



RICHMOND METROPOLITAN TRANSPORTATION AUTHORITY

ANNUAL FISCAL PLAN, FY 2026 CAPITAL BUDGET, FY 2026 - 2031

SERVING CHESTERFIELD, HENRICO, AND RICHMOND, VIRGINIA



BOULEVARD BRIDGE PICTURED

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Stantec FY 2025 Revenue Review and Certification
HNTB Capital Expense Certification

Introduction

May 13, 2025

Joi Dean
CEO

Board of Directors
Richmond Metropolitan Transportation Authority
Richmond, Virginia

Honorable Members of the Board:

I am pleased to submit for your review and consideration the fiscal year 2026 operating and capital budgets for the Richmond Metropolitan Transportation Authority (RMTA or Authority). As we move forward, the Richmond Region continues to experience sustained growth and adaptation, with an increasing return to in-person work and evolving commuting patterns shaping regional traffic trends.

Throughout FY 2025, the RMTA maintained its strong record of fiscal conservatism and sound financial management. We have continued to safeguard our financial health by ensuring that we have the necessary resources to fund operations, meet debt obligations, and fulfill our mission of facilitating and providing a variety of transportation and public facilities that enhance life in the Richmond Metropolitan Area.

The fiscal year 2026 budget is particularly noteworthy as it incorporates the RMTA's significant transition to All Electronic Tolling (AET), a major initiative that will modernize our toll collection system and improve efficiency for our customers. This capital project, funded through our long-range capital plan, reflects RMTA's ongoing commitment to providing a safer, faster, and more convenient travel experience while positioning the Authority as a leader in transportation innovation.

The FY 2026 budget also includes the second full year of toll rates implemented in September 2023. This was RMTA's first toll adjustment since 2008, underscoring our commitment to maintaining affordability while ensuring the long-term sustainability of our infrastructure. The toll increase has provided critical funding for system maintenance and capital improvements that enhance safety and service for our customers.

The RMTA roadways, primarily serving as commuter-based systems, are influenced by evolving economic and workforce trends in the Richmond region. As hybrid and remote work models continue to reshape traditional commuting patterns, weekday traffic volumes have yet to fully return to pre-pandemic levels. However, steady growth in various industry sectors has contributed to a gradual increase in commuter traffic. Additionally, Richmond's economic development efforts

Introduction

and population growth in surrounding areas, including Chesterfield and Henrico, have sustained consistent usage of RMTA's roadways. While the shift in work habits has led to more varied peak travel times, the region's ongoing recovery and increased return-to-office policies are expected to drive incremental growth in toll revenue and roadway usage over time. As these trends continue, RMTA is cautiously optimistic that this sustained return to the workplace will positively impact toll revenue. The FY 2026 budget projects toll revenue of approximately \$51.0 million, reflecting a slight decrease from FY 2025 estimates. This is primarily due to the conversion to AET and pay by plate processing slated for December 2025.

The FY 2026 Annual Budget continues to demonstrate RMTA's ability to prudently manage its finances while providing for the necessary personnel and resources to operate and maintain the expressway system. This budget document is structured to provide a clear and transparent view of RMTA's financial planning, with facility-based and departmental breakdowns that allow for more informed decision-making. As a political subdivision with fiduciary responsibilities to our bondholders, customers, and staff, this budget serves as a critical check and balance—an essential element of our management process. It also serves as a link to the planning of RMTA's long-term capital and maintenance initiatives.

The upcoming transition to AET is a defining moment for RMTA's future. The elimination of toll booths and the implementation of electronic tolling infrastructure will modernize our system, reducing congestion, lowering emissions, and enhancing the overall customer experience. AET is not just a technological upgrade—it is a transformative step toward a more efficient and connected region. RMTA remains dedicated to ensuring a seamless transition for our customers, and we are committed to public outreach and education to facilitate widespread adoption of E-ZPass and other payment options.

As part of RMTA's ongoing commitment to growth and innovation, we are also undertaking a comprehensive strategic planning process and rebranding initiative. This effort will provide a clear roadmap for RMTA's future by identifying key priorities, strengthening our organizational framework, and ensuring alignment with the evolving needs of the Richmond region. The rebranding initiative is designed to modernize RMTA's visual identity and messaging, reflecting our focus on enhancing customer experiences, embracing technological advancements, and reinforcing our role as a trusted community partner. These initiatives will position RMTA to meet future challenges while maintaining our reputation for operational excellence and fiscal responsibility.

Financially, RMTA staff will continue to identify operational efficiencies and cost-saving opportunities while maintaining excellence in financial management. We are proud to have received an unmodified opinion on the Authority's FY 2024 Annual Comprehensive Financial Report, reflecting the integrity of our financial practices. As we monitor traffic and revenue trends,

Introduction

we remain vigilant in identifying factors that may impact future revenue and adjusting our long-term financial strategies accordingly.

I would like to recognize and thank our exceptional executive staff for their leadership and dedication. I am fortunate to work with a talented team whose expertise and commitment have been instrumental in RMTA's success. Steven "Steve" Owen, Director of Finance, has provided steady and insightful leadership in overseeing RMTA's financial operations, particularly through the toll rate adjustment and preparations for AET. Maria Johnson, Deputy Director of Operations, has demonstrated exceptional leadership in maintaining RMTA's operational excellence and ensuring that our expressway system continues to run smoothly as we transition to AET. Sheryl Johnson, Director of Human Resources, has been a steadfast advocate for RMTA employees, ensuring that all staff members have a clear and well-defined plan for their career growth as we move through the AET transition. Her leadership has been instrumental in supporting our workforce during this period of change. Paula Watson, Manager of Procurement and Internal Audit, has led the vendor selection process for AET, ensuring that RMTA partners with the most qualified and capable vendors to support this critical transition. Her expertise and diligence have been key to securing the resources necessary for the success of this initiative. Whitney White, Strategic Communications Manager, has been instrumental in strengthening RMTA's relationship with the community by enhancing public outreach, fostering meaningful engagement, and ensuring that our initiatives are effectively communicated to the public. Her efforts have helped build trust and strengthen RMTA's role as a community partner.

