



Maryland Transportation Authority

FINANCE AND ADMINISTRATION COMMITTEE

THURSDAY, FEBRUARY 12, 2026

MARYLAND TRANSPORTATION AUTHORITY
2310 BROENING HWY BALTIMORE, MD 21224



Maryland
Transportation
Authority

Wes Moore, Governor
Aruna Miller, Lt. Governor
Kathryn Thomson, Chair

Board Members:
Dontae Carroll
Maricela Cordova
William H. Cox, Jr.
Mario J. Gangemi, P.E.
Cynthia D. Penny-Ardinger
Jeffrey S. Rosen
Samuel D. Snead, MCP, MA
John F. von Paris

Bruce Gartner, Executive Director

MEMORANDUM

TO: John von Paris, Chair
Dontae Carroll
Cynthia D. Penny-Ardinger
Jeffrey Rosen

FROM: Chantelle Green, Director of Finance

SUBJECT: Finance and Administration Committee Meeting

DATE: February 6, 2026

Enclosed are your materials for the Finance and Administration Committee Meeting on Thursday, February 12, 2026. The meeting will begin at 9:00 a.m. and will be conducted via Microsoft Teams. In accordance with the Open Meetings Act, the meeting information will be published on the MDTA's website to allow members of the public to observe the meeting. As a reminder, the meeting will be livestreamed.

Below please find the directions to log into the meeting:

- Open the Microsoft Teams app on your MDTA issued iPad
- Once in the app, go to the Microsoft Teams calendar
- The Finance Committee meeting will appear on the calendar for the appropriate date
- Click the button that says "Join"
- Make sure you have your Video On and your Sound on Mute unless speaking
- Your video will remain on the duration of the meeting.

If I can provide additional assistance, please email or call me at the following:

Chantelle Green
Director of Finance
Office: 410-537-5751
Cell: 443-915-7739
Email: cgreen2@mdta.maryland.gov

cc: Bruce Gartner, Executive Director
Gregory Brown, Chief Financial Officer
Percy Dangerfield, Chief Administrative Officer

ATTACHMENTS

Informational Items:

- Financial Report
- Rate Covenant
- FY 2025 Single Audit Results

FINANCE AND ADMINISTRATION COMMITTEE MEETING AGENDA

February 12, 2026 – 9:00 a.m.

This meeting will be livestreamed on the [Finance and Administration Committee Meeting Archive | MDTA \(maryland.gov\)](#)

NOTE: This is an Open Meeting being conducted via livestreaming. The public is welcomed to watch the meeting at the link listed above. *If you wish to comment on an agenda item please email your name, affiliation, and agenda item to cgreen2@mdta.state.md.us no later than noon on Wednesday, February 11, 2026. You **MUST** pre-register in order to comment.* Once you have pre-registered you will receive an email with all pertinent information.

AGENDA

OPEN SESSION

Call to Order

- | | | | | |
|----|------------------------|--|------------------------------------|---------|
| 1. | <u>Approval</u> | January 15, 2026 - Open Meeting Minutes | Chairman von Paris | 5 min. |
| 2. | <u>Approval</u> | Investment Committee Report - Quarterly update on the investment of MDTA's funds | Clayton Viehweg
Kevin Cullity | 20 min. |
| 3. | <u>Update</u> | 2 nd Quarter Budget Comparison – Review of actual vs. projected spending for the FY 2026 operating budget | Jeffrey Brown | 10 min. |
| 4. | <u>Update</u> | 2 nd Quarter Budget Comparison – Review of actual vs. projected spending for the FY 2026 capital budget | Jennifer Stump | 10 min. |
| 5. | <u>Update</u> | Quarterly Update on Traffic and Revenue – Update on the actual performance of traffic and revenue compared to the forecast | Chantelle Green | 5 min. |
| 6. | <u>Update</u> | Stay Interview Program - Update on the MDTA's employee retention initiative | Linda Sfakianoudis | 5 min. |
| 7. | <u>Update</u> | Employee Drug Testing - An overview of the MDTA's Random Controlled Substances and Alcohol Testing Program | Percy Dangerfield
Paul Truntich | 10 min. |
| 8. | <u>Update</u> | MDTA Rodeo - An update on the MDTA's Training & Recognition Day (Verbal) | Mary O'Keeffe
Natalie Henson | 5 min. |

Vote to Adjourn

ITEM

1

FINANCE AND ADMINISTRATION COMMITTEE MONTHLY MEETING
THURSDAY, JANUARY 15, 2026
OPEN MEETING VIA LIVESTREAM

OPEN SESSION

MEMBERS ATTENDING: Cynthia Penny-Ardinger
Dontae Carroll
Jeffrey Rosen
John von Paris

STAFF ATTENDING: Yaw Berkoh
Kevin Cullity
Percy Dangerfield
Jeffrey P. Davis
Allen Garman
Bruce Gartner
David Goldsborough
Chantelle Green
Anthony Hagen
James Harkness
Jaclyn Hartman
Pilar Helm
Natalie Henson
Kendra Joseph
Mary O'Keeffe
Megan Mohan, Esq.
Kenneth Montgomery
Mike Rice
Timothy Sheets
Thomas Smith
Jennifer Stump

OTHERS ATTENDING: Daniel Favarulo – MDOT - MAA
Tonya Wojtulewicz – MDOT - MAA

At 9:04 a.m., Member John von Paris, Chair of the Finance and Administration Committee, called the Finance and Administration Committee Meeting to order.

APPROVAL – OPEN MEETING MINUTES FROM DECEMBER 4, 2025 MEETING

Member John von Paris called for the approval of the meeting minutes from the open meeting held on December 4, 2025. Member Cynthia Penny-Ardinger made the motion, and Member Dontae Carroll seconded the motion, which was unanimously approved.

APPROVAL – CONTRACT NO. J01B3400081 – NETAPP STORAGE HARDWARE

David Goldsborough requested a recommendation of approval from the Finance and Administration Committee to present Contract No. J01B3400081, NetApp Storage Hardware, to the full Maryland Transportation Authority (MDTA) Board at its next scheduled meeting.

The contract is for the provision of NetApp Storage Hardware and Manufacturers Extended Warranty to support the MDTA's software defined infrastructure for hybrid cloud environments at the John F. Kennedy and Intercounty Connector facilities. Mr. Goldsborough advised that the MDTA has been utilizing NetApp storage hardware for over fifteen years to support composing physical and virtual computing. This contract will provide storage resources to support mission critical databases and applications that are used by MDTA business units. Without the NetApp storage hardware refresh, MDTA will not be able to continue providing the infrastructure necessary to service the MDTA business units that rely on it to perform its daily operations. The total amount for this contract is \$3,999,880.00.

Member von Paris called for a motion to recommend approval of this item to the full MDTA Board at its next scheduled meeting. Member Jeffrey Rosen made the motion, and Member Penny-Ardinger seconded the motion, which was unanimously approved.

APPROVAL – CONTRACT NO. J01B6600028 – RUBRIK IDENTITY RESILIENCY SOFTWARE

Mr. Goldsborough requested a recommendation of approval from the Finance and Administration Committee to present Contract No. J01B6600028, Rubrik Identity Resiliency Software, to the full MDTA Board at its next scheduled meeting.

The contract is for the provision of Rubrik Identity Resiliency Software which enables the MDTA to have enhanced protection of Microsoft Active Directory (AD) forests and domain controllers. Enhancing the Rubrik backup infrastructure enables the protection of AD forests and domain controllers with global orchestration, ensuring backups are enforced across distributed environments. The enhanced protection also allows the MDTA to support forest and domain controller-level recovery, with options for recovery to the same or new hosts, ensuring fast return to business operations after a cyberattack. The granular object-level recovery option will allow the MDTA to restore individual AD objects (users, groups, etc.) with full attribute and relationship preservation, eliminating the need for manual rebuilds during recovery. The total amount for this contract is \$751,060.00.

Member von Paris called for a motion to recommend approval of this item to the full MDTA Board at its next scheduled meeting. Member Carroll made the motion, and Member Jeffrey Rosen seconded the motion, which was unanimously approved.

APPROVAL – FINANCING RESOLUTION 26-01, SERIES 2026 BWI PFC BONDS

Kevin Cullity requested a recommendation of approval from the Finance and Administration Committee to advance MDTA Board Resolution 26-01 to the full MDTA Board for approval. The resolution authorizes the issuance of Passenger Facility Charge (PFC) backed bonds to finance a portion of BWI Airport capital projects in fiscal 2027 and 2028.

Mr. Cullity explained that the Municipal Financing Resolution authorizes the issuance of up to \$130 million of bonds to finance a portion of capital projects at the BWI Airport for an approximately two-year period through fiscal 2028. The financing is expected during the second half of 2026 and will be sized to account for the capital program, PFC revenues, bond premium, debt service reserve funding, and costs of issuance. The PFC revenue-backed bonds are issued under a separate trust agreement and are solely secured by PFC revenues.

Member von Paris called for a motion to recommend approval of this item to the full MDTA Board at its next scheduled meeting. Member Rosen made the motion, and Member Penny-Ardinger seconded the motion, which was unanimously approved.

UPDATE – NON-RECOURSE FINANCINGS & LOANS

Yaw Berkoh provided an update to the Finance and Administration Committee on non-recourse debt issued by the MDTA on behalf of others. The update provided a required review of contracts and project improvements at BWI Marshall Airport that are funded from pledged passenger enplanement fees and consolidated rental car facility fees, as well as the status of the loan by the MDTA to the MAA.

UPDATE – CREDIT RATINGS

Kevin Cullity advised that in 2025, both Moody's and S&P affirmed the MDTA's ratings at Aa2 and AA-, respectively, and assigned negative outlooks. Subsequently, on September 23, 2025, Fitch affirmed MDTA's AA rating and maintained a stable outlook. On December 11, 2025, Moody's again affirmed the rating and maintained the negative outlook.

The rating agencies cited multiple credit strengths such as the MDTA's (1) strong financial profile supported by the MDTA's financial policies and proven track record of conservative budgeting practices; (2) willingness to maintain strong financial metrics by increasing toll rates or making other adjustments to preserve its financial position; and (3) long history of strong demand for the multiple, essential, and established transportation facilities in a well-developed, affluent, and slowly growing service area.

The affirmation of the bonds rating by Moody's reflects its view that the MDTA has demonstrated a plan to maintain financial metrics consistent with Aa2 rated peers, despite the sizeable increase in the projected costs of the Francis Scott Key Bridge replacement. Moody's negative outlook reflects that delays in receiving federal reimbursements or delays in implementing the toll rate increases as needed could result in a weakening of the MDTA's financial position.

There being no further business, the meeting of the Finance Committee adjourned at 9:47 a.m., following a motion by Member Carroll, and seconded by Member Penny-Ardinger.

John von Paris, Chairman

ITEM

2



MEMORANDUM

TO: Finance and Administration Committee
FROM: Investment Administrator Clayton Viehweg
SUBJECT: Quarterly Investment Report
DATE: February 12, 2026

PURPOSE OF MEMORANDUM

Complete required quarterly review of investment report for the three-month period ended December 31, 2025. Request recommendation of the Finance and Administration Committee to present to the full Board for approval for the continuation of investment strategy and associated benchmarks.

SUMMARY

On a quarterly basis, MDTA's Investment Committee reports to the Finance and Administration Committee on investment related activities. The Investment Committee will review market conditions, policy compliance, portfolio strategies, and total return performance. The Committee will also discuss certain market drivers that may influence portfolio performance in coming months, including the economy, fiscal policy, and Federal Reserve monetary policy.

Key Points

- Diversified investment portfolio remains in compliance with the Investment Policy and Trust Agreement.
- Matched Funded accounts are benefitting from higher prevailing rates for short-term instruments.
- Total Return (Duration Targeted) Investment Strategies
 - Long-term reserve account strategies should remain consistent despite periods of short-term return volatility associated with rising interest rate environments.
 - Multi-year returns for longer term reserves align with the financial forecast and approximate the starting rolling yields.

