



**CITIZENS TRANSIT ADVISORY GROUP (CTAG)  
Agenda**

**February 15<sup>th</sup>, 2022**

**7:30 am to 9:00 am**

**Charlotte-Mecklenburg Government Center**

**WebEx Meeting**

- 
- I. **Call to Order** Adam Pasiak, CTAG Co-Chairman
  - II. **Approval of January 18<sup>th</sup>, 2022 Meeting Summary**
  - III. **FY2023 Preliminary Operating & Debt Service Budget & FY2023-27 Preliminary Capital Investment Plan** John Lewis, Jr  
Blanche Sherman
  - IV. **CEO Comments** John Lewis, Jr.
  - V. **Other Business**
  - VI. **Adjourn**



**CITIZENS TRANSIT ADVISORY GROUP (CTAG)**

**Meeting Summary**

**November 16<sup>th</sup>, 2021**

**DISCUSSION SUMMARY**

**(Approved on January 18, 2022)**

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Present: Adam Pasiak, Mecklenburg County, CTAG Co-Chairman  
Michael Cataldo, Charlotte City Council  
Michael Young, Charlotte City Council  
Jeffrey Parker, Mecklenburg County  
Todd Steiss, Town of Davidson  
Kevin Walsh, Town of Huntersville  
Donald Rhodes, Town of Matthews  
Jessi Healey, Town of Mint Hill  
Tommy Fellers, Town of Pineville

Staff: John Lewis Jr, Blanche Sherman, Krystal Green, Rachel Gragg, Allen Smith III, Paulus Ford

Meeting time 7:30 a.m. – 9:00 a.m.

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**I. Call to Order**

The regular meeting of CTAG was called to order at 7:33 a.m. by Town of Davidson Representative's Todd Steiss.

**II. Approval of Meeting Summary from October 19<sup>th</sup>, 2021 – Approved**

**III. Introduction of New Member - Michael Young was appointed by the Charlotte City Council.**

**IV. Cancellation of December 2021 Meeting – In light of the Christmas Holiday Season, CTAG voted to cancel the December 21<sup>st</sup> meeting.**

**V. CEO Comments – John Lewis, Jr., CATS CEO provided the following updates:**

1. Electric Bus Pilot – The BEB Pilot will begin when all 18 buses have been received. While working through the manufacturing delays (COVID), we are still anticipating the arrival of the first of several electric buses. Our team will be monitoring this closely and hopefully, we will begin receiving some of the electric bus fleet in early 2022

2. Transit Funding Bill – The president has signed the Bipartisan Infrastructure Plan that has designated approximately \$39B for transit. There are several grant opportunities for multimodal programs, Rail, Bus Safety and Technology. CATS will be engaged in competing for these opportunities which include:

- Rail – Capital Investment Grants [5309 Program] and Rail Vehicle Replacement [5337 (f) Program]

- Bus – Bus and Bus Facilities [5339 (b) Program] and Low or No Emissions Grants [5339 (c) Program]

The Federal government will have substantial new funds to award in form of competitive grants to address “classic” infrastructure needs. The state governments will receive new formula funding to address “classic” infrastructure needs in their states. Also, local sources of revenue will be needed to match grants.

CATS will be pursuing all opportunities as will continue with the 2030 Transit Vision for City of Charlotte, Mecklenburg and surrounding counties.

3. Ridership – As COVID eases up and some of the major employers are starting to bring staff back to the uptown area, there has been a slow increase over the past few months in our ridership numbers. CATS marketing team is working on a promotion for the riders, alerting them to the cleaning and safety precautions that are in place, on both trains and buses, to inform riders that one of CATS top priority is providing safe and reliable transit services as we begin this new normal in our history.

4. The budget cycle has begun for this fiscal year. As in previous years and budget cycles, CATS will begin the progress of preparing, to share with the board, the draft recommended budget for FY-23.