As we embark on this next chapter, I am reminded of the resilience, dedication, and professionalism of our RMTA staff. Their hard work and adaptability—365 days a year, 24 hours a day—are the foundation of our success. Moving into FY 2026, we are excited to usher in a new era with the implementation of All Electronic Tolling (AET), which will enhance operational efficiency and improve the customer experience. This transformative change reflects our commitment to innovation and positions RMTA for continued success as we serve the Richmond community.

Sincerely,
Joi Dean
Chief Executive Officer
Richmond Metropolitan Transportation Authority

GFOA Award

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the Richmond Metropolitan Transportation Authority, Virginia, for its annual budget for the fiscal year beginning July 1, 2024. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

This award is valid for a period of one year only. The Authority believes our current budget continues to conform to program requirements, and we are submitting it to the GFOA to determine its eligibility for another award.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished Budget Presentation Award

PRESENTED TO

Richmond Metropolitan Transportation Authority
Virginia

For the Fiscal Year Beginning

July 01, 2024

A handwritten signature in black ink that reads "Christopher P. Morill". The signature is written in a cursive, flowing style.

Executive Director

Budget Overview

The Authority's 2026 Fiscal Plan and Capital Budget outlines a spending plan that covers operations, annual maintenance, and related capital projects of the Expressway System. The Fiscal Plan also includes operating budgets for the Authority's Central Administration function.

Budget Overview

	FY2024 Audited	FY2025 Budget	FY2025 Projected	FY2026 Budget	FY2025 to FY2026	
					\$	%
Revenues						
Tolls	\$ 50,260,380	\$ 51,326,000	\$ 52,421,979	\$ 51,055,200	\$ (270,800)	-0.5%
Rentals	48,197	54,000	58,851	58,000	4,000	7.4%
Other	1,025,880	700,000	1,293,967	1,301,000	601,000	85.9%
Subtotal	51,334,457	52,080,000	53,774,797	52,414,200	334,200	0.6%
Operating Expenses						
Salaries and Benefits	\$ 5,441,661	\$ 6,443,394	\$ 5,518,305	\$ 6,214,475	\$ (228,919)	-3.6%
Operations	10,783,075	12,977,580	11,773,458	14,602,499	1,624,918	12.5%
Subtotal	16,224,736	19,420,974	17,291,763	20,816,973	1,395,999	7.2%
Net Operating Revenue	\$ 35,109,721	\$ 32,659,026	\$ 36,483,034	\$ 31,597,227	\$ (1,061,799)	-3.3%

Toll Revenue

Toll revenue for FY 2026 is projected to decrease slightly to \$51.1 million or (.5%) less than FY2025 budget and 2.6% less than FY2025 projected toll revenue. The authority anticipates an increase in collection efforts with the conversion to "AET" all electronic tolling, and the implementation of "pay by plate" processing and collections, which is slated for December 2025. The budget anticipates a 2 month delay in collection of pay by plate transactions due to the billing and collection process. Toll rates were last increased in September 2023. The rates increased to \$.90 for EZ pass customers, (\$.20 increase) and \$1.00 for cash customers, (\$.30 increase). The timing and extent of future rate adjustments will continue to be analyzed as projections are updated and revised based on actual results. Revenues cannot be commingled between the Authority's different operations (i.e., tolls cannot be used to support any of the Authority's other facilities).

Rentals and Other Revenue

Rental revenue primarily consists of leasing several surface parking lots within the footprint of the Expressway System. Other revenue primarily consists of investment income which is forecasted to increase due to an increase in interest rates.

Compensation and Benefits

Salaries & Benefits	FY2024	FY2025	FY2025	FY2026	FY2025 to FY2026	
	Audited	Budget	Projected	Budget	\$	%
Salaries	\$ 4,494,127	\$ 5,179,716	\$ 4,473,870	\$ 4,947,797	\$ (231,919)	-4.5%
Health Care	688,521	960,873	824,854	869,556	(91,317)	-9.5%
VRS Retirement	121,475	157,056	80,554	150,030	(7,026)	-4.5%
OPEB Contribution	51,500	51,500	44,143	51,500	-	0.0%
Other	86,038	94,248	94,884	195,592	101,343	107.5%
Total	\$ 5,441,661	\$ 6,443,394	\$ 5,518,305	\$ 6,214,475	\$ (228,919)	-3.6%

Compensation and benefits are reviewed by the Compensation and Benefits Committee of the Board of Directors as part of the budget development process.

Salary expenses decreased in FY 2026 due to the anticipated conversion to AET in December 2025 which will eliminate the need for toll collectors at the Powhite Parkway toll booths. This is offset by the addition of 11 back-office positions required to manage the new AET system along with a planned cost of living increase of 3.5% along with a performance increase of .5% for eligible employees. Health care program management remains a focus of the Authority's cost containment efforts. For FY 2026, health care expenses increased. This was due to a 12.0% increase in insurance premiums. The premium increase will be shared by employees and the Authority. To encourage a healthier workforce, a premium contribution discount is available for employees who seek annual preventive care screenings.

