



Maryland Transportation Authority

FINANCE AND ADMINISTRATION
COMMITTEE

TUESDAY, JUNE 18, 2024

MARYLAND TRANSPORTATION AUTHORITY
2310 BROENING HWY
BALTIMORE, MD 21224



Maryland
Transportation
Authority

Wes Moore, Governor
Aruna Miller, Lt. Governor
Paul J. Wiedefeld, Chairman

Board Members:
Dontae Carroll
William H. Cox, Jr.
W. Lee Gaines, 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: June 7, 2024

Enclosed are your materials for the Finance Committee Meeting on Tuesday, June 18, 2024. 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.state.md.us

cc: Bruce Gartner, Executive Director
Percy Dangerfield, Chief Administrative Officer
Deborah Sharpless, Chief Financial Officer

ATTACHMENTS

Informational Items:

- Investment Report
- Rate Covenant
- Financial Report

**FINANCE & ADMINISTRATION COMMITTEE MEETING AGENDA
JUNE 18, 2024 – 9:00 a.m.**

This meeting will be livestreamed on the [MDTA Finance Committee Page](#)

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 cdickinson@mdta.state.md.us no later than noon on Monday, June 17, 2024. 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> – May 9, 2024 - Open Meeting Minutes | Chairman von Paris | 5 min. |
| 2. | <u>Approval</u> – Contract No. TE-00210910 – CTI Traffic Control Maintenance | Richard Jaramillo | 5 min. |
| 3. | <u>Approval</u> – FY 2024 Budget Amendment – Approval of a budget amendment to the operating budget | Jeffrey Brown | 5 min. |
| 4. | <u>Approval</u> – FY 2025 Final Operating Budget – Approval of the final operating budget for FY 2025 | Jeffrey Brown | 10 min. |
| 5. | <u>Approval</u> – Draft FY 2025–2030 Consolidated Transportation Program – Includes project additions and changes | Jeanne Marriott | 10 min. |
| 6. | <u>Approval</u> – Financial Forecast – approval of the financial forecast | Chantelle Green | 10 min. |
| 7. | <u>Update</u> – Bi-annual Review of Revenue Sufficiency – review of revenues as required by the MDTA Board Operating Policy | Chantelle Green | 5 min. |

Vote to Adjourn

ITEM

1

FINANCE COMMITTEE MONTHLY MEETING
THURSDAY, MAY 9, 2024
OPEN MEETING VIA LIVESTREAMING

OPEN SESSION

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

STAFF ATTENDING: Jeffrey Brown
Sarah Clifford
Jeffrey P. Davis
Donna DiCerbo
Cheryl Dickinson
Allen Garman
Bruce Gartner
Chantelle Green
Natalie Henson
Richard Jaramillo
Cheryl Lewis-Orr
Jeanne Marriott
Kimberly Millender, Esq.
Kenneth Montgomery
Ebony Moore
Mary O’Keeffe
Joseph Quattrone
Deb Sharpless
Cheryl Sparks
Jason Stolicny
Jennifer Stump
Eric Willison

At 9:00 a.m., Member John von Paris, Chair of the Finance Committee, called the Finance Committee Meeting to order.

APPROVAL – OPEN MEETING MINUTES FROM APRIL 11, 2024 MEETING

Member von Paris called for the approval of the meeting minutes from the Open Meeting held on April 11, 2024. Member Dontae Carroll made the motion, and Member Cynthia Penny-Ardinger seconded the motion, which was unanimously approved.

APPROVAL – MDTA BOARD OPERATING POLICY – PROPOSED AMENDMENTS TO RESOLUTION 24-02

Ms. Kimberly Millender requested a recommendation of approval from the Finance Committee to present the proposed amendments to the Maryland Transportation Authority (MDTA) Board Operating Policy, Resolution 24-02, to the full MDTA Board for consideration at its next scheduled meeting.

Ms. Millender explained that the proposed amendments would require that future modifications to the MDTA's tolling contracts be presented to the MDTA Board for approval and not merely as an update given the critical nature of these contracts to the MDTA's operations.

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

APPROVAL – MDTA STRATEGIC PLAN REVIEW

Ms. Sarah Clifford requested a recommendation of approval from the Finance Committee to present the MDTA Strategic Plan Review to the full MDTA Board for consideration at its next scheduled meeting.

Ms. Clifford explained that the new Strategic Plan envisions how the MDTA can deliver on the Governor's commitment to building an efficient and equitable transportation system that promotes economic growth in Maryland, drives billions of dollars in new investments, protects the environment, and connects people with employers.

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 Penny-Ardinger seconded the motion, which was unanimously approved.

APPROVAL – INVESTMENT COMMITTEE REPORT

Mr. Allen Garman provided an update to the Finance Committee on the activities of the Investment Committee for the period ended March 31, 2024. The update included a review of market conditions, portfolio strategies, total return performance, and dealer trade allocations. Market drivers that may influence portfolio performance in the coming months were also discussed, including the economy, fiscal policy, and the Federal Reserve monetary policy. Mr. Garman noted that the Investment Committee is not recommending any changes to the investment strategy at this time.

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

UPDATE – FY 2023 SINGLE AUDIT

Mr. Jason Stolicny updated the Finance Committee on the results of the Independent Auditors' Report on the Compliance for Major Federal Awards (Single Audit). The report indicated that 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, 2023. However, the audit disclosed a deficiency in Internal Controls over Compliance as it relates to the timely submission of certain reports and the segregation of duties regarding the preparation and review of the report. Mr. Stolicny advised the Committee that the reports will be submitted timely going forward. Furthermore, the Office of Engineering and Construction has established written procedures that outline the process for preparing, reviewing, and submitting the required quarterly reports to the Federal Highway Administration.

UPDATE – CONTRACT NO. MA 2868-0000 – THIRD GENERATION ELECTRONIC TOLL COLLECTION – CUSTOMER SERVICE CENTER SYSTEM AND SERVICES – RETROACTIVE MODIFICATION NO. 3

Mr. Joseph Quattrone updated the Finance Committee on the retroactive modification #3 to Contract No. MA 2868-0000 with Transcore regarding the operation of the MDTA's Third Generation Electronic Toll Collection – Customer Service Center Systems and Services. Modification #3 addresses the urgent need for additional Operations and Maintenance funding and three contract requirement changes to protect the State's interests that include increasing the performance bond, amending the punch list timeframe, and amending the data storage requirements from one year to four years. Modification #3 will provide a net \$49,159,268.19 in additional funding. The new contract total will be \$357,012,569.56.

UPDATE – THIRD QUARTER OPERATING BUDGET VERSUS ACTUAL SPENDING

Mr. Jeffrey Brown updated the Finance Committee on actual versus projected year-to-date spending for the third quarter of FY 2024. As of March 31, 2024, 62% of the operating budget was spent compared to the target of 72%. The primary drivers for the underspending include personnel vacancies and expenses that have yet to occur for costs that are incurred during the fourth quarter of the fiscal year. Underspending is partially offset by overtime expenses and higher insurance premiums due to market pressures. Mr. Brown also noted that while the MDTA has sufficient liquidity in the near-term to cover additional operating costs associated with the collapse of the FSK Bridge, the agency will be carefully monitoring expenses in the co-

ming weeks to determine if the approved operating budget amount is sufficient or if a budget amendment is needed.

UPDATE – THIRD QUARTER CAPITAL BUDGET VERSUS ACTUAL SPENDING

Ms. Jeannie Marriott updated the Finance Committee on actual year-to-date spending for the second quarter compared to projected spending as shown in the FY 2024-2029 Draft Consolidated Transportation Program. As of March 31, 2024, 40.7% of the FY 2024 capital budget was spent as compared to the target of 75%. The total budget for FY 2024 is \$539.6 million. Due to the FSK Bridge collapse and the impacts on traffic along I-895 and I-95, several projects in those regions may experience delays. The Office of Engineering and Construction is assessing these projects to determine their impact on FY 2024 spending.

UPDATE – THIRD QUARTER TRAFFIC AND REVENUE

Ms. Cheryl Lewis-Orr provided the Finance Committee with a quarterly and year-to-date update regarding traffic and toll revenue trends compared to the previous year and the forecast. The key takeaways regarding year-to-date traffic and revenue performance are that (1) for the period ended March 31, 2024, actual toll revenue (in-lane and administrative toll) was below the forecast by \$3.5 million or 0.6%; (2) *E-ZPass*[®] revenue continued to exceed the forecast due to higher than forecasted daily average toll revenue; and (3) Administrative toll revenue and video toll collections were below the forecast mostly due to lower than anticipated video toll collections at the NOTD and CCU phases.

There being no further business, the meeting of the Finance Committee adjourned at 10:22 a.m., following a motion by Member Penny-Ardinger, and seconded by Member Carroll.

John von Paris, Chairman

ITEM

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Wes Moore, Governor
Aruna Miller, Lt. Governor
Paul J. Wiedefeld, Chairman

Board Members:
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Samuel D. Snead, MCP, MA
John F. von Paris

Bruce Gartner, Executive Director

MEMORANDUM

TO: Finance & Administration Committee
FROM: Chief Operating Officer, Richard Jaramillo
SUBJECT: TE-00210910, CTI OnTIME Traffic Control System Maintenance
DATE: June 18, 2024

PURPOSE OF MEMORANDUM

To seek recommended approval from the Finance & Administration Committee to present Contract No. TE-00210910 CTI OnTIME Traffic Control System Maintenance to the full MDTA Board at its next scheduled meeting.

SUMMARY

This sole source Contract is to provide software maintenance services, technical support, quarterly preventative maintenance, and other miscellaneous services for the MDTA-licensed, Control Technologies, Inc. (CTI)-developed “OnTIME” Traffic Control System (OnTIME) currently installed on the William Preston Lane, Jr. Memorial (WPL) Bay Bridge. The OnTIME software views videos from Closed-circuit Television (CCTV) cameras and controls the lane use signals (LUS), enhanced lane use signals (ELUS), dynamic message signs (DMS), two-way flashers, illuminated pavement markers (IPMs), and gates at the WPL. The purpose of this Solicitation is to ensure proper operation, support, and maintenance of OnTIME. This plan includes 24-hour, seven (7) days per week support through a dedicated CTI technical support number and email address.

RECOMMENDATION

To obtain recommended approval by the Finance & Administration Committee to present Contract No. TE-00210910 CTI OnTIME Traffic Control System Maintenance to the full MDTA Board at its next scheduled meeting.

ATTACHMENT

- Finance & Administration Committee Project Summary



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CAPITAL/FINANCE & ADMINISTRATION COMMITTEE PROJECT SUMMARY

TE-00210910 CTI OnTIME Traffic Control System Maintenance

PIN NUMBER TBD
CONTRACT NUMBER TE-00210910
CONTRACT TITLE CTI OnTIME Traffic Control System Maintenance

PROJECT SUMMARY This sole source Contract is to provide software maintenance services, technical support, quarterly preventative maintenance, and other miscellaneous services for the MDTA-licensed, Control Technologies, Inc. (CTI)-developed "OnTIME" Traffic Control System (OnTIME) currently installed on the William Preston Lane, Jr. Memorial (WPL) Bay Bridge. The OnTIME software views videos from Closed-circuit Television (CCTV) cameras and controls the lane use signals (LUS), enhanced lane use signals (ELUS), dynamic message signs (DMS), two-way flashers, illuminated pavement markers (IPMs), and gates at the WPL. The purpose of this Solicitation is to ensure proper operation, support, and maintenance of OnTIME. This plan includes 24-hour, seven (7) days per week support through a dedicated CTI technical support number and email address.

SCHEDULE		MBE PARTICIPATION		ADVERTISED GOAL	PROPOSED
				(%)	GOAL (%)
ADVERTISEMENT DATE	3/6/2024	OVERALL MBE		0.00%	0.00%
ANTICIPATED NTP DATE	7/1/2024	AFRICAN AMERICAN		0.00%	0.00%
DURATION (CALENDER DAYS)	1825	ASIAN AMERICAN		0.00%	0.00%
		VSBE		0.00%	0.00%

ENGINEER'S ESTIMATE (EE)		BID RESULTS	BID AMOUNT (\$)	% VARIANCE TO EE
	(\$) \$527,685.40	Control Technologies, Inc (CTI)	\$490,362.00	-7.07%
		No other bidders - Sole Source		

BID PROTEST YES Check NO Check

ITEM

3



MEMORANDUM

TO: Finance & Administration Committee
FROM: Jeffrey Brown, Director of Budget
SUBJECT: FY 2024 Budget Amendment
DATE: June 18, 2024

PURPOSE OF MEMORANDUM

The Maryland Transportation Authority (MDTA) requests approval of an amendment to increase the FY 2024 Operating Budget by \$60.0 million to \$460.1 million. Per the Trust Agreement, the budget can be amended at any time during the current fiscal year.

KEY TAKEAWAYS

- The FY 2024 Amended Operating Budget totals \$460.1 million. This represents an increase of \$60 million, or 15%, above the previous FY 2024 budget.
- As part of the emergency response, the State of Maryland received \$60 million in initial Emergency Relief funding to support the debris and salvage removal cleanup efforts. This amendment requests additional funding in accordance with the provided federal funds.
- After accounting for the budget amendment, the MDTA remains in compliance with its financial goals and legal standards at fiscal year-end.

ANALYSIS

Following the collapse of the FSK Bridge, the MDTA incurred significant costs associated with debris and salvage removal. In accordance with financial statement accounting rules that consider debris and salvage removal to be an operating expense, the MDTA is requesting a FY 2024 operating budget amendment to account for unanticipated debris and salvage removal costs to be incurred by June 30. As part of the emergency response, the State of Maryland received \$60 million in initial Emergency Relief funding to support this effort. This amendment requests additional funding of \$60 million in accordance with the provided federal funds. If approved, the FY 2024 Amended Operating Budget will total \$460.1 million. This represents an increase of \$60 million, or 15%, above the previous FY 2024 budget.

ATTACHMENT

Budget by Object Summary

ATTACHMENT 1

Object	Description	Final	Amendment	FY24	FY24
		FY 2024	FY 2024	Amendment-	Amendment-
		Budget	Budget	FY24 Final	FY24 Final
				\$	%
				Inc/Dec	Inc/Dec
OBJECT 01 Salaries and Wages					
101	REGULAR EARNINGS	135,139,680	135,139,680	0	0.0%
102	ADDITIONAL ASSISTANCE	194,092	194,092	0	0.0%
104	OVERTIME EARNINGS	4,998,396	4,998,396	0	0.0%
104	OVERTIME EARNINGS - SNOW	1,338,168	1,338,168	0	0.0%
105	SHIFT DIFFERENTIAL	978,410	978,410	0	0.0%
110	MISCELLANEOUS P/R ADJUSTMENTS	198,768	198,768	0	0.0%
111	ANNUAL LEAVE PAYOUTS	196,471	196,471	0	0.0%
112	RECLASSIFICATIONS	410,058	410,058	0	0.0%
151	SOCIAL SECURITY CONTRIBUTIONS	9,645,927	9,645,927	0	0.0%
152	HEALTH INSURANCE	19,174,953	19,174,953	0	0.0%
154	RETIREE'S HLTH INSURANCE PREM	11,735,068	11,735,068	0	0.0%
161	EMPLOYEES RETIREMENT SYSTEM	16,575,238	16,575,238	0	0.0%
165	STATE POLICE RETIREMENT SYSTEM	3,463,737	3,463,737	0	0.0%
169	LAW ENFORCEMNT OFF PENSION SYS	22,964,855	22,964,855	0	0.0%
171	BURDEN EXPENSE	0	0	0	0.0%
174	UNEMPLOYMENT COMPENSATION	378,386	378,386	0	0.0%
175	WORKERS COMPENSATION	4,196,741	4,196,741	0	0.0%
189	TURNOVER	(12,655,817)	(12,655,817)	0	0.0%
199	OTHER FRINGE BENE - CLOTH ALLOW	856,750	856,750	0	0.0%
		219,789,882	219,789,882	0	0.0%
Object 02 Technical and Special Fees					
202	PER DIEM PAYMENTS	150,000	150,000	0	0.0%
211	EMPLOYEE AWARDS	1,000	1,000	0	0.0%
220	SPECIAL PAYMENTS PAYROLL	625,409	625,409	0	0.0%
		776,409	776,409	0	0.0%
Object 03 Communications					
301	POSTAGE	72,584	72,584	0	0.0%
302	TELEPHONE	253,569	253,569	0	0.0%
303	TELECOMMUNICATIONS	821,482	821,482	0	0.0%
305	STATE PAID TELECOMMUNICATIONS	1,604,611	1,604,611	0	0.0%
306	CELL PHONE EXPENDITURES	425,657	425,657	0	0.0%
		3,177,903	3,177,903	0	0.0%
Object 04 Travel					
401	IN STATE/ROUTINE OPERTN TRAVEL	43,120	43,120	0	0.0%
402	INSTATE/CONF/SEMNR/TRNG TRAVEL	101,704	101,704	0	0.0%
403	OUTSTATE/ROUTINE OPERTN TRAVEL	55,064	55,064	0	0.0%
404	OUTSTATE/CONF/SEMNR/TRNG TRAVL	313,680	313,680	0	0.0%
		513,568	513,568	0	0.0%
Object 06 Fuel and Utilities					
603	FUEL-OIL #2	135,200	135,200	0	0.0%
606	FUEL-NATURAL GAS/PROPANE	355,613	355,613	0	0.0%
620	UTILITIES-ELECTRICITY	3,514,116	3,514,116	0	0.0%
621	UTILITIES-WATER/SEWAGE	331,206	331,206	0	0.0%
		4,336,135	4,336,135	0	0.0%
Object 07 Motor Vehicle Operations and Maintenance					
701	PURCH VEH-CAR,LIGHT TRUCK	4,746,900	4,746,900	0	0.0%
702	VEHICLE GAS & OIL	3,765,454	3,765,454	0	0.0%
703	VEHICLE MAINTENANCE & REPAIR	1,794,664	1,794,664	0	0.0%
704	INSURANCE	407,863	407,863	0	0.0%
721	VEHICLE GAS & OIL-WATERCRAFT	44,347	44,347	0	0.0%
722	VEHICLE MAINTENANCE & REPAIR-WATERCRAFT	61,431	61,431	0	0.0%
724	BOAT SLIP RENTAL/LAUNCHING FEES	4,200	4,200	0	0.0%
731	LG VEHICLE GAS & OIL	1,100,000	1,100,000	0	0.0%
732	LG VEHICLE MAINT & REPAIR	2,000,000	2,000,000	0	0.0%
789	COMMUTE CHARGES	(5,000)	(5,000)	0	0.0%
799	OTHER MOTOR VEHICLE CHARGES	50,000	50,000	0	0.0%
		13,969,859	13,969,859	0	0.0%
Object 08 Contractual Services					
801	ADVERTISING/LEGAL PUBLICATION	3,064,353	3,064,353	0	0.0%
802	APPLICATIONS SOFTWARE MAINTENANCE	100,000	100,000	0	0.0%