RECOMMENDATION

The Investment Committee requests the Finance and Administration Committee's concurrence and recommendation to move to the full board for approval of the dealer addition, the dealer termination, and continuation of investment strategy and benchmarks.

ATTACHMENT

Performance Report Finance Committee 12 31 25



Maryland
Transportation
Authority

Investment Portfolio Management & Performance

Period Ended – December 31, 2025

Meeting Date – February 12, 2026

Agenda

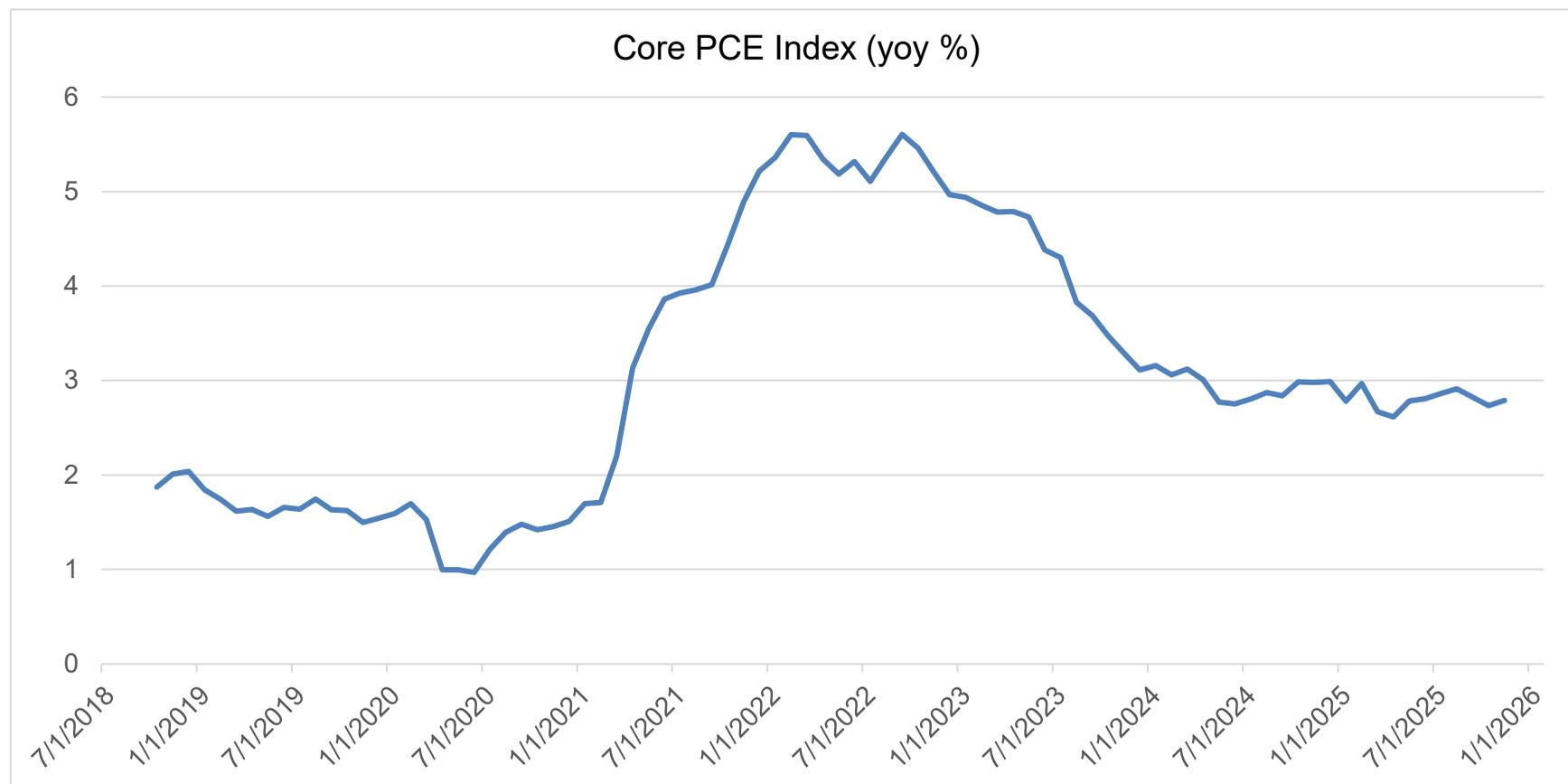
- Market Update
- Portfolio Composition & Compliance
- Strategy
- Total Return Performance
- Strategy & Benchmark Approval

Key Points

- Diversified investment portfolio remains in compliance with the Investment Policy & Trust Agreement.
- Matched Funded accounts are benefitting from higher prevailing rates for short-term instruments.
- Total Return (Duration Targeted) Investment Strategies
 - Long-term reserve account strategies should remain consistent despite periods of short-term return volatility associated with rising interest rate environments.
 - Multi-year average returns for long term reserves align with financial forecast and approximate the starting rolling yields.

- At its most recent meeting the Fed maintained the target federal funds rate at 3.5% to 3.75%, noting that while unemployment appears to have stabilized job gains remain low.
- Additionally, the Federal Reserve’s preferred measure of inflation, Core PCE, continues to show moderation although “inflation remains somewhat elevated”.

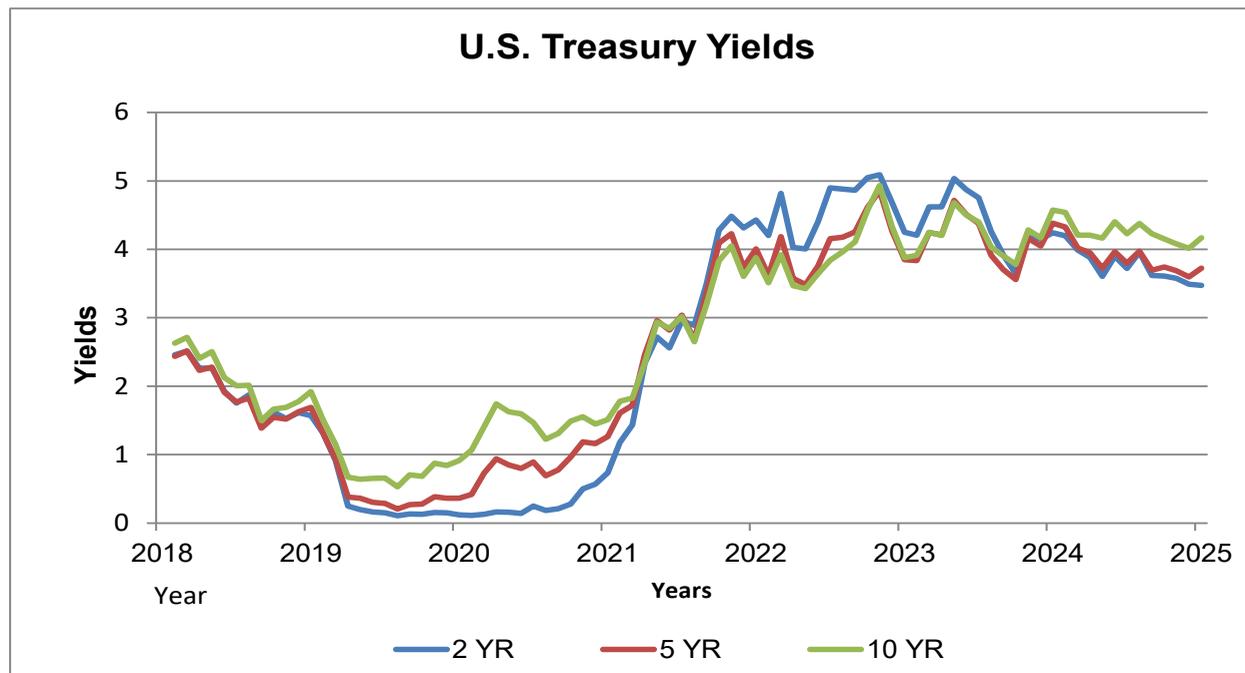
Core Personal Consumption Expenditures Index – measures the prices paid by consumers for goods & services without the volatility caused by movements in food & energy prices to reveal underlying inflation trends.



- **Economy:** Modest growth in spending & production, slowing but elevated inflation.

	<u>4Q25</u>	<u>3Q25</u>	<u>2Q25</u>	<u>1Q25</u>	<u>4Q24</u>	<u>3Q24</u>	<u>2Q24</u>	<u>1Q24</u>	<u>4Q23</u>	<u>3Q23</u>	<u>2Q23</u>	<u>1Q23</u>	<u>4Q22</u>	<u>3Q22</u>
Real GDP (yoy %)	n/a	2.30	2.10	2.00	2.40	2.80	3.10	2.90	3.40	3.20	2.80	2.30	1.30	2.30
Core PCE Index (yoy %)	n/a	2.83	2.81	2.67	2.99	2.84	2.75	3.12	3.11	3.69	4.38	4.78	4.97	5.61
Unemployment Rate (%)	4.40	4.40	4.10	4.20	4.10	4.10	4.10	3.90	3.80	3.70	3.60	3.50	3.50	3.50

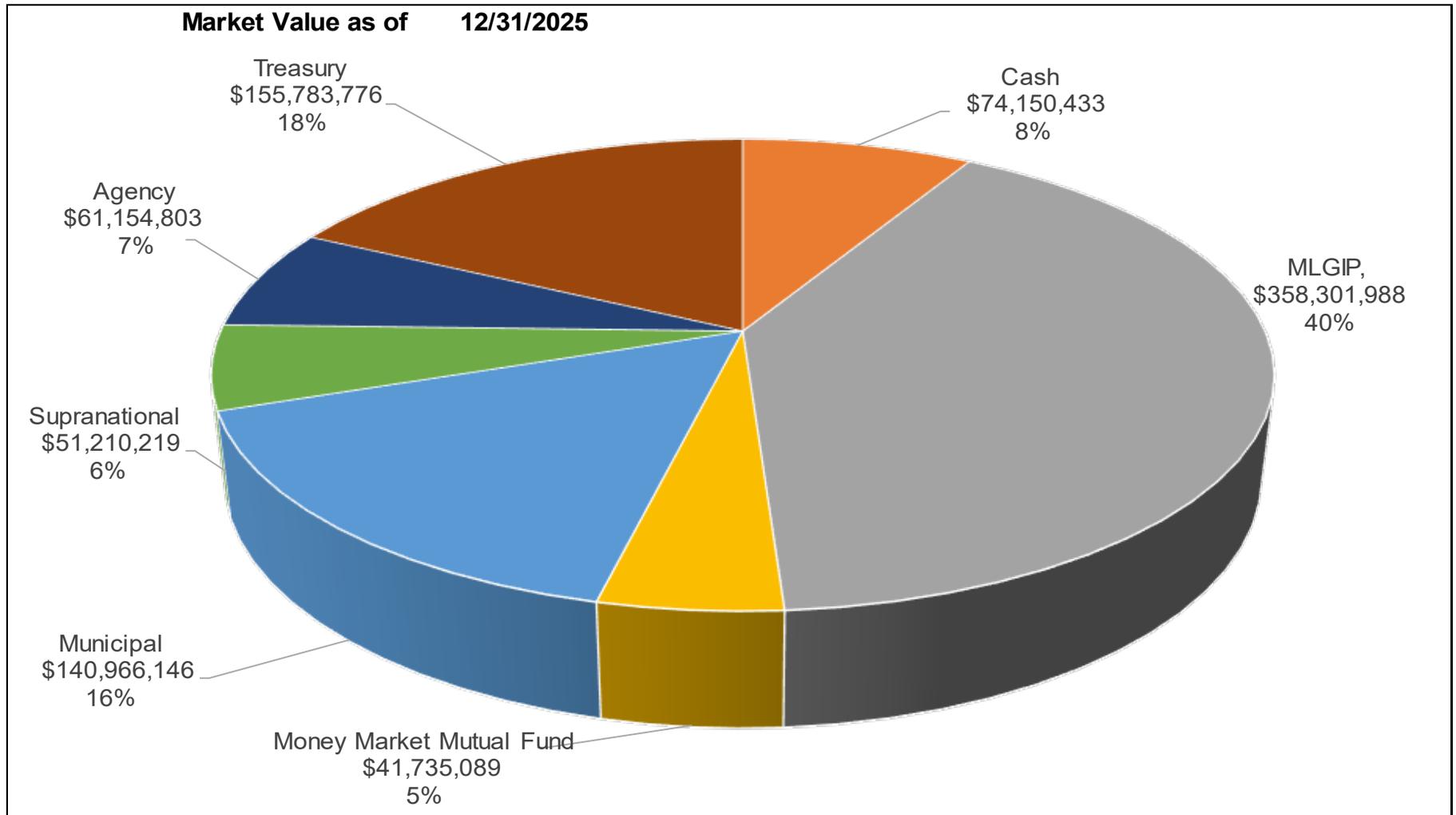
*** Real GDP & Core PCE are published by the Bureau of Economic Analysis; the Unemployment Rate is published by the Bureau of Labor Statistics ***