Retirement benefits for eligible employees are provided through the Virginia Retirement System (VRS). VRS establishes required contribution rates for two-year periods as a percentage of an employee's salary based on an actuarial analysis. For FY 2026, the full actuarial recommended contribution rate is 1.1%. Employees are required to contribute an additional 5.0% towards their VRS retirement benefit.

In addition to retirement benefits through VRS, the Authority offers retiree health care benefits for eligible employees. The Authority's Local Finance Board oversees and administers the investment of these Other Post-Employment Benefit (OPEB) funds through a contractual arrangement with the Board of Trustees of, and participation in, the Virginia Pooled OPEB Trust Fund. The Authority's contributions are based on an actuarial analysis with contributions structured so that the plan was fully funded in FY 2025.

Other compensation and benefits include items such as group life insurance, unemployment benefits, and disability insurance.

The Authority continues to evaluate staffing requirements against current and future needs. See additional detail in the Department Budget section and the Personnel Complement in the Supplemental Information section.

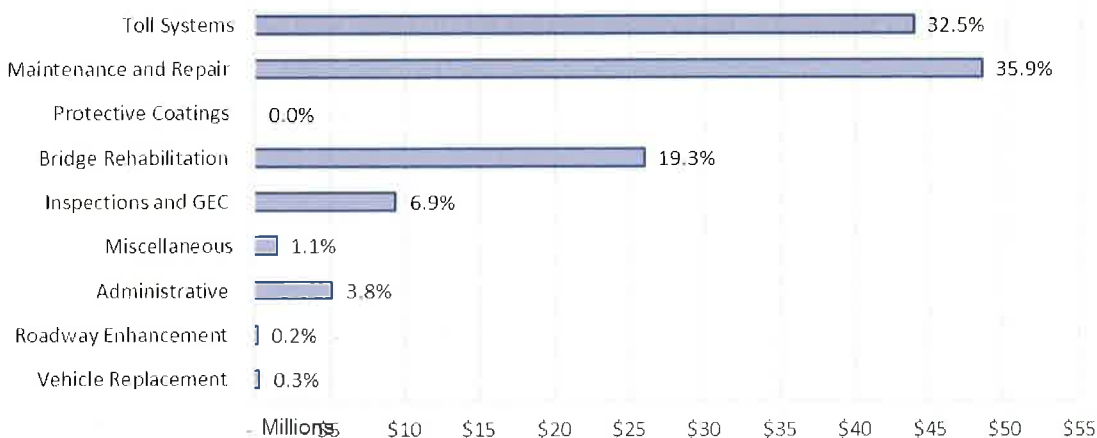
Operations

Operating	FY2024 Audited	FY2025 Budget	FY2025 Projected	FY2026 Budget	FY2025 to FY2026	
					\$	%
Toll Collection	\$ 8,120,205	\$ 8,995,365	\$ 8,159,621	\$ 10,322,199	\$ 1,326,833	14.8%
Maintenance	1,211,321	2,261,480	2,045,442	2,455,400	193,920	8.6%
Administration	498,203	888,255	812,065	934,100	45,845	5.2%
Engineering	36,302	36,525	-	7,100	(29,425)	-80.6%
Finance	840,223	703,330	677,613	760,900	57,570	8.2%
Human Resources	76,822	92,625	78,717	122,800	30,175	32.6%
Total	\$ 10,783,075	\$ 12,977,580	\$ 11,773,458	\$ 14,602,499	\$ 1,624,918	12.5%

The overall budget increased for FY 2026 by 12.5% when compared to FY 2025 budgeted operating expense and an increase of 24% when compared to projected FY2025 operating expense. The increase is primarily due to the increase in toll collection expense which is \$1.3 million or 14.8% greater than fiscal year 2025 budgeted expense and \$2.2 million or 26.5% greater than fiscal year 2025 projected expense. This is primarily due to \$1.8 million in costs associated with the first full year of the toll system maintenance contract with A to B and new costs associated with pay by plate processing and collections, along with an increase in EZ pass processing fees. See the Department Budget and Budget Detail sections for additional discussion on the significant budgetary changes for FY 2026.

Expressway Capital

All Expressway System routine maintenance and major capital improvement projects are included in the Capital Budget, with a detailed Six-Year Plan for the upcoming and next five fiscal years. For FY 2025-2031, the Six-Year Plan totals \$135 million for the following projects (shown in millions):



Additional detail on each project is included in the Expressway Capital Budget section. A long-term capital projection is also included to provide perspective on projected capital needs beyond the Six-Year Plan.

Mission Statement



Downtown Expressway and City of Richmond

Our mission is to facilitate and provide a variety of transportation and public facilities that improve the quality of life in the Richmond metropolitan area. Our efforts are dedicated to the following constituents:

To our customers, we will provide safe, convenient, efficient facilities and excellent customer service while maintaining the lowest feasible costs.

To our employees, we will promote a safe and supportive work environment, provide an opportunity to advance according to their abilities and fairly compensate based on performance.

To our bondholders, we will operate in a financially sound and prudent manner and meet all debt payments and other legally imposed requirements to insure the protection of their interest.

Our mission can be accomplished through the sound management of existing projects and consideration of additional projects as approved by the City of Richmond and the Counties of Chesterfield and Henrico. These projects are financed primarily through user fee schedules that offer the lowest possible costs to the public, fairly compensate employees, and offer financial safety to bondholders.