ATTACHMENT 1

Object	Description	Final	Amendment	FY24	FY24
		FY 2024 Budget	FY 2024 Budget	Amendment- FY24 Final \$ Inc/Dec	Amendment- FY24 Final % Inc/Dec
804	PRINTING/REPRODUCTION SERVICE	43,200	43,200	0	0.0%
807	ENGINEERS	31,700,000	31,700,000	0	0.0%
808	EQUIPMENT RENTAL	490,131	490,131	0	0.0%
809	EQUIPMENT REPAIRS & MAINT	1,654,264	1,654,264	0	0.0%
810	EXTERMINATION SERVICE	16,771	16,771	0	0.0%
812	BUILDING/ROAD REPAIRS & MAINT	16,882,158	76,882,158	60,000,000	355.4%
813	JANITORIAL SERVICES	1,473,540	1,473,540	0	0.0%
814	GROUNDS MAINTENANCE	45,482	45,482	0	0.0%
815	LAUNDRY SERVICE	3,199	3,199	0	0.0%
817	LEGAL SERVICES	203,300	203,300	0	0.0%
819	EDUCATION/TRAINING CONTRACTS	1,375,988	1,375,988	0	0.0%
820	MEDICAL CARE	395,720	395,720	0	0.0%
821	MGMT STUDIES AND CONSULTANTS	4,398,658	4,398,658	0	0.0%
823	SECURITY SERVICES	889,560	889,560	0	0.0%
824	LABORATORY SERVICES	45,578	45,578	0	0.0%
825	VETERINARY SERVICES	31,565	31,565	0	0.0%
826	FREIGHT AND DELIVERY	14,497	14,497	0	0.0%
827	TRASH AND GARBAGE REMOVAL	453,394	453,394	0	0.0%
828	OFFICE ASSISTANCE	61,244	61,244	0	0.0%
829	FISCAL SERVICES	410,250	410,250	0	0.0%
829	E-ZPASS RETAIL FEES	17,550,000	17,550,000	0	0.0%
841	DP CENTRAL PROCESS SVC	1,150,000	1,150,000	0	0.0%
843	DP COMMUNICATIONS CONTROLLERS SVC	480,000	480,000	0	0.0%
849	TELECOMM LINES, MODEMS & CONTRLLR	95,704	95,704	0	0.0%
854	COMPUTER MAINTENANCE CONTRACTS	185,000	185,000	0	0.0%
858	SOFTWARE LICENSES	148,402	148,402	0	0.0%
862	APPL SOFTWARE MAINTENANCE	1,901,200	1,901,200	0	0.0%
864	SYSTEMS SOFTWARE MAINTENANCE	500,000	500,000	0	0.0%
865	OUTSIDE SVCS-SYS ANALYSIS&DSGN	7,465,000	7,465,000	0	0.0%
866	OUTSIDE SVCS-PROGRAMMING	415,000	415,000	0	0.0%
869	OUTSIDE SVCS-COMPUTER USAGE	775,000	775,000	0	0.0%
873	OUTSIDE SVC - E-Z PASS SVC CENTER	40,000,000	40,000,000	0	0.0%
874	OFFICE OF ATTORNEY GENERAL FEE	43,526	43,526	0	0.0%
875	RETIREMENT AGENCY ADMIN FEE	251,556	251,556	0	0.0%
876	STATEWIDE DOIT SERVICES	52,080	52,080	0	0.0%
894	STATEWIDE PERSONNEL SYS ALLOC	55,667	55,667	0	0.0%
897	STATEWIDE ENTERPRISE BUDGET SYSTEM	27,646	27,646	0	0.0%
899	OTHER CONTRACTUAL SVC-NON DP	2,969,244	2,969,244	0	0.0%
		137,817,877	197,817,877	60,000,000	43.5%
Object 09 Supplies and Materials					
901	AGRICULTURE	33,879	33,879	0	0.0%
902	OFFICE SUPPLIES	394,383	394,383	0	0.0%
903	ELECTRICAL MATERIALS	390,418	390,418	0	0.0%
904	BUILDING & HOUSEHOLD SUPPLIES	386,011	386,011	0	0.0%
905	ROADWAY MAINT MATERIALS	619,613	619,613	0	0.0%
906	SALT/SNOW MELTING MATERIALS	1,880,363	1,880,363	0	0.0%
908	HOUSEKEEPING SUPPLIES	74,537	74,537	0	0.0%
909	MEDICAL SUPPLIES	39,162	39,162	0	0.0%
912	WEARING APPAREL-UNIFORMS EMPL	1,144,880	1,144,880	0	0.0%
915	LIBRARY SUPPLIES	23,675	23,675	0	0.0%
917	SMALL TOOLS	372,809	372,809	0	0.0%
918	VETERINARY SUPPLIES	28,500	28,500	0	0.0%
920	FOOD	188,276	188,276	0	0.0%
926	DATA PROCESSING SUPPLIES	42,522	42,522	0	0.0%
934	AMMO GUNS FIRING RNGE SUPPLIES	575,549	575,549	0	0.0%
951	E-ZPASS TRANSPONDERS	4,450,000	4,450,000	0	0.0%
999	OTHER SUPPLIES AND MATERIALS	315,913	315,913	0	0.0%
		10,960,490	10,960,490	0	0.0%
Object 10 Replacement Equipment					
1013	REPL MAINTENANCE & BUILDING EQUIP	505,500	505,500	0	0.0%
1015	REPL OFFICE EQUIPMENT	48,000	48,000	0	0.0%

ATTACHMENT 1

Object	Description	Final	Amendment	FY24	FY24
		FY 2024 Budget	FY 2024 Budget	Amendment- FY24 Final \$ Inc/Dec	Amendment- FY24 Final % Inc/Dec
1019	REPL RADIOS & ELECTRONIC EQUIPMENT	226,000	226,000	0	0.0%
1031	REPL DP EQUIP-MAINFRAME	80,000	80,000	0	0.0%
1033	REPL DP EQUIP-MICROCOMPUTER	1,250,000	1,250,000	0	0.0%
1099	OTHER REPLACEMENT EQUIPMENT	334,900	334,900	0	0.0%
		2,444,400	2,444,400	0	0.0%
Object 11 Additional Equipment					
1102	ADDT'L AUDIO-VISUAL EQUIP	9,500	9,500	0	0.0%
1103	ADDT'L CLEANING EQUIPMENT	10,000	10,000	0	0.0%
1109	ADDT'L HUMAN ENVIRONMENTAL EQUIPMENT	1,000	1,000	0	0.0%
1113	ADDT'L MAINTENANCE & BUILDING EQUIP	242,000	242,000	0	0.0%
1115	ADDT'L OFFICE EQUIPMENT	27,500	27,500	0	0.0%
1133	ADDT'L DP EQUIP-MICROCOMPUTER	20,000	20,000	0	0.0%
1199	OTHER ADDITIONAL EQUIPMENT	459,834	459,834	0	0.0%
		769,834	769,834	0	0.0%
Object 13 Fixed Charges					
1302	INSURANCE COVERAGE PAID TO STO	490,658	490,658	0	0.0%
1303	RENT PAID TO DGS	1,100	1,100	0	0.0%
1304	SUBSCRIPTIONS	26,938	26,938	0	0.0%
1305	ASSOCIATION DUES	350,445	350,445	0	0.0%
1308	LICENSES	7,270	7,270	0	0.0%
1309	INSURANCE (NON STO PAYMENTS)	4,667,231	4,667,231	0	0.0%
		5,543,642	5,543,642	0	0.0%
Total		400,100,000	460,100,000	60,000,000	15.0%

ITEM

4



MEMORANDUM

TO: Finance & Administration Committee
FROM: Jeffrey Brown, Director of Budget
SUBJECT: Fiscal Year 2025 Final Operating Budget
DATE: June 18, 2024

PURPOSE

The purpose of this memorandum is to request a recommendation of approval to the Maryland Transportation Authority (MDTA) Board of the FY 2025 Operating Budget.

KEY TAKEAWAYS

Summary of Major Changes (\$ millions)

FY 2025 Prelim(DBM) Budget	\$ 420.7
FY 2025 Final Operating Budget	<u>434.1</u>
\$ Change FY 2025 Prelim vs FY 2025 Final	<u>\$ 13.4</u>
% Change FY 2025 Prelim vs FY 2025 Final	3.2%

The proposed FY 2025 Final Operating Budget of \$434.1 million, represents a \$13.4 million, or 3.2%, increase versus the FY 2025 Preliminary Budget. Overall, the key drivers are mandated personnel expenses, increased collectively bargained police patrol vehicle purchases, higher insurance costs, and additional management study activities. These increases are partially offset by reduced credit card fees.

ANALYSIS

To better understand the budgetary changes and their associated drivers, the changes have been analyzed by mandated and discretionary expenses.

Attachment 1

FY 2025 Prelim (DBM) Budget	\$ 420.7
Mandated Increases	6.8
Additions	9.8
Reductions	<u>(3.2)</u>
FY 2025 Final Operating Budget	<u><u>\$ 434.1</u></u>

Attachment 1 – identifies the mandated and discretionary additions and reductions.

Mandated personnel changes increased the budget by a net \$6.8 million. Most of the personnel changes are attributable to increases in employees’ base wages due to cost-of-living (COLA) and step increases. The changes are as follows:

- Salary adjustment increases (0101) increase total \$3.8 million. This includes the following:
 - A Longevity Step (0101) increased the budget by \$1.3 million.
 - Annual salary review adjustments (0101) increased the budget by \$1.1 million.
 - A 3% civilian COLA (0101) increased the budget by \$1.0 million.
 - The annualization of compression salary adjustments (0101) increased the budget by \$0.4 million.
- Employee’s and retirees’ health insurance (0152, 0154) costs account for a \$1.9 million increase.
- Pension (0161) costs increased by \$0.8 million.
- Social Security (0151) increased by \$0.3 million.
- Law Enforcement Officers’ Pension System (LEOPS) costs decreased by \$0.2 million.
- All other resulted in a \$0.2 million increase.

The operating budget includes \$9.8 million in additional discretionary spending. The key variances are as follows:

- Vehicle Purchases (0701) increased by \$5.7 million, primarily due to collectively bargained police patrol vehicles for commuting and off duty use.
- Insurance (1309) increased by \$1.9 million based on FY 2024 actuals that reflect continued market pressures and an anticipated increase in premiums following the FSK Bridge Collapse.
- Management Studies & Consultants (0821) increased by \$1.3 million, primarily due to O&M consultants and bikeways/pedestrian walkway studies.
- Vehicle Gas & Repair (0702, 0703) increased by \$0.5 million as a result of the additional police collectively bargained for vehicles.
- Engineers (0807) increased \$0.2 million due to increased activity such as historic environmental review.
- Contractual employee step increases (0220) total less than \$0.1 million.
- All other increases total \$0.2 million across various subobjects. Some of the increases include Maintenance & Building Equipment (1013) and Roadway & Maintenance Materials (0905).

The operating budget includes a \$3.2 million reduction in discretionary spending. The key variances are as follows:

- Fiscal Services (credit card fees - 0829) declined by \$1.8 million. The credit card fee reduction is a result of anticipated cost savings associated with lower credit card processing interchange rates following the implementation of enhanced credit and debit card transaction data collection, which helps to reduce the risk of fraud.
- Building Repairs & Maintenance (0812) decreased by \$0.6 million due to lower contracting costs and aligning the budget with recent activity.
- Equipment Repairs & Maintenance (0809) declined by \$0.3 million due to reduced repair costs associated with newer equipment.
- Advertising (0801) decreased by \$0.2 million due to aligning the budget with recent activity.
- All other decreases totaled \$0.3 million, primarily due to a \$0.1 million reduction in Small Tools (0917) and Cell Phone Expenditures (0306) of \$0.1 million.

Figure 1

The MDTA’s position complement remains the same in FY 2025.

Personnel Data			
FY 2024 Approved Budget	FY 2025 Preliminary Budget	FY 2025 Proposed Final Budget	FY 2024-2025 Change
1697.0	1697.0	1697.0	0.0

Figures 2 & 3 graphically display the FY 2025 budget by division and purpose.

Figure 2

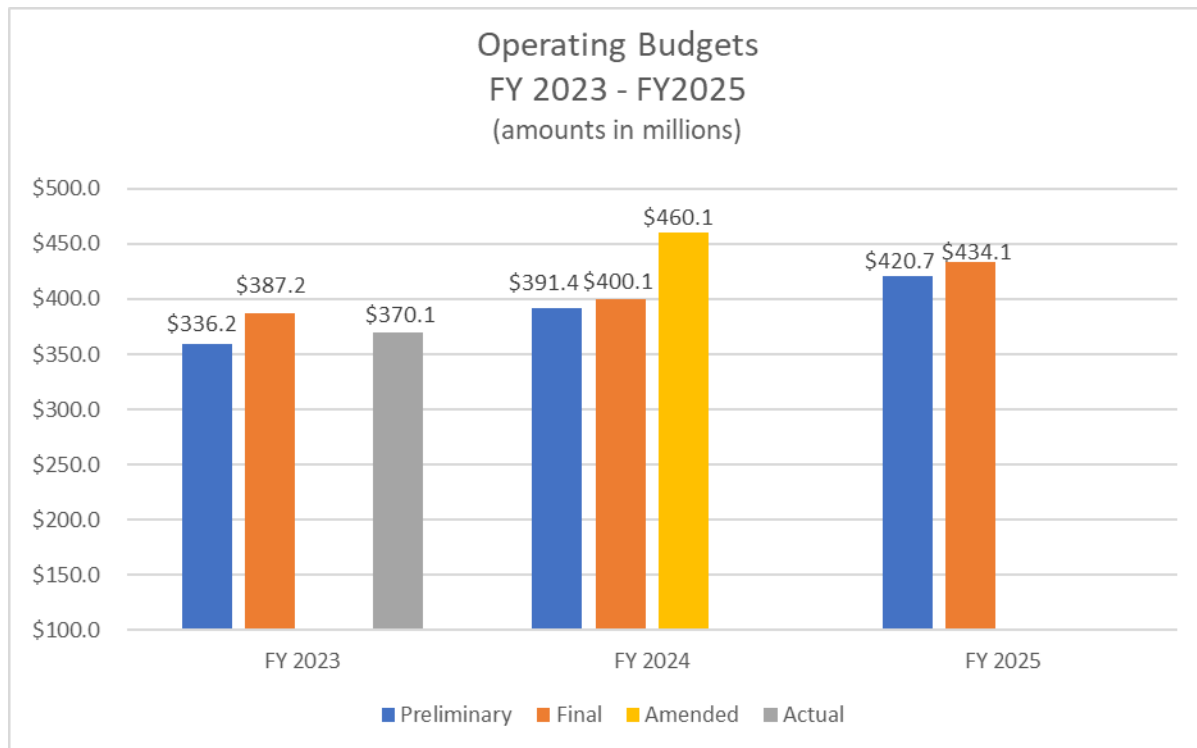
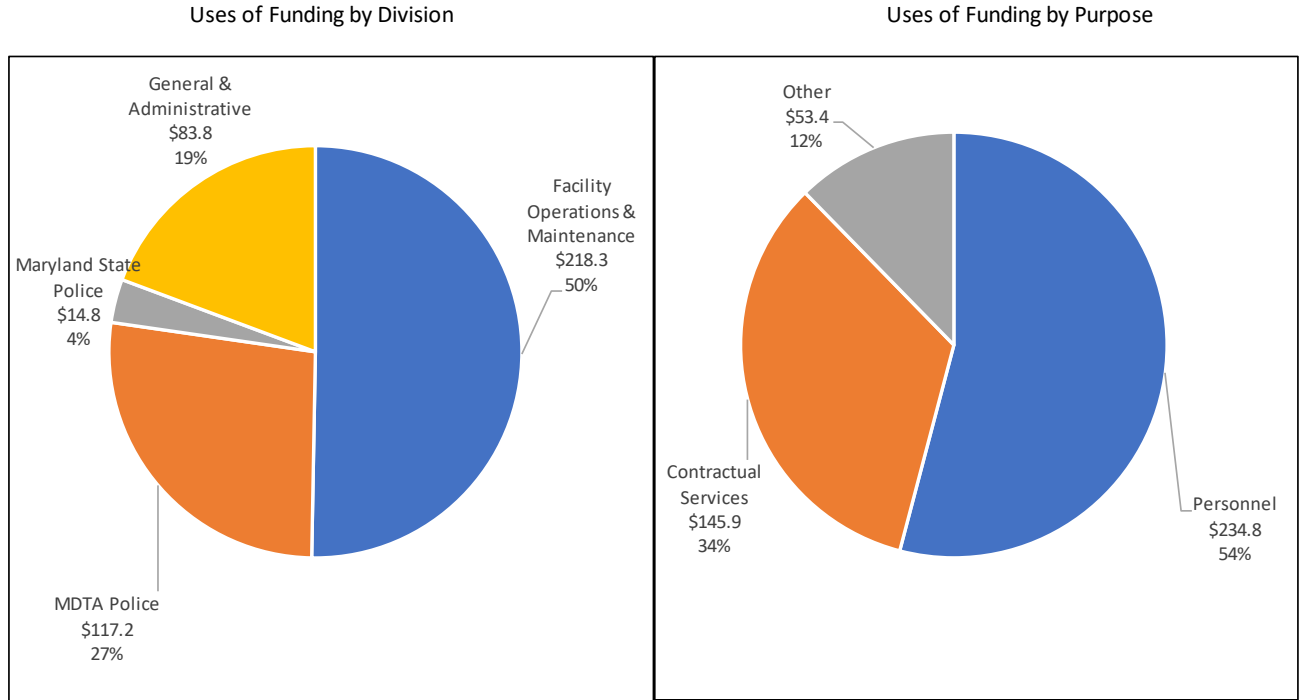


Figure 3

Where It Goes: Budget by Division & Purpose

\$ in Millions



ATTACHMENTS

Attachment 1 - Summary of Major Changes

Attachment 2 - FY 2025 SummaryByObject

Summary of Major Changes

	FY25 Final VS FY25 Prelim
FY 2025 Final Operating Budget	\$434.1
FY 2025 Preliminary Operating Budget	420.7
\$ Increase FY 2025 Final over FY 2025 Prelim	<u>\$13.4</u>
% Increase FY 2025 Final over FY 2025 Prelim	3.2%
FY 2025 Prelim Operating Budget	\$420.7
Mandated Increases	6.8
Additions	9.8
Reductions	(3.2)
FY 2025 Final Operation Budget Request	<u><u>\$434.1</u></u>
<u>Mandated</u>	
Longevity Step	\$1.3
Annual Salary Review Adjustments	1.1
3% Civilian COLA	1.0
Compression Salary Adjustments	0.4
Health Insurance (Employee & Retiree)	1.9
Pension	0.8
Social Security	0.3
Law Enforcement Officers' Pension System (LEOPS)	(0.2)
Other	0.2
Total Mandated	<u><u>\$6.8</u></u>
<u>Additions</u>	
Vehicle Purchases	\$5.7
Insurance	1.9
Management Studies & Consultants	1.3
Vehicle Gas & Repair	0.5
Engineers	0.2
Other (includes contractual step that is less than \$0.1 million)	0.2
Total Additions	<u><u>\$9.8</u></u>
<u>Reductions</u>	
Fiscal Services (Credit Card Fees)	(\$1.8)
Building Repairs & Maintenance	(0.6)
Equipment Repairs & Maintenance	(0.3)
Advertising	(0.2)
Other	(0.3)
Total Reductions	<u><u>(\$3.2)</u></u>
Total Change	\$13.4

