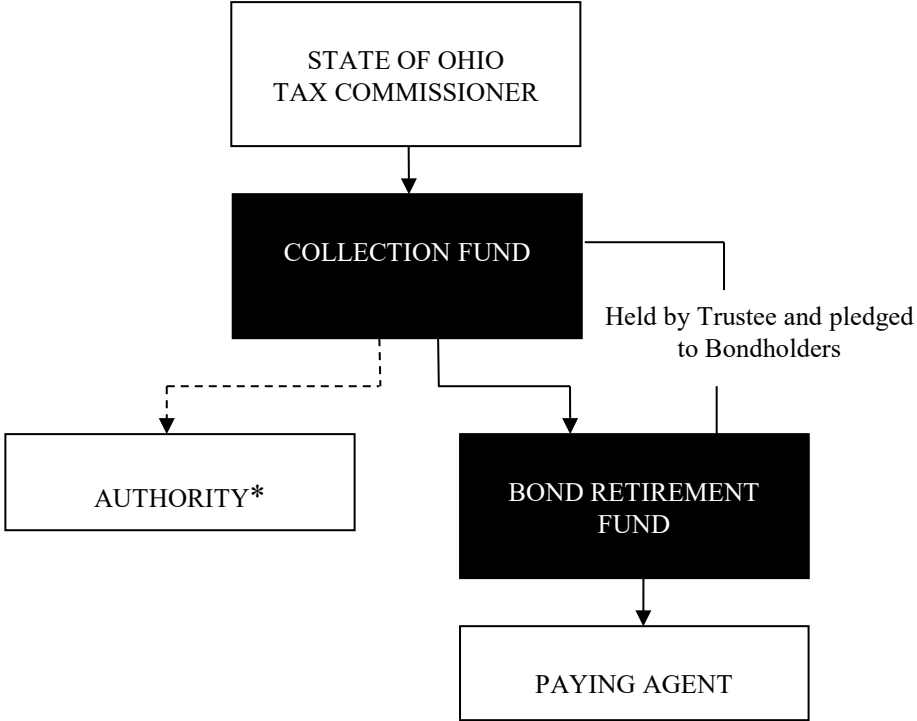
Cuyahoga County Public Agencies

<u>Agency/Authority</u>	<u>S&P Rating</u>	<u>Credit Outlook</u>
Greater Cleveland RTA	AAA	Stable
Northeast Ohio Regional Sewer District	AA+	Positive
Cleveland State University	A+	Negative
Cleveland Public Library	AA	Stable
Cleveland Heights - University Heights City Schools	A+	Stable
Cleveland Municipal School District	A-	Stable

Sales & Use Tax Trust Agreement

- Trustee – Argent Institutional Trust (Formerly Huntington National Bank)
- Sales Tax wired monthly from State to Argent
- Argent sets aside monthly debt service amount in Bond Retirement Fund
- Argent wires debt service to Paying Agent

Sales Tax Flow of Funds



Financing Team

- RTA Staff
- **Senior Underwriting Manager** – Lawrence Richardson -Huntington Securities, Inc.
- **Co-Managers**
 - Bill Terlesky -Fifth Third Securities;
 - Bob Franz - Stifel, Nicolaus, & Company, Inc.
 - David Tiggett - KeyBanc Capital Markets
- **Financial/Municipal Advisor** – Bethany Pugh, PFM Financial Advisors LLC
- **Bond Counsel** – John Merchant, Dinsmore & Shohl LLP
- **Underwriter's Counsel** – Teresa Metcalf Beasley
McDonald Hopkins LLC

Authorizing Resolution

- Authorizes GCRTA to issue debt for capital projects
- Authorizes amended trust agreement with Argent Institutional Trust
- Pledges “Sales & Use Tax” revenue to pay for indebtedness

Recommendation

Staff requests that the Committee of the Whole recommend this provision to the Board of Trustees for approval.

Questions