Principal Officials



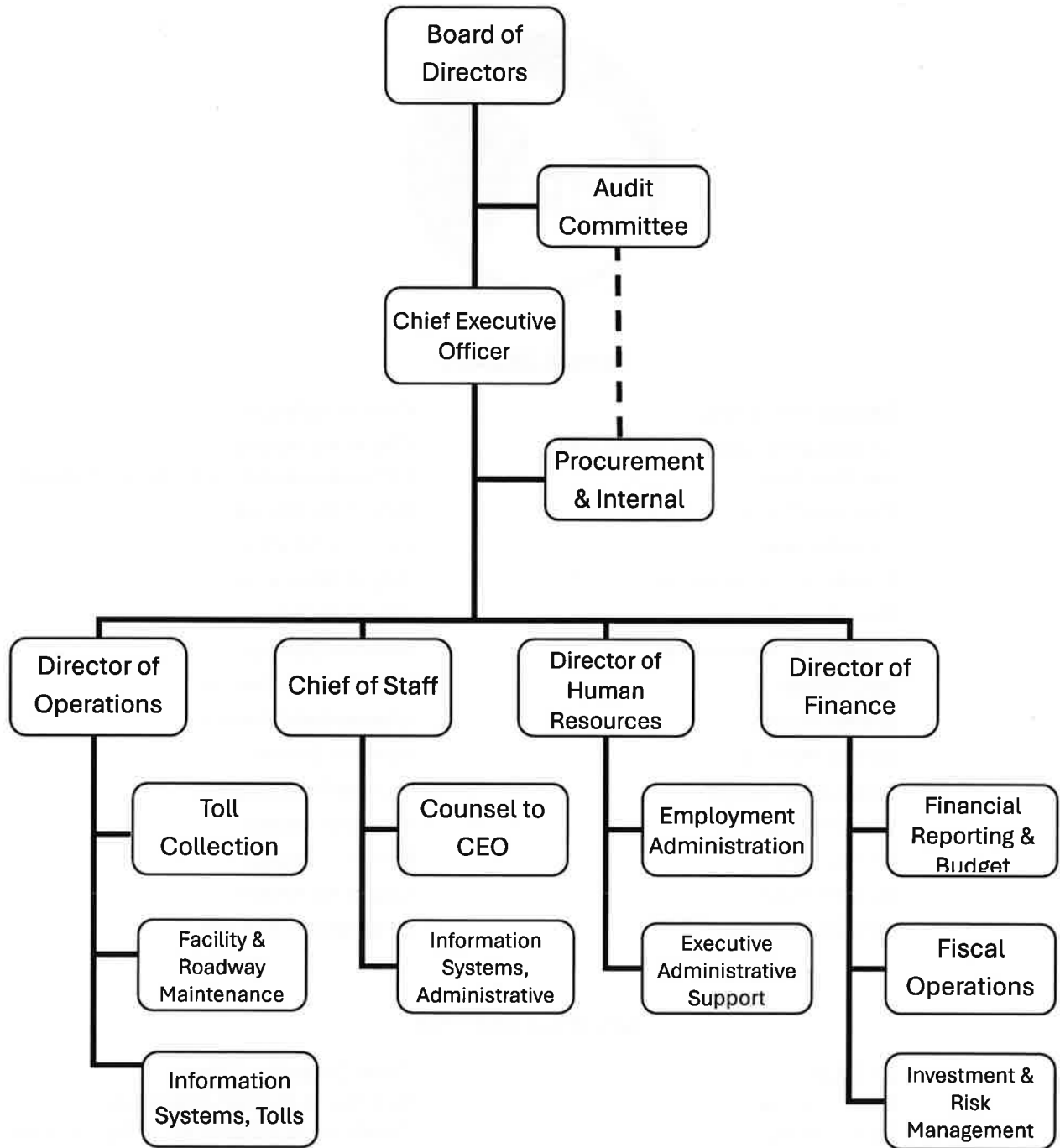
Board of Directors

Dean Lynch, Chair	Chesterfield County
Dr. Unwanna Dabney, Vice Chair	City of Richmond
Joel Rex Davis	Commonwealth Transportation Board
Dironna Clarke	City of Richmond
Jane duFrane	Henrico County
Aubrey W. Fountain, III	City of Richmond
Barrett Hardiman	City of Richmond
Thomas A. Hawthorne	Henrico County
Ian Millikan	Chesterfield County
Steven Mulroy	Chesterfield County
Tyrone Nelson	Henrico County
Jessica Schneider	Chesterfield County
Stephen Story	Henrico County
Marvin Tart	Henrico County
Marilyn West	City of Richmond
Donald Williams	Chesterfield County