VI. **Other Business** – None

VII. **Adjourn**

The meeting was adjourned at 7:58am

NEXT CTAG MEETING: JANUARY 18<sup>TH</sup>, 2022 AT 7:30 AM



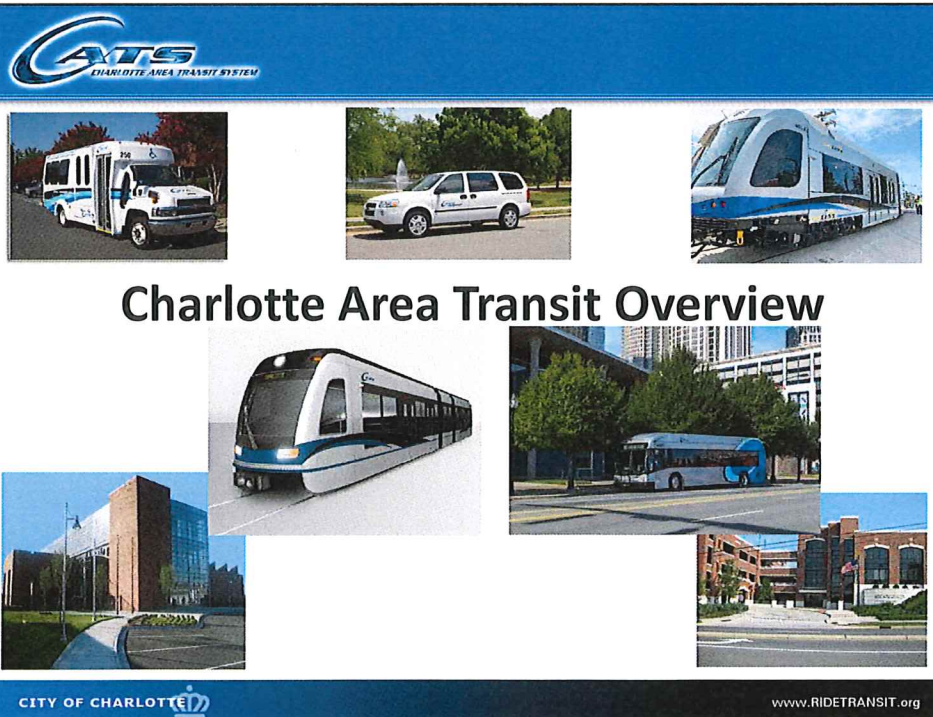


# FY2023 PRELIMINARY OPERATING & DEBT SERVICE BUDGETS

## FY2023-27 PRELIMINARY CAPITAL INVESTMENT PLAN

Presented To  
Citizen Transit Advisory Group  
John M. Lewis, Jr, CATS' CEO  
Blanche W. Sherman, CATS' Deputy Director/CFO  
February 15, 2022

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A collage of images showcasing the Charlotte Area Transit System. The top row features three images: a white and blue bus, a white SUV, and a blue and white light rail train. The bottom row features four images: a modern building, a blue and white light rail train, a blue and white bus, and another modern building. The text "Charlotte Area Transit Overview" is centered in the middle of the collage.

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- ✓ CATS Performance Outcomes
- ✓ Assigns Importance Scoring
- ✓ Industry Metrics

## CATS TRAX

**What is CATS Trax?**  
 Quarterly performance scorecard that provides employees, customers, elected officials, and the general public with a snapshot of how we're doing at a high level. Metrics are aligned with CATS goals and customer satisfaction index.

**4 Management Principles**

- Customer
- Financial
- Employee
- Community Impact

**Net Promoter Score (NPS)**  
 Measures the willingness of customers to recommend a company's product or service.

**CATS Overall NPS**  
 Transit industry average 31%

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| CATS TRAX FY21 Aggregate Scorecard |   |                  |             |             |             |             |              |                  |
|------------------------------------|---|------------------|-------------|-------------|-------------|-------------|--------------|------------------|
| Strategy                           | Metric  | Performance Goal | 1st Quarter | 2nd Quarter | 3rd Quarter | 4th Quarter | Goal Points  | Q4 Earned Points |
| Customer Satisfaction              | Overall Customer Satisfaction                             | 90%              | 84%         | 84%         | 84%         | 84%         | 9.0          | 8.2              |
|                                    | Overall Net Promoter Score                                | 58%              | 58%         | 58%         | 58%         | 58%         | 9.0          | 10.0             |
|                                    | Overall On-Time Performance                               | 89%              | 94%         | 93%         | 93%         | 91%         | 7.0          | 7.1              |
|                                    | Overall Ridership**                                       | 18,427,708       | 2,220,561   | 4,474,809   | 6,448,253   | 8,687,151   | 3.0          | 1.5              |
|                                    | Overall Ridership**                                       | 100%             | 12%         | 24%         | 35%         | 47%         | 6.0          | 2.0              |
|                                    | Confidence to Return*                                     |                  |             |             |             |             | 6.0          | 2.0              |
| Community Impact                   | Economic Impact**   | 1.27             | 1.05        | 1.24        | 1.26        | 1.27        | 5.0          | 5.0              |
|                                    | Community Perception of Community Value                   | 85%              | -           | 80%         | 80%         | 80%         | 15.0         | 14.1             |
|                                    | Customers with Access to 15-minute or Better Service      | 45%              | 40%         | 42%         | 19%         | 22.0%       | 5.0          | 2.4              |
|                                    | Jobs Created from Transit & Transit Infrastructure**      | 30,600           | 12,328      | 14,480      | 17,420      | 20,239      | 5.0          | 3.3              |
| Financial Stability                | Taxpayer Subsidy Percentage, (CATS Policy <80%)**         | <80%             | 87.2%       | 89.2%       | 90.8%       | 90.0%       | 4.0          | 3.5              |
|                                    | Net Debt Service Coverage Threshold (CATS Policy >1.15)** | >1.15            | 2.63        | 1.00        | 1.36        | 0.98        | 4.0          | 3.4              |
|                                    | Overall Operating Cost/Revenue Hour**                     | \$174.62         | \$140.80    | \$167.61    | \$175.59    | \$174.72    | 4.0          | 4.0              |
|                                    | Overall Customers/Revenue Hour                            | 18.6             | 10.0        | 10.2        | 9.0         | 10.3        | 4.0          | 2.2              |
|                                    | Directly Generated Revenue**                              | 4.0%             | 1.19%       | 2.69%       | 1.37%       | 3.0%        | 4.0          | 3.0              |
| Employee Success                   | Employee Engagement                                       | 80%              | -           | -           | -           | 60%         | 7.0          | 5.3              |
|                                    | Employee Satisfaction                                     | 85%              | -           | -           | -           | 55%         | 5.0          | 3.2              |
|                                    | Customer Satisfaction with CATS Employees                 | 86%              | 88%         | 88%         | 88%         | 88%         | 4.0          | 3.9              |
|                                    | Customer Satisfaction with Call Center Interactions       | 87%              | 82%         | 82%         | 82%         | 82%         | 4.0          | 3.9              |
|                                    | <b>Overall Performance Score</b>                          |                  |             |             |             |             | <b>100.0</b> | <b>85.3</b>      |