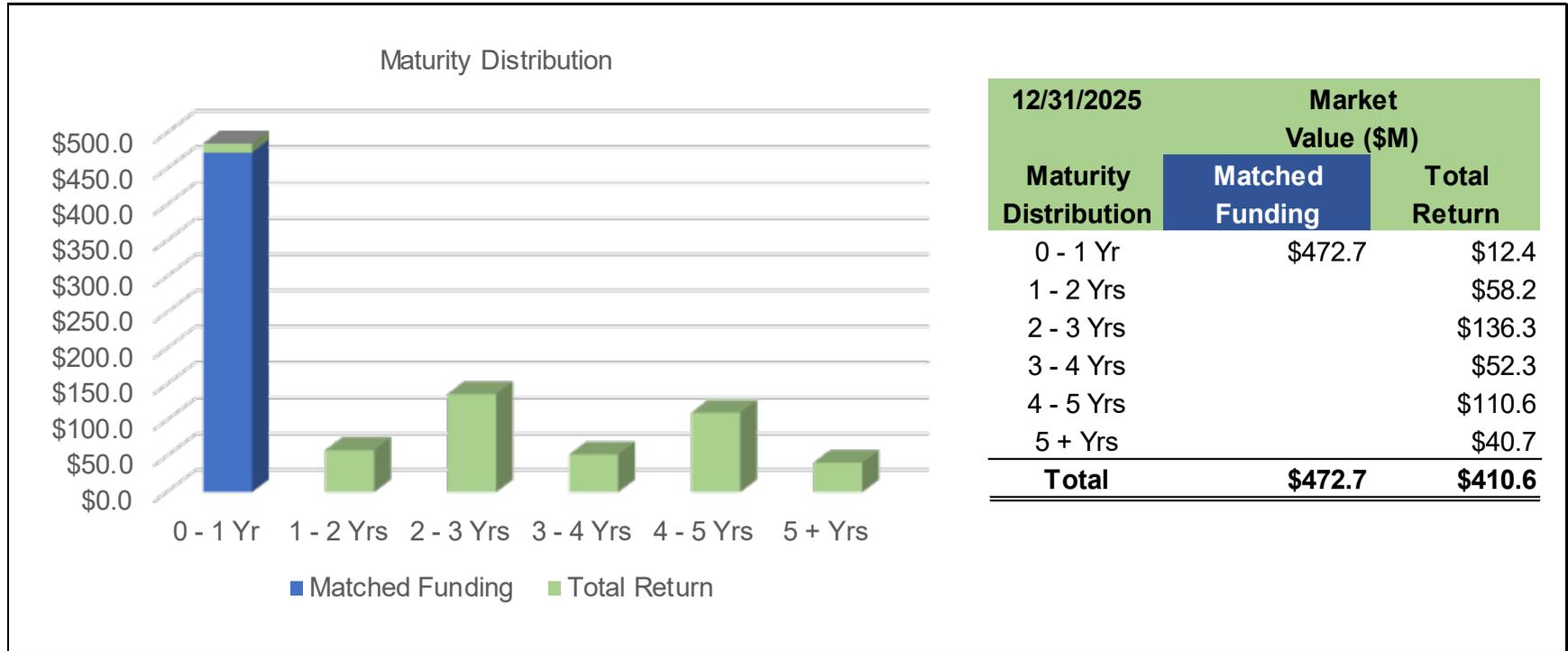


- **Federal Reserve:** The Fed remains vigilant to downside risks, with keen attention to the uncertainty surrounding tariffs & geopolitical risks.
 - The Fed held rates steady from August 2023 to September 2024, but has since cut five times for a total of 150 basis points in order to mitigate the risk of an economic slowdown.
 - The Fed's Quantitative Tightening program ended on December 1, 2025, as it has deemed the supply of reserves to be "ample".

Portfolio Composition & Compliance – Security Composition

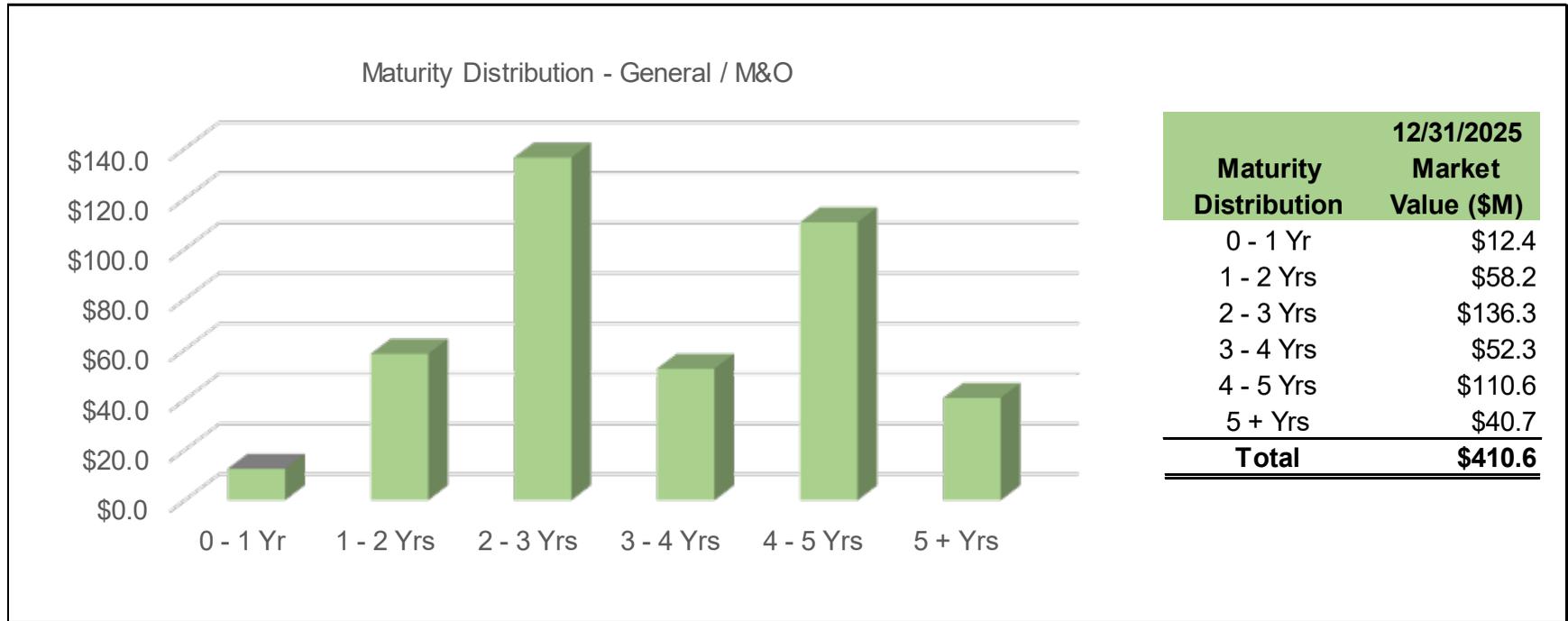
- High quality and diversified portfolio
 - Security type allocations based on:
 - Cash Flow Needs
 - Relative Value Opportunities - higher yield for similar maturities and credit risk
 - Large allocation to MLGIP given compelling rates at the short end of the yield curve
 - Minimizing credit risks associated with ratings downgrades and/or defaults





- Match Funded accounts necessitate maturities heavily weighted within 1 year.
 - Driven by cash flow schedules for debt service, operating expenses, and capital spending.
 - Debt service: \$72.9M
 - Operating: \$75.1M
 - Capital: \$324.8M

Portfolio Composition & Compliance – Maturity Distribution (cont'd) ⁷



- Total Return reserve accounts align durations with benchmark indices.
 - Dispersion of maturities reduces yield curve concentration risk & benchmark tracking error.
 - General Account: Staggered maturities, 1-month to 5-years.
 - M&O Account: Staggered maturities, 1-month to 15-years.

Portfolio Composition & Compliance – Compliance Report

- Portfolio complied with all legal & policy limitations throughout the reporting period of 9/30/25 through 12/31/25
 - Investment holdings above minimum credit ratings.
 - Investment concentrations below required limits.
 - Conformed to maturity limitations.

Maturity Limits	Longest Maturity (# of years)	Policy Limit (# of years)	Compliance With Investment Policy
Account Types			
Bond Service Accounts	0.2	1	Yes
Unrestricted (General) *	4.9	5	Yes
Unrestricted (M&O)	13.4	15	Yes

* Investment Policy permits maturities to 15 years, longer if approved by CFO. Maturity Limits measured on Settlement Date basis.

	Credit Ratings		Market Value (\$)	Market % of Total	Investment Policy Limit	Compliance With Investment Policy
	S&P	Moody's				
Cash			74,150,433	8.4%		
Money Market Mutual Funds						
- Goldman Sachs Financial Square Gov't FGTX	AAAm	Aaa-mf	12,252,884	1.4%	50%	Yes
- MLGIP	AAAm	NR	358,301,988	40.6%	50%	Yes
- Dreyfus Gov't Cash DGCXX	AAAm	Aaa-mf	29,482,205	3.3%	50%	Yes
Sub-Total Money Market Mutual Funds			400,037,077	45.3%	100%	Yes
U.S.Treasuries **	AA+	Aa1	155,783,776	17.6%	100%	Yes
Federal Agencies **						
- Fannie Mae	AA+	Aaa	26,500,072	3.0%	50%	Yes
- Federal Farm Credit Bank	AA+	Aaa	27,245,889	3.1%	50%	Yes
- Federal Home Loan Bank	AA+	Aaa	6,685,567	0.8%	50%	Yes
- Freddie Mac	AA+	Aaa	723,276	0.1%	50%	Yes
Sub-Total Federal Agencies			61,154,803	6.9%	100%	Yes