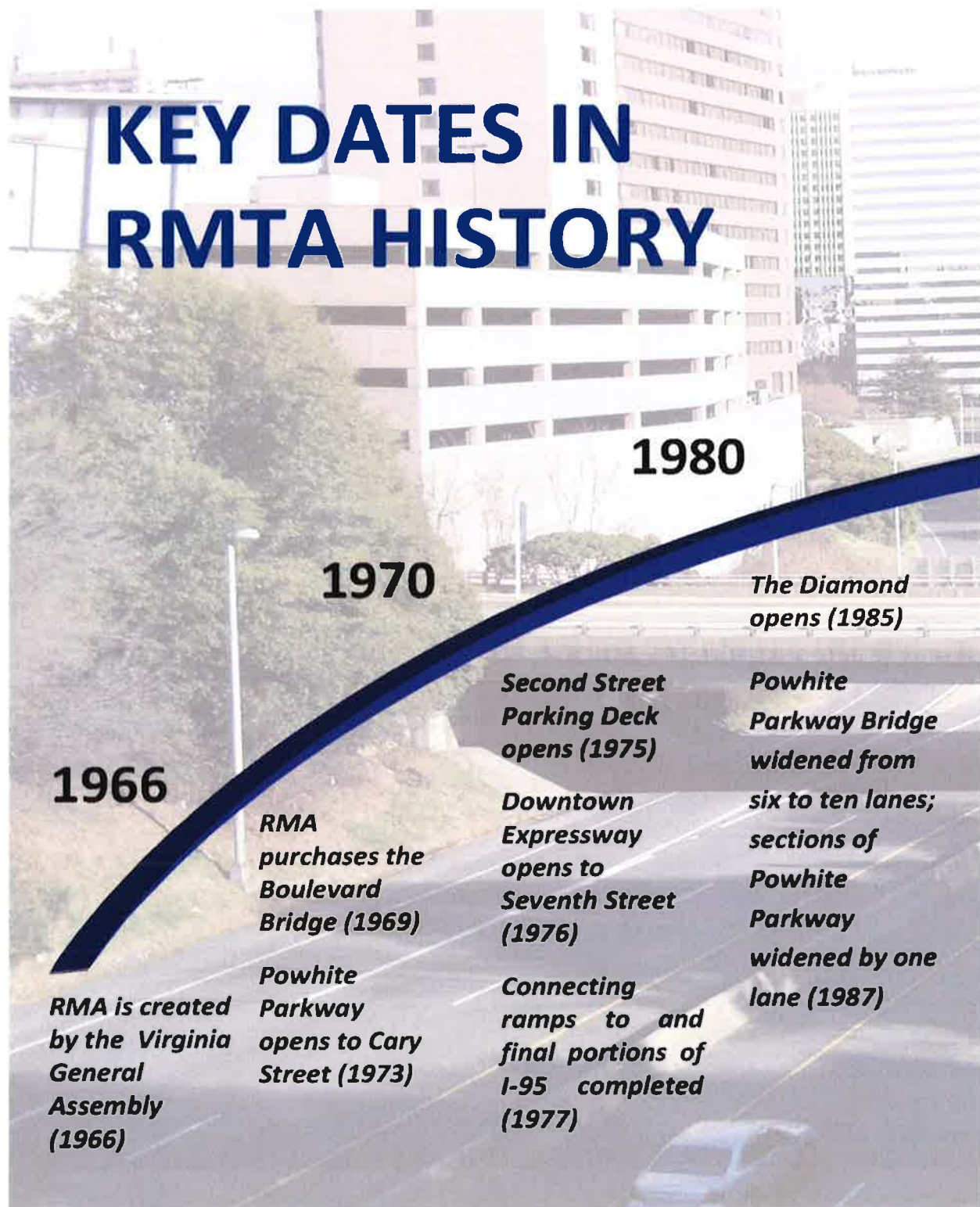
Executive Management

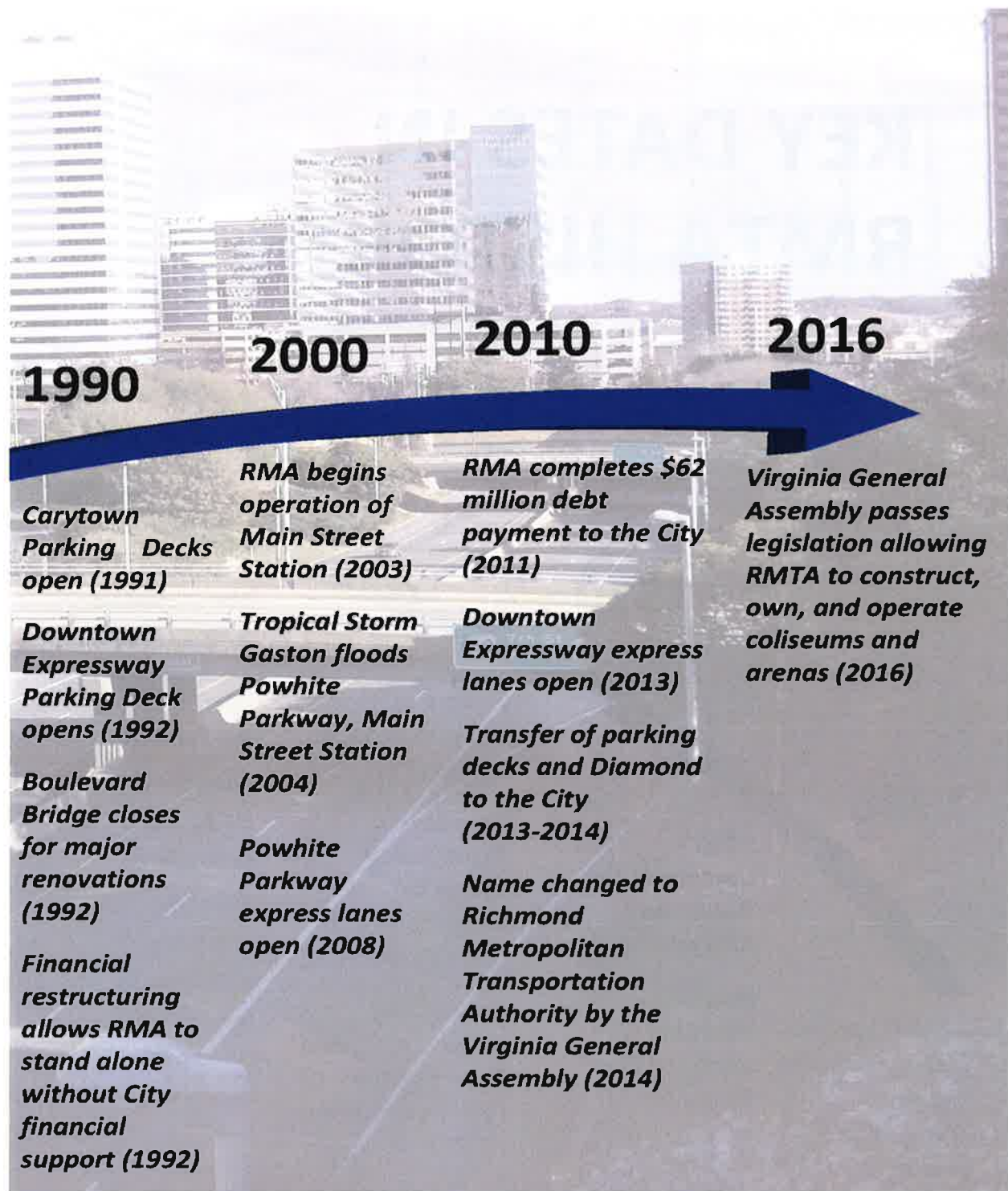
Joi Dean	Chief Executive Officer
Sheryl Johnson	Director of Human Resources
Fahad Khan	Chief Engineer/Director of Operations
Shannon Marshall	Chief of Staff
Steven Owen	Director of Finance
Paula Watson	Internal Audit & Procurement Manager