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**CATS earned 28.1 out of 30 points in Customer Satisfaction in Q4.**  
 - Ridership increased from last quarter across all modes. OTP has remained high across all modes.

**CATS TRAX FY2021 Detailed Scorecard**

| Strategy              | Metric                                      | Performance Goal | 1st Quarter | 2nd Quarter | 3rd Quarter | 4th Quarter | Goal Points | 4th Quarter Points |
|-----------------------|---|------------------|-------------|-------------|-------------|-------------|-------------|--------------------|
| Customer Satisfaction | Overall Customer Satisfaction - Fixed Route | 88%              | 80%         | 80%         | 80%         | 80%         | 5.0         | 4.5                |
|                       | Overall Customer Satisfaction - Rail        | 97%              | 89%         | 89%         | 89%         | 89%         | 3.0         | 2.7                |
|                       | Overall Customer Satisfaction - Paratransit | 87%              | 86%         | 86%         | 86%         | 86%         | 1.0         | 1.0                |
|                       | Net Promoter Score - Fixed Route            | 45%              | 55%         | 55%         | 55%         | 55%         | 5.0         | 6.1                |
|                       | Net Promoter Score - Rail                   | 71%              | 64%         | 64%         | 64%         | 64%         | 3.0         | 2.7                |
|                       | Net Promoter Score - Paratransit            | 42%              | 50%         | 50%         | 50%         | 50%         | 1.0         | 1.2                |
|                       | On-Time Performance - Fixed Route           | 85%              | 87%         | 87%         | 88%         | 87%         | 4.0         | 4.1                |
|                       | On-Time Performance - Rail                  | 98%              | 100%        | 100%        | 98%         | 99%         | 2.0         | 2.0                |
|                       | On-Time Performance - Paratransit           | 88%              | 96%         | 91%         | 92%         | 86%         | 1.0         | 1.0                |
|                       | Ridership - Fixed Route**                   | 2,807,080        | 1,547,118   | 1,523,464   | 1,374,645   | 1,499,655   | 2.0         | 1.1                |
|                       | Ridership - Rail**                          | 1,744,998        | 639,924     | 696,602     | 563,949     | 693,156     | 1.0         | 0.4                |
|                       | Ridership - Paratransit**                   | 54,849           | 33,519      | 34,182      | 34,849      | 40,087      | 0.0         | 0.0                |
|                       | Confidence to Return*                       | TBD              | -           | -           | 67%         | 67%         | 2.0         | 1.3                |
|                       |   |                  |             |             |             | 30.0        | 28.1        |                    |

Note: The Customer Survey was conducted in early March 2020 and coincided with the beginnings of the U.S. response to COVID-19. The Confidence to Return Metric was calculated with the Customer Confidence Survey.



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**Key Takeaways for Q4**

1. Ridership continues to be down compared to prior years, but all modes have increased since Q3.
2. An Employee Survey was administered to employees of frontline departments. Employee Engagement and Satisfaction declined slightly compared to the Wave 1 survey of all employees.
3. COVID-19 continues to negatively impact CATS' financial stability in measures like taxpayer subsidy, productivity (customers/hour) and net debt service coverage threshold, but CATS is effectively managing operating costs per hour for all modes.

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# FY2022 MAJOR CONCERNS

## Major Concerns!

- ✓ COVID-19 Impact
  - Re-capture Ridership
  - Staffing Retention and Recruitment
  - Service Based on Demand
- ✓ Continue to Operate Safely
- ✓ Manage & Maintain our Assets



**Consider a Career in Transit!**

**NOW HIRING!**

[CLICK HERE TO APPLY](#)