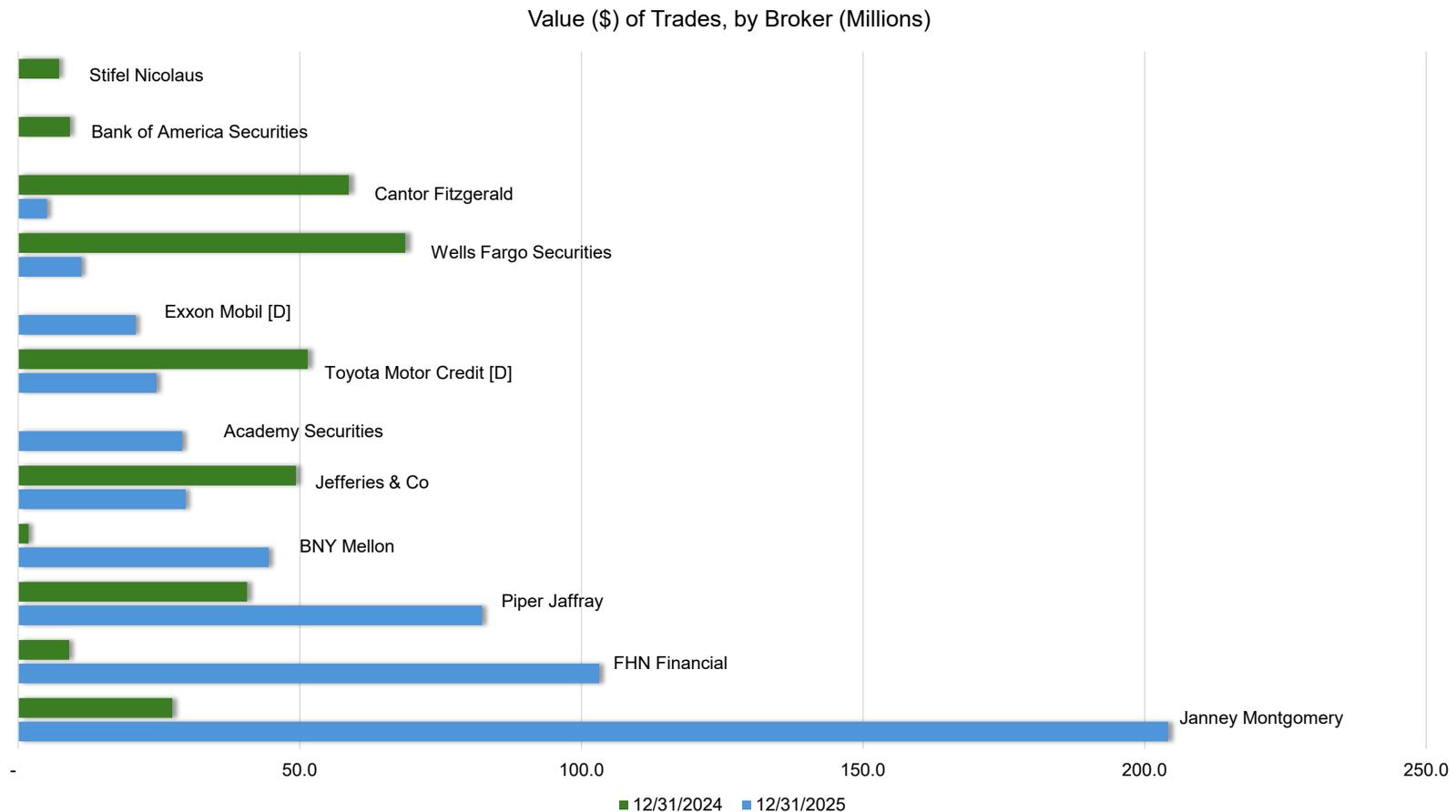
** Includes defeased municipals with government securities escrows.

Portfolio Composition & Compliance – Compliance Report (continued) ⁹

	Credit Ratings		Market Value (\$)	Market % of Total	Investment Policy Limit	Compliance With Investment Policy
	S&P	Moody's				
Municipal Debt						
- Austin, TX Comm Coll	AA+	Aa1	875,070	0.1%	5%	Yes
- Bergen County, NJ	NR	Aaa	2,664,941	0.3%	5%	Yes
- Boston, City of	AAA	Aaa	1,566,676	0.2%	5%	Yes
- Collin County, TX	AAA	Aaa	955,370	0.1%	5%	Yes
- Contra Costa Comm, CA	AA+	Aa1	2,037,440	0.2%	5%	Yes
- Emeryville, CA	AAA	NR	8,986,171	1.0%	5%	Yes
- Garland, TX	AA+	NR	1,029,820	0.1%	5%	Yes
- Hawaii, State of	AA+	Aa2	8,165,269	0.9%	5%	Yes
- Los Angeles CMNTY CLG DIST, CA	AA+	Aaa	7,657,360	0.9%	5%	Yes
- Marin County, CA	NR	Aaa	1,704,550	0.2%	5%	Yes
- Martinsville Independent School	AAA	NR	1,019,390	0.1%	5%	Yes
- Massachusetts, Commonwealth of	AA+	Aa1	6,273,480	0.7%	5%	Yes
- Minnesota, State of	AAA	Aaa	9,764,071	1.1%	5%	Yes
- Multnomah County, OR	NR	Aaa	20,164,899	2.3%	5%	Yes
- New York, State of	AA+	Aa1	9,334,752	1.1%	5%	Yes
- New York City	AA	Aa2	6,910,270	0.8%	5%	Yes
- Ohlone Comm College	AA+	Aa1	990,032	0.1%	5%	Yes
- Oregon Local Govts	NR	Aa2	1,422,242	0.2%	5%	Yes
- Oregon School Board	AA	Aa2	12,727,791	1.4%	5%	Yes
- Oregon, State of	AA+	Aa1	9,814,723	1.1%	5%	Yes
- Palm Beach County, FL	AAA	Aaa	2,641,899	0.3%	5%	Yes
- Phoenix	AA+	Aa1	10,220,250	1.2%	5%	Yes
- Santa Clara County	AAA	NR	769,800	0.1%	5%	Yes
- Solano County Community	AA	Aa2	983,972	0.1%	5%	Yes
- Texas, State of	AAA	NR	2,049,020	0.2%	5%	Yes
- Travis County Health, Texas	NR	Aa2	2,178,309	0.2%	5%	Yes
- Tulsa ISD, OK	NR	Aa2	4,934,251	0.6%	5%	Yes
- Westchester County, NY	AA+	Aa1	831,080	0.1%	5%	Yes
- Wisconsin, State of	AA+	Aa1	2,293,249	0.3%	5%	Yes
Sub-Total Municipal			140,966,146	16.0%	20%	Yes
Supranationals						
- African Development Bank	AAA	Aaa	9,845,700	1.1%	10%	Yes
- Asian Development Bank	AAA	Aaa	4,232,963	0.5%	10%	Yes
- International Bank for Reconstruction & Development	AAA	Aaa	22,100,106	2.5%	10%	Yes
- Inter-American Development Bank	AAA	Aaa	15,031,450	1.7%	10%	Yes
Sub-Total Supranationals			51,210,219	5.8%	30%	Yes
Grand Total			883,302,455	100.0%		
After reviewing the investment activity for the month ended December 31, 2025, we have not identified any instances of material non-compliance with the Investment Policy.						

Dealer Trade Allocation

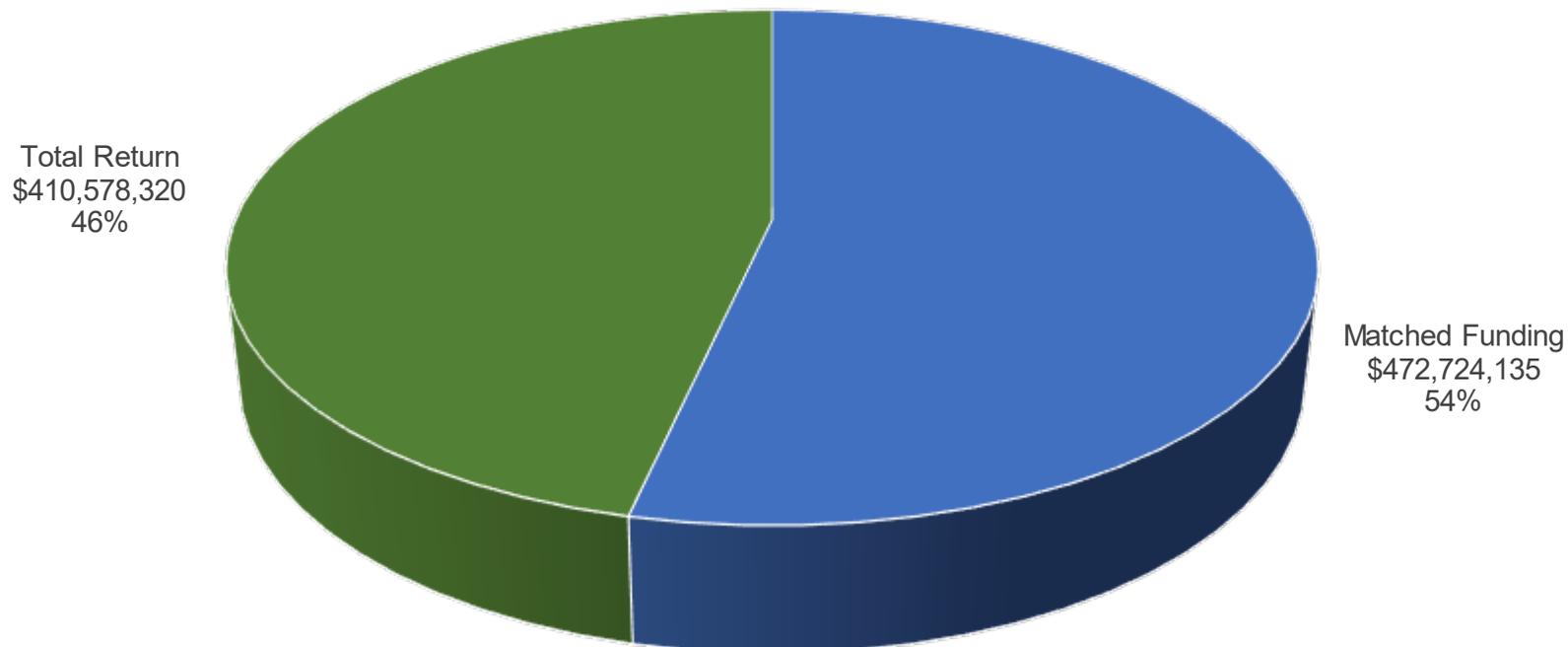
- Dispersion of trades tends to vary quarterly as a function of relative competitiveness amongst counterparties & types of securities sought; this dispersion is expected & normal as markets ebb & flow.
- Investment Policy Statement 14: “Whenever practical, securities shall be purchased & sold through a formal competitive process requiring the solicitation & evaluation of a least three bids/offers from Qualified Institutions.”
- Broker/Dealers are reviewed annually for competitiveness by the Investment Committee. Dealer suspensions & additions may result from trailing twelve-month responsiveness & competitiveness.



- Recommend addition of Huntington Securities to the Approved Dealers list.
 - Firm meets MDTA’s minimum net capital, registration, and other requirements.
- Recommend deletion of Janney Montgomery from the Approved Dealers list.
 - Firm no longer has a broker dealer / market making team.

- Matched Funding accounts for Construction, Operations, and Debt Service comprise the majority of the MDTA portfolio.
 - Short-term investments matched to projected spending.
- Total Return reserves represent long-term core funds, with long investment horizons.

Market Value as of 12/31/2025



Strategy – Previous & Current Quarter

- ✓ General and M&O Reserve remain in compliance with board approved strategy, approximating 100% of respective benchmark index durations.

Purpose	Strategy for Prior Period			Strategy for Current Period		
	Benchmarks	Duration	% Target	Benchmarks	Duration	% Target
Capital / Operating / Debt Long Term Reserves ⁽¹⁾	Matched Funding	N/A	N/A	Matched Funding	N/A	N/A
General	50% ICE BofA 1-3 YR & 50% ICE BofA 3-5 Yr	~3 Yrs	100%	50% ICE BofA 1-3 YR & 50% ICE BofA 3-5 Yr	~3 Yrs	99%
M&O Reserve	U.S. Treasury Strips 1-13 Yr	~7 Yrs	103%	U.S. Treasury Strips 1-13 YR	~7 Yrs	99%

(1) - Unrestricted cash in the combined General & M&O Reserve that exceeds the \$400 million target is transferred to the Capital account to fund capital expenditures.

- **Matched Funding Accounts:** Policy and Trust Agreement Directives/Limitations
 - Capital (Pay-Go & Bond Proceeds), Operating & Debt Service Accounts – Investment maturities precede or coincide with expected spending.

Returns: Investment returns are a function of prevailing interest rates for short-term investments such as Money Market Mutual Funds, MLGIP, Agency/Supranational Discount Notes, and Commercial Paper.

- **Total Return Accounts:** Board Approved Benchmarks
 - M&O Reserve – Staggered maturities, 0-15 years
 - General Account – Staggered maturities, 0-5-years

Returns: Longer duration indices benefit from higher average annual returns over multiyear periods and experience greater return volatility associated with mark-to-market relative to shorter-term duration indices.

Relative Value & Benchmark Implications

The securities contained in the current benchmark indices consist of U.S. Treasury and Government Agency debentures. MDTA's allocation to other spread sectors such as Supranational, Municipal, and Commercial should help performance longer term, but may cause short-term tracking error relative to the indices.