Organizational Chart



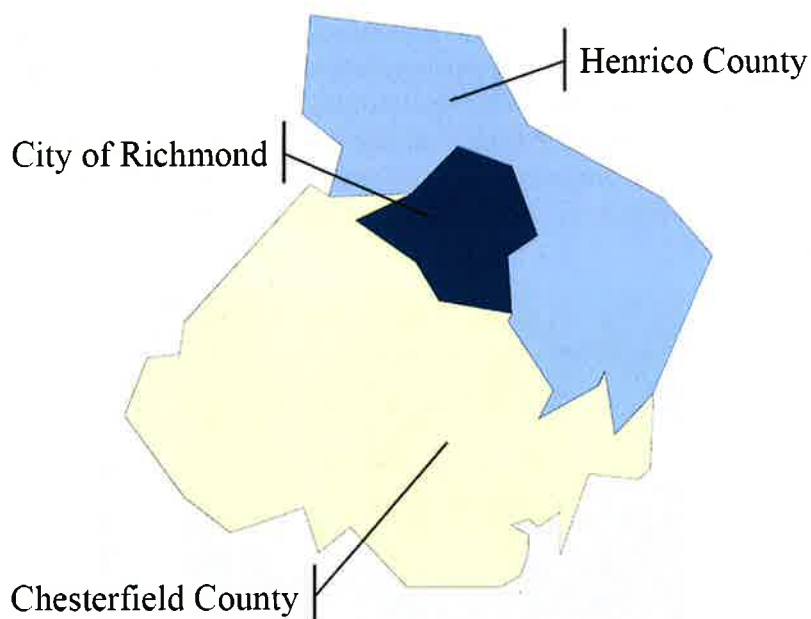
KEY DATES IN RMTA HISTORY





History

The Richmond Metropolitan Transportation Authority (the “Authority” or “RMTA”), formerly known as the Richmond Metropolitan Authority, was created in 1966 by an Act of the General Assembly of the Commonwealth of Virginia to plan, finance, build, and maintain a much-needed expressway system to serve the Richmond metropolitan area.



Initially \$2.1 million was borrowed for operating funds and \$20.0 million was guaranteed by the City of Richmond to cover the cost of planning, designing and acquiring the right-of-way for an expressway. This initial financial commitment resulted in the City having greater representation on the Authority’s Board of Directors. The Board originally consisted of eleven members, six of whom were appointed by the Mayor of the City of Richmond, with the approval of City Council, and two each by the Boards of Supervisors of the counties of Chesterfield and Henrico. The Commonwealth Transportation Commissioner appointed the eleventh member from the Commonwealth Transportation Board.

In 1969, as construction on the Expressway System continued, the Authority purchased the Boulevard Bridge for \$1.2 million. Soon after, the Authority began making several improvements to the bridge, including the installation of automated toll equipment to provide more efficient toll collection. Many Richmond area natives still refer to the Boulevard Bridge as the “Nickel Bridge” because of its initial five cent toll.

In response to escalating demands for another route to cross the James River, the Authority built the Powhite Parkway. The Parkway opened in January 1973, with approximately 6,000 vehicles utilizing the facility on the first day.

Along with increased accessibility to the downtown area came the need for increased parking facilities. In 1973, the statute that created the Authority was amended to authorize the Authority to provide parking facilities for the Richmond metropolitan area. The City of Richmond provided the land and the Authority borrowed the funds to begin building what was to become the Second Street Parking Deck.

In July 1973, the Authority introduced the Parham Express Bus Service. The pilot program was introduced in cooperation with the City of Richmond, the County of Henrico, and the Virginia Department of Highways. The service provided a comfortable bus ride over interstate routes between a commuter parking lot in suburban Henrico County and downtown Richmond. Seven buses provided morning and afternoon round trips. Full operation of the bus service was later passed on to the Greater Richmond Transit Company. Nevertheless, the Parham Express Bus Service was the first experiment with express transit in the Richmond area and became the model for future express bus services in the region.



Downtown Expressway Opening Ceremony, 1976

In 1976, the Downtown Expressway, linking Interstates 195 and 95, opened to the public. All connecting ramps and the remaining portions of I-195 were completed by September 1977. When the Downtown Expressway opened, average daily traffic was approximately 8,000 vehicles.



The Diamond

In 1984, another legislative amendment allowed the Authority to construct and own a new baseball stadium to replace the aging Parker Field. The existing ballpark was demolished and replaced with an \$8 million, state of the art baseball stadium called The Diamond. The new stadium was completed before the beginning of the 1985 baseball season.