ATTACHMENT 2

Object	Description	Prelim	Final	FY25 Final -	FY25 Final -
		FY 2025	FY 2025	FY25	FY25
		Budget	Budget	\$	%
				Inc/Dec	Inc/Dec
OBJECT 01 Salaries and Wages					
101	REGULAR EARNINGS	140,902,508	144,727,005	3,824,497	2.7%
102	ADDITIONAL ASSISTANCE	144,964	144,964	0	0.0%
104	OVERTIME EARNINGS	5,509,463	5,524,463	15,000	0.3%
104	OVERTIME EARNINGS - SNOW	1,338,344	1,338,344	0	0.0%
105	SHIFT DIFFERENTIAL	1,036,191	1,036,191	0	0.0%
110	MISCELLANEOUS P/R ADJUSTMENTS	186,909	186,409	(500)	-0.3%
111	ANNUAL LEAVE PAYOUTS	217,927	217,927	0	0.0%
112	RECLASSIFICATIONS	403,865	403,865	0	0.0%
151	SOCIAL SECURITY CONTRIBUTIONS	10,093,775	10,375,642	281,867	2.8%
152	HEALTH INSURANCE	19,194,681	20,404,594	1,209,913	6.3%
154	RETIREE'S HLTH INSURANCE PREM	11,747,138	12,487,606	740,468	6.3%
161	EMPLOYEES RETIREMENT SYSTEM	17,316,086	18,070,076	753,990	4.4%
165	STATE POLICE RETIREMENT SYSTEM	3,879,976	3,879,976	0	0.0%
169	LAW ENFORCEMNT OFF PENSION SYS	23,032,833	22,876,047	(156,786)	-0.7%
171	BURDEN EXPENSE	0	0	0	N/A
174	UNEMPLOYMENT COMPENSATION	394,529	405,238	10,709	2.7%
175	WORKERS COMPENSATION	3,010,078	3,010,078	0	0.0%
189	TURNOVER	(12,304,130)	(12,663,613)	(359,483)	2.9%
199	OTHER FRINGE BENE - CLOTH ALLOW	918,711	918,711	0	0.0%
		227,023,848	233,343,523	6,319,675	2.8%
Object 02 Technical and Special Fees					
202	PER DIEM PAYMENTS	150,000	150,000	0	0.0%
211	EMPLOYEE AWARDS	1,000	1,000	0	N/A
220	SPECIAL PAYMENTS PAYROLL	786,934	1,328,934	542,000	68.9%
		937,934	1,479,934	542,000	57.8%
Object 03 Communications					
301	POSTAGE	82,471	83,227	756	0.9%
302	TELEPHONE	838,334	873,771	35,437	4.2%
303	TELECOMMUNICATIONS	779,323	775,272	(4,051)	-0.5%
305	STATE PAID TELECOMMUNICATIONS	2,001,477	2,001,477	0	0.0%
306	CELL PHONE EXPENDITURES	655,635	580,690	(74,945)	-11.4%
		4,357,240	4,314,437	(42,803)	-1.0%
Object 04 Travel					
401	IN STATE/ROUTINE OPERTN TRAVEL	59,850	63,193	3,343	5.6%
402	INSTATE/CONF/SEMNR/TRNG TRAVEL	120,375	105,110	(15,265)	-12.7%
403	OUTSTATE/ROUTINE OPERTN TRAVEL	62,964	63,064	100	0.2%
404	OUTSTATE/CONF/SEMNR/TRNG TRAVL	366,949	407,878	40,929	11.2%
		610,138	639,245	29,107	4.8%
Object 06 Fuel and Utilities					
603	FUEL-OIL #2	147,200	147,200	0	0.0%
606	FUEL-NATURAL GAS/PROPANE	404,894	427,009	22,115	5.5%
620	UTILITIES-ELECTRICITY	3,925,604	3,951,804	26,200	0.7%
621	UTILITIES-WATER/SEWAGE	435,203	431,203	(4,000)	-0.9%
		4,912,901	4,957,216	44,315	0.9%
Object 07 Motor Vehicle Operations and Maintenance					
701	PURCH VEH-CAR,LIGHT TRUCK	3,624,900	9,327,990	5,703,090	157.3%
702	VEHICLE GAS & OIL	3,725,750	4,025,750	300,000	8.1%
703	VEHICLE MAINTENANCE & REPAIR	1,803,957	2,028,957	225,000	12.5%
704	INSURANCE	347,163	347,163	0	0.0%
721	VEHICLE GAS & OIL-WATERCRAFT	47,814	47,814	0	0.0%
722	VEHICLE MAINTENANCE & REPAIR-WATERCRAFT	64,503	64,503	0	0.0%
724	BOAT SLIP RENTAL/LAUNCHING FEES	4,000	4,000	0	0.0%
731	LG VEHICLE GAS & OIL	1,000,000	1,000,000	0	0.0%
732	LG VEHICLE MAINT & REPAIR	2,050,000	2,050,000	0	0.0%
789	COMMUTE CHARGES	(5,000)	(5,000)	0	0.0%
799	OTHER MOTOR VEHICLE CHARGES	50,000	50,000	0	0.0%
		12,903,087	19,135,177	6,232,090	48.3%
Object 08 Contractual Services					
801	ADVERTISING/LEGAL PUBLICATION	3,314,353	3,064,703	(249,650)	-7.5%

ATTACHMENT 2

Object	Description	Prelim	Final	FY25 Final - FY25 Preliminary	FY25 Final - FY25 Preliminary
		FY 2025 Budget	FY 2025 Budget	\$ Inc/Dec	% Inc/Dec
802	APPLICATIONS SOFTWARE MAINTENANCE	100,000	100,000	0	0.0%
804	PRINTING/REPRODUCTION SERVICE	46,200	46,200	0	0.0%
807	ENGINEERS	34,573,554	34,775,000	201,446	0.6%
808	EQUIPMENT RENTAL	487,578	501,677	14,099	2.9%
809	EQUIPMENT REPAIRS & MAINT	1,656,693	1,356,693	(300,000)	-18.1%
810	EXTERMINATION SERVICE	16,689	16,839	150	0.9%
812	BUILDING/ROAD REPAIRS & MAINT	16,093,899	15,468,899	(625,000)	-3.9%
813	JANITORIAL SERVICES	1,785,994	1,797,960	11,966	0.7%
814	GROUNDS MAINTENANCE	45,000	45,000	0	0.0%
815	LAUNDRY SERVICE	3,344	3,344	0	0.0%
816	HOUSEKEEPING SERVICES	75	50	(25)	N/A
817	LEGAL SERVICES	226,300	226,300	0	0.0%
819	EDUCATION/TRAINING CONTRACTS	1,314,788	1,337,238	22,450	1.7%
820	MEDICAL CARE	531,720	531,720	0	0.0%
821	MGMT STUDIES AND CONSULTANTS	4,856,272	6,173,622	1,317,350	27.1%
823	SECURITY SERVICES	1,216,976	1,216,976	0	0.0%
824	LABORATORY SERVICES	45,578	45,578	0	0.0%
825	VETERINARY SERVICES	31,565	31,565	0	0.0%
826	FREIGHT AND DELIVERY	18,613	18,613	0	0.0%
827	TRASH AND GARBAGE REMOVAL	467,606	463,606	(4,000)	-0.9%
828	OFFICE ASSISTANCE	64,244	61,387	(2,857)	-4.4%
829	FISCAL SERVICES	17,710,250	15,930,250	(1,780,000)	-10.1%
841	DP CENTRAL PROCESS SVC	1,100,000	1,100,000	0	0.0%
843	DP COMMUNICATIONS CONTROLLERS SVC	500,000	500,000	0	0.0%
849	TELECOMM LINES, MODEMS & CONTRLLR	596,601	596,601	0	0.0%
854	COMPUTER MAINTENANCE CONTRACTS	185,000	185,000	0	0.0%
858	SOFTWARE LICENSES	152,181	154,194	2,013	1.3%
862	APPL SOFTWARE MAINTENANCE	2,226,200	2,226,200	0	0.0%
864	SYSTEMS SOFTWARE MAINTENANCE	500,000	500,000	0	0.0%
865	OUTSIDE SVCS-SYS ANALYSIS&DSGN	7,465,000	7,465,000	0	0.0%
866	OUTSIDE SVCS-PROGRAMMING	415,000	415,000	0	0.0%
869	OUTSIDE SVCS-COMPUTER USAGE	775,000	775,000	0	0.0%
873	OUTSIDE SVC - E-ZPASS® SVC CENTER	44,000,000	44,000,000	0	0.0%
874	OFFICE OF ATTORNEY GENERAL FEE	43,411	43,411	0	0.0%
875	RETIREMENT AGENCY ADMIN FEE	233,463	233,463	0	0.0%
876	STATEWIDE DOIT SERVICES	60,962	60,962	0	0.0%
894	STATEWIDE PERSONNEL SYS ALLOC	40,535	40,535	0	0.0%
897	STATEWIDE ENTERPRISE BUDGET SYSTEM	12,110	12,110	0	0.0%
899	OTHER CONTRACTUAL SVC-NON DP	4,402,408	4,400,908	(1,500)	0.0%
		147,315,162	145,921,604	(1,393,558)	-0.9%
Object 09 Supplies and Materials					
901	AGRICULTURE	38,189	38,189	0	0.0%
902	OFFICE SUPPLIES	412,311	418,854	6,543	1.6%
903	ELECTRICAL MATERIALS	372,765	412,635	39,870	10.7%
904	BUILDING & HOUSEHOLD SUPPLIES	396,518	388,518	(8,000)	-2.0%
905	ROADWAY MAINT MATERIALS	599,153	664,618	65,465	10.9%
906	SALT/SNOW MELTING MATERIALS	1,856,664	1,859,664	3,000	0.2%
908	HOUSEKEEPING SUPPLIES	70,428	70,317	(111)	-0.2%
909	MEDICAL SUPPLIES	35,424	36,910	1,486	4.2%
912	WEARING APPAREL-UNIFORMS EMPL	1,186,268	1,187,018	750	0.1%
915	LIBRARY SUPPLIES	23,675	29,675	6,000	25.3%
917	SMALL TOOLS	369,270	282,950	(86,320)	-23.4%
918	VETERINARY SUPPLIES	73,500	73,500	0	0.0%
920	FOOD	186,695	189,695	3,000	1.6%
926	DATA PROCESSING SUPPLIES	38,828	39,746	918	2.4%
934	AMMO GUNS FIRING RNGE SUPPLIES	593,768	593,768	0	0.0%
951	E-ZPASS TRANSPONDERS	4,410,000	3,960,000	(450,000)	-10.2%
999	OTHER SUPPLIES AND MATERIALS	311,497	334,860	23,363	7.5%
		10,974,953	10,580,917	(394,036)	-3.6%
Object 10 Replacement Equipment					

ATTACHMENT 2

Object	Description	Prelim	Final	FY25 Final - FY25 Preliminary	FY25 Final - FY25 Preliminary
		FY 2025 Budget	FY 2025 Budget	\$ Inc/Dec	% Inc/Dec
1013	REPL MAINTENANCE & BUILDING EQUIP	314,000	401,500	87,500	27.9%
1015	REPL OFFICE EQUIPMENT	86,907	85,407	(1,500)	-1.7%
1019	REPL RADIOS & ELECTRONIC EQUIPMENT	241,000	241,000	0	0.0%
1031	REPL DP EQUIP-MAINFRAME	80,000	80,000	0	0.0%
1033	REPL DP EQUIP-MICROCOMPUTER	1,373,080	1,373,080	0	0.0%
1099	OTHER REPLACEMENT EQUIPMENT	484,900	528,900	44,000	9.1%
		2,579,887	2,709,887	130,000	5.0%
Object 11 Additional Equipment					
1102	ADDT'L AUDIO-VISUAL EQUIP	9,500	9,500	0	0.0%
1103	ADDT'L CLEANING EQUIPMENT	10,000	10,000	0	N/A
1107	ADDT'L EDUCATIONAL EQUIPMENT	0	0	0	N/A
1109	ADDT'L HUMAN ENVIRONMENTAL EQUIPMENT	1,000	1,000	0	0.0%
1113	ADDT'L MAINTENANCE & BUILDING EQUIP	134,500	139,715	5,215	3.9%
1115	ADDT'L OFFICE EQUIPMENT	68,076	49,700	(18,376)	-27.0%
1119	ADDT'L RADIOS & ELECTRONIC EQUIPMENT	475,000	475,000	0	N/A
1131	ADDT'L DP EQUIP-MAINFRAME	0	0	0	N/A
1133	ADDT'L DP EQUIP-MICROCOMPUTER	40,000	40,000	0	N/A
1199	OTHER ADDITIONAL EQUIPMENT	459,835	459,835	0	0.0%
		1,197,911	1,184,750	(13,161)	-1.1%
Object 13 Fixed Charges					
1302	INSURANCE COVERAGE PAID TO STO	815,850	838,110	22,260	2.7%
1303	RENT PAID TO DGS	1,100	1,100	0	N/A
1304	SUBSCRIPTIONS	28,175	26,675	(1,500)	-5.3%
1305	ASSOCIATION DUES	374,272	372,272	(2,000)	-0.5%
1308	LICENSES	7,800	7,800	0	0.0%
1309	INSURANCE (NON STO PAYMENTS)	6,576,966	8,500,000	1,923,034	29.2%
1320	1320 BAD DEBT EXPENSE (NON TOLLS)	50,000	50,000	0	0.0%
		7,854,163	9,795,957	1,941,794	24.7%
Total		420,667,225	434,062,648	13,395,423	3.2%

ITEM

5



MEMORANDUM

TO: MDTA Finance & Administration Committee
FROM: Capital Program Manager Jeanne Marriott
SUBJECT: Draft FY 2025-2030 Consolidated Transportation Program (CTP)
DATE: June 18, 2024

PURPOSE OF MEMORANDUM

The purpose of this presentation is to seek your recommendation for approval of the proposed Draft FY 2025-2030 CTP. The Draft CTP was also presented to the Capital Committee for recommendation for approval on June 6, 2024, and will be presented to the full MDTA Board for final approval on June 28, 2024.

SUMMARY

The six-year FY 2025-2030 budget in the proposed CTP is \$5.1 billion. The proposed CTP reflects a net increase in the six-year FY 2025-2030 budget of \$2.0 billion (Attachment #1 – Line 7). The net FY 2025-2030 increase is the result of the following:

- Addition to the six-year CTP budget of \$1.7 billion for the replacement of the Francis Scott Key Bridge (Attachment #1 – Line 1).
- Increase in the six-year CTP budget by \$4.7 million for the Nice/Middleton Bridge (Attachment #1 – Line 2).
- Increase in the six-year CTP budget by \$64.1 million for the I-95 ETL Northern Extension (Attachment #1 – Line 3).
- Increase in the six-year CTP budget by \$132.2 million for all projects except Key Bridge, Nice/Middleton Bridge, I-95 ETL Northern Extension, and Reserves (Attachment #1 – Line 4).
- Increase in the Allocated and Unallocated Reserves by \$101.9 million (Attachment #1 – Line 5).

FY 2024 expenditures are projected to be \$434.4 million vs. \$563.0 million in the Final FY 2024-2029 CTP (Attachment #1 – Line 7). FY 2024 underspending is projected to be \$128.5 million and has been rolled over into the Draft FY 2025-2030 CTP.

Highlights of project and reserve changes incorporated in the proposed Draft FY 2025-2030 CTP are shown in Attachment #2.

Added New Projects

Added fourteen system preservation projects for a net increase of \$1.7 billion in the FY 2025-2030 period.

Modified Budgets to Reflect Bids Received

Adjusted one project to reflect bid received higher than Engineer's Estimate and four projects to reflect bids received lower than Engineer's Estimates for a net increase of \$6.0 million.

Added Construction Phase

The construction phase of three projects was funded for a total of \$33.1 million transferred from the reserves as design reached 60% level and cost estimates were developed on fully developed scopes.

Modified Budgets to Reflect Completed Projects

Fourteen projects were completed with no budget change in the FY 2025-2030 period and one project was cancelled for a decrease of \$6.3 million in the FY 2025-2030 period.

Modified Active Projects Due to Cost Changes and Cash Flow Adjustments

Adjusted cash flows and funded changes in engineering and/or construction budgets for sixty-one projects for a net budget increase of \$142.5 million.

Reserve Changes

The allocated reserves increased by \$654.7 million, and the unallocated reserves decreased by \$552.7 million for a net increase of \$101.9 million.

ATTACHMENTS

- Attachment #1 – CTP Comparison Tables - Draft FY 2025-2030 CTP v Final FY 2024-2029 CTP
- Attachment #2 – Changes from Final FY 2024-2029 CTP to Draft FY 2025-2030 CTP
- Attachment #3 – Where are the Projects?
- Attachment #4 – What are the Categories of Projects?

CTP Comparison Tables - Draft FY 2025-2030 CTP v Final FY 2024-2029 CTP																
Line		2024	2025	2026	2027	2028	2029	2030	Total 2024-2029	Total 2025-2030	2031	2032	2033	2034	Total 2025-2034	
		1	Francis Scott Key Bridge	Final 24-29	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
		Draft 25-30	\$600	\$204,927	\$376,818	\$461,879	\$400,686	\$243,645	\$13,445	\$1,688,555	\$1,701,400	\$0	\$0	\$0	\$0	\$1,701,400
		Change	\$600	\$204,927	\$376,818	\$461,879	\$400,686	\$243,645	\$13,445	\$1,688,555	\$1,701,400	\$0	\$0	\$0	\$0	\$1,701,400
2	Nice/Middleton Bridge	Final 24-29	\$36,268	\$15,704	\$15,068	\$0	\$0	\$0	\$0	\$67,040	\$30,772	\$0	\$0	\$0	\$0	\$30,772
		Draft 25-30	\$31,615	\$7,928	\$27,497	\$0	\$0	\$0	\$0	\$67,040	\$35,424	\$0	\$0	\$0	\$0	\$35,424
		Change	(\$4,653)	(\$7,776)	\$12,429	\$0	\$0	\$0	\$0	\$0	\$4,653	\$0	\$0	\$0	\$0	\$4,653
3	I-95 ETL Northern Extension (Including Reserves)	Final 24-29	\$211,677	\$148,367	\$113,895	\$81,521	\$42,739	\$18,645	\$0	\$616,844	\$405,167	\$0	\$0	\$0	\$0	\$405,167
		Draft 25-30	\$147,594	\$185,003	\$141,208	\$87,894	\$37,414	\$17,731	\$0	\$616,844	\$469,250	\$0	\$0	\$0	\$0	\$469,250
		Change	(\$64,083)	\$36,636	\$27,313	\$6,373	(\$5,325)	(\$914)	\$0	\$0	\$64,083	\$0	\$0	\$0	\$0	\$64,083
4	Remainder of CTP (Excluding Reserves)	Final 24-29	\$301,731	\$342,422	\$232,678	\$79,928	\$31,848	\$10,777	\$0	\$999,384	\$697,653	\$0	\$0	\$0	\$0	\$697,653
		Draft 25-30	\$254,607	\$379,295	\$256,845	\$124,300	\$42,748	\$21,249	\$5,430	\$1,079,045	\$829,868	\$0	\$0	\$0	\$0	\$829,868
		Change	(\$47,124)	\$36,873	\$24,167	\$44,372	\$10,900	\$10,472	\$5,430	\$79,661	\$132,215	\$0	\$0	\$0	\$0	\$132,215
5	Allocated and Unallocated Reserves	Final 24-29	\$13,285	\$50,227	\$175,250	\$332,014	\$440,941	\$364,999	\$553,610	\$1,376,716	\$1,917,041	\$616,467	\$360,551	\$556,915	\$573,622	\$4,024,596
		Draft 25-30	\$0	\$32,665	\$167,284	\$361,156	\$476,912	\$490,863	\$490,100	\$1,528,880	\$2,018,980	\$524,245	\$539,972	\$556,171	\$572,856	\$4,212,224
		Change	(\$13,285)	(\$17,562)	(\$7,966)	\$29,142	\$35,971	\$125,864	(\$63,510)	\$152,164	\$101,939	(\$92,222)	\$179,421	(\$744)	(\$766)	\$187,628
6	Remainder of CTP (4+5) (Including Reserves)	Final 24-29	\$315,016	\$392,649	\$407,928	\$411,942	\$472,789	\$375,776	\$553,610	\$2,376,100	\$2,614,694	\$616,467	\$360,551	\$556,915	\$573,622	\$4,722,249
		Draft 25-30	\$254,607	\$411,960	\$424,129	\$485,456	\$519,660	\$512,112	\$495,530	\$2,607,925	\$2,848,848	\$524,245	\$539,972	\$556,171	\$572,856	\$5,042,092
		Change	(\$60,409)	\$19,311	\$16,201	\$73,514	\$46,871	\$136,336	(\$58,080)	\$231,825	\$234,154	(\$92,222)	\$179,421	(\$744)	(\$766)	\$319,843
7	Total (1+2+3+6)	Final 24-29	\$562,961	\$556,720	\$536,891	\$493,463	\$515,528	\$394,421	\$553,610	\$3,059,984	\$3,050,632	\$616,467	\$360,551	\$556,915	\$573,622	\$5,127,416
		Draft 25-30	\$434,417	\$809,818	\$969,653	\$1,035,229	\$957,759	\$773,489	\$508,975	\$4,980,364	\$5,054,922	\$524,245	\$539,972	\$556,171	\$572,856	\$7,248,166
		\$ Change	(\$128,545)	\$253,098	\$432,762	\$541,766	\$442,231	\$379,068	(\$44,635)	\$1,920,380	\$2,004,290	(\$92,222)	\$179,421	(\$744)	(\$766)	\$2,120,751
		% Change	-23%	45%	81%	110%	86%	96%	-8%	63%	66%	-15%	50%	0%	0%	41%
Cumulative Change			(\$128,545)	\$124,553	\$557,315	\$1,099,081	\$1,541,313	\$1,920,380	\$1,496,678	\$1,920,380	\$1,496,678	\$1,404,456	\$1,583,877	\$1,583,133	\$1,582,367	\$1,582,367