Supranational

- Supranational bonds were added to the Investment Policy in December 2016, with a sector limitation of 30% and a single issuer limitation of 10%.
- At times, Triple-A rated Supranational bonds, such as the World Bank, offer relative value versus comparable maturity agency debentures. Target spreads are approximately 10-15 basis points over comparable maturity agencies.

Municipal

- Municipal bonds are limited by policy to 20% of the portfolio, with a single issuer limitation of 5%.
- Triple-A taxable bonds are sought with spreads near 20 basis points relative to comparable maturity agencies.
- Municipals defeased with treasury securities are not subject to the policy limitation, as they are considered government securities. Target spreads are approximately 15 basis points over comparable maturity agencies.

Commercial Paper

- CP is limited by policy to 20% of the portfolio, with a single issuer limitation of 5%.
- Three-month Tier-1 rated CP offered a 15 bp premium to agencies at the end of the quarter.

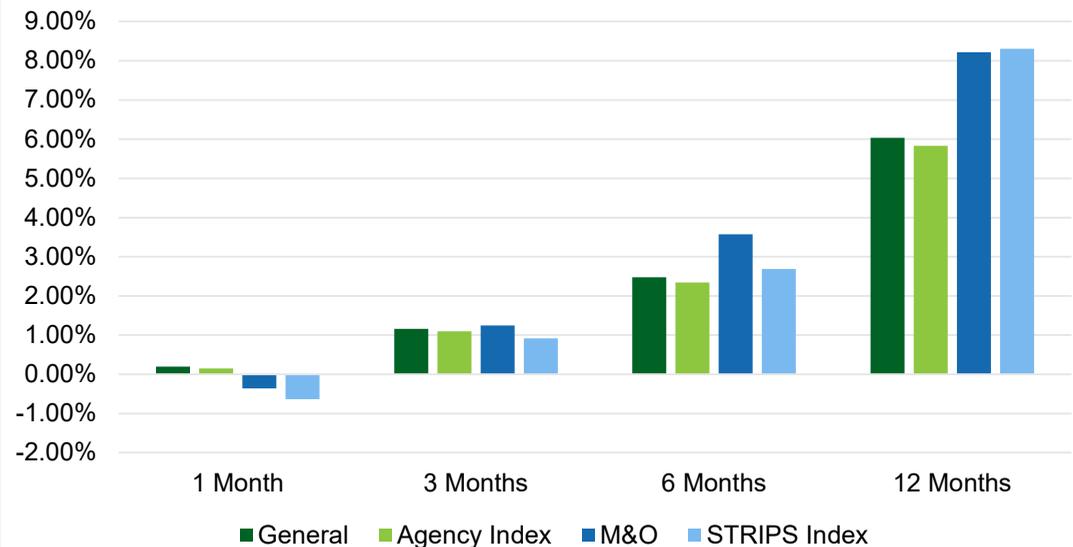
Total Return Performance – Matched Funding & Total Return

Total Return as of Period Ended 12/31/2025

	Trailing Period				Ending Market Value
	1 Month	3 Months	6 Months	12 Months	
<i>Combined Accounts Weighted Average</i>	0.22%	1.08%	2.32%	5.08%	\$ 812,178,401
MATCHED FUNDING					
Capital	0.33%	1.01%	2.10%	4.21%	\$ 325,717,435
Bond Service	0.35%	1.04%	2.02%	4.18%	\$ 72,994,369
TOTAL RETURN					
Reserves General / M&O	0.12%	1.18%	2.62%	6.32%	\$ 413,466,598
Composite Agency / STRIPS Index	0.05%	1.08%	2.39%	6.15%	

- Shorter Term Matched Funded accounts for Capital/Construction & Bond Service continue to benefit from higher short-term interest rates.
- Longer Duration Reserves – interest rate volatility results in market value changes thus affecting total returns.
 - Lower front end yields, higher longer yields led to modestly divergent returns in the Reserves portfolios.
- Note: Table provides weighted returns for the M&O / General accounts & respective indices. Graph shows portfolio & index total returns.

Trailing Period Total Returns



RECOMMENDATION

The Investment Committee requests the Finance and Administration Committee's Concurrence and Recommendation to move to the full Board for approval of the continuation of investment strategy/benchmarks, approval of the dealer addition & dealer deletion.

ITEM

3



MEMORANDUM

TO: Finance & Administration Committee
FROM: Director of Budget Jeffrey Brown
SUBJECT: FY 2026 Amended Operating Budget vs. Actual Spending Review
DATE: February 12, 2026

PURPOSE

The purpose of the memorandum is to report on second quarter FY 2026 spending compared to the FY 2026 Amended Operating Budget.

KEY TAKEAWAY

As of December 31, 2025, 44% of the budget was spent compared to a target of 48%. All Object Codes were at or below budget spending levels except for Object 13. The seasonality of the expenses, the timing of invoices, and the cost pressures in IT and insurance heavily impacted second quarter performance.

SUMMARY

Budget analysis threshold: More than \$500,000 budgeted with variances greater than +/- 5% of the targeted spending level.

- Salaries & Wages/Technical & Special Fees (**Object 01 & 02 - \$249.9M Budget**) is at targeted spending levels with a 46% spend rate.
- Communications (**Object 03 - \$4.4M Budget**) is below budget with a 19% spend rate primarily driven by the State Radio Invoice.
 - State Paid Telecomm (**State Radio Invoice - (Object 0305 - \$2.0M Budget)**) is below budget with a 0% spend rate because the invoice has not yet been issued.
- Travel (**Object 4 - \$571K Budget**) is below budget with a 31% spend rate. Seasonality (heavier spending in 3rd and 4th quarters) accounts for the underspend.

FY 2026 Operating Budget vs. Actual Spending Review

- Fuel and Utilities (**Object 06 - \$5.3M Budget**) is slightly below budget with a 41% spend rate.
- Motor Vehicle Operations & Maintenance (**Object 07 - \$21.8M Budget**) is below budget with a 34% spend rate.
 - Vehicles Gas & Oil (**Object 0702 - \$4.0M Budget**) is below budget with a 26% spend rate.
 - Vehicles Maintenance & Repair (**Object 0703 - \$2.7M Budget**) is below budget with a 30% spend rate. This activity does not occur smoothly throughout the year.
 - Large Vehicle Maintenance & Repair (**Object 0732 - \$2.5M Budget**) is slightly below budget with a 39% spend rate. This activity does not occur smoothly throughout the year.
- Contractual Services (**Object 08 - \$151.5M Budget**) is below budget with a 37% spend rate.
 - Advertising (**0801 - \$3.3M Budget**) is below budget with a 15% spend rate. Promotional activity is typically heavier in the 3rd and 4th quarters.
 - Engineers (**0807 - \$35.9M Budget**) is below budget with a 23% spend rate as activity is heavier in the 3rd and 4th quarters.
 - Equipment Repairs & Maintenance (**0809 - \$2.1M Budget**) is above budget with an 88% spend rate. One-time Rubrik charges (backup services) drive this performance, however this line item is expected to be on budget for the year.
 - Building/Road Repairs & Maintenance (**0812 - \$16.2M Budget**) is below budget with a 21% spend rate. Activity is heavier in the 3rd and 4th quarters.
 - Education & Training (**0819 - \$1.3M Budget**) is below budget with a 25% spend rate.
 - Management Studies (**0821 - \$6.9M Budget**) is below budget with a 21% spend rate due to the timing of the activity.
 - Security Services (**0823 - \$1.2M Budget**) is below budget with a 27% spend rate.
 - IT Services (**0841 through 0869 - \$13.7M Budget**) is above budget with a 76% spend rate.
 - Telecomm (**0849 - \$614K Budget**) is below budget with a 5% spend rate due to expenses that were inadvertently charged to the wrong subobject code. This line item will be corrected next quarter and is expected to be close to budget by the end of the fiscal year.
 - Application Software Maintenance (**0862 - \$1.5M Budget**) is over budget with a 243% spend rate due to charges for body worn cameras. Internal discussions are underway about whether the expenses are eligible to be capitalized.
 - System Software Maintenance (**0864 - \$1.0M Budget**) is above budget with an 180% spend rate due to an increase in charges from TSO. Consistent with other MDOT modes, the costs associated with enterprise agreements are now being passed through from MDOT to the MDTA. TSO no longer covers a portion of our enterprise agreements.

- Outside Services Computers (**0869 - \$550K Budget**) is above budget with a 71% spend rate due to the timing of OpenGov (budgeting) and Salesforce (Human resources) software charges. This line item is expected to be on budget.
- Other Contractual Services (**0899 - \$4.3M Budget**) is below budget with a 23% spend rate primarily due to MSP overhead charges
- Supplies & Materials (**Object 09- \$11.2M Budget**) are below budget with a 29% spend rate.
 - Roadway Maintenance (**0905 - \$761K Budget**) is below budget with a 29% spend rate. Activity is higher in the 3rd and 4th quarters.
 - Salt (**0906 - \$1.7M Budget**) is at a 0% spend rate due to seasonality.
 - Ammunition (**0934 - \$755K Budget**) is below budget with a 17% spend rate. This cost is driven by when the orders are received.
 - Transponders (**0951 - \$4.1M Budget**) expense is below budget with a 37% spend rate.
- Replacement Equipment (**Object 10 - \$2.0M Budget**) is on budget with a 42% spend rate.
 - Microcomputers (**Object 1033 - \$1.0M Budget**) are above budget with a 60% spend rate.
 - Other Replacement Equipment (**Object 1099 - \$541K Budget**) is below budget with a 6% spend rate. This depends upon when orders are received.
- Additional Equipment (**Object 11 - \$2.6M Budget**) is below budget with a 35% spend rate mostly due to the timing of orders.
 - Additional Radios & Electronic Equipment (**Object 1119 - \$665K Budget**) is below budget with a 1% spend rate and depends upon the timing of orders.
- Fixed Costs (**Object 13 - \$12.9M Budget**) is above budget with a 126% spend rate.
 - Insurance (**Object 1302 \$907K Budget**) is above budget, due, in part, to a \$2.1 million charge that should have been allocated to Insurance (Object **1309 - \$11.6M Budget**). This has been corrected, consequently Object 1309 will be above budget with a 121% spend rate. This is due to higher market rates coupled with an increase in the insurance policy limit.
 - Bad Debt (**Object 1320 - \$50K Budget**) is above budget with a 7,303% spending rate. This is due to uncollectible damage expense that occurred at the Bay Bridge in 2016.