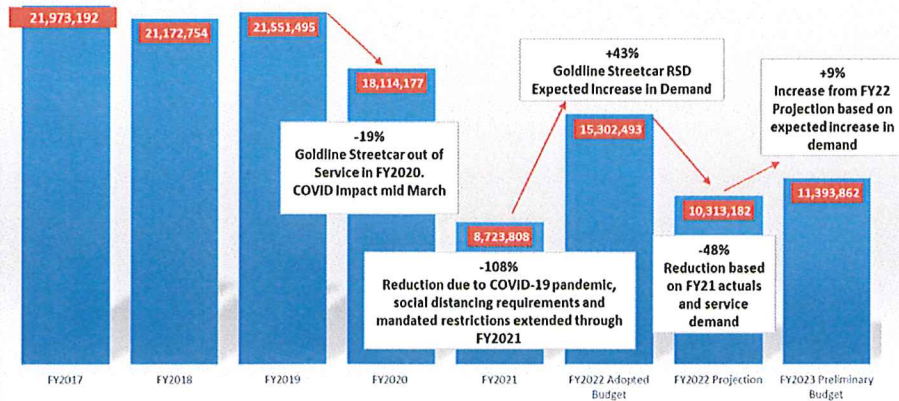


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# COVID-19: Ridership Impact

Ridership Trends and Projections



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| Service Reductions and Anticipated Changes |        |                       |                           |  |
|--|--------|-----------------------|---------------------------|--|
| Bus  | Date   | Service Level         | Revenue Hours per Weekday | Description  |
|  | Feb-20 | Pre COVID-19 pandemic | 2,780                     | Pre pandemic   |
|  | Mar-20 | Saturday w/ Express   | 1,855                     | Saturday with limited express                        |
|  | Jun-20 | Saturday w/ Express   | 2,128                     | Saturday with limited express                        |
|  | Oct-20 | New Based Schedule    | 2,144                     | frequency improvement to core routes                 |
|  | Feb-21 | Base Schedule         | 2,229                     | Minor frequency improvements                         |
|  | Jun-21 | Base Schedule         | 2,250                     | Minor frequency improvements                         |
|  | Jul-21 | Base Schedule         | 2,264                     | Added express service                                |
|  | Aug-21 | Base Schedule         | 2,208                     | discontinued services that was replaced by streetcar |
|  | Feb-22 | Base Schedule         | 2,243                     | adjustments for on-time performance                  |
| Light Rail                                 | Date   | Service Level         | Revenue Hours per Weekday | Description  |
|  | Feb-20 | Pre COVID-19 pandemic | 231                       | Pre pandemic without Streetcar                       |
|  | Mar-20 | Sunday (20 min)       | 116                       | initial reduction for pandemic                       |
|  | Jun-20 | 15- minute all day    | 205                       | added layover for cleaning                           |
|  | Oct-20 | 15-minute all day     | 205                       | added layover for cleaning                           |
|  | Dec-20 | Sunday (20 min)       | 130                       | Sunday Service                                       |
|  | Feb-21 | Base- 20 min          | 152                       | 20-minute schedule with extended hours               |
|  | Aug-21 | Base- 20 min          | 252                       | streetcar added                                      |
|  | Feb-22 | Base- 20 min          | 252                       |  |

## CATS Highlights

- ✓ BEB – Battery Electric Buses
- ✓ Transformational Mobility Network (TMN)
  - ✓ Silver Line
    - 2030 Rail System Plan
  - ✓ Envision My Ride







## CEO FY2023 PRELIMINARY BUDGET

- **Balanced Budget:** (Revenues = Expenses)
- **Accountability:** Compliant with MTC financial and business performance objectives, unless impacted by COVID-19 pandemic.
- **Focus:** Continue to provide mobility options for safe and affordable access to jobs, education, healthcare and other destinations

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## FY2023 BUDGET SUMMARY

| BUDGET SUMMARY                                    |   |   |                        |                 |
|---|---|---|------------------------|-----------------|
|   | FY2022<br>Adopted<br>Budget<br>(millions) | FY2023<br>Preliminary<br>Budget<br>(millions) | Variance<br>(millions) | Variance<br>(%) |
| Operating Revenues                                | \$ 185.8                                  | \$ 205.6                                      | \$ 19.7                | 10.6%           |
| CATS Control Account                              | -   | -   | \$ -                   | -               |
| <b>Total Operating Revenue</b>                    | <b>\$ 185.8</b>                           | <b>\$ 205.6</b>                               | <b>\$ 19.7</b>         | <b>10.6%</b>    |
| Operating Expenditures                            | \$ 185.8                                  | \$ 205.6                                      | \$ 19.7                | 10.6%           |
| Transfer to Capital                               | -   | -   | -                      | 0.0%            |
| <b>Total Operating Expenditures and Transfers</b> | <b>\$ 185.8</b>                           | <b>\$ 205.6</b>                               | <b>\$ 19.7</b>         | <b>10.6%</b>    |
| Debt Service Budget                               | \$ 62.1                                   | \$ 18.1                                       | \$ (44.0)              | -70.9%          |
| Capital Budget*                                   | \$ 245.4                                  | \$ 45.7                                       | \$ (199.7)             | -81.4%          |

\* Note: FY2023 Preliminary Capital Budget does not include any carry over amounts

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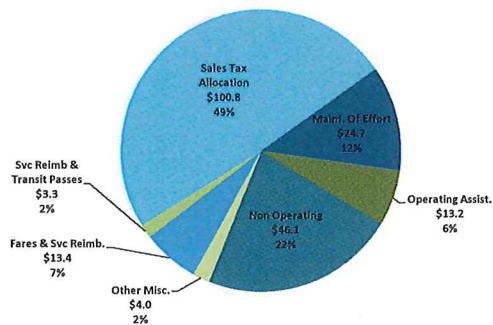