Changes from Final FY 2024-2029 CTP to Draft FY 2025-2030 CTP

New Projects Added (\$000)				
Facility	Project Name	TEC Change	FY 2024-2029 Budget Change	FY 2025-2030 Budget Change
KB	2655 - Replace the Francis Scott Key Bridge	1,702,000	1,688,555	1,701,400
MA	2653 - On-Call Miscellaneous Paving Repairs	12,093	12,093	12,093
MA	2636 - Portable Radio Replacement	7,570	7,570	7,570
KB	2652 - Rehabilitation of Curtis Creek Bascule Piers (Engineering only)	1,806	1,806	1,422
KB	2643 - Maintenance and Repair of Curtis Creek Draw Bridges	993	993	985
FT	2592 - Miscellaneous Structural Repairs Inside Fort McHenry Tunnel (Engineering only)	600	600	300
MA	2650 - Update Phone System to NEC SV9500 - Phase 2	600	600	600
BB	2656 - Pier Protection System at the Bay Bridges (Engineering Only)	600	600	500
HT	2651 - Replace I-895 Bridge over Lombard Avenue (Engineering only)	575	575	405
KH	2645 - Resurface Southbound (SB) I-95 from the Tydings Bridge to the MD 24 Interchange (Engineering only)	500	500	400
KH	2646 - Resurface Northbound (NB) I-95 from the Tydings Bridge to the MD 24 Interchange (Engineering only)	500	500	400
KB	2567 - Key Bridge Campus Building 305 Roof/HVAC/Windows Replacement (Engineering Only)	500	500	500
FT	2566 - Fort McHenry Tunnel Maintenance Building Renovation (Engineering Only)	275	275	275
BB	2603 - Bay Bridge Queue Detection System - Phase 2 (Engineering Only)	180	180	120
Total - New Projects Added (14)		1,728,791	1,715,347	1,726,970

Projects Modified to Reflect Bids Received (\$000)				
Facility	Project Name	TEC Change	FY 2024-2029 Budget Change	FY 2025-2030 Budget Change
MA	2489 - Drainage Rehabilitation - Phase III - Outfalls	689	689	635
MA	2573 - On-Call Structural Repairs	(883)	(883)	895
MA	2551 - Environmental On-Call Phase IV	(1,013)	(1,013)	331
FT	0217 - Fort McHenry Tunnel Facility-wide Zone Paint Program	(1,830)	(1,830)	4,876
KB	2450 - I-695 Subgrade Improvements at Bear Creek	(4,808)	(4,808)	(771)
Total - Project Modified to Reflect Bids Received (5)		(7,845)	(7,845)	5,966

Projects Modified to Add Construction Phase (\$000)				
Facility	Project Name	TEC Change	FY 2024-2029 Budget Change	FY 2025-2030 Budget Change
FT	2499 - MDTA Police Vehicle Storage Garage and Auto Repair Shop	23,015	23,015	23,015
MA	2630 - On-Call Signs, Sign Lights, and Sign Structures	5,345	5,345	5,400
MA	2583 - Generator Replacement at Various Facilities	4,735	4,735	4,715
Total - Projects Modified to Add Construction Phase (3)		33,095	33,095	33,130

Changes from Final FY 2024-2029 CTP to Draft FY 2025-2030 CTP

Projects Completed or Deleted (\$000)					
Facility	Project Name	TEC Change	FY 2024-2029 Budget Change	FY 2025-2030 Budget Change	Notes
FT	2508 - Bridge Deck Rehabilitation and Miscellaneous Repairs to Fort McHenry Tunnel South	177	177	0	Project completed.
MA	2483 - Small Drainage Rehabilitation	120	120	0	Project completed.
HT	2447 - Replace Baltimore Harbor Tunnel 15KV Feeders	98	98	0	Project completed.
KH	2544 - Tydings Bridge Interim High Speed AET Conversion	56	56	0	Project completed.
KB	2319 - Building Renovations at Key Bridge Campus	33	33	0	Project completed.
HT	2543 - Replace Superstructure of Moravia Road Ramp Bridge to I-95 Southbound	(1)	(1)	0	Project completed.
KB	2304 - Convert Key Bridge to All Electronic Tolling (AET)	(1)	(1)	0	Project completed.
FT	2449 - Superstructure Repairs of Various Bridges North and South of Fort McHenry Tunnel	(26)	(26)	0	Project completed.
MA	2360 - Furnish and Install License Plate Recognition Systems	(29)	(29)	0	Project completed.
HB	2273 - Convert Hatem Bridge to AET and Rehabilitate Approach Roadways	(107)	(107)	0	Project completed.
KH	2509 - Structural Rehabilitation of the Millard E. Tydings Memorial Bridge	(116)	(116)	0	Project completed.
MA	2485 - On-Call Miscellaneous Paving Repairs	(143)	(143)	0	Project completed.
MA	2480 - On-Call Structural Repairs & Miscellaneous Modifications	(356)	(356)	0	Project completed.
BB	2516 - William Preston Lane Jr. Memorial Bridge AET Conversion	(1,747)	(1,747)	0	Project completed.
KB	0219 - Key Bridge Deck Replacement (Engineering only)	(8,162)	(8,162)	(6,259)	Project cancelled.
Total - Projects Completed or Deleted (15)		(10,205)	(10,205)	(6,259)	

Active Projects Modified Due to Cost Changes and Cash Flow Adjustments (\$000)					
Facility	Project Name	TEC Change	FY 2024-2029 Budget Change	FY 2025-2030 Budget Change	Notes
MA	2235 - Program Management Services for System Preservation (Engineering Only)	12,000	12,000	12,000	Increased PE to add FY 2025-2026 funding.
HT	2487 - AET Conversion with Frankfur Avenue Interchange Modifications	8,100	8,100	7,200	Increased CO for scope change to include advanced gantry construction prior to the start of interchange construction.
BB	2501 - On-Call Structural Repairs & Miscellaneous Modifications for Bay Bridge	5,712	5,712	3,828	Increased CO for scope change and additional CMI.
KH	2500 - Kennedy Highway Maintenance Facility Complex	3,187	3,187	7,187	Increased CO for scope change and increased material cost.
MA	2549 - On-Call Miscellaneous Paving Repair	5,172	5,172	137	Increased CO for ICC safety enhancements.
FT	2513 - Structural Rehabilitation of Various Bridges on I-95	5,000	5,000	(678)	Increased CO for additional MDTA Police, Maintenance, and Phase V services.
HT	0280 - Baltimore Harbor Tunnel I-895 Bridge Replacement	1,962	1,962	0	Increased CO for utility repairs.
KH	2631 - Maryland House Water Tower Emergency Pipe Replacement	1,425	1,425	0	Increased CO due to unforeseen conditions and resulting scope change.
FT	0237 - Rehabilitate Substructure of I-95 Bridges over Race Street (Engineering only)	1,265	1,265	3,100	Increased PE due to delayed geotechnical investigation fieldwork.
HT	2560 - Baltimore Harbor Tunnel Maintenance/Auto Building HVAC and Roof Replacement	817	817	797	Increased PE and CO for scope change.
HT	2614 - Baltimore Harbor Tunnel Facility-wide Signing Upgrades (Engineering only)	575	575	494	Increased PE for scope change to include more AET sign structures.
KB	0199 - Maintenance and Repairs of the I-695 Curtis Creek Drawbridges at Key Bridge	520	520	250	Increased CO for additional repairs to drawbridge decks.
HT	2587 - Baltimore Harbor Tunnel Lane Use Signals (LUS) Extension (Engineering only)	500	500	200	Increased PE to move from preliminary engineering to complete PS&E package.

Active Projects Modified Due to Cost Changes and Cash Flow Adjustments - continued on Page 3

Changes from Final FY 2024-2029 CTP to Draft FY 2025-2030 CTP

Active Projects Modified Due to Cost Changes and Cash Flow Adjustments (\$000) - continued					
Facility	Project Name	TEC Change	FY 2024-2029 Budget Change	FY 2025-2030 Budget Change	Notes
KB	2639 - Shoreline Restoration at Key Bridge Police HQ (Engineering only)	500	500	200	Increased PE for scope change.
HT	2506 - Baltimore Harbor Tunnel In-Tunnel Fiber Improvements	440	440	0	Increased CO for additional CMI for extended duration, tunnel closure expenses, and documentation review.
MA	2585 - Replace Closed Circuit Televisions at Various Facilities (Engineering only)	400	400	0	Increased PE for scope change.
BB	2470 - Project Management Office and Maintenance Equipment Storage Building	300	300	110	Increased PE for scope change.
HT	2263 - Replace Baltimore Harbor Tunnel Vent Fans	282	282	0	Increased CO for Phase V post construction services.
MA	2546 - Purchase Card Information System (PCARD)	250	250	0	Increased CO to complete development and quality assurance work.
FT	2571 - Fort McHenry Tunnel Campus Fuel Oil Conversion	200	200	175	Increased PE for additional design effort for test pit needed for BGE utilities installation.
BB	2476 - Bay Bridge Crossover Automated Lane Closure System	181	181	0	Increased CO for additional CMI costs.
KB	2521 - MDTA Police Training Academy	125	125	43	Increased PE for design work related to permit coordination and changes resulting from MDTA Police review.
MA	2584 - Replace DMS and TRS at Various Facilities (Engineering only)	100	100	0	Increased PE for scope change.
MA	2523 - On-Call Facility/Building Repairs	40	40	502	Increased PE for on-call distribution.
HB	2512 - Cleaning and Painting of the Hatem Bridge	21	21	(7,491)	Increased PE for higher than anticipated costs.
FT	0239 - Holding Tank Replacement - South Fort McHenry Tunnel Vent Building	15	15	280	Increased PE for additional design and Maryland Department of the Environment (MDE) reviews associated with relocation of planned staging area.
BB	2317 - Rehab Decks of EB Span - Phase I Deck Widening & Replacement of Deck Truss Spans	14	14	1,618	Increased CO for additional CMI.
KH	2477 - I-95/Belvidere Road Interchange	(1)	(1)	18,988	Decreased CO for revised estimate.
MA	2498 - On-Call Electrical/Intelligent Transportation Systems (ITS)	(244)	(244)	0	Decreased CO for revised capital/operating split.
FT	2517 - Convert to Cashless Tolling at the Fort McHenry Tunnel	(351)	(351)	(742)	Decreased CO for revised estimate.
MA	2496 - On-Call Drainage and Stormwater BMP Remediation III	(804)	(804)	0	Decreased CO to fund mitigation at I-95 ETL Northern Extension project.
BB	2329 - Replace 5KV Feeder and Add Redundant Cable to Eastbound (EB) & Westbound (WB) Spans	(1,006)	(1,006)	0	Decreased CO for project underruns.
BB	2369 - Deck Rehabilitation and Miscellaneous Modifications to Bay Bridge WB Span	(1,253)	(1,253)	0	Decreased CO for project underruns.
MA	2524 - On-Call Building Systems Rehabilitation/Replacement	(1,500)	(1,500)	(1,099)	Decreased CO for scope change to move task order to another project.
KB	2619 - Rehabilitation of Curtis Creek Drawbridges Superstructure (Engineering only)	(1,806)	(1,806)	(1,653)	Decreased PE for scope change (split into superstructure and subgrade projects).
BB	2586 - Tier 2 NEPA Study (Planning only)	(2,076)	(2,076)	474	Decreased Planning Phase for revised estimate.
MA	2538 - On-Call Structural Repairs & Miscellaneous Modifications	(2,240)	(2,240)	(1,053)	Decreased CO for revised estimate nearing project completion.
KH	0602 - I-95 Kennedy Highway Express Toll Lanes Northern Extension	0	0	64,083	Cash flow adjustment.
MA	2147 - Replace Electronic Toll Collection and Operating System - 3rd Generation	0	0	7,228	Cash flow adjustment.
MA	2471 - 10-Year Equipment Budget - FY 2018 through FY 2027	0	0	6,631	Cash flow adjustment.
NB	1024 - Replace Nice/Middleton Bridge	0	0	4,653	Cash flow adjustment.
HT	0240 - Resurfacing North and South of Baltimore Harbor Tunnel	0	0	2,762	Cash flow adjustment.
HT	2306 - Envelope Repair and Switchgear Replacements at Baltimore Harbor Tunnel Vent Buildings	0	0	2,749	Cash flow adjustment.
BB	2593 - BB On-Call Structural Repairs and Modification	0	0	2,202	Cash flow adjustment.
MA	2553 - DYNAC Maintenance Contract (Baltimore Harbor Tunnel, Fort McHenry Tunnel, and Intercounty Connector (ICC))	0	0	1,000	Cash flow adjustment.

Active Projects Modified Due to Cost Changes and Cash Flow Adjustments - continued on Page 4

Changes from Final FY 2024-2029 CTP to Draft FY 2025-2030 CTP

Active Projects Modified Due to Cost Changes and Cash Flow Adjustments (\$000) - continued					
Facility	Project Name	TEC Change	FY 2024-2029 Budget Change	FY 2025-2030 Budget Change	Notes
MA	0231 - On-Call Signs, Sign Lights, and Sign Structures	0	0	910	Cash flow adjustment.
KH	2582 - MD 695 Ramps to I-95 Northbound Express Toll Lanes	0	0	867	Cash flow adjustment.
MA	2633 - Intercounty Connector (ICC) & Kennedy Highway Data Center Hardware Replacement	0	0	822	Cash flow adjustment.
HT	2527 - Replace Bridges on I-895 over I-695 (Engineering only)	0	0	810	Cash flow adjustment.
FT	0200 - Rehabilitate Fort McHenry Tunnel Area-Wide Lighting	0	0	782	Cash flow adjustment.
KH	2570 - Kennedy Highway Perryville Campus Wash Bay, Salt Barn and Fueling Facilities (Engineering only)	0	0	742	Cash flow adjustment.
MA	2497 - Radio Rebroadcast and Radiax in Baltimore Harbor Tunnel & Fort McHenry Tunnel	0	0	492	Cash flow adjustment.
KH	2569 - Kennedy Highway Campus - Maryland State Police Building Remodeling (Engineering only)	0	0	326	Cash flow adjustment.
KH	0202 - I-95 Southbound Hard Shoulder Running	0	0	300	Cash flow adjustment.
ICC	2563 - Replace Intercounty Connector (ICC) Deck Over Lighting (Engineering only)	0	0	260	Cash flow adjustment.
KB	2638 - Rehabilitation of Bearings & Misc. Repairs - I-695 Bridges over Bear Creek (Engineering only)	0	0	213	Cash flow adjustment.
FT	2565 - Fort McHenry Tunnel East Vent Building Facade and Roof Replacement (Engineering only)	0	0	124	Cash flow adjustment.
MA	2559 - On-Call Civil Repairs	0	0	114	Cash flow adjustment.
MA	2590 - Replace Electronic Toll Collection and Operating System - 4th Generation (Engineering only)	0	0	100	Cash flow adjustment.
HT	2591 - Rehabilitate Upper Plenum Liner and Ceiling (Engineering only)	0	0	75	Cash flow adjustment.
FT	2458 - Rehabilitate Tunnel 13 KV Cable, Conduit, and Concrete Wall	0	0	(567)	Cash flow adjustment.
Total - Active Projects Modified Due to Cost Changes and Cash Flow Adjustments (61)		37,824	37,824	142,544	

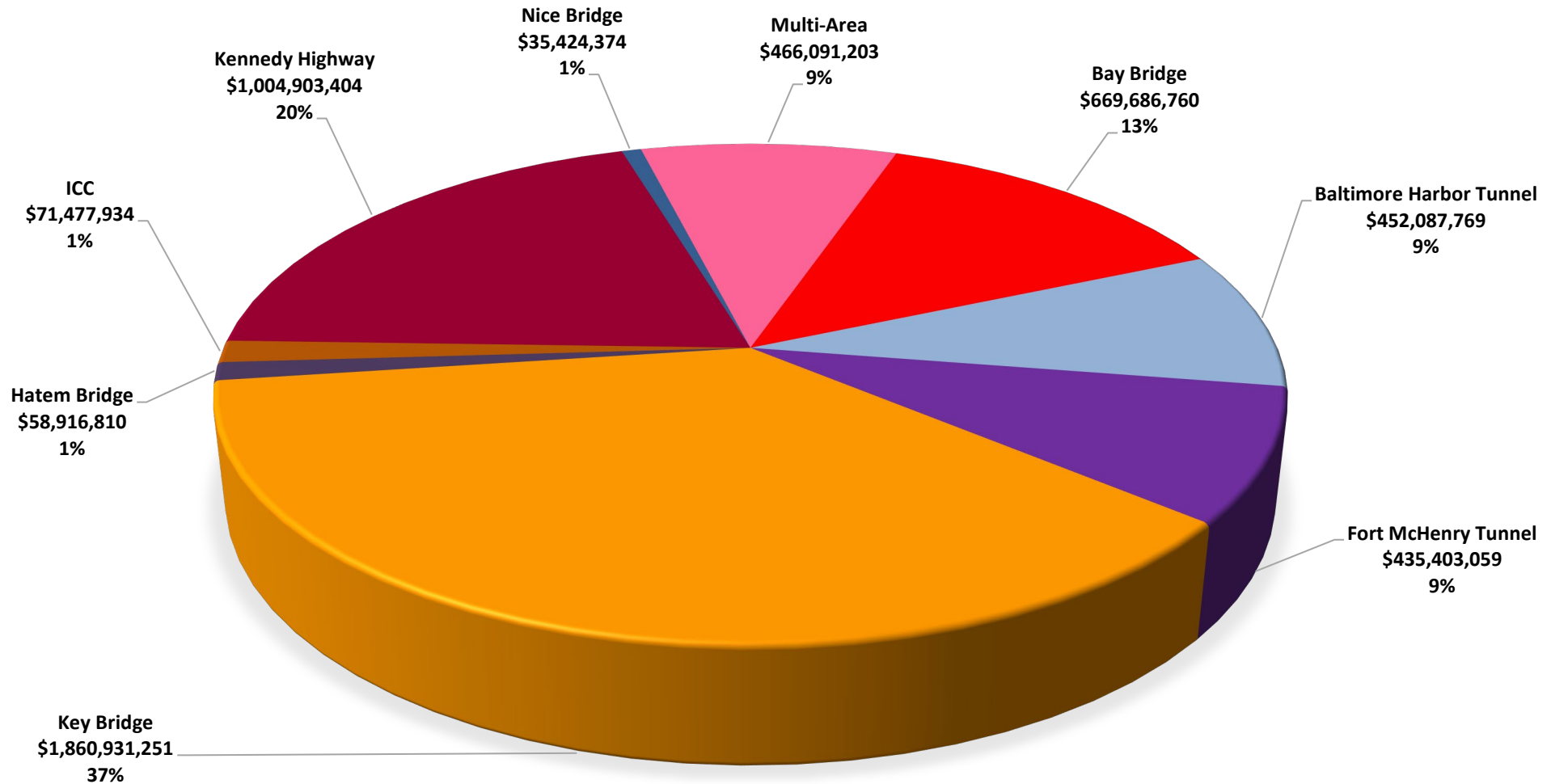
Reserves (\$000)			
	FY 2024-2029 Budget Change	FY 2025-2030 Budget Change	
Allocated Reserve - System Preservation Projects	295,486	699,765	
Allocated Reserve - Enhancement Projects	(132,217)	(45,089)	
Unallocated Reserve	(11,105)	(552,737)	
Total Reserve Changes	152,164	101,939	

Changes from Final FY 2024-2029 CTP to Draft FY 2025-2030 (\$000)			
	FY 2024-2029 Budget Change	FY 2025-2030 Budget Change	
Budget Changes - Projects	1,768,216	1,902,351	
Budget Changes - Reserves	152,164	101,939	
Net Changes	1,920,380	2,004,290	

FY 2025-2030 Draft Consolidated Transportation Program

Where are the Projects?