ATTACHMENT

Budget vs Actual by Object 1st Qtr. FY 2026

MDTA OPERATING FUND
 Bgt vs. Actual by Obj and RC Detail
 Summary of All Units
 For the Six Months Ending Wednesday, December 31, 2025

	Budget	YTD		%
		Expense	Balance	Spent
OBJECT 01 Salaries and Wages				
0101 REGULAR EARNINGS	\$152,589,257	\$53,829,752	\$98,759,506	35.28%
0102 ADDITIONAL ASSISTANCE	194,092		194,092	0.00%
0104 OVERTIME EARNINGS	6,107,621	3,493,501	2,614,120	57.20%
0104 OVERTIME EARNINGS - SNOW	1,279,686	319,672	960,014	24.98%
0105 SHIFT DIFFERENTIAL	983,391	26,161	957,230	2.66%
0110 MISCELLANEOUS P/R ADJ	259,750	233,646	26,104	89.95%
0111 ACCRUED LEAVE PAYMENTS	192,471	498,653	(306,182)	259.08%
0112 RECLASSIFICATIONS	403,865		403,865	0.00%
0151 SOCIAL SECURITY	10,936,678	47,084	10,889,594	0.43%
0152 HEALTH INSURANCE	21,801,255	242,396	21,558,859	1.11%
0154 RETIREE'S HLTH INSURANCE	13,019,894	63,008	12,956,886	0.48%
0156 VSP PAYMENTS		333,900	(333,900)	0.00%
0161 EMPLOYEES RETIREMENT	19,650,180	44,096	19,606,084	0.22%
0165 STATE POLICE RETIREMENT SYSTEM	5,204,476	1,205,999	3,998,477	23.17%
0169 LAW ENFORCEMNT OFF PENSION	23,925,977		23,925,977	0.00%
0171 BURDEN EXPENSE		55,097,290	(55,097,290)	0.00%
0172 DEFERRED COMP MATCH	358,077	2,400	355,677	0.67%
0174 UNEMPLOYMENT COMP	222,105	3,549	218,557	1.60%
0175 WORKERS COMPENSATION	3,633,039		3,633,039	0.00%
0189 TURNOVER	(12,922,298)		(12,922,298)	0.00%
0199 OTHER FRINGE BENE - CLOTH	859,111	375,750	483,361	43.74%
Total Object 01	248,698,628	115,816,858	132,881,770	46.57%
Object 02 Technical and Special Fees				
0202 PER DIEM PAYMENTS	125,000	40,282	84,718	32.23%
0208 TRAINING AND STAFF DEV		400	(400)	0.00%
0209 ADMIN/MGMT SERVICES	3,000		3,000	0.00%
0211 EMPLOYEE AWARDS	1,000		1,000	0.00%
0220 SPECIAL PAYMENTS PAYROLL	1,118,978		1,118,978	0.00%
Total Object 02	1,247,978	40,682	1,207,296	3.26%
Object 03 Communications				
0301 POSTAGE	51,600	27,038	24,562	52.40%
0302 TELEPHONE	880,904	133,786	747,118	15.19%
0303 TELECOMMUNICATIONS	803,730	391,139	412,591	48.67%
0305 STATE PAID TELECOMM	2,000,000		2,000,000	0.00%
0306 CELL PHONE EXPENDITURES	663,181	272,168	391,013	41.04%
Total Object 03	4,399,415	824,132	3,575,283	18.73%
Object 04 Travel				
0401 IN STATE/ROUTINE OPER TRAV	51,377	9,742	41,635	18.96%
0402 INSTATE/CONF/SEM/TRNGTRAV	95,098	24,010	71,088	25.25%
0403 OUTSTATE/ROUTINE OPER TRAV	63,393	8,778	54,615	13.85%
0404 OUTSTATE/CON/SEM/TRN TRAV	360,978	135,658	225,320	37.58%
Total Object 04	570,846	178,188	392,658	31.21%
Object 06 Fuel and Utilities				
0603 FUEL-OIL #2	149,300	40,729	108,571	27.28%
0606 FUEL-NATURAL GAS/PROPANE	486,434	52,926	433,507	10.88%
0620 UTILITIES-ELECTRICITY	4,248,405	1,885,320	2,363,085	44.38%
0621 UTILITIES-WATER/SEWAGE	416,703	175,064	241,639	42.01%
Total Object 06	5,300,842	2,154,040	3,146,802	40.64%
Object 07 Motor Vehicle Operations and Maintenance				
0701 PURCH VEH-CAR,LIGHT TRUCK	9,110,000	3,836,221	5,273,779	42.11%
0702 VEHICLE GAS & OIL	4,025,750	1,040,202	2,985,548	25.84%
0703 VEHICLE MAINTENANCE & REP	2,721,700	806,326	1,915,374	29.63%
0704 INSURANCE	407,863		407,863	0.00%

MDTA OPERATING FUND
Bgt vs. Actual by Obj and RC Detail
Summary of All Units

For the Six Months Ending Wednesday, December 31, 2025

	Budget	YTD		%
		Expense	Balance	Spent
0721 VEHICLE GAS & OIL - WATERCRFT	49,347	12,256	37,091	24.84%
0722 VEHI MAINT & REP- WATERCRFT	111,431	7,531	103,901	6.76%
0724 BOAT SLIP RENTAL/LAUNCH FEES	4,200	500	3,700	11.90%
0730 PURCH VEH-OTHER LAND VEH	1,816,000	396,207	1,419,793	21.82%
0731 GAS & OIL - OTHER LAND VEH	1,000,000	406,950	593,050	40.70%
0732 LG VEHICLE MAINT & REPAIR	2,500,000	977,830	1,522,170	39.11%
0732 LG VEHICLE MAINT & REP-SNOW		1,727	(1,727)	0.00%
0789 COMMUTER CHARGE	(5,000)	(10,229)	5,229	204.59%
0799 OTHER MOTOR VEH CHARGES	50,000	6,830	43,170	13.66%
Total Object 07	21,791,291	7,482,350	14,308,941	34.34%
Object 08 Contractual Services				
0801 ADVERTISING/LEGAL PUB	3,278,691	497,067	2,781,624	15.16%
0802 APPLICATIONS SW MAINTENANCE	100,000	10,740	89,259	10.74%
0804 PRINTING/REPRODUCTION	33,250	3,613	29,637	10.87%
0807 ENGINEERS	3,150,000	787,875	2,362,125	25.01%
0807 ENGINEERS - Env (MA0967)	4,000,000	856,044	3,143,956	21.40%
0807 ENGINEERS - Highways (MA0983)	235,000	50,739	184,261	21.59%
0807 ENGINEERS - Arch (MA2395)	400,000	100,327	299,673	25.08%
0807 ENGINEERS - ITS/Electrical (MA2226)	1,180,000	157,564	1,022,436	13.35%
0807 ENGINEERS - Structural (MA2055)	1,825,000	238,109	1,586,891	13.05%
0807 ENGINEERS - Traffic (MA2181)	1,700,000	241,647	1,458,353	14.21%
0807 ENGINEERS - Asset Mgmt (MA2869)	800,000	198,528	601,472	24.82%
0807 ENGINEERS - On-Call (All MR)	6,700,000	3,338,920	3,361,080	49.83%
0807 ENGINEERS - Annual Insp (MA2471)	15,950,000	2,204,005	13,745,995	13.82%
0808 EQUIPMENT RENTAL	544,018	185,224	358,794	34.05%
0809 EQUIPMENT REPAIRS & MAINT	2,123,609	1,877,382	246,227	88.41%
0810 EXTERMINATION	17,413	419	16,994	2.41%
0812 BUILDING/ROAD REP & MAINT	16,176,962	2,025,567	14,151,395	12.52%
0812 BLDG/ROAD REP & MAINT - On-Call		1,438,742	(1,438,742)	0.00%
0813 JANITORIAL SERVICES	1,944,667	721,384	1,223,282	37.10%
0814 GROUNDS MAINTENANCE	86,700	6,249	80,451	7.21%
0815 LAUNDRY	3,400	587	2,813	17.27%
0817 LEGAL SERVICES	477,850	108,267	369,583	22.66%
0819 EDUCATION/TRAINING CONTRACTS	1,328,188	326,219	1,001,969	24.56%
0820 MEDICAL CARE	594,720	162,871	431,849	27.39%
0821 MGMT STUDIES AND CONSULTANTS	6,947,572	1,492,034	5,455,538	21.48%
0823 SECURITY SERVICES	1,241,976	330,362	911,614	26.60%
0824 LABORATORY SERVICES	44,278	450	43,828	1.02%
0825 VETERINARIAN	31,565	9,897	21,668	31.35%
0826 FREIGHT AND DELIVERY	17,841	2,629	15,212	14.74%
0827 TRASH AND GARBAGE REMOVAL	474,648	310,205	164,443	65.35%
0828 OFFICE ASSISTANCE	62,000	6,478	55,522	10.45%
0829 FISCAL SERVICES	15,715,250	7,010,603	8,704,647	44.61%
0841 DP CENTRAL PROCESS SVC	900,000	349,764	550,236	38.86%
0843 DP COMMUNICATIONS CONTROLLERS	400,000	139,772	260,228	34.94%
0849 TELECOMM LINES, MODEMS & CNTRL	613,538	32,163	581,375	5.24%
0854 COMPUTER MAINT CONTRACTS	100,000	95,571	4,429	95.57%
0858 SOFTWARE LICENSES	123,750	99,348	24,402	80.28%
0861 APPL SOFTWARE ACQUISITION	50,000	1,440	48,560	2.88%
0862 APPL SOFTWARE MAINTENANCE	1,501,000	3,650,182	(2,149,182)	243.18%
0864 SYSTEMS SOFTWARE MAINTENANCE	1,000,000	1,795,764	(795,764)	179.58%
0865 OUTSIDE SVCS-SYS ANALYSIS&DSGN	8,000,000	3,669,579	4,330,421	45.87%
0866 OUTSIDE SVCS-PROGRAMMING	500,000	250,900	249,100	50.18%
0869 OUTSIDE SVCS-COMPUTER USAGE	550,000	391,523	158,476	71.19%
0872 IT OUTSIDE SVCS - CONSULTING SVC	6,000		6,000	0.00%
0873 OUTSIDE SVC - E-Z PASS SVC CENTER	45,500,000	19,403,515	26,096,485	42.65%
0874 OFFICE OF ATTORNEY GENERAL FEE	44,265		44,265	0.00%
0875 RETIREMENT AGENCY ADMIN FEE	232,588		232,588	0.00%
0876 STATEWIDE DOIT SERVICES	125,000		125,000	0.00%

MDTA OPERATING FUND
 Bgt vs. Actual by Obj and RC Detail
 Summary of All Units
 For the Six Months Ending Wednesday, December 31, 2025

	Budget	YTD		% Spent
		Expense	Balance	
0894 STATEWIDE PERSONNEL SYS ALLOC	41,676		41,676	0.00%
0897 STATE ENTERPRISE BUDGET SYSTEM	348,402		348,402	0.00%
0899 OTHER CONTRACTUAL SVC-NON DP	4,310,702	983,213	3,327,489	22.81%
Total Object 08	151,531,519	55,563,484	95,968,035	36.67%
Object 09 Supplies and Materials				
0901 AGRICULTURE	53,090	14,339	38,751	27.01%
0902 OFFICE SUPPLIES	446,169	119,273	326,897	26.73%
0903 ELECTRICAL MATERIALS	492,291	96,113	396,178	19.52%
0904 BUILDING & HOUSEHOLD SUPPLIES	488,712	181,912	306,800	37.22%
0905 ROADWAY MAINT MATERIALS	761,477	222,303	539,174	29.19%
0906 SALT/SNOW MELTING MATERIALS	1,661,500	1,603	1,659,897	0.10%
0908 HOUSEKEEPING SUPPLIES	74,266	22,584	51,682	30.41%
0909 MEDICAL SUPPLIES	44,807	19,065	25,742	42.55%
0912 WEARING APPAREL-UNIFORMS EMPL	1,293,258	546,855	746,402	42.29%
0915 LIBRARY SUPPLIES	29,975	25,957	4,018	86.59%
0917 SMALL TOOLS	348,519	106,273	242,247	30.49%
0918 VETERINARY SUPPLIES	29,381	5,053	24,328	17.20%
0920 FOOD	194,784	45,491	149,293	23.35%
0926 DATA PROCESSING SUPPLIES	32,435	13,519	18,916	41.68%
0934 AMMO GUNS FIRING RANGE SUPPLIES	754,811	129,500	625,311	17.16%
0951 E-ZPASS TRANSPONDERS	4,115,000	1,517,610	2,597,390	36.88%
0999 OTHER SUPPLIES AND MATERIALS	369,319	136,529	232,790	36.97%
Total Object 09	11,189,794	3,203,981	7,985,814	28.63%
Object 10 Replacement Equipment				
1009 REPL HUMAN ENVIRONMENTAL EQUIP		4,088	(4,088)	0.00%
1013 REPL MAINTENANCE & BUILDING EQUI	296,600	133,580	163,020	45.04%
1015 REPL OFFICE EQUIPMENT	106,357	44,335	62,022	41.69%
1019 REPL RADIOS & ELECTRONIC EQUIP	66,000	49,256	16,744	74.63%
1033 REPL DP EQUIP-MICROCOMPUTER	1,005,200	599,153	406,047	59.61%
1036 REPL DP EQUIP-PERIPHERALS	14,400		14,400	0.00%
1099 OTHER REPLACEMENT EQUIPMENT	541,266	30,309	510,957	5.60%
Total Object 10	2,029,823	860,720	1,169,103	42.40%
Object 11 Additional Equipment				
1102 ADDT'L AUDIO-VISUAL EQUIP	6,500	852	5,648	13.11%
1103 ADDT'L CLEANING EQUIPMENT	10,000		10,000	0.00%
1109 ADDT'L HUMAN ENV EQUIP	1,000	3,426	(2,426)	342.58%
1113 ADDT'L MAINT & BUILDING EQUIP	253,000	76,123	176,877	30.09%
1115 ADDT'L OFFICE EQUIPMENT	238,590	73,046	165,543	30.62%
1119 ADDT'L RADIOS & ELECTRONIC EQUIP	665,000	3,848	661,152	0.58%
1133 ADDT'L DP EQUIP-MICROCOMPUTER	20,000		20,000	0.00%
1199 OTHER ADDITIONAL EQUIPMENT	1,378,962	735,735	643,228	53.35%
Total Object 11	2,573,052	893,030	1,680,022	34.71%
Object 13 Fixed Charges				
1301 RENT		230,862	(230,862)	0.00%
1302 INSURANCE COVERAGE PAID TO STO	907,813	2,134,489	(1,226,676)	235.12%
1303 RENT PAID TO DGS	1,100		1,100	0.00%
1304 SUBSCRIPTIONS	29,020	14,408	14,612	49.65%
1305 ASSOCIATION DUES	283,857	61,084	222,773	21.52%
1308 LICENSES	9,720	1,962	7,759	20.18%
1309 INSURANCE (NON STO PAYMENTS)	11,596,368	10,140,939	1,455,429	87.45%
1320 BAD DEBT EXPENSE	50,000	3,651,611	(3,601,611)	7303.22%
Total Object 13	12,877,878	16,235,355	(3,357,477)	126.07%
Total All Objects	462,211,066	203,252,818	258,958,247	43.97%