## FY2023 OPERATING REVENUES

### Key Changes in FY2023 vs FY2022 (millions)

|                |                                  |
|----------------|----------------------------------|
| <b>\$185.8</b> | <b>FY2022 Adopted Budget</b>     |
| + 12.6         | Sales Tax Allocation             |
| - (5.7)        | Fares                            |
| + 0.7          | Maintenance of Effort            |
| - (12.5)       | Operating Assistance             |
| - (4.1)        | Other Miscellaneous Revenue      |
| + 28.8         | Non-Operating Revenue            |
| <b>\$205.6</b> | <b>FY2023 Preliminary Budget</b> |

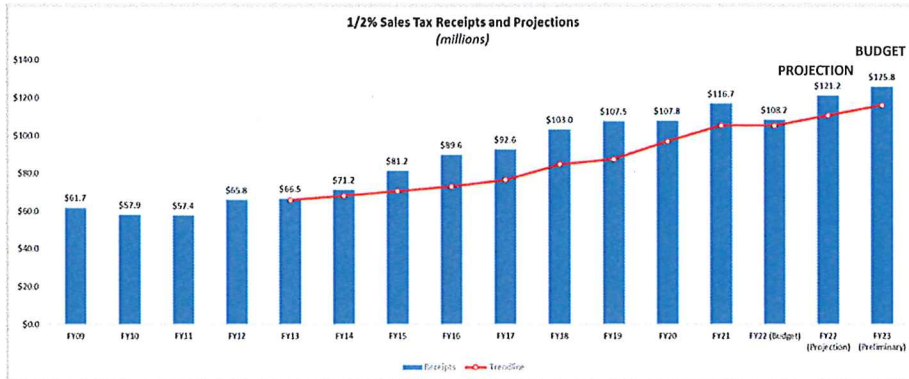
Total \$205.6 million



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## SALES TAX RECEIPTS: FY2009– FY2023



Note: Sales Tax Trendline began in FY2013

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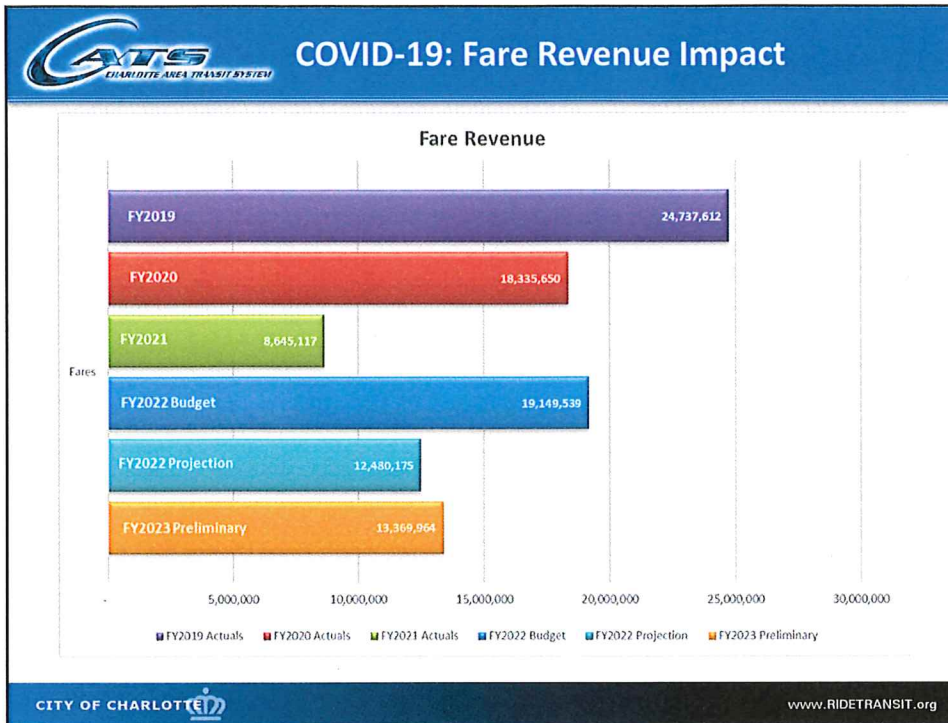