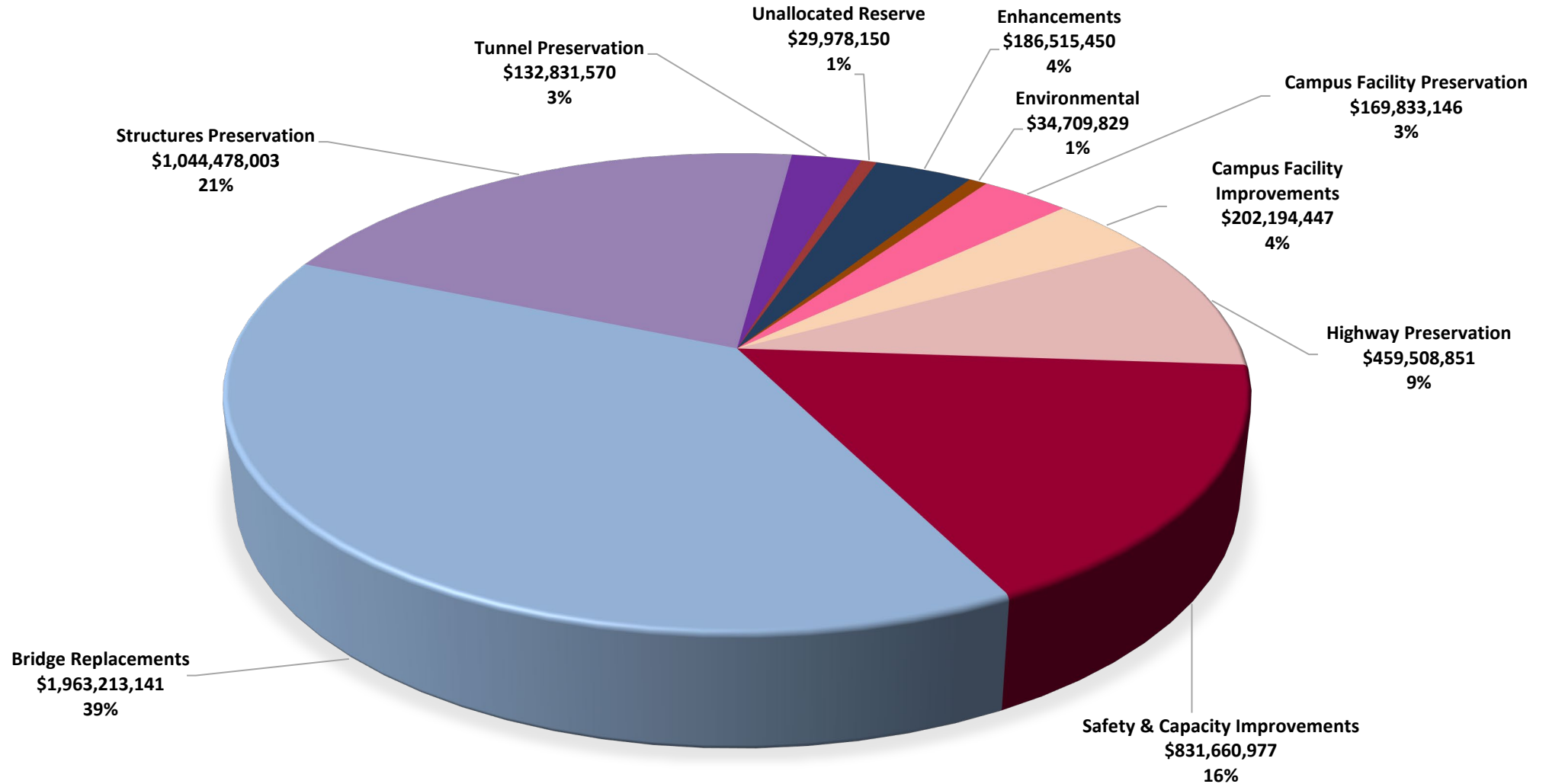
FY 2025-2030 CTP = \$5.1 Billion



FY 2025-2030 Draft Consolidated Transportation Program

What are the Categories of Projects?

FY 2025-2030 CTP = \$5.1 Billion



ITEM

6



MEMORANDUM

TO: Finance & Administration Committee
FROM: Director of Finance Chantelle Green
SUBJECT: Fiscal Year 2024-2030 Financial Forecast
DATE: June 18, 2024

PURPOSE OF MEMORANDUM

To request a recommendation of approval of the fiscal year (FY) 2024-2030 financial forecast.

KEY TAKEAWAYS

- Through FY 2027, the Maryland Transportation Authority (MDTA) remains in compliance with its financial goals and legal standards.
- Despite the loss of the Francis Scott Key (FSK) Bridge:
 - The MDTA has sufficient cashflow and capital reserves in FY 2025 to support additional expenses associated with the FSK Bridge Replacement without external support.
 - It is estimated that the MDTA will recapture 40 percent of the passenger and commercial vehicle traffic from the FSK Bridge at the two other Harbor Crossings.
- Based on the current forecast estimates, beginning in FY 2028, a systemwide toll increase will be necessary to maintain 2.0 times debt service coverage throughout the remainder of the FY 2025-2030 forecast period. Tolls were last increased in FY 2014 followed by a reduction of tolls in FY 2016.

SUMMARY

This forecast includes the FSK Bridge Collapse T&R Update, the Draft FY 2025 - 2030 Consolidated Transportation Program (CTP), the FY 2024 Amended Operating Budget, and the Final FY 2025 Operating budget. The summary table below shows the MDTA’s adherence to its financial goals and requirements throughout the forecast period.

Financial Metrics	Requirement	Current Forecast Period (FY 2024 – 2030)
Rate Covenant	≥ 1.0	Minimal level of 1.3 in FY 2030
Debt Service Coverage	≥ 2.0	Requirement met through FY 2027; Minimal level of 1.6 in FY 2030
Unencumbered Cash	≥ \$400M	Requirement met throughout the forecast period
Debt Outstanding	≤ \$4.0B	Max Level of \$3.42B in FY 2030

ANALYSIS

The primary differences between the current forecast and the November 2023 forecast are:

- *Decreased revenue:* Toll revenue declines by \$153.0 million throughout the FY 2024 – 2030 forecast period due to the re-benchmarking of the Harbor Crossings facilities to actuals through February 2024 and impacts associated with the FSK Bridge collapse. Based on an estimated 40 percent combined recapture rate for passenger and commercial vehicles diverting from the FSK Bridge to the two adjacent Patapsco River tunnels, it is estimated that lost revenue during the approximately four-year closure of the Key Bridge will total \$141.2 million.
- *Increased operating budget expenses:* Operating budget expenses increase by \$127.6 million throughout the forecast period, mostly due to the \$60 million FY 2024 operating budget amendment for debris and salvage removal, increases in personnel expenses (*i.e.*, longevity steps, cost-of-living adjustments, annual salary review adjustments, and salary compression adjustments), collectively bargained police patrol vehicles, management studies, and bridge and tunnel property insurance costs. After adjusting for the one-time FY 2026 operating budget amendment, operating budget expenses increase by \$67.6 million throughout the forecast period.
- *Increased capital budget expenses:* Capital budget expenses increase by \$1.9 billion, mostly due to the replacement of the FSK Bridge. A portion of the increase (\$128.5 million) is also attributable to the anticipated rollover of unexpended funds from FY 2024 into subsequent fiscal years.
- *Increased debt issuances and debt service:* Over the forecast period, revenue bond issuances and projected debt service increase by \$249.0 million and \$48.8 million, respectively. The increase in financing needs and debt service costs are the result of anticipated operating and capital budget increases and lower toll revenues that reduce the amount of projected net revenue available for PAYGO (cash) capital spending.

- *Federal Funds:* Throughout the forecast period, the MDTA anticipates using insurance proceeds to fully reimburse the federal government for the \$60 million in initial Emergency Relief funding. Of the remaining \$290 million in insurance proceeds, it is possible that \$46 million will be retained by the MDTA for business interruption at the FSK Bridge and that the remaining proceeds will be used on eligible federally reimbursable FSK Bridge Replacement project costs (90% federal fund/10% MDTA funds split) until the insurance proceeds are exhausted. Beginning in FY 2026, it is assumed that the MDTA will be reimbursed by the federal government for eligible project costs based on a one-year lag through FY 2031. If Congress acts within the next few months to allow for 100 percent funding, as requested by the Maryland Delegation and Biden Administration, MDTA's assumptions will be adjusted during the next update later this calendar year.
- *Toll increase:* Based on the current forecast estimates, beginning in FY 2028, a systemwide toll increase will be necessary to maintain 2.0 times debt service coverage throughout the remainder of the FY 2025-2030 forecast period.

Assumptions

- Traffic and Toll Revenue Forecast: CDM Smith June 2024
- Draft FY 2025 – 2030 CTP
- FY 2024 Amended Operating Budget
- Final FY 2025 Operating Budget (inflated by 4% with adjustments for police patrol vehicle purchases)

Evaluation Criteria

Adherence to MDTA goals and policies:

- \geq \$400 million unrestricted cash
- \geq 2.0 debt service coverage
- Rate covenant ratio \geq 1.0 sum of 120% debt service plus deposits to M&O account
- Debt outstanding \leq \$4 billion
- Forecast tests the need for potential future toll increases. (Systemwide toll increases are needed beginning in FY 2028)

ATTACHMENTS

- Financial Forecast
- FSK Bridge Collapse T&R Update

MARYLAND TRANSPORTATION AUTHORITY
CASH FLOW FORECAST
FY 2024 - 2030

In Millions \$	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Revenues							
Toll Revenues	\$791.8	\$752.7	\$767.4	\$771.2	\$773.7	\$821.6	838.17
Concessions Revenue	4.5	4.5	4.5	4.5	4.5	4.5	4.50
Investment Income & Other Revenue	18.3	12.7	25.3	24.5	24.5	24.4	24.31
MDOT Loan Repayment - Interest	0.2	0.2	0.2	0.2	0.2	0.1	0.11
BWI/Port Police Reimbursement	39.1	40.8	42.5	44.2	45.9	47.8	49.69
Total Revenues	\$853.9	\$810.9	\$839.9	\$844.5	\$848.8	\$898.3	\$916.8
Operating Expenses							
Operating Account Budget	460.1	434.1	452.3	462.3	488.3	507.8	528.1
Debt Service	142.9	144.5	144.5	173.5	200.1	219.1	233.25
Total Operating Expenses	\$603.0	\$578.5	\$596.8	\$635.8	\$688.3	\$726.9	\$761.4
Operating Revenue Net of Expenses	\$250.9	\$232.4	\$243.1	\$208.8	\$160.5	171.4	155.4
Capital Expenses							
2025-2030 Total CTP	434.4	809.8	969.7	1,035.2	957.8	773.5	509.0
Total Expenses (Operating + Capital)	\$1,037.4	\$1,388.3	\$1,566.5	\$1,671.0	\$1,646.1	\$1,500.4	\$1,270.3
Capital Funding Source / (Uses) and Intergovernmental							
Revenue Bonds	\$0.0	\$0.0	\$503.8	\$461.6	\$330.6	\$240.3	132.91
Surety Policy	(1.2)	-	(0.9)	(0.8)	(0.6)	(0.4)	(0.23)
MDOT Loan Repayment - Principal	1.5	1.5	1.5	1.5	1.6	1.6	1.61
VDOT Contribution	1.9	-	-	-	-	-	-
I-895 Federal Grant	-	-	5.0	25.0	50.0	-	-
I-95 Interchange Partner Contribution	15.5	-	-	-	-	-	-
Key Bridge Property Insurance	-	290.0	-	-	-	-	-
Key Bridge Federal Grant	40.0	20.0	47.0	339.1	415.7	360.6	219.28
Total Current Year Sources (Uses) Available	57.7	311.5	556.4	826.5	797.3	602.0	353.56
Annual Cash Requirements	979.7	1,076.8	1,010.0	844.5	848.8	898.3	916.8
Annual Cash Surplus/Deficit	(\$125.8)	(\$265.9)	(\$170.1)	\$0.0	\$0.0	\$0.0	\$0.0
Total Cash Balance	\$869.1	\$603.2	\$433.1	\$433.1	\$433.1	433.1	433.1
Bonds Outstanding	\$2,126.3	\$2,072.2	\$2,531.1	\$2,944.2	\$3,210.9	\$3,373.1	\$3,415.4
Financial Coverage Ratios							
Unencumbered Cash (\$400M minimum)	\$836.1	\$570.1	\$400.0	\$400.0	\$400.0	\$400.0	\$400.0
Debt Service Coverage (≥2.0x)	2.7	2.6	2.6	2.1	1.8	1.7	1.6
Rate Covenant Compliance (Legal - 1.0x)	2.1	2.1	2.1	1.7	1.4	1.4	1.3



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June 6, 2024

Ms. Deborah Sharpless
Chief Financial Officer
Maryland Transportation Authority
2310 Broening Highway
Suite 150
Baltimore, MD 21224

Subject: **FINAL** Francis Scott Key Bridge Collapse Forecast Update

Dear Ms. Sharpless:

This letter summarizes the updated traffic and revenue forecast which accounts for the collapse of the Francis Scott Key Bridge (FSK) that occurred on March 26, 2024 and the subsequent diversion impacts. The forecast presented in this letter is an update of the November 2023 traffic and revenue forecast documented in the report "Maryland Transportation Authority FY 2024 Traffic and Toll Revenue Forecast Update".

Methodology and Assumptions

To quantify the impacts of trip diversion after the collapse, CDM Smith requested daily gantry transaction data from MDTA which captures the amount of traffic that shifted to the I-895 Baltimore Harbor Tunnel (BHT) and the I-95 Fort McHenry Tunnel (FMT), which are the two alternatives that cross the Patapsco River directly. While many vehicles were able to divert to the tunnels on I-95 and I-895, certain commercial vehicles are banned from using these facilities due to their size and hazardous waste restrictions. Furthermore, as congestion increases on the tunnels due to the traffic shift, some additional MDTA customers may choose to divert or forego their trip altogether. Because of this, a small share of traffic will shift to non-MDTA facilities such as the I-695 outer loop around Baltimore or local roads through the downtown area. CDM Smith attempted to identify where customers were diverting by using the Maryland Internet Traffic Monitoring System (ITMS), but data availability at the continuous count stations made this analysis inconclusive.

Additionally, the activity at the Port of Baltimore and the surrounding commercial area has a large impact on the traffic using the Francis Scott Key Bridge. The location of the Dundalk Marine Terminal (DMT) and Seagirt Marine Terminal (SMT) causes high commercial vehicle usage at the FSK turnaround toll gantry to Broening Highway and across the bridge to distribution areas along the East Coast. When the bridge collapsed and halted all activity at the Port, this reduced not only the commercial vehicles coming into the port but also the personal vehicles due to reductions in work force. As the cleanup has progressed of the steel bridge structures through April, several temporary channels have provided relief to the port allowing an uptick in activity.

The daily gantry transactions for the BHT, FMT, and FSK are presented in **Figure 1** for passenger vehicles and **Figure 2** for commercial vehicles through May 19th. The charts show that transactions at BHT and FMT increased immediately following the FSK collapse. Commercial vehicles, especially at FMT, increased in each of the first four weeks in April, but stayed consistent in the first week of May and saw a decrease in the most recent week (5/12 to 5/19). The passenger cars, however, have remained relatively consistent since the collapse occurred.

Figure 1 – Daily Passenger Car Gantry Transactions

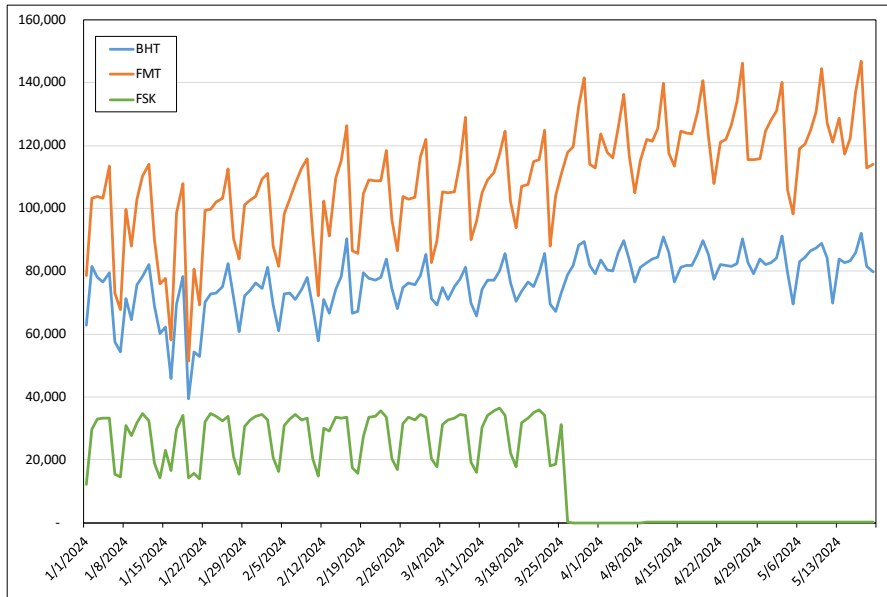
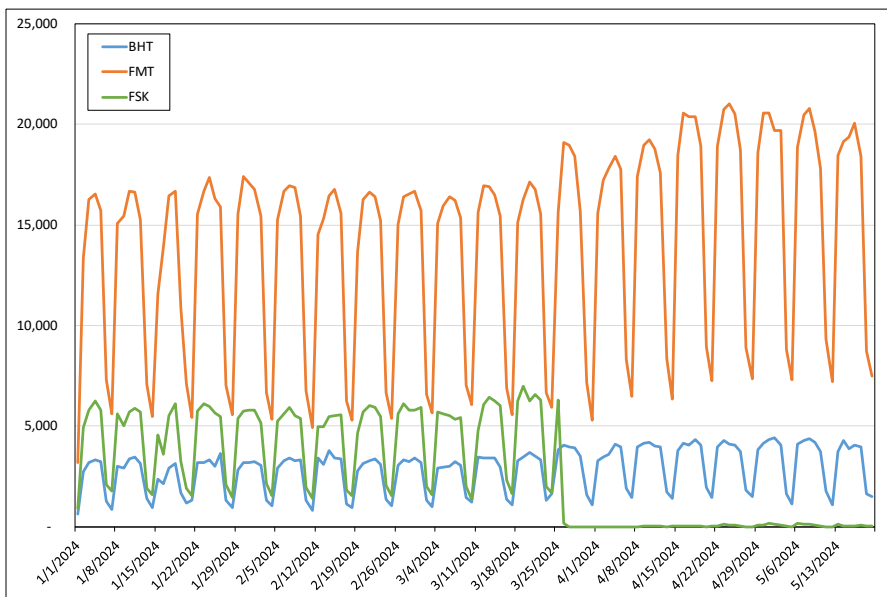


Figure 2 – Daily Commercial Vehicle Gantry Transactions



CDM Smith estimated the diversion impact based on an analysis of the daily gantry transactions at each of the harbor crossing facilities (BHT, FMT, and FSK). CDM Smith estimates that over the period 3/26 to 5/19, harbor crossing transactions were 8.5 percent lower than they would have been if FSK did not collapse. We estimate that 38 percent of the passenger car transactions at FSK and 54 percent of commercial vehicle transactions have diverted to either the BHT or FMT. In total, we estimate that 40 percent of transactions at FSK have diverted to either the BHT or FMT, and the remaining 60 percent transactions have been diverted to non-tolled routes or suppressed.

To further correlate this return of traffic to the port activity, CDM Smith requested traffic data at from the Maryland Port Administration (MPA) via MDTA. This data showed traffic in and out at the entry points for trucks and personal vehicles but was restricted to the DMT which operates under the MPA and historical data was unavailable. The SMT falls under the Ports America Chesapeake (PAC) and while they post daily transaction data on their website, there is no availability of historical data for comparison. Due to these reasons, the port data provided was used as a guide to see the progression of activity over the weeks in April, but it could not be directly tied to the traffic impacts.

CDM Smith has produced the forecast based on prior diversion analysis experience and a set of assumptions which are outlined below:

- The Port of Baltimore will reopen on July 1, 2024.
- To account for the return of port activity beginning in FY 2025, it is assumed the impacts experienced would be reduced by 5 percent for passenger cars and by 20 percent for commercial vehicles. This is an estimate and will be reviewed on an ongoing basis as cleanup is complete and the port is back to full operation.
- The Francis Scott Key Bridge replacement will open in the Fall of 2028.
- All planned construction and maintenance related impacts to the Francis Scott Key Bridge have been removed from the forecast, including the bridge deck replacement that was scheduled to cause diversion impacts beginning in FY 2030.
- No toll changes will occur for the duration of the forecast.

Transactions and Revenue Forecast

Provided in this section are the annual transaction and toll revenue forecasts for the Legacy facilities, Intercounty Connector (ICC), and I-95 ETLs. For the Legacy facilities, actual data has been included for FY 2024 from July 2023 through April 2024. The forecast for the ICC and I-95 ETLs remains unchanged from the November 2023 report.

Table 1 provides the annual transactions and toll revenue for the Legacy facility, split out by passenger cars and commercial vehicles. This forecast includes re-benchmarking harbor crossing Legacy facilities to actuals through February 2024 and impacts due to the collapse of FSK, both of which will be described in this document. **Table 2** provides the Legacy forecast split by individual facilities with additional historical data.