ITEM

4



MEMORANDUM

TO: MDTA Finance and Administration Committee
FROM: Assistant Capital Program Manager Jennifer Stump
SUBJECT: Second Quarter Review of FY 2026 Capital Budget vs. Actual Spending
DATE: February 12, 2026

PURPOSE OF MEMORANDUM

The purpose of the memorandum is to update the MDTA Finance and Administration Committee on the status of actual FY 2026 capital spending against the FY 2026 capital budget in the FY 2026-2031 Draft Consolidated Transportation Program (CTP). This information will be presented to the MDTA Board on February 26, 2026.

SUMMARY

As of December 31, 2025, 28% of the FY 2026 budget was spent as compared to the targeted spending level of 50%. The total budget for FY 2026 is \$1.15 billion. The actual spending through the second quarter was \$324.4 million.

ANALYSIS

Thirty-two of the 102 projects budgeted in FY 2026 were within the acceptable spending limits of 25% to 75% (plus or minus 25% of the 50% target). Due to normal lags in invoicing, generally two months, a plus or minus 25% threshold was determined to be reasonable.

Actual spending through the first quarter for ten projects with FY 2026 budgets over \$10 million was \$252.8 million. The ten projects are detailed in Attachment A.

ATTACHMENT

Attachment A – FY 2026 Capital Program Spending – Ten Projects with FY 2026 Budgets over \$10 Million.

**FY 2026 Capital Program Spending
Compared to Draft FY 2026-2031 CTP Budget
Ten Projects with FY 2026 Budgets over \$10M**

Project Name	FY 2026 Budget Draft FY26-31 CTP (\$ Million)	FY 2026 Actual thru 12/31/2025 (\$ Million)	FY 2026 2nd Qtr Spend Rate	FY 2026 Budget Remaining (\$ Million)
Key Bridge Rebuild	\$685.0	\$136.1	20%	\$548.9
I-95 ETL NB Transition - MD 24 Interchange Reconstruction	\$78.7	\$45.2	57%	\$33.5
I-95 ETL NBE MD 24 to Bynum Run	\$31.0	\$14.8	48%	\$16.3
Rehab Decks of EB Span - Phase I Deck Widening & Replacement of Deck Truss Spans	\$30.0	\$17.9	60%	\$12.1
Envelope Repair and Switchgear Replacements at BHT Vent Buildings	\$22.0	\$9.2	42%	\$12.8
I-695 Ramps to I-95 Northbound Express Toll Lanes	\$21.1	\$0.3	2%	\$20.7
I-95/Belvidere Road Interchange	\$15.9	\$6.5	41%	\$9.3
Cleaning and Painting of the Hatem Bridge	\$15.5	\$9.4	60%	\$6.1
10-Year Equipment Budget - FY 2018 through FY 2027	\$14.5	\$7.8	54%	\$6.7
FMT Facility-wide Zone Paint Program	\$11.8	\$5.6	47%	\$6.3
Total	\$925.5	\$252.8	27.3%	\$672.8

ITEM

5



MEMORANDUM

TO: MDTA Finance & Administration
FROM: Director of Finance Chantelle Green
SUBJECT: Second Quarter Fiscal Year 2026 Traffic and Revenue Performance
DATE: February 12, 2026

PURPOSE OF MEMORANDUM

To provide the Maryland Transportation Authority (MDTA) Finance & Administration Committee with a quarterly and year-to-date update regarding traffic and toll revenue trends compared to the previous year and the forecast.

KEY TAKEAWAYS

- For the quarter ending December 31, 2025, overall collected revenue was above forecast by \$4.4 million.
- The overperformance is driven by the following:
 - Higher than forecasted 2-Axle *E-ZPass*[®] traffic and revenue (+\$3.3 million)
 - Higher than forecasted 3+-Axle *E-ZPass*[®] traffic and revenue (+\$1.4 million)
 - Improvement in Civil Penalty Fees collected by the by the Central Collection Unit (CCU) (+\$0.4 million)
 - Video toll collection is under forecast (-\$1.3 million). The variance between actual and forecasted revenue is likely to smooth out as the year progresses.

ANALYSIS

This quarterly review looks at traffic and toll revenue trends and compares actual system-wide experience with traffic and toll revenue forecasts. CDM Smith tracks and evaluates the performance of traffic at the lane level and traffic and revenue collected on a cash basis.

FY 2026 Actuals compared to FY 2025 Actuals and FY 2026 Forecast versus FY 2026 Actuals

Combined Facilities (including Administrative Revenue)														
TRANSACTIONS (in Millions)								REVENUE (in Millions)						
	FY25	FY26			FY26			FY25	FY26			FY26		
	Actual	Actual	Diff	% Change	Forecast	Diff	% Diff	Actual	Actual	Diff	% Change	Forecast	Diff	% Diff
Qtr. 1	40.8	41.2	0.4	0.9%	41.3	(0.1)	-0.3%	\$ 192.4	\$ 204.8	\$12.4	6.5%	\$ 201.0	\$ 3.8	1.9%
Qtr. 2	38.4	39.9	1.5	3.8%	39.5	0.3	0.8%	187.8	193.9	6.0	3.2%	193.3	0.6	0.3%
YTD Totals	79.2	81.0	1.8	2.3%	80.8	0.2	0.3%	380.2	398.7	18.5	4.9%	394.2	4.4	1.1%

*Note: Numbers may not sum due to rounding

As shown in the table above, for the quarter ended December 31, 2025, systemwide transactions totaled 81.0 million and corresponding toll and administrative revenue totaled \$398.7 million. This represents an increase of 1.8 million transactions, or 2.3%, compared to the same period last year. Year-to-date revenue increased by \$18.5 million, or 4.9%, compared to the same period last year. The increase in transactions and revenue was attributed to the improved collection of video tolls and civil penalty fees, the completion of the I-95 ETL Northbound Extension, and a catch up in processing delayed transactions by New York tolling agencies.

For the quarter ending December 31, 2025, actual revenue was above forecast by \$4.4 million. The variance between forecasted and actual performance was mainly due to higher than projected E-ZPass traffic and improved civil penalty fee collections. These were slightly offset by an underperformance in video toll collection.

ATTACHMENTS

- Attachment A: Summary of Revenue
- Attachment B: Comparison of Official Forecast to Actual Toll Revenue Performance
- Attachment C: Analysis of Actual Toll Revenue Performance & Financial Forecast Differences
- Attachment D: FY 2026 Forecast vs Actual Revenue – by Facility
- Attachment E: FY 2026 Forecast vs. Actual Revenue – By Payment Method
- Attachment F: FY 2026 Semi-Annual Update – CDM Smith

Attachment A
Summary of Revenue
FY2026 Forecasted and Actual Revenue Comparison
July 1, 2025 to December 31, 2025

	E-ZPass®	Video, Administrative ¹ & Pay-By- Plate	Total
Forecast Revenue	\$317,161,550	\$77,068,447	\$394,229,997
Actual Revenue	321,903,778	76,766,503	398,670,281
Difference	\$4,742,228	(\$301,944)	\$4,440,284

¹ Includes items such as Hatem Bridge discount plan (\$20.00 annual plan), oversize permit fees, transponder sales, civil penalties, unused trips, commercial post-usage discount & monthly account fees (non-Maryland addresses).

Attachment B
Comparison of Official Forecast to Actual Toll Revenue Performance
July 1, 2025 to December 31, 2025

Toll Revenue Forecast:	\$394,229,997
Actual Revenue:	
<i>E-ZPass</i>	321,903,778
Pay-By-Plate	3,139,163
Video Toll	36,496,402
Adminstrative Toll	37,130,938
Total Actual Revenue	398,670,281
Actual Revenue less Forecasted Revenue	4,440,284

Attachment C

Analysis of Actual Toll Revenue Performance & Financial Forecast Differences
July 1, 2025 to December 31, 2025

Actual Revenue less Forecasted Revenue	\$4,440,284
Forecast Assumption Differences:	
<i>E-ZPass</i> Daily Average Traffic Higher than Forecasted (FY2026) - ongoing	4,742,228
<i>Pay-By-Plate</i> Usage Higher than Forecasted (FY2026) - ongoing	213,123
<i>Video Toll</i> Collections Lower than Forecasted (FY2026) - one-time	(1,292,394)
<i>Administrative Toll Revenue</i> Higher than Forecasted (FY2026) - one-time (CPFs +\$0.4M; E-ZPass Acct Fees +\$0.2M)	777,328
Total Forecast Assumption Differences	\$ 4,440,284
Unreconciled/Analyzed Difference	\$ 0

Attachment D
FY 2026 Forecast vs. Actual Revenue – By Facility

Legacy Facilities									
		July	August	September	October	November	December	Total	
		Video, Pay-By- Plate & Other	E-ZPass	Forecast \$ 45,608,376	\$ 46,392,126	\$ 46,987,393	\$ 45,676,877	\$ 44,486,620	\$ 43,069,909
	Actual		49,741,675	46,421,801	45,577,371	45,275,862	45,686,852	44,014,241	\$ 276,717,803
	Difference		4,133,299	29,675	(1,410,021)	(401,016)	1,200,232	944,332	\$ 4,496,501
	Forecast		11,216,186	10,647,433	10,826,926	10,631,454	10,806,848	10,878,869	\$ 65,007,716
	Actual		11,722,933	11,685,280	11,194,269	11,142,470	10,434,889	9,782,311	\$ 65,962,152
	Difference		506,747	1,037,846	367,343	511,017	(371,959)	(1,096,558)	\$ 954,436
Total	Forecast	56,824,563	57,039,559	57,814,318	56,308,331	55,293,469	53,948,778	\$ 337,229,018	
	Actual	61,464,609	58,107,081	56,771,640	56,418,332	56,121,741	53,796,552	\$ 342,679,955	
	Difference \$	4,640,046	\$ 1,067,522	\$ (1,042,678)	\$ 110,001	\$ 828,272	\$ (152,226)	\$ 5,450,937	