## SALES TAX ALLOCATIONS

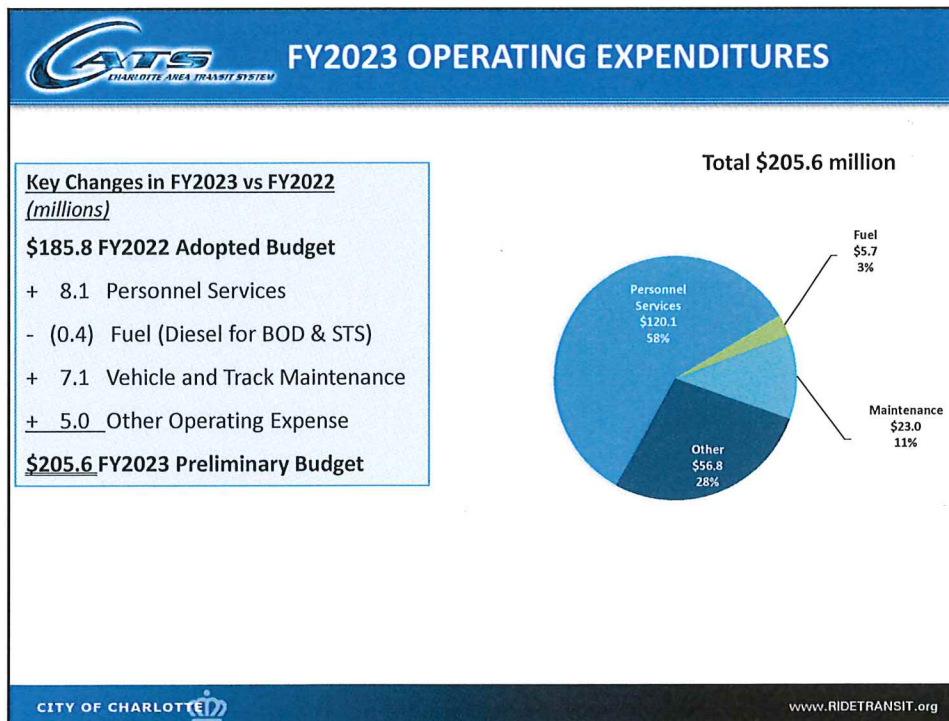
|  | FY2021<br>Actuals<br>(millions) | FY2022<br>Adopted<br>Budget<br>(millions) | FY2022<br>Year End<br>Projection<br>(millions) | FY2023<br>Preliminary<br>Budget<br>(millions) |
|--|---------------------------------|---|--|---|
| Sales Tax Receipts                             | \$ 116.7                        | \$ 108.2                                  | \$ 121.2                                       | \$ 125.8                                      |
| Sales Tax Trendline                            | (105.2)                         | (105.2)                                   | (110.6)  | (116.0)                                       |
| Sales Tax Above Trendline                      | \$ 11.5                         | \$ 3.0                                    | \$ 10.6  | \$ 9.8  |
| <b>Allocation of Sales Tax Trendline</b>       |                                 |   |  |   |
| Transfer to Debt Service                       | \$ 17.0                         | \$ 16.9                                   | \$ 16.9  | \$ 15.2                                       |
| Transfer to Operating                          | 88.2                            | 88.3                                      | 93.7   | 100.8   |
| Subtotal                                       | \$ 105.2                        | \$ 105.2                                  | \$ 110.6                                       | \$ 116.0                                      |
| <b>Allocation of Sales Tax Above Trendline</b> |                                 |   |  |   |
| Transfer to Revenue Reserve                    | \$ -                            | \$ -                                      | \$ -   | \$ -  |
| Transfer to Control Account                    | 11.5                            | 3.0                                       | 10.6   | 9.8   |
| Transfer to Capital                            | -                               | -   | -  | -   |
| Transfer to Operating                          | -                               | -   | -  | -   |
| Subtotal                                       | \$ 11.5                         | \$ 3.0                                    | \$ 10.6  | \$ 9.8  |
| Total Sales Tax Receipts                       | \$ 116.7                        | \$ 108.2                                  | \$ 121.2                                       | \$ 125.8                                      |

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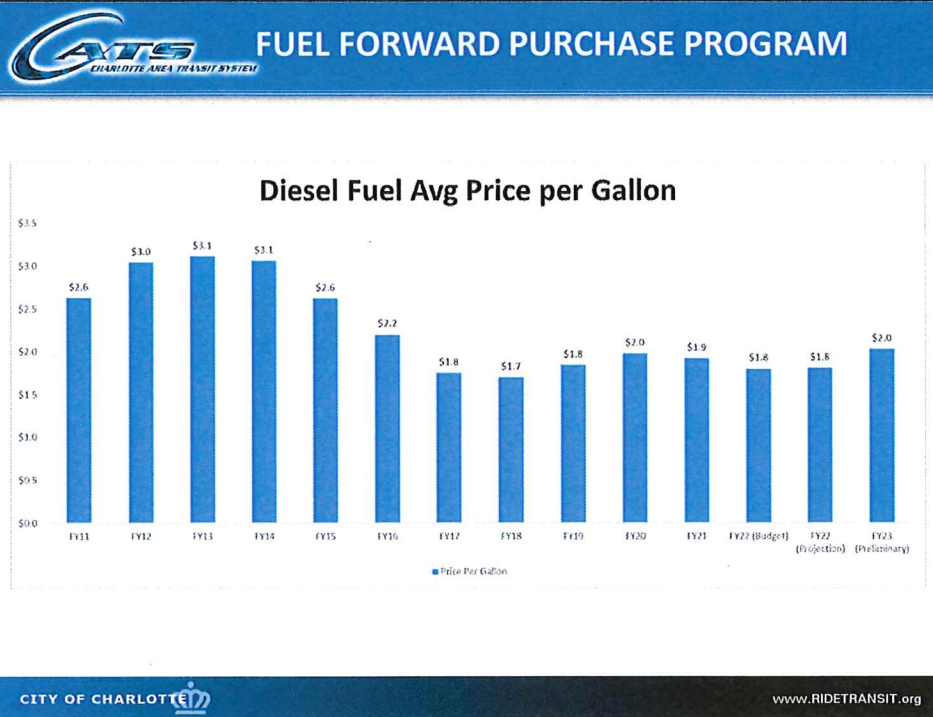