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Table 1: Total Legacy System Forecast Revised for FSK Collapse

Fiscal Year	Transactions (Millions) ⁽¹⁾			Toll Revenue (\$ Millions) ⁽¹⁾		
	PC	CV	Total	PC	CV	Total
2023 ⁽²⁾	106.4	10.5	116.9	398.9	261.1	660.0
2024 ⁽³⁾	107.2	9.8	117.0	386.4	243.8	630.2
2025	102.9	9.8	112.7	370.9	246.5	617.5
2026	104.5	9.9	114.4	378.2	249.6	627.7
2027	104.2	10.0	114.2	377.5	251.3	628.8
2028	102.0	10.0	112.0	370.5	252.5	623.0
2029	111.8	10.5	122.3	399.5	262.0	661.5
2030	114.9	10.7	125.6	408.1	266.7	674.8
2031	115.7	10.8	126.4	410.8	267.7	678.5
2032	116.5	10.8	127.3	413.6	268.9	682.4
2033	117.3	10.9	128.2	416.4	270.4	686.8

⁽¹⁾ Includes impacts due to leakage, including unpaid transactions.

⁽²⁾ Represents actual data.

⁽³⁾ Includes actual data through April 2024.



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Table 2: Legacy System Forecast by Facility Revised for FSK Collapse

Fiscal Year ⁽¹⁾	Transactions (Millions) ⁽⁴⁾								Annual Percent Growth
	JFK	Hatem	BHT	FMT	FSK	Bay	Nice	Total ⁽²⁾	
2019	15.2	5.1	20.8	48.2	12.8	13.6	3.3	119.1	(2.0)
2020 ⁽³⁾	12.5	4.4	14.2	42.3	11.9	11.5	2.8	99.6	(16.4)
2021	8.8	3.1	11.9	29.0	8.4	8.5	1.7	71.5	(28.3)
2022	15.7	4.5	26.0	43.4	12.2	14.8	3.4	120.0	68.0
2023	15.1	4.5	27.4	41.5	12.1	13.3	3.1	116.9	(2.6)
2024 ⁽³⁾	14.7	4.3	28.4	43.8	9.1	13.6	3.2	117.0	0.1
2025	15.1	4.6	30.1	47.8	0.0	12.1	3.0	112.7	(3.7)
2026	15.3	4.6	29.4	49.5	0.0	12.6	3.1	114.4	1.5
2027	15.3	4.6	26.7	51.5	0.0	12.9	3.1	114.2	(0.2)
2028 ⁽³⁾	15.4	4.6	21.2	54.7	0.0	12.9	3.1	112.0	(1.9)
2029	15.5	4.6	30.1	47.1	8.8	13.0	3.2	122.3	9.2
2030	15.6	4.6	30.2	45.9	13.1	13.0	3.2	125.6	2.7
2031	15.7	4.6	30.5	46.3	13.1	13.0	3.2	126.4	0.7
2032	15.7	4.7	30.8	46.6	13.2	13.1	3.2	127.3	0.7
2033	15.8	4.7	31.1	46.9	13.3	13.1	3.3	128.2	0.7
Fiscal Year ⁽¹⁾	Toll Revenue (\$ Millions) ⁽⁴⁾								Annual Percent Growth
	JFK	Hatem	BHT	FMT	FSK	Bay	Nice	Total ⁽²⁾	
2019	176.0	12.2	70.3	217.4	50.5	53.7	21.0	601.1	(0.7)
2020 ⁽³⁾	154.1	11.4	47.5	194.3	47.5	46.0	17.3	518.2	(13.8)
2021	117.2	9.2	39.8	141.5	35.7	33.0	10.8	387.4	(25.2)
2022	197.0	18.3	95.7	225.6	55.9	61.9	24.7	679.0	75.3
2023	191.9	15.1	102.2	215.5	56.8	56.4	22.1	660.0	(2.8)
2024 ⁽³⁾	182.2	15.3	100.3	213.3	42.7	54.5	21.8	630.2	(4.5)
2025	192.2	15.6	105.0	233.6	0.0	49.8	21.2	617.5	(2.0)
2026	194.4	15.8	103.0	240.9	0.0	52.0	21.6	627.7	1.7
2027	195.5	15.9	94.7	247.5	0.0	53.5	21.8	628.8	0.2
2028 ⁽³⁾	196.6	15.9	76.5	258.4	0.0	53.6	21.9	623.0	(0.9)
2029	197.7	15.9	104.7	226.3	40.9	53.8	22.1	661.5	6.2
2030	198.7	16.0	104.3	219.0	60.6	54.0	22.2	674.8	2.0
2031	199.8	16.0	105.3	220.3	60.5	54.1	22.4	678.5	0.5
2032	200.8	16.1	106.3	221.6	60.8	54.3	22.6	682.4	0.6
2033	201.8	16.1	107.3	222.9	61.5	54.4	22.7	686.8	0.6

⁽¹⁾ Actual data presented for FY 2019 through FY 2023, and FY 2024 through April 2024.

⁽²⁾ Summations may not equal total due to rounding.

⁽³⁾ Leap Year

⁽⁴⁾ Includes impacts due to leakage, including unpaid transactions.

Table 3 shows the comparison of the harbor crossing facilities (BHT, FMT, FSK) re-benchmarked version of the November 2023 forecast and the original November 2023 forecast. The goal of re-benchmarking was to account for any difference between the actual data and the forecast from the period from October 2023 to February 2024 and incorporate that difference going forward. This makes the estimate of lost revenue more accurate by updating the split between the three harbor crossings, and overall traffic and revenue trends to the most recent available data. Within the re-benchmarked forecast, actuals through March 25, 2024 are included so estimated lost revenue is not impacted by anything that occurs on or before March 25.

**Table 3: Impact of Re-benchmarking:
Comparing Re-benchmarked Forecast to the Original November 2023 Forecast**

Fiscal Year	Transactions - Impact of Re-benchmarking							
	Difference				Percent Difference			
	BHT	FMT	FSK	Total Harbor Crossing	BHT	FMT	FSK	Total Harbor Crossing
2024	0.4	1.9	0.8	3.1	1.3%	4.8%	6.6%	3.9%
2025	0.9	3.1	0.9	5.0	3.4%	7.5%	8.0%	6.2%
2026	0.9	3.3	0.9	5.1	3.4%	7.6%	8.0%	6.3%
2027	0.8	3.4	1.0	5.2	3.4%	7.6%	8.0%	6.4%
2028	0.6	3.6	1.2	5.4	3.3%	7.7%	7.9%	6.7%
2029	1.0	3.2	1.0	5.2	3.4%	7.6%	8.0%	6.2%
2030	1.0	3.2	0.9	5.2	3.4%	7.5%	8.0%	6.1%
2031	1.0	3.3	0.9	5.2	3.4%	7.6%	8.0%	6.1%
2032	1.0	3.3	0.9	5.2	3.4%	7.6%	8.0%	6.1%
2033	1.0	3.3	0.9	5.3	3.4%	7.6%	8.0%	6.1%
Total	8.6	31.7	9.3	49.7	3.2%	7.3%	7.9%	6.0%
Fiscal Year	Toll Revenue - Impact of Re-benchmarking							
	Difference				Percent Difference			
	BHT	FMT	FSK	Total Harbor Crossing	BHT	FMT	FSK	Total Harbor Crossing
2024	(\$3.3)	(\$2.9)	\$4.0	(\$2.2)	-3.1%	-1.4%	7.3%	-0.6%
2025	(\$3.6)	(\$1.4)	\$4.2	(\$0.8)	-3.6%	-0.7%	8.2%	-0.2%
2026	(\$3.5)	(\$1.4)	\$4.3	(\$0.6)	-3.6%	-0.6%	8.1%	-0.2%
2027	(\$3.2)	(\$1.3)	\$4.6	\$0.0	-3.6%	-0.6%	7.9%	0.0%
2028	(\$2.4)	(\$1.3)	\$4.9	\$1.2	-3.6%	-0.5%	7.5%	0.3%
2029	(\$3.8)	(\$1.4)	\$4.6	(\$0.5)	-3.6%	-0.6%	8.2%	-0.1%
2030	(\$3.9)	(\$1.4)	\$4.2	(\$1.1)	-3.6%	-0.6%	8.0%	-0.3%
2031	(\$4.1)	(\$1.4)	\$4.0	(\$1.5)	-3.6%	-0.6%	7.9%	-0.4%
2032	(\$4.1)	(\$1.4)	\$4.0	(\$1.5)	-3.6%	-0.6%	7.9%	-0.4%
2033	(\$4.0)	(\$1.4)	\$4.3	(\$1.1)	-3.6%	-0.6%	8.0%	-0.3%
Total	(\$36.0)	(\$15.3)	\$43.2	(\$8.1)	-3.5%	-0.7%	7.9%	-0.2%

Table 4 contains the estimates for the impact of the FSK collapse for each of the harbor crossing facilities. The total transaction and revenue lost on the combined harbor crossings is 35.2 million and \$141.2 million, respectively, over the period from FY 2024 to FY 2033. These estimates include a small positive impact to the forecast due to the removal of the bridge deck replacement project previously assumed for FY 2030 – FY 2033. Considering only FY 2024 to FY 2029, the lost transactions and lost revenue are estimated to be 35.9 million and \$143.9 million, respectively.

**Table 4: Impact of the FSK Collapse: Estimate of Lost Transactions and Lost Revenue
Comparing FSK Collapse Forecast to Re-benchmarked Forecast**

Fiscal Year	Transactions - Impact of FSK Collapse							
	Difference				Percent Difference			
	BHT	FMT	FSK	Total Harbor Crossing	BHT	FMT	FSK	Total Harbor Crossing
2024	0.5	0.7	(3.2)	(2.0)	1.7%	1.6%	-26.3%	-2.5%
2025	1.9	3.1	(12.1)	(7.1)	6.7%	7.0%	-100.0%	-8.4%
2026	2.0	3.2	(12.5)	(7.3)	7.1%	6.9%	-100.0%	-8.5%
2027	2.2	3.5	(13.6)	(7.9)	9.2%	7.2%	-100.0%	-9.2%
2028	2.9	3.9	(15.8)	(9.0)	15.8%	7.7%	-100.0%	-10.6%
2029	0.8	1.1	(4.4)	(2.5)	2.7%	2.4%	-33.3%	-2.8%
2030	(0.5)	(0.1)	0.7	0.1	-1.6%	-0.3%	5.8%	0.1%
2031	(0.9)	(0.2)	1.3	0.2	-2.7%	-0.5%	10.8%	0.2%
2032	(0.9)	(0.2)	1.3	0.2	-2.7%	-0.5%	10.7%	0.2%
2033	(0.4)	(0.1)	0.7	0.1	-1.4%	-0.2%	5.3%	0.1%
Total	7.6	14.9	(57.7)	(35.2)	2.7%	3.2%	-45.0%	-4.0%
Fiscal Year	Toll Revenue - Impact of FSK Collapse							
	Difference				Percent Difference			
	BHT	FMT	FSK	Total Harbor Crossing	BHT	FMT	FSK	Total Harbor Crossing
2024	\$1.4	\$4.2	(\$15.0)	(\$9.5)	1.4%	2.0%	-26.0%	-2.6%
2025	\$6.9	\$20.6	(\$56.0)	(\$28.6)	7.0%	9.6%	-100.0%	-7.8%
2026	\$7.2	\$21.1	(\$57.9)	(\$29.5)	7.5%	9.6%	-100.0%	-7.9%
2027	\$8.3	\$22.3	(\$62.0)	(\$31.4)	9.6%	9.9%	-100.0%	-8.4%
2028	\$11.0	\$24.3	(\$70.3)	(\$34.9)	16.9%	10.4%	-100.0%	-9.4%
2029	\$3.2	\$7.2	(\$20.5)	(\$10.0)	3.1%	3.3%	-33.3%	-2.6%
2030	(\$2.4)	(\$0.7)	\$3.6	\$0.5	-2.2%	-0.3%	6.3%	0.1%
2031	(\$4.2)	(\$1.3)	\$6.4	\$0.9	-3.8%	-0.6%	11.8%	0.2%
2032	(\$4.2)	(\$1.3)	\$6.4	\$0.9	-3.8%	-0.6%	11.7%	0.2%
2033	(\$2.1)	(\$0.7)	\$3.3	\$0.5	-2.0%	-0.3%	5.7%	0.1%
Total	\$25.0	\$95.8	(\$262.0)	(\$141.2)	2.5%	4.3%	-44.5%	-3.7%



Table 5 compares the current forecast to the original November 2023 forecast. The differences include the impact of re-benchmarking the harbor crossing facilities and the estimated impacts from the FSK collapse. Compared to the November 2023 forecast, FY 2024 harbor crossing transactions are expected to be 0.9 million higher and revenue is expected to be \$12.8 million lower. Throughout the forecast period, transactions are expected to be 14.3 million above the previous forecast and toll revenue is expected to be \$150.5 million lower than the previous forecast.

**Table 5: Difference in Transactions and Revenue
 Comparing FSK Collapse Forecast to November 2023 Forecast**

Fiscal Year	Transactions - Total Impact							
	Difference				Percent Difference			
	BHT	FMT	FSK	Total Harbor Crossing	BHT	FMT	FSK	Total Harbor Crossing
2024	0.7	2.7	(2.5)	0.9	2.6%	6.5%	-21.3%	1.1%
2025	2.8	6.2	(11.2)	(2.1)	10.3%	15.0%	-100.0%	-2.7%
2026	2.9	6.5	(11.6)	(2.3)	10.8%	15.0%	-100.0%	-2.8%
2027	3.0	6.9	(12.6)	(2.7)	12.8%	15.4%	-100.0%	-3.3%
2028	3.5	7.5	(14.6)	(3.6)	19.7%	16.0%	-100.0%	-4.6%
2029	1.8	4.3	(3.4)	2.7	6.2%	10.1%	-28.0%	3.2%
2030	0.5	3.1	1.6	5.3	1.7%	7.3%	14.3%	6.3%
2031	0.2	3.0	2.2	5.4	0.6%	7.0%	19.7%	6.4%
2032	0.2	3.1	2.2	5.4	0.6%	7.1%	19.6%	6.3%
2033	0.6	3.2	1.6	5.4	1.9%	7.3%	13.7%	6.3%
Total	16.1	46.5	(48.4)	14.3	5.9%	10.7%	-40.7%	1.7%
Fiscal Year	Toll Revenue - Total Impact							
	Difference				Percent Difference			
	BHT	FMT	FSK	Total Harbor Crossing	BHT	FMT	FSK	Total Harbor Crossing
2024	(\$3.1)	\$1.3	(\$11.0)	(\$12.8)	-3.0%	0.6%	-20.0%	-3.4%
2025	\$3.2	\$19.2	(\$51.8)	(\$29.4)	3.2%	8.9%	-100.0%	-8.0%
2026	\$3.6	\$19.8	(\$53.5)	(\$30.1)	3.7%	8.9%	-100.0%	-8.1%
2027	\$5.1	\$21.0	(\$57.5)	(\$31.4)	5.7%	9.3%	-100.0%	-8.4%
2028	\$8.6	\$23.1	(\$65.4)	(\$33.7)	12.7%	9.8%	-100.0%	-9.1%
2029	(\$0.6)	\$5.9	(\$15.8)	(\$10.5)	-0.6%	2.7%	-27.9%	-2.8%
2030	(\$6.3)	(\$2.1)	\$7.8	(\$0.7)	-5.7%	-1.0%	14.8%	-0.2%
2031	(\$8.3)	(\$2.7)	\$10.3	(\$0.6)	-7.3%	-1.2%	20.6%	-0.2%
2032	(\$8.3)	(\$2.7)	\$10.4	(\$0.7)	-7.2%	-1.2%	20.5%	-0.2%
2033	(\$6.2)	(\$2.1)	\$7.6	(\$0.6)	-5.5%	-0.9%	14.2%	-0.2%
Total	(\$12.2)	\$80.5	(\$218.8)	(\$150.5)	-1.2%	3.6%	-40.0%	-4.0%

Table 6 and **Table 7** provide the forecast for the ICC and I-95 ETLs, which remain unchanged from the November 2023 forecast. **Table 8** presents the other revenue forecast, which was reduced slightly in FY 2025 through FY 2029 due to the transaction loss on the Legacy system, and increased slightly in the following years due to the re-benchmarking process.

Table 6: Intercounty Connector Forecast (Unchanged from November 2023)

Fiscal Year	Trips (Millions) ⁽¹⁾			Toll Revenue (\$ Millions) ⁽¹⁾		
	E-ZPass	Video	Total	E-ZPass	Video	Total
2023 ⁽²⁾	29.9	4.2	34.1	58.3	11.9	70.2
2024	30.4	3.7	34.2	59.0	12.7	71.8
2025	30.7	3.1	33.9	59.7	8.9	68.6
2026	31.3	3.4	34.7	60.9	9.5	70.4
2027	32.0	3.4	35.4	62.1	9.7	71.8
2028	32.6	3.5	36.1	63.4	9.8	73.2
2029	33.3	3.6	36.8	64.6	10.0	74.6
2030	33.9	3.6	37.5	65.9	10.2	76.1
2031	34.4	3.7	38.1	66.9	10.4	77.3
2032	35.0	3.7	38.7	67.9	10.5	78.4
2033	35.5	3.8	39.3	69.0	10.7	79.7

⁽¹⁾ Includes impacts due to leakage, including unpaid transactions.

⁽²⁾ Represents actual data.

Table 7: I-95 Express Toll Lanes (ETLs) Forecast (Unchanged from November 2023)

Fiscal Year	Trips (Millions) ⁽¹⁾			Toll Revenue (\$ Millions) ⁽¹⁾		
	E-ZPass	Video	Total	E-ZPass	Video	Total
2023 ⁽²⁾	8.6	0.4	9.0	13.3	0.8	14.1
2024	8.9	0.4	9.2	13.6	0.8	14.4
2025 ⁽³⁾	9.8	0.4	10.2	17.4	1.0	18.5
2026	10.7	0.4	11.2	21.4	1.3	22.7
2027	11.2	0.5	11.6	22.4	1.3	23.7
2028 ⁽⁴⁾	13.5	0.6	14.0	28.7	1.7	30.4
2029	15.6	0.6	16.3	34.3	2.0	36.3
2030	16.2	0.7	16.9	35.6	2.1	37.7
2031	16.8	0.7	17.5	37.0	2.2	39.2
2032	17.4	0.7	18.1	38.4	2.2	40.6
2033	18.0	0.7	18.8	39.8	2.3	42.1

⁽¹⁾ Includes impacts due to leakage, including unpaid transactions.

⁽²⁾ Represents actual data.

⁽³⁾ Phase 1 of northbound extension assumed opening on Jan 1, 2025.

⁽⁴⁾ Phase 2 of northbound extension and I-695 DCs assumed opening on Jan 1, 2028.



Table 8: Other Revenue Forecast

Fiscal Year ⁽¹⁾	Legacy Facilities								Intercounty Connector & I-95			Total Other Revenue ⁽²⁾
	Service Fees and Sales				Violation Recovery	Commercial Vehicles			Service Fees and Sales		Violation Recovery	
	Unused Pre-Paid Trip Revenue	Transponder Sales	Monthly Account Fees	Hatem E-Z Pass Program	Civil Penalties	Post-Usage Discount	High Frequency Discount	Over-size Permit Fee	Transponder Sales	Monthly Account Fees	Civil Penalties	
2019	14.00	(0.60)	1.59	1.68	21.27	(8.58)	(1.20)	1.26	(0.10)	0.27	10.19	39.78
2020	10.64	0.22	2.05	1.69	16.93	(8.63)	(1.30)	1.06	0.04	0.34	11.93	34.96
2021	4.49	(0.12)	2.01	1.57	13.66	(6.76)	(0.84)	1.05	(0.00)	0.05	3.58	18.70
2022	11.41	0.33	(0.32)	1.76	18.03	(10.87)	(1.02)	1.19	0.04	(0.04)	6.17	26.68
2023	16.90	0.29	2.36	1.86	14.42	(8.54)	(0.97)	1.28	0.03	0.26	5.47	33.36
2024	17.06	0.32	3.03	1.78	49.47	(8.76)	(0.95)	1.24	0.03	0.26	11.89	75.37
2025	15.94	0.29	2.15	1.87	28.82	(8.26)	(0.94)	1.24	0.03	0.27	6.65	48.06
2026	16.02	0.29	2.16	1.87	27.53	(8.30)	(0.94)	1.25	0.03	0.27	6.43	46.61
2027	16.10	0.29	2.17	1.88	27.64	(8.33)	(0.95)	1.25	0.03	0.27	6.56	46.91
2028	16.18	0.29	2.18	1.88	27.61	(8.37)	(0.95)	1.26	0.03	0.27	6.69	47.07
2029	16.26	0.29	2.19	1.89	29.96	(8.90)	(1.01)	1.34	0.03	0.27	6.82	49.14
2030	16.34	0.29	2.20	1.89	30.20	(8.93)	(1.01)	1.34	0.03	0.27	6.93	49.56
2031	16.42	0.29	2.21	1.90	30.45	(8.97)	(1.02)	1.35	0.03	0.27	7.03	49.97
2032	16.50	0.29	2.23	1.90	30.67	(9.02)	(1.02)	1.36	0.03	0.28	7.14	50.36
2033	16.59	0.29	2.24	1.91	30.88	(9.07)	(1.03)	1.36	0.03	0.28	7.25	50.72

(1) FY 2019 - 2023 represents actual data, and FY 2024 includes actual data through April 2024.