Intercounty Connector									
		July	August	September	October	November	December	Total	
		Video, Pay-By- Plate & Other	E-ZPass	Forecast \$ 6,105,071	\$ 5,364,197	\$ 5,820,118	\$ 5,614,968	\$ 5,370,903	\$ 4,934,050
	Actual		5,632,920	5,632,407	5,711,015	5,919,734	5,481,268	5,218,862	\$ 33,596,207
	Difference		(472,152)	268,210	(109,103)	304,766	110,365	284,812	\$ 386,898
	Forecast		1,877,155	1,894,733	1,930,296	1,841,522	1,956,054	2,011,840	\$ 11,511,600
	Actual		1,869,001	1,744,809	1,680,716	1,731,637	1,656,615	1,560,376	\$ 10,243,154
	Difference		(8,154)	(149,925)	(249,580)	(109,885)	(299,439)	(451,464)	\$ (1,268,446)
Total	Forecast	7,982,226	7,258,931	7,750,414	7,456,490	7,326,958	6,945,890	\$ 44,720,908	
	Actual	7,501,920	7,377,216	7,391,731	7,651,371	7,137,884	6,779,238	\$ 43,839,361	
	Difference \$	(480,305)	\$ 118,285	\$ (358,682)	\$ 194,881	\$ (189,074)	\$ (166,652)	\$ (881,547)	

I-95 Express Toll Lanes									
		July	August	September	October	November	December	Total	
		Video, Pay-By- Plate & Other	E-ZPass	Forecast \$ 1,971,477	\$ 2,122,168	\$ 1,921,290	\$ 1,956,859	\$ 1,911,180	\$ 1,847,967
	Actual		1,969,844	1,983,962	1,933,989	2,030,302	1,876,077	1,795,596	\$ 11,589,769
	Difference		(1,633)	(138,206)	12,699	73,443	(35,104)	(52,371)	\$ (141,172)
	Forecast		98,383	95,555	95,703	93,128	84,562	81,799	\$ 549,130
	Actual		106,635	95,231	95,168	96,581	83,582	84,001	\$ 561,197
	Difference		8,252	(324)	(535)	3,453	(981)	2,202	\$ 12,066
Total	Forecast	2,069,859	2,217,722	2,016,994	2,049,987	1,995,743	1,929,766	\$ 12,280,071	
	Actual	2,076,478	2,079,193	2,029,157	2,126,883	1,959,658	1,879,597	\$ 12,150,966	
	Difference \$	6,619	\$ (138,530)	\$ 12,163	\$ 76,895	\$ (36,085)	\$ (50,169)	\$ (129,105)	

All Facilities								
		July	August	September	October	November	December	Total
	Forecast	\$ 66,876,648	\$ 66,516,213	\$ 67,581,726	\$ 65,814,808	\$ 64,616,169	\$ 62,824,433	\$ 394,229,997
	Actual	\$ 71,043,007	\$ 67,563,490	\$ 66,192,528	\$ 66,196,586	\$ 65,219,283	\$ 62,455,387	\$ 398,670,281
	Difference \$	4,166,359	\$ 1,047,277	\$ (1,389,198)	\$ 381,778	\$ 603,114	\$ (369,046)	\$ 4,440,284

Attachment E
FY 2026 Forecast vs. Actual Revenue – By Payment Method

E-ZPass								
	July	August	September	October	November	December	Total	
Forecast	Legacy	45,608,376	46,392,126	46,987,393	45,676,877	44,486,620	43,069,909	\$ 272,221,302
	ICC	6,105,071	5,364,197	5,820,118	5,614,968	5,370,903	4,934,050	\$ 33,209,308
	ETL	1,971,477	2,122,168	1,921,290	1,956,859	1,911,180	1,847,967	\$ 11,730,941
	Total	53,684,924	53,878,491	54,728,801	53,248,704	51,768,704	49,851,925	\$ 317,161,550
Actual	Legacy	49,741,675	46,421,801	45,577,371	45,275,862	45,686,852	44,014,241	276,717,803
	ICC	5,632,920	5,632,407	5,711,015	5,919,734	5,481,268	5,218,862	33,596,207
	ETL	1,969,844	1,983,962	1,933,989	2,030,302	1,876,077	1,795,596	11,589,769
	Total	57,344,438	54,038,171	53,222,376	53,225,898	53,044,197	51,028,699	321,903,778
Difference								
	\$ 3,659,514	\$ 159,680	\$ (1,506,425)	\$ (22,807)	\$ 1,275,493	\$ 1,176,773	\$ 4,742,228	

Video, Pay-By-Plate & Other								
	July	August	September	October	November	December	Total	
Forecast	Legacy	11,216,186	10,647,433	10,826,926	10,631,454	10,806,848	10,878,869	65,007,716
	ICC	1,877,155	1,894,733	1,930,296	1,841,522	1,956,054	2,011,840	11,511,600
	ETL	98,383	95,555	95,703	93,128	84,562	81,799	549,130
	Total	13,191,724	12,637,721	12,852,925	12,566,104	12,847,465	12,972,508	\$ 77,068,447
Actual	Legacy	11,722,933	11,685,280	11,194,269	11,142,470	10,434,889	9,782,311	65,962,152
	ICC	1,869,001	1,744,809	1,680,716	1,731,637	1,656,615	1,560,376	10,243,154
	ETL	106,635	95,231	95,168	96,581	83,582	84,001	561,197
	Total	13,698,569	13,525,319	12,970,153	12,970,688	12,175,086	11,426,688	76,766,503
Difference								
	\$ 506,845	\$ 887,598	\$ 117,228	\$ 404,585	\$ (672,379)	\$ (1,545,820)	\$ (301,944)	

All Revenue							
	July	August	September	October	November	December	Total
Forecast	\$ 66,876,648	\$ 66,516,213	\$ 67,581,726	\$ 65,814,808	\$ 64,616,169	\$ 62,824,433	\$ 394,229,997
Actual	71,043,007	67,563,490	66,192,528	66,196,586	65,219,283	62,455,387	\$ 398,670,281
Difference	\$ 4,166,359	\$ 1,047,277	\$ (1,389,198)	\$ 381,778	\$ 603,114	\$ (369,046)	\$ 4,440,284

ITEM

6



MEMORANDUM

TO: Finance and Administration Committee
FROM: Executive Officer for the Division of Administration Linda Sfakianoudis
SUBJECT: Stay Interview Program Update
DATE: February 12, 2026

PURPOSE OF MEMORANDUM

The purpose of this memorandum is to provide an update to the MDTA Board on the Stay Interview Program.

SUMMARY

The Stay Interview Program aims to assess employee satisfaction and retention by engaging current employees at all levels in proactive discussions about their experiences at MDTA to understand what is working well and identify areas of improvement. Through this program, a division or team participates in an in-person Stay Interview session consisting of an anonymous survey captured in Microsoft (MS) Forms, a review of survey responses as a group, a small group activity focused on strategies and action planning, and a large group discussion. Following the session, the division is provided with a summary of the stay interview session, themes identified, considerations for further discussion, and copies of each group activity.

- For 2025, a total of 8 Stay Interviews were completed at various locations such as JFK1, JFK2, ICC, Bay Bridge, FMT, FSK, BHT, and at the Customer Experience retreat. A total of 253 employees participated in these stay interviews.

ANALYSIS

The 2025 Stay Interviews indicate a generally engaged workforce with strong retention foundations. Employees consistently cite competitive benefits, job security, positive team relationships, and meaningful work as primary reasons for staying at the MDTA.

To sustain engagement, employees identified strategies to address survey topics such as improving communication, clarity on career development and advancement

Stay Interview Program Update
Page Two

pathways, feedback and recognition, investing in tools, training, and resources, and reinforcing a culture of inclusion and accountability.

Next Steps:

We will continue conducting Stay Interview sessions to help each division highlight its team successes, identify areas for improvement, and brainstorm strategies as a group to address concerns.

ITEM

7



MEMORANDUM

TO: Finance and Administration Committee
FROM: Chief Administrative Officer Percy E. Dangerfield, PhD.
Director of Office of Environment, Safety & Risk Management
Paul J. Truntich
SUBJECT: Overview of the MDTA Random Controlled Substances & Alcohol Testing Program
DATE: February 12, 2026

PURPOSE OF MEMORANDUM

The purpose of this item is to update the Maryland Transportation Authority (MDTA) Finance & Administration Committee of the agency's Random Controlled Substances & Alcohol Testing Program.

SUMMARY

The MDTA maintains random controlled substances and alcohol testing programs for sworn police officers, Commercial Driver License (CDL) holders and safety sensitive employees.

OVERVIEW

The current MDTA random controlled substances and alcohol testing programs are outlined in MDTA Policy D-90-1 (Alcohol and Controlled Substances Testing Directive) and D-95-1 (MDTA Commercial Driver License Alcohol and Controlled Substances Testing Program).

The categories of sworn police officers, CDL drivers and safety sensitive employees (an employee whose job responsibilities involve tasks that could impact the safety of people or property if performed under the influence of controlled substances or alcohol) are assigned three different codes within the Human Resource Information System (HRIS); this is the foundation for the random selection process. HRIS also possesses the functionality to generate randomly selected lists of employees based on input values entered by Office of Environment, Safety & Risk Management (OESRM) personnel.

Sworn Police Officers

- 12.5% of randomly selected sworn police officers (as determined via HRIS) are tested quarterly for controlled substances.
- Sworn police officers are not randomly tested for alcohol
- Once OESRM generates the randomly selected list of sworn police officers to be tested for the quarter, the list is provided to the Police Liaison so that the selected officers can be sent for testing

CDL Drivers

- 12.5% of randomly selected CDL drivers (as determined via HRIS) are tested quarterly for controlled substances.
- 6.25% of randomly selected CDL drivers (as determined via HRIS) are tested quarterly for alcohol
- Once OESRM generates the randomly selected list of CDL drivers to be tested for the quarter, OESRM begins to contact the supervisors of those selected regarding sending them for testing on the date of notification.
 - Selected employees not present at work on the date of notification are contacted to be tested at a later date
 - Following the telephone contact of the selected employee's supervisor, OESRM sends a follow-up email confirming the testing instructions provided during the telephone call

Safety Sensitive Employees

- 6.25% of randomly selected safety sensitive employees (as determined via HRIS) are tested quarterly for controlled substances
- Safety sensitive employees are not randomly tested for alcohol
- Once OESRM generates the randomly selected list of safety sensitive employees to be tested for the quarter, OESRM begins to contact the supervisors of those selected regarding sending them for testing on the date of notification.
 - Selected employees not present at work on the date of notification are contacted to be tested at a later date
 - Following the telephone contact of the selected employee's supervisor, OESRM sends a follow-up email confirming the testing instructions provided during the telephone call

Result Tracking

- All randomly selected employees are sent to a Concentra Medical Services (State Medical Provider) location for testing
- OESRM monitors and reconciles each quarterly testing outcome via results posted in Concentra's secure on-line portal
- Supervisors are notified of positive testing results

RANDOM TESTING SUMMARY

Below is a summary of the total number of random tests conducted per year (for the last three years) and the corresponding number of positive results:

-2023: 553 random tests administered	-2025: 545 random tests administered
0 positive results	2 positive results
0% positive results	0.37% positive results
-2024: 364 random tests administered	
2 positive results	
0.55% positive results	

ITEM

8

VERBAL

INFORMATIONAL ITEMS



Maryland
Transportation
Authority

Wes Moore, Governor
Aruna Miller, Lt. Governor
Kathryn Thomson, Chair

Board Members:
Dontae Carroll
Maricela Cordova
William H. Cox, Jr.
Mario J. Gangemi, P.E.
Cynthia D. Penny-Ardinger
Jeffrey S. Rosen
Samuel D. Snead, MCP, MA
John F. von Paris

Bruce Gartner, Executive Director

MEMORANDUM

TO: Finance & Administration Committee
FROM: Director of Finance Chantelle Green
SUBJECT: Fiscal Year 2025 Single Audit Results
DATE: February 12, 2026

PURPOSE

To advise the Finance and Administration Committee of the results of the Independent Auditors' Report on Compliance for Major Federal Awards (Single Audit).

ANALYSIS

On December 12, 2025, SB & Company, LLC, issued its report on the MDTA compliance with the types of compliance requirements required for federal awards. The report indicated that in the auditors' opinion, the MDTA complied, in all material respects, with the types of compliance requirements that could have a direct and material effect on the major federal program for the fiscal year ended June 30, 2025.