Expressway Parking Deck

In the late 1980s, at the request of the City of Richmond, feasibility studies were conducted on parking needs in the Carytown district and downtown. As a result, the Authority constructed two, 110-parking space decks in Carytown. The decks opened in early 1991, providing free parking to visitors to the Carytown shopping district. The feasibility study also projected increased demands for parking in the downtown area. At the request of the City, the Authority constructed the Expressway Parking Deck, a 1,000-parking space deck with convenient access to the Downtown Expressway and I-95. The facility opened on February 14, 1992.



Boulevard Bridge

In August 1992, the Authority closed the Boulevard Bridge for extensive renovations. The \$8.3 million project included replacing the concrete deck, which allowed the Authority to widen the lanes and construct a single walkway. The bridge reopened in October 1993.



Powhite Parkway Plaza, Express Lanes (left) and Traditional Lanes (right)

In June 1994, the Authority, in conjunction with the Virginia Department of Transportation (VDOT), surveyed drivers on the Downtown Expressway, the Powhite Parkway and the Powhite Parkway Extension regarding support of an Electronic Toll Collection (ETC) system in the Richmond metropolitan area. What followed was the introduction of an ETC system called SmartTag in 1999. This system, later renamed E-ZPass, revolutionized Virginia's toll road system, and is currently used on all the Authority's and VDOT toll facilities.

As toll collection technology evolved and traffic volume began to grow, the Authority began to look more closely at utilizing technology to increase capacity along the Powhite Parkway. A long-range plan was developed to ease congestion by splitting the existing toll plaza into two separate facilities – one for northbound traffic and one for southbound traffic – and implementing six Open Road Tolling (ORT) or express lanes. The new configuration resulted in an elimination of rush hour delays, allowing motorists to travel at near-highway speeds through the toll plazas.

In 2008 the Richmond Braves announced their relocation to Gwinnett County, Georgia, leaving The Diamond. Just one year later, it was announced that the newly minted Richmond Flying Squirrels would make their debut at The Diamond for the 2010 season. The Flying Squirrels immediately built a successful relationship with the community, finishing first or second in Eastern League attendance in each of their ten seasons at The Diamond.

Between 1970 and 1992, the City of Richmond contributed funding for the operation of the Authority's Expressway System. In 1992, the Authority underwent a financial restructuring that allowed the Expressway System to become fully reliant on user fees. In January 2011, the Authority began in-depth discussions with the City of Richmond administration on a plan to pay the City for its previous financial support. In November 2011, the Authority successfully restructured its debt

and fully paid the subordinate debt due to the City of \$62.3 million. The debt restructuring extended the maturity of the Authority's outstanding debt from 2022 to 2041.



Downtown Expressway, Express Lanes and Traditional Lanes

The Authority broke ground in June 2011 for construction of the Downtown Expressway ORT Project. This \$15.5 million project opened to traffic in August 2012 and features three westbound ORT or express lanes at the plaza. Like the Powhite Parkway express lanes, this project resulted in a significant reduction of rush hour delays. Eastbound customers continue to encounter gates due to roadway configurations on the City streets.

Multiple times since 2007, members of the General Assembly introduced legislation proposing Board reallocation to provide equal representation from each of the Authority's three member jurisdictions, with a goal to encourage greater regional collaboration. Each time these bills failed, however during the 2013 legislative session all three jurisdictions supported the proposed bill.

In 2013, the Authority became more proactive in helping frame an environment for equalizing representation. In March 2013, the Authority's Board unanimously authorized the Chief Executive Officer to pursue negotiations to transfer ownership of City-funded assets to the City of Richmond. These assets included the Expressway Parking Deck, Second Street Parking Deck, and Carytown Parking Decks. The Diamond, which was built at the request of all three jurisdictions on City-donated land, was also considered for ownership transfer. The Authority and the City agreed to transfer the parking facilities to the City during 2013 and 2014, and The Diamond was transferred in December 2014.



Outfield view of The Diamond

In the 2014 General Assembly session, legislation was again introduced to equalize representation on the Authority's Board. In addition to equalization, the legislation included the following: an increase in Board membership from eleven to sixteen, with five members from each jurisdiction and one member appointed from the Commonwealth Transportation Board; a requirement that certain actions of the Authority receive approval from the local governing bodies and the Richmond Mayor, including debt issuance; an allowance for the governing body of each locality to appoint one of its own elected members to the Authority's Board; and the changing of the Authority's name to the Richmond Metropolitan Transportation Authority. This legislation passed with near unanimity, becoming effective July 1, 2014.

In the 2016 General Assembly session, legislation was introduced to expand the Authority's powers to include the construction, ownership and operation of coliseums and arenas. Like other projects, approval from the local governing bodies and the Richmond Mayor would be required. This legislation passed with little debate and became effective July 1, 2016.

In the 2020 General Assembly session, legislation was introduced that decreases from five to four the number of members of the Richmond Metropolitan Transportation Authority appointed by the Mayor of the City of Richmond and adds to the Authority one member of the City Council of the City of Richmond appointed by the president of the Council. This legislation was passed and became effective July 1, 2020.

The Authority remains a flexible vehicle for future regional initiatives and is committed to collaborating with its member jurisdictions to meet transportation demands both today and in the future.

Budget Development

Fund Structure, Basis of Accounting and Budgeting, and Budget Process

Fund Structure

The Authority is a self-supporting entity, depending solely on the revenues derived from operations and proceeds from the issuance of revenue bonds to fund the Expressway System. The resolutions authorizing the issuance of bonds prohibit the commingling of funds between the Authority's different operations, i.e., tolls generated from the Expressway System cannot be used to support any of the Authority's other facilities.