(2) Summations may not match total due to rounding.

Table 9 provides estimated total MDTA systemwide transactions for all facilities, and **Table 10** provides estimated systemwide revenue including other revenue. A comparison of estimated systemwide transactions and revenue from the current forecast to the November 2023 forecast is provided in **Table 11**. Current forecast estimates for FY 2024 are 1.3 percent higher for transactions and 2.3 percent lower for revenue than the November 2023 forecast. For the full forecast period from FY 2024 through FY 2033, current forecast estimates of transactions and revenue are 0.8 percent higher and 1.7 percent lower, respectively, than the November 2023 forecast. The impacts shown in Table 11 differ from Table 5 for two reasons: updated actuals for all Legacy facilities (Table 5 only shows the harbor crossings), and the small adjustments to other revenue.

Table 9: Total Systemwide Transactions

Fiscal Year	Transactions (millions)				Annual Percent Change
	Legacy	ICC	I-95 ETL	Total ⁽¹⁾	
2023 ⁽²⁾	116.9	34.1	9.0	160.0	-
2024 ⁽³⁾	117.0	34.2	9.2	160.4	0.3
2025	112.7	33.9	10.2	156.8	(2.3)
2026	114.4	34.7	11.2	160.3	2.2
2027	114.2	35.4	11.6	161.2	0.6
2028	112.0	36.1	14.0	162.1	0.6
2029	122.3	36.8	16.3	175.4	8.2
2030	125.6	37.5	16.9	180.0	2.6
2031	126.4	38.1	17.5	182.0	1.1
2032	127.3	38.7	18.1	184.1	1.1
2033	128.2	39.3	18.8	186.2	1.2

⁽¹⁾ Summations may not equal total due to rounding.

⁽²⁾ Represents actual data.

⁽³⁾ Includes actual data through April 2024.

Table 10: Total Systemwide Revenue

Fiscal Year	Revenue (\$ millions)					Annual Percent Change
	Legacy	ICC	I-95 ETL	Other ⁽¹⁾	Total ⁽²⁾	
2023 ⁽³⁾	660.0	70.2	14.1	33.4	777.6	-
2024 ⁽⁴⁾	630.2	71.8	14.4	75.4	791.8	1.8
2025	617.5	68.6	18.5	48.1	752.6	(4.9)
2026	627.7	70.4	22.7	46.6	767.4	2.0
2027	628.8	71.8	23.7	46.9	771.2	0.5
2028	623.0	73.2	30.4	47.1	773.7	0.3
2029	661.5	74.6	36.3	49.1	821.6	6.2
2030	674.8	76.1	37.7	49.6	838.1	2.0
2031	678.5	77.3	39.2	50.0	844.9	0.8
2032	682.4	78.4	40.6	50.4	851.9	0.8
2033	686.8	79.7	42.1	50.7	859.2	0.9

⁽¹⁾ Includes Other Revenue from Legacy, ICC, and I-95 ETL. Does not include concession revenue.

⁽²⁾ Summations may not equal total due to rounding.

⁽³⁾ Represents actual data.

⁽⁴⁾ Includes actual data through April 2024.

Table 11: Comparison with November 2023 Forecast

Fiscal Year	Transactions				Revenue			
	Nov. 2023 Forecast	Current Forecast	Difference		Nov. 2023 Forecast	Current Forecast	Difference	
			Value	Percent			Value	Percent
2023 ⁽¹⁾	160.0	160.0	-	0.0%	777.6	777.6	-	0.0%
2024 ⁽²⁾	158.4	160.4	2.0	1.3%	810.8	791.8	(19.0)	-2.3%
2025	158.9	156.8	(2.1)	-1.4%	782.0	752.6	(29.4)	-3.8%
2026	162.6	160.3	(2.3)	-1.4%	797.6	767.4	(30.2)	-3.8%
2027	163.9	161.2	(2.7)	-1.7%	802.7	771.2	(31.6)	-3.9%
2028	165.7	162.1	(3.6)	-2.2%	807.8	773.7	(34.1)	-4.2%
2029	172.7	175.4	2.7	1.6%	830.9	821.6	(9.3)	-1.1%
2030	174.7	180.0	5.3	3.0%	837.5	838.1	0.6	0.1%
2031	176.7	182.0	5.4	3.0%	844.2	844.9	0.7	0.1%
2032	178.7	184.1	5.4	3.0%	851.2	851.9	0.7	0.1%
2033	180.8	186.2	5.4	3.0%	858.6	859.2	0.6	0.1%
Total	1,853.0	1,868.5	15.4	0.8%	9,001.0	8,850.0	(151.1)	-1.7%

⁽¹⁾ Represents actual data.

⁽²⁾ Current Forecast includes actual data through April 2024.



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June 6, 2024
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Summary

Based on an estimated 40 percent combined recapture rate for passenger and commercial vehicles diverting from the Key Bridge to the two adjacent Patapsco River tunnels, CDM Smith estimates the MDTA's lost revenues during the four full years of Key Bridge closure to range from \$28.6 million in FY 2025 to \$34.9 million in FY 2028. Cumulatively from the date of collapse to the assumed reopening in the fall of 2028, CDM Smith estimates the lost revenue to be \$141.2 million (see Table 4).

We appreciate the opportunity to provide traffic and revenue forecasting support on this task. Do not hesitate to contact us should you require additional background information on the analysis summarized in this report.

Sincerely,

A handwritten signature in black ink that reads "Kelly Morison". The signature is written in a cursive, flowing style.

Kelly Morison
Project Technical Leader
CDM Smith Inc.



Ms. Deborah Sharpless
June 6, 2024
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Disclaimer

CDM Smith used currently-accepted professional practices and procedures in the development of the traffic and revenue estimates in this report. However, as with any forecast, it should be understood that differences between forecasted and actual results may occur, as caused by events and circumstances beyond the control of the forecasters. In formulating the estimates, CDM Smith reasonably relied upon the accuracy and completeness of information provided (both written and oral) by the MDTA. CDM Smith also relied upon the reasonable assurances of independent parties and is not aware of any material facts that would make such information misleading.

CDM Smith made qualitative judgments related to several key variables in the development and analysis of the traffic and revenue estimates that must be considered as a whole; therefore, selecting portions of any individual result without consideration of the intent of the whole may create a misleading or incomplete view of the results and the underlying methodologies used to obtain the results. CDM Smith gives no opinion as to the value or merit of partial information extracted from this report.

All estimates and projections reported herein are based on CDM Smith's experience and judgment and on a review of information obtained from multiple agencies, including MDTA. These estimates and projections may not be indicative of actual or future values, and are therefore subject to substantial uncertainty. Certain variables such as future developments, economic cycles, pandemics, government actions, climate change related events, or impacts related to advances in automotive technology etc. cannot be predicted with certainty and may affect the estimates or projections expressed in this report, such that CDM Smith does not specifically guarantee or warrant any estimate or projection contained within this report.

While CDM Smith believes that the projections and other forward-looking statements contained within the report are based on reasonable assumptions as of the date of the report, such forward-looking statements involve risks and uncertainties that may cause actual results to differ materially from the results predicted. Therefore, following the date of this report, CDM Smith will take no responsibility or assume any obligation to advise of changes that may affect its assumptions contained within the report, as they pertain to socioeconomic and demographic forecasts, proposed residential or commercial land use development projects and/or potential improvements to the regional transportation network.

The report and its contents are intended solely for use by the MDTA and designated parties approved by MDTA and CDM Smith. Any use by third-parties, other than as noted above, is expressly prohibited. In addition, any publication of the report without the express written consent of CDM Smith is prohibited.

CDM Smith is not, and has not been, a municipal advisor as defined in Federal law (the Dodd Frank Bill) to MDTA and does not owe a fiduciary duty pursuant to Section 15B of the Exchange Act to MDTA with respect to the information and material contained in this report. CDM Smith is not recommending and has not recommended any action to MDTA. MDTA should discuss the information and material contained in this report with any and all internal and external advisors that it deems appropriate before acting on this information.

ITEM

7



MEMORANDUM

TO: Finance & Administration Committee
FROM: Director of Finance Chantelle Green
SUBJECT: Bi-annual Review of Revenue Sufficiency
DATE: June 18, 2024

PURPOSE OF MEMORANDUM

To provide a bi-annual review of revenue sufficiency for the Fiscal Year (FY) 2024-2030 financial forecast period.

SUMMARY

The MDTA Board Operating Policy requires a bi-annual review of revenue sufficiency to determine if current rate and fee levels are appropriate based on levels of expected spending. The most recent financial forecast shows that current toll rates, fees, and discounts provide enough revenue through FY 2027 to meet forecasted spending and meet all legal and policy requirements.

ANALYSIS

The Board Operating Policy requires that the Executive Director or designee perform a bi-annual review of the adequacy of forecasted revenue as a function of forecasted traffic volumes, projected operating and capital budgets, and debt service obligations. Per the policy, the revenue review should include toll rates, service and administrative fees, and frequency of use and commuter discount programs. The results must be reported to the Board at a public meeting. This bi-annual test was last completed in November 2023.

If approved, the June 2024 financial forecast shows that the MDTA will meet all financial goals and legal requirements through FY 2027. The table below shows the results for the FY 2024-2030 timeframe.

Adherence to Financial Goals and Requirements

	Required	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Rate Covenant	≥ 1.0	2.1	2.1	2.1	1.7	1.4	1.4	1.3
Debt Service Coverage	≥ 2.0	2.7	2.6	2.6	2.1	1.8	1.7	1.6
Unencumbered Cash	≥ \$400M	\$836M	\$570M	\$400M	\$400M	\$400M	\$400M	\$400M

Source: June 2024 Financial Forecast

The MDTA’s current toll rates (that have not been adjusted since 2015), fees, and discounts provide enough revenue through FY 2027 to meet forecasted spending as well as all legal and policy requirements.

INFORMATIONAL ITEMS



Maryland
Transportation
Authority

Investment Portfolio Management & Performance

Period Ended – April 30, 2024

Meeting Date – June 18, 2024

Agenda & Key Points

Agenda

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

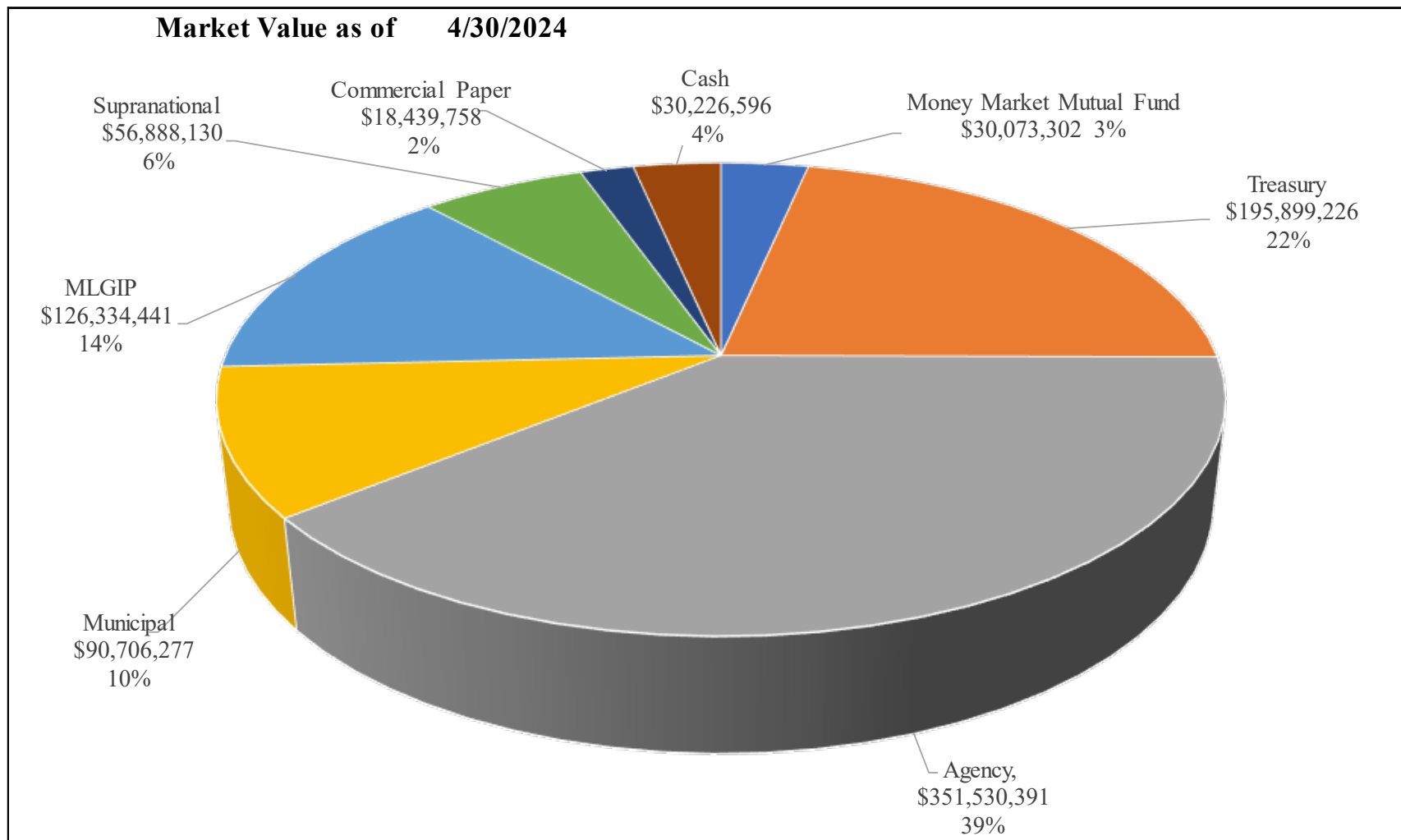
Key Points

- 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
 - Systematic rate rise has impacted all bond market investors in the form of mark-to-market price declines.
 - Strategies for long-term reserve accounts should remain consistent, despite short-term return volatility associated with the rising interest rate environment.
 - Multi-year average returns for long term reserves align with financial forecast and approximate the starting rolling yields.

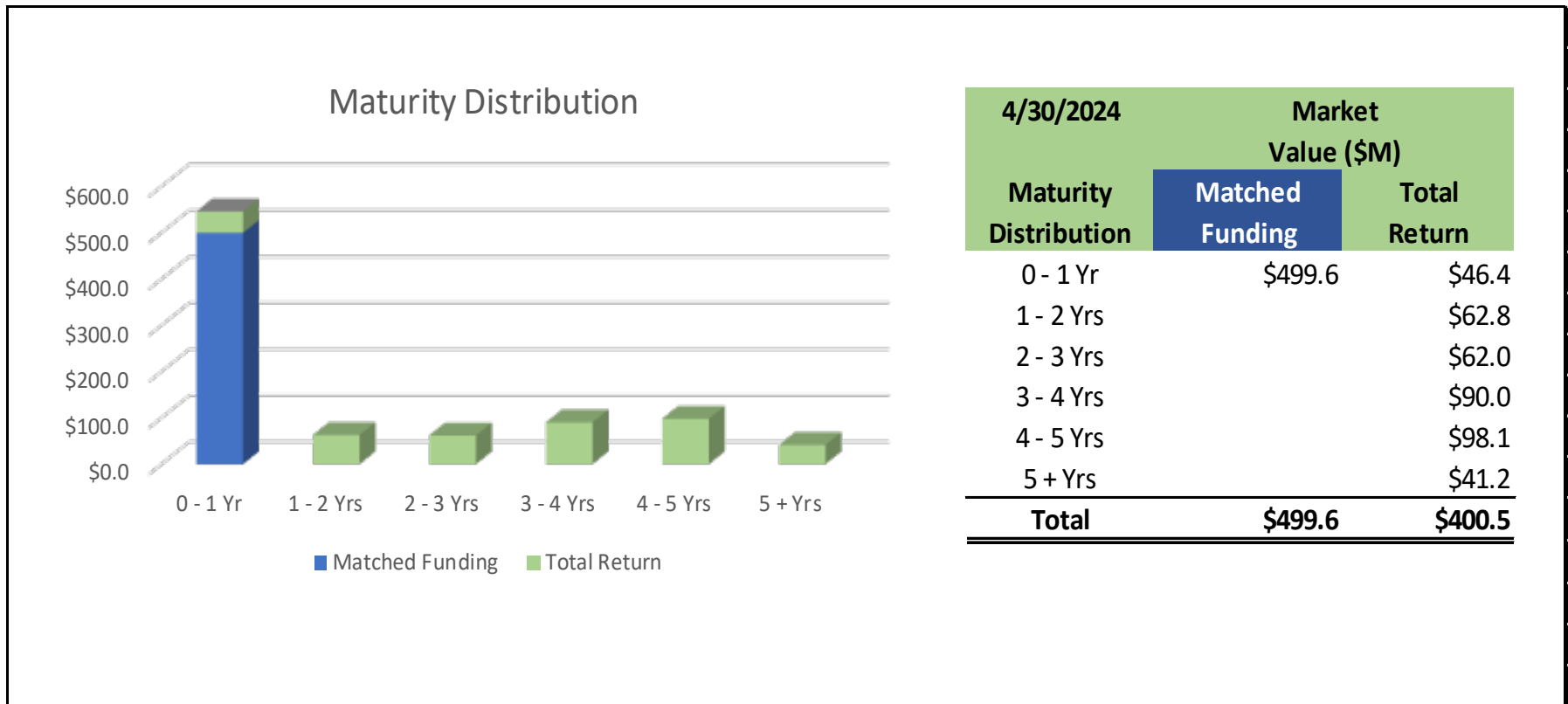
Portfolio Composition & Compliance – Security Composition

High Quality & Diversified Portfolio

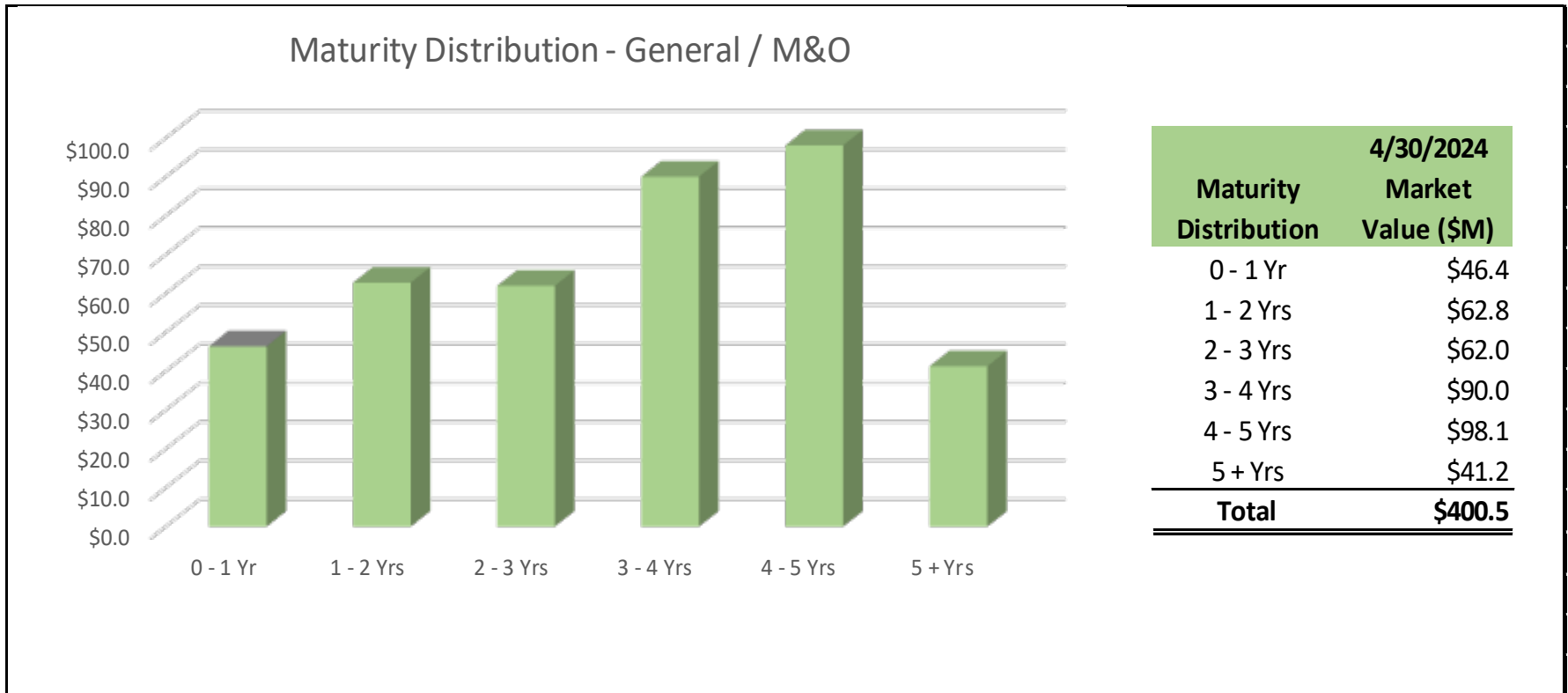
- Relative Value - higher yields offered for various security types of similar maturities & credit risk.
- Align with cash flow needs.
- Minimize credit risks associated with ratings downgrades.