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**CATS**  
CHARLOTTE AREA TRANSIT SYSTEM

### FY2023 STAFFING

- City Positions**
  - 606.75 Full Time Equivalent Regular City Positions
  - 1.00 Temporary Positions
- Contracted Positions**
  - 845.00 Full Time Equivalent Transit Management Of Charlotte Positions
    - Bus Operations (Bus Operators, Maintenance & Administrative)
  - 108.05 Full Time Equivalent Positions – Contracted Security Officers

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## FINANCIAL POLICY COMPLIANCE

| Performance Objectives                                   |         |                 |                  |                     |                    |
|--|---------|-----------------|------------------|---------------------|--------------------|
| Financial Performance Objectives                         |         |                 |                  |                     |                    |
|  | FY2020  | FY2021          | FY2022           | FY2022              | FY2023             |
|  | Actuals | Audited Actuals | Adopted Budget   | Year End Projection | Preliminary Budget |
| <b>SYSTEM SUBSIDY</b>                                    |         |                 |                  |                     |                    |
| ≤ 80% of Total Operating Cost                            | 83.1%   | 93.8%           | 83.4%            | 89.5%               | 89.8%              |
| <b>OPERATING RATIO (W/O Capital Interest)</b><br>(≥ 20%) | 16.9%   | 6.2%            | 16.6%            | 10.5%               | 10.2%              |
| <b>PASSENGERS PER HOUR</b>                               |         |                 |                  |                     |                    |
| (Bus ≥ 20 passengers per hour)                           | 12.7    | 8.6             | 12.6             | 8.7                 | 8.9                |
| (Light Rail ≥ 90 passengers per hour)                    | 97.4    | 44.4            | 72.7             | 52.8                | 66.7               |
| <b>ADMINISTRATIVE OVERHEAD</b><br>(≤ 15%)                | 11.1%   | 13.13%          | 15.37%           | 14.85%              | 15.25%             |
| <b>GROSS DEBT SERVICE COVERAGE</b><br>(> 3.0)            | 5.74    | 6.15            | Restated<br>6.54 | 7.17                | 8.48               |
| <b>NET DEBT SERVICE COVERAGE</b><br>(≥ 1.15)             | 1.50    | 1.47            | Restated<br>1.15 | 1.51                | 1.54               |

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## FY2023 DEBT SERVICE BUDGET

- **FY2023 Debt Service Budget \$18.1 million**  
Transit Sales Tax, Federal and State grant funds pay annual principal and interest expenses

| Project                        | Funding | FY2021 Actuals<br>(millions) | FY2022 Adopted Budget<br>(millions) | FY2023 Preliminary Budget<br>(millions) |
|--------------------------------|---------|------------------------------|-------------------------------------|---|
| Blue Line Extension            | Federal | \$ 1.7                       | \$ 0.6                              | \$ -                                    |
|                                | State   | \$ 0.9                       | \$ 41.6                             | \$ -                                    |
|                                | Local   | \$ 91.9                      | \$ 9.6                              | \$ 8.3                                  |
| Blue Line & Transit Facilities | Local   | \$ 6.6                       | \$ 6.6                              | \$ 6.1                                  |
|                                | Federal | \$ 2.9                       | \$ 3.0                              | \$ 3.0                                  |
| South Tryon Bus Garage         | Federal | \$ 0.7                       | \$ 0.7                              | \$ 0.7                                  |
|                                | Local   | \$ 0.7                       | \$ 0.7                              | \$ 0.7                                  |
| <b>Total Debt Service</b>      |         | <b>\$ 104.7</b>              | <b>\$ 62.1</b>                      | <b>\$ 18.1</b>                          |

- **Estimated Outstanding Principal: Approximately \$337 million (as of 6/30/2021)**
- **No new debt issuance is programmed for FY2023**

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**CATS**  
CHARLOTTE AREA TRANSIT SYSTEM