Portfolio Composition & Compliance – Maturity Distribution (All Accounts) ⁴



- Match Funded accounts necessitate maturities heavily weighted within 1 year.
 - Driven by cashflow schedule for debt service, operating expenses, and capital spending.
 - Debt service: \$56M
 - Operating: \$36M
 - Capital: \$408M



- 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 and policy limitations throughout the reporting period 3/31/24 through 4/30/24.
 - 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) *	4.8		5	Yes		
Unrestricted (M&O)	13.7		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			30,226,596	3.4%		
Money Market Mutual Funds						
- Goldman Sachs Financial Square Gov't FGTX	AAAm	Aaa-mf	16,309,345	1.8%	50%	Yes
- MLGIP	AAAm	NR	126,334,441	14.0%	50%	Yes
- Dreyfus Gov't Cash DGCXX	AAAm	Aaa-mf	13,763,957	1.5%	50%	Yes
Sub-Total Money Market Mutual Funds			156,407,743	17.4%	100%	Yes
U.S. Treasuries	AA+	Aaa	195,899,226.15	21.8%	100%	Yes
Federal Agencies						
- Fannie Mae	AA+	Aaa	33,694,184	3.7%	50%	Yes
- Federal Farm Credit Bank	AA+	Aaa	90,579,122	10.1%	50%	Yes
- Federal Home Loan Bank	AA+	Aaa	207,898,497	23.1%	50%	Yes
- Freddie Mac	AA+	Aaa	19,358,588	2.2%	50%	Yes
Sub-Total Federal Agencies			351,530,391	39.1%	100%	Yes

Portfolio Composition & Compliance – Compliance Report (continued)

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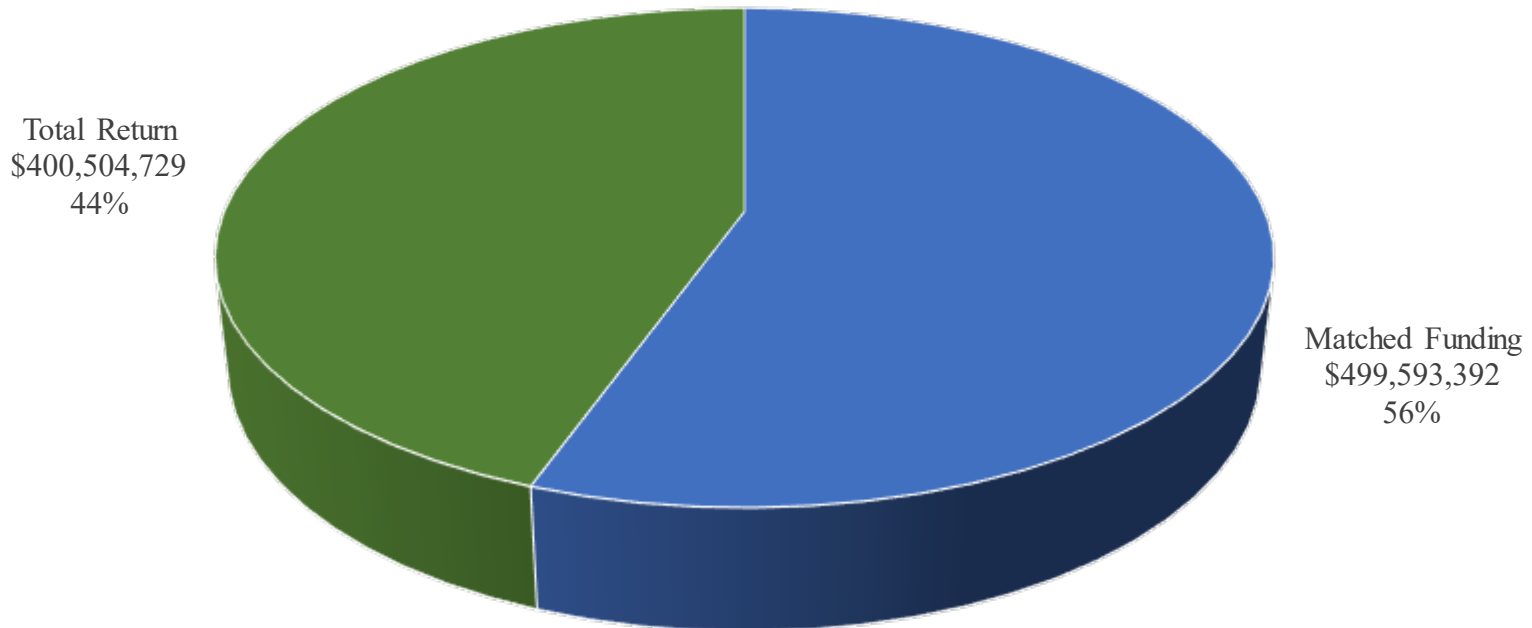
	Credit Ratings		Market Value (\$)	Market % of Total	Investment Policy Limit	Compliance With Investment Policy
	S&P	Moody's				
Municipal Debt						
- Austin, TX Comm Coll	AA+	Aa1	777,010	0.1%	5%	Yes
- Bergen County, NJ	NR	Aaa	2,619,970	0.3%	5%	Yes
- Boston, City of	AAA	Aaa	1,425,996	0.2%	5%	Yes
- Contra Costa Comm, CA	AA+	Aa1	1,947,780	0.2%	5%	Yes
- Emeryville, CA	AAA	NR	8,731,937	1.0%	5%	Yes
- Hawaii, State of	AA+	Aa2	6,149,568	0.7%	5%	Yes
- Marin County, CA	AAA	Aaa	1,562,817	0.2%	5%	Yes
- Martinsville Independent School	AAA	NR	1,000,900	0.1%	5%	Yes
- Massachusetts, Commonwealth of	AA+	Aa1	6,132,240	0.7%	5%	Yes
- Multnomah County, OR	AAA	Aaa	17,871,180	2.0%	5%	Yes
- New York, State of	AA+	Aa1	8,642,688	1.0%	5%	Yes
- New York City	AA	Aa2	1,181,580	0.1%	5%	Yes
- Ohlone Comm College	AA+	Aa1	928,392	0.1%	5%	Yes
- Oregon Local Govts	NR	Aa2	1,839,014	0.2%	5%	Yes
- Oregon School Board	AA	Aa2	10,526,312	1.2%	5%	Yes
- Oregon, State of	AA+	Aa1	7,080,570	0.8%	5%	Yes
- Santa Clara County	AAA	NR	693,640	0.1%	5%	Yes
- Solano County Community	AA	Aa2	891,913	0.1%	5%	Yes
- Texas, State of	AAA	Aaa	981,500	0.1%	5%	Yes
- Travis County Health, Texas	NR	Aa2	2,063,481	0.2%	5%	Yes
- Tulsa ISD, OK	NR	Aa2	4,789,260	0.5%	5%	Yes
- Westchester County, NY	AA+	Aa1	760,720	0.1%	5%	Yes
- Wisconsin, State of	AA+	Aa1	2,107,809	0.2%	5%	Yes
Sub-Total Municipal			90,706,277	10.1%	20%	Yes
Supranationals						
- African Development Bank	AAA	Aaa	9,119,500	1.0%	10%	Yes
- Asian Development Bank	AAA	Aaa	12,299,643	1.4%	10%	Yes
- International Bank for Reconstruction & Development	NR	Aaa	21,087,487	2.3%	10%	Yes
- Inter-American Development Bank	AAA	Aaa	14,381,500	1.6%	10%	Yes
Sub-Total Supranationals			56,888,130	6.3%	30%	Yes
Commercial Paper						
- Toyota Motor Credit	A-1+	P-1	18,439,758	2.0%	5%	Yes
Sub-Total Commercial Paper			18,439,758	2.0%	20%	Yes
Grand Total			900,098,121	100.0%		

After reviewing the investment activity for the month ended April 30, 2024, we have not identified any instances of material non-compliance with the Investment Policy.

Portfolio Composition & Compliance – MF & TR Proportions

- Matched Funding accounts for Construction, Operations, & 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 4/30/2024



Strategy – Previous & Current Quarter

Purpose	Strategy for Prior Quarter			Strategy for Current Quarter		
	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% ML 1-3 YR & 50% ML 3-5 YR	~3 Yrs	100%	50% ML 1-3 YR & 50% ML 3-5 YR	~3 Yrs	100%
M&O Reserve	U.S. Treasury Strips 1-13 YR	~7 Yrs	100%	U.S. Treasury Strips 1-13 YR	~7 Yrs	100%

(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

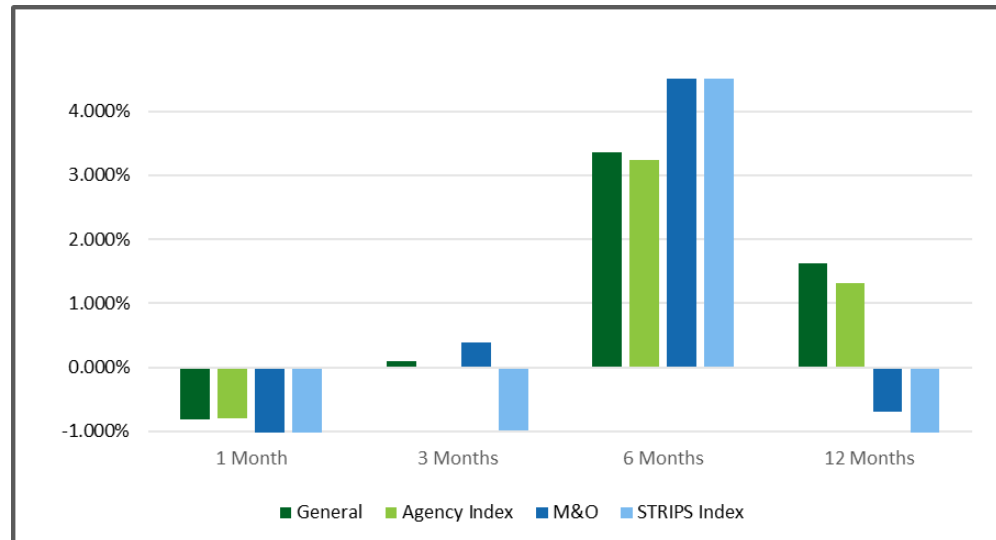
Returns: Longer duration indices benefit from higher average annual returns over multiyear periods and experience greater return volatility associated with mark-to-market relative to shorter-term duration indices.

Total Return Performance – Matched Funding & Total Return

Total Return as of Period Ended 4/30/2024

	Trailing Period				Ending Market Value
	1 Month	3 Months	6 Months	12 Months	
<i>Combined Accounts Weighted Average</i>	-0.27%	0.06%	2.56%	3.45%	\$ 862,377,361
MATCHED FUNDING					
Capital	0.41%	1.20%	2.49%	4.96%	\$ 408,107,287
Bond Service	0.51%	1.31%	2.72%	5.53%	\$ 51,316,210
TOTAL RETURN					
Reserves General / M&O	-1.06%	-1.25%	2.96%	1.33%	\$ 402,953,864
Composite Agency / STRIPS Index	-1.04%	-1.50%	2.77%	0.63%	

- Shorter Term Matched Funded accounts for Capital and Bond Service continue to benefit from higher short-term interest rates.
- Longer Duration Reserves – Higher accruals offset market value declines resulting in positive total returns for the trailing 12-month period.
- Note: Table provides weighted returns for the combined M&O / General accounts & the respective indices. Graph shows individual portfolio and index total returns.



MDTA BOARD INFORMATIONAL ITEM

Rate Covenant Coverage Projections

June 18, 2024

PURPOSE

To review the projected fiscal year 2024 Rate Covenant compliance based on the most recent available toll revenue data, other revenue estimates, and budgeted expenditures.

FORECAST ASSUMPTIONS

Projected fiscal 2024 Rate Covenant coverage is based on forecasted net operating revenue and refinements as a function of realized traffic and revenues during the fiscal year.

FY 2024 PROJECTION OF RATE COVENANT COMPLIANCE

Rate Covenant compliance is estimated at 2.1 times coverage for fiscal 2024 versus the legal mandate of 1.0 times (based on 1.20 times coverage for debt service and 100% of the M&O budgeted deposits). The M&O account began the fiscal year at the reserve level target of \$50 million, therefore no transfers have been budgeted. Fiscal 2024 debt service coverage is estimated at 2.6 times versus the 2.0 times coverage goal. Fiscal 2024 debt service of \$145.8 million is projected to rise to \$200.0 million at the end of the six-year CTP period in fiscal 2029.

The attached chart shows that for fiscal 2024 the MDTA can withstand a decline in revenues of \$188.2 million or conversely an increase in expenditures of that amount, and still meet the legal Rate Covenant requirement. The chart shows the Cushion on row C as the difference between Net Revenues on row A and the Legal Requirement on row B.

ATTACHMENT

Rate Covenant FY 2024 - Projected

Yaw Berkoh, Debt Administrator

Projected Rate Covenant FY 2024 - Based on FYTD Revenues

	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024 Projected	Notes:
Revenues							<i>Revenues less Hatem Bridge, plus ETL & ICC.</i>
Toll Revenues	\$ 662,598,307	\$ 563,334,804	\$ 468,604,801	\$ 786,747,125	\$ 735,542,080	\$ 671,163,782	<i>Based on YTD annualized.</i>
Concession & Fee Revenues	56,644,104	50,834,856	33,804,958	15,814,972	70,750,631	52,979,924	<i>Estimated.</i>
Operating Investment Income	3,233,849	-	-	-	-	-	<i>No longer applicable.</i>
Gross Revenues	\$ 722,476,260	\$ 614,169,660	\$ 502,409,759	\$ 802,562,097	\$ 806,292,711	\$ 724,143,705	
Expenses							<i>Expenses exclude Hatem, Port & BWI Police.</i>
Operating	\$ 221,896,850	\$ 216,481,527	\$ 258,714,219	\$ 291,465,317	\$ 319,206,937	\$ 327,368,478	
General & Administrative	57,880,091	51,948,781	58,399,778	29,943,085	32,793,063	33,631,522	
Total Expenses	\$ 279,776,941	\$ 268,430,308	\$ 317,113,997	\$ 321,408,402	\$ 352,000,000	\$ 361,000,000	
A Net Revenues, Rate Covenant Coverage	\$ 442,699,319	\$ 345,739,352	\$ 185,295,763	\$ 481,153,695	\$ 454,292,711	\$ 363,143,705	
Hatem Bridge Net Revenues		10,260,896	16,686,345	16,262,337	7,760,000	7,730,000	
Investment Income		23,640,047	1,184,224	(19,157,000)	6,725,656	13,604,400	
Net Revenues, Debt Service Coverage ¹		\$ 379,640,295	\$ 203,166,332	\$ 478,259,032	\$ 468,778,367	\$ 384,478,105	
Debt Service	\$ 92,530,799	\$ 91,281,948	\$ 61,715,979	\$ 104,918,844	\$ 137,753,132	\$ 145,796,910	
120% Annual Debt Service	\$ 111,036,959	\$ 109,538,338	\$ 74,059,174	\$ 125,902,613	\$ 165,303,759	\$ 174,956,292	
Budgeted Deposit Amount ²	-	-	-	-	-	-	
B Legal Requirement	\$ 111,036,959	\$ 109,538,338	\$ 74,059,174	\$ 125,902,613	\$ 165,303,759	\$ 174,956,292	
C Cushion	\$ 331,662,360	\$ 236,201,014	\$ 111,236,589	\$ 355,251,082	\$ 288,988,952	\$ 188,187,413	
Rate Covenant	4.0	3.2	2.5	3.8	2.7	2.1	
Debt Service Coverage	4.8	4.2	3.3	4.6	3.4	2.6	

(1) Net Revenues used for Debt Service Coverage includes Hatem Bridge Net Revenues and Investment Income that are not included in the Rate Covenant calculation.

(2) Annual M&O Budget is based on the M&O portion of the CTP, with the minimum reserve funding level to be maintained at approximately \$50 million.

**MARYLAND TRANSPORTATION AUTHORITY
FINANCIAL REPORT**

April 2024

Operating Budget Status		
Approved FY 2024 Budget	\$	400,100,000
Adjustments	\$	-
Adjusted Budget	\$	400,100,000
Budget Spending Guideline - April		83.8%
FY 24 Expenditures as of 04/30/24	\$	294,037,512
Percent of Budget Spent		73.5%
Approved FY 2023 Budget	\$	387,152,963
FY 23 Final Expenditures	\$	370,057,302
Percent of Budget Spent		95.6%

Toll Revenue Comparison (In-Lane Revenue)		Preliminary*
Historical Revenue Comparison (Legacy Facilities):		
Ten Months Ending April 2024	\$	523,230,449
Ten Months Ending April 2023	\$	552,324,230
% Revenue Change		-5.27%
Projected Revenue Comparison (Legacy):		
Ten Months Ending April 2024	\$	529,538,866
Forecast through April 2024	\$	523,230,449
% Revenue Change		1.21%
Revenue - ICC		
Ten Months Ending April 2024	\$	58,615,367
Forecast through April 2024	\$	58,541,472
% Revenue Change		0.13%
Revenue - ETL		
Ten Months Ending April 2024	\$	11,510,914
Forecast through April 2024	\$	11,798,321
% Revenue Change		-2.44%
* Data is preliminary		

Coverage Ratios		
Debt Service Coverage (2.0 minimum):		
Estimate FYE 6/30/2024		2.6
Actual FYE 6/30/2023		4.0
Rate Covenant Compliance (1.0 minimum):		
Estimate FYE 6/30/2024		2.1
Actual FYE 6/30/2023		3.1

Investment Balances	
4/30/2024	
Transportation Authority	
Unrestricted	
Checking Account Cash	\$ 35,599,766
General	\$ 350,130,745
M&O	\$ 50,373,983
Capital (Cash Funded)	\$ 407,508,004
Total Unrestricted	\$ 843,612,499
Restricted	
Capital/Construction	\$ -
Debt Service & Debt Service Reserves	\$ 56,485,622
Total Restricted	\$ 56,485,622
Total Restricted and Unrestricted	\$ 900,098,121
Non-Recourse	
Capital, Revenue, Debt Service, DSRs	\$ 138,829,716
Outstanding Debt	
4/30/2024	
Toll Revenue Backed Debt	
Municipal Bonds	\$ 2,117,708,000
Statutory Debt Limit FYE 2023	\$ 4,000,000,000
Unused Debt Capacity	\$ 1,882,292,000
Net - Amort. & Planned Issuance	\$ 144,500,000
Projected Excess Debt Capacity FYE 2023	\$ 1,737,792,000
Non-Recourse Issues	
BWI Rental Car Facility Series 2002	\$ 59,990,000
BWI PFC Series 2012 A	\$ 28,220,000
BWI PFC Series 2012 B	\$ 29,950,000
BWI PFC Series 2014	\$ 26,290,000
BWI PFC Series 2019	\$ 97,295,000
Calvert Street Parking Refunding Series 2015	\$ 11,187,000