## FY2023-FY2027 PRELIMINARY CAPITAL PROGRAM

| Sources of Funds     | FY2023               | FY2024               | FY2025               | FY2026               | FY2027               | Total                 |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|-----------------------|
| Grants- Federal      | \$ 25,233,161        | \$ 19,281,862        | \$ 14,274,362        | \$ 16,499,538        | \$ 17,046,329        | \$ 92,335,252         |
| Grants-State         | 2,512,798            | 1,126,781            | 1,145,322            | 1,302,802            | 1,559,108            | 7,646,811             |
| Local 1/2% Sales Tax | 17,998,712           | 5,979,432            | 5,010,173            | 2,981,636            | 11,033,209           | 43,003,162            |
| <b>Total</b>         | <b>\$ 45,744,671</b> | <b>\$ 26,388,075</b> | <b>\$ 20,429,857</b> | <b>\$ 20,783,976</b> | <b>\$ 29,638,646</b> | <b>\$ 142,985,225</b> |

| CAPITAL EXPENDITURES                      | FY2023               | FY2024               | FY2025               | FY2026               | FY2027               | Total                 |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|-----------------------|
| State of Good Repair- Vehicle Replacement | \$ 19,666,943        | \$ 21,905,699        | \$ 13,383,086        | \$ 15,591,085        | \$ 24,556,365        | \$ 95,103,178         |
| State of Good Repair- Facilities & Others | 1,800,000            | 1,625,000            | 1,351,000            | 1,079,000            | 1,570,000            | 7,425,000             |
| Transit Safety & Security                 | 348,897              | 326,136              | 2,396,339            | 686,339              | 736,339              | 4,494,050             |
| Transit Long Range Capital Improvement    | 19,947,054           | 200,000              | 250,000              | 250,000              | -                    | 20,647,054            |
| Non-Revenue Vehicle                       | 390,530              | 650,740              | 70,000               | 833,212              | 1,319,942            | 3,264,424             |
| Transit New Equipment                     | 3,591,247            | 1,680,500            | 2,979,432            | 2,344,340            | 1,456,000            | 12,051,519            |
| <b>Total</b>                              | <b>\$ 45,744,671</b> | <b>\$ 26,388,075</b> | <b>\$ 20,429,857</b> | <b>\$ 20,783,976</b> | <b>\$ 29,638,646</b> | <b>\$ 142,985,225</b> |

*Notes:*  
 1. FY2023 Preliminary Capital Budget excludes carry over amounts  
 2. Excludes Grant-Funded Operating Projects

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**CATS**  
CHARLOTTE AREA TRANSIT SYSTEM

## FY2023-FY2027 CAPITAL PROGRAM

**\$143.0 million Funds 5-Year Capital Program**

**Key Capital Expenses:**

- ✓ State of Good Repair \$102.5 million
  - Replace **fixed route buses; STS Buses; Vanpool Vans**
  - **Solar Panels, Electric Vehicle Chargers, Bus Shelter Improvements and Facility upgrades**
- ✓ Transit Safety & Security \$4.5 million
  - **Camera replacement, Guard Shacks and Access Control System replacement**
- ✓ Transit Long Range Capital Improvement \$ 20.6 million
  - **Hambright Park & Ride**
  - Land Swaps
  - **Temporary Facility for Uptown Transit Center, if needed**
- ✓ Transit Non-Revenue Vehicles \$3.3 million
  - **Non-Revenue Vehicle replacements**
- ✓ Transit New Equipment \$12.1 million
  - **Bus and Rail Equipment, Technology Upgrades**
  - **New City ERP System**



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## Pending Items

### Pending Items

- City Cost Allocation Plan (CAP)
  - Allocated cost among all City Departments for Shared Services
- Internal Service Providers (ISP)
  - Cost for items such as Communication Equipment, Insurance Premiums & Workmen's Compensation
- Stormwater Inspection Repairs and Routine Maintenance on Facilities
- Autonomous Vehicle Pilot- MOU with NCDOT



## FY2023 BUDGET SUMMARY RECAP

| BUDGET SUMMARY                                    |   |   |                        |                 |
|---|---|---|------------------------|-----------------|
|   | FY2022<br>Adopted<br>Budget<br>(millions) | FY2023<br>Preliminary<br>Budget<br>(millions) | Variance<br>(millions) | Variance<br>(%) |
| Operating Revenues                                | \$ 185.8                                  | \$ 205.6                                      | \$ 19.7                | 10.6%           |
| CATS Control Account                              | -   | -   | \$ -                   |                 |
| <b>Total Operating Revenue</b>                    | <b>\$ 185.8</b>                           | <b>\$ 205.6</b>                               | <b>\$ 19.7</b>         | <b>10.6%</b>    |
| Operating Expenditures                            | \$ 185.8                                  | \$ 205.6                                      | \$ 19.7                | 10.6%           |
| Transfer to Capital                               | -   | -   | -                      | 0.0%            |
| <b>Total Operating Expenditures and Transfers</b> | <b>\$ 185.8</b>                           | <b>\$ 205.6</b>                               | <b>\$ 19.7</b>         | <b>10.6%</b>    |
| Debt Service Budget                               | \$ 62.1                                   | \$ 18.1                                       | \$ (44.0)              | -70.9%          |
| Capital Budget*                                   | \$ 245.4                                  | \$ 45.7                                       | \$ (199.7)             | -81.4%          |

Note: FY2023 Preliminary Capital Budget excludes carry over amounts



## PROPOSED BUDGET SCHEDULE

|                   |                       |
|-------------------|-----------------------|
| February 23, 2022 | MTC                   |
| March 23, 2022    | MTC                   |
| April 19, 2022    | CTAG Recommendation   |
| April 27, 2022    | MTC Approval          |
| June 2022         | City Council Adoption |

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# Thank you



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