The Authority administers three enterprise funds: Expressway, Expressway Repair and Contingency (Capital), and Central Administration. Each of these funds are considered major funds for budgetary presentation and are included in the Authority's annual audited financial statements.

Basis of Accounting and Budgeting

The "basis of accounting" and "basis of budgeting" determine when revenues and expenses are recognized for the purposes of financial reporting and budget control. All funds of the Authority are accounted for in the Authority's annual audited financial statements and annual budget using the accrual basis of accounting. Under the accrual basis of accounting, revenue is recognized when earned and becomes measurable; expenses are recognized when an obligation to pay is incurred.

Budget Process

Section 701 of the Authority's 2011 Amended and Restated Bond Resolution requires a budget for the Expressway fund to be adopted no less than 30 days prior to the beginning of each fiscal year. In accordance with Section 708 of the 2011 Resolution, the Authority is required to engage a Traffic and Revenue Consultant for the purpose of preparing and certifying a schedule of tolls for the forthcoming budget year considered sufficient to pay operating expenses, debt service, and maintenance and repairs on the Expressway System as certified by the Authority's Consulting Engineers.

Many aspects of the budget development process occur throughout the fiscal year. Each month, the Finance department prepares budget-to-actual and other financial reports for staff and the Board of Directors. Continual monitoring of the current year activity identifies any budget adjustments necessary.

Board approval is needed to increase the total budgeted expense per fund or transfer budget authorization between expense categories.

Budget Development

The Finance department sends monthly traffic and revenue data to the Traffic and Revenue Consultant throughout the year. In January, the Director of Finance coordinates with the Traffic and Revenue Consultant to provide an updated current fiscal year projection and next fiscal year estimate.

Throughout January and February, the Executive Staff reviews the current fiscal year activity and determines the level of spending needed for the next fiscal year. Departmental objectives are reviewed to ensure resources are in alignment with the strategic plan and Board goals. Budget requests are provided to Finance for further evaluation and to compile into budgets by fund. The Executive Staff holds budget meetings throughout the development process as budget estimates are revised and finalized. The Finance and Operations Committee and the Compensation and Benefits Committee of the Board of Directors meet to discuss significant budget items.

During March, budget amounts are finalized, and the draft budget document is prepared. The draft document is reviewed by Executive staff before being finalized and presented to the Board as a proposed budget in April. The Board reviews the proposed budget, and adjustments are made (if necessary) before formal Board adoption in May.

For FY 2026, the budget development process followed the calendar of events as described below:

Date	Action
February 11, 2025	Traffic and Revenue Consultant to provide an updated current fiscal year projection and next fiscal year revenue estimate.
February 12, 2025	Executive Team Discussion – Budget considerations for Powhite AET conversion
February 26, 2025	Directors provide initial budget requests to Finance.
March 5, 2025	Initial budget review with Executive Staff.
March 11, 2025	Compensation and Benefits Committee meeting to review salary and benefits.
March 14, 2025	Operating budget draft completed.
March 19, 2025	Capital budget estimates reviewed by Executive Staff.
March 27, 2025	Capital budget draft completed.
April 1, 2025	Traffic and Revenue Consultant provides draft certificate of Expressway toll revenue.
April 2, 2025	Final budget review with Executive Staff.
April 4, 2025	HNTB provides recommended deposits letter- Capital Budget
April 9, 2025 10:00 AM	Budget workshop with Finance and Operations Committee to review operating and capital budget drafts and long-term financial plan update.
April 11, 2025	Proposed budget document complete.

April 15, 2025	Proposed budget presented to Board to provide comment period prior to adoption.
April 30 2025 10:00 AM	2 nd Budget workshop with Finance and Operations Committee to review operating and capital budget drafts and long-term financial plan update.
May 13, 2025	Board vote for budget adoption.

Financial Policies

The Authority's financial policies serve as guidelines for the financial planning and management of the Authority. These policies represent a combination of required practices under existing bond documents, statutory requirements, and recommended best practices from the Government Finance Officers Association (GFOA). Financial policies are reviewed periodically for updates and revisions. The following financial policies have been adopted by the Authority's Board of Directors as noted.

Financial Planning (adopted March 2014)

Balanced Budget – The annual budget of the Authority will be considered balanced when all payments for operations, debt service, and annual capital plan needs do not exceed budgeted revenues.

Budget Adoption – The Board will adopt an annual budget no less than 30 days prior to the beginning of each fiscal year.

Budget Adjustments – Board approval is needed to increase the total budgeted expense per fund or transfer budget authorization between expense categories (compensation and benefits, operating, and capital).

Long-Term Financial Plan – Toll rate adjustments and borrowing decisions are identified within the context of the long-term financial plan. The long-term financial plan includes: estimated revenues, estimated operating expenses, debt service, funds available for the capital plan, debt service coverage ratios, and cash balances. The Authority will consult with its Consulting Engineer, Traffic and Revenue Consultant, and Financial Advisors to update its long-term financial plan.

Condition Assessment of Assets – Accurate inventories of capital assets, their condition, life spans, and cost will be maintained to ensure proper stewardship. Condition assessments of infrastructure assets will be performed to determine the amount needed to maintain and preserve the assets at the condition level established and disclosed by the Authority.

Revenue and Expense (adopted March 2014)

Revenue Sources – Each year the Board shall consider potential sources of revenue as part of the annual budget process.

Revenue Forecasts – Revenue forecasts shall use a conservative, objective, and realistic approach.

Service Rates – The Authority shall develop and maintain fair and equitable rates for all services while accomplishing funding requirements per debt covenants.

On-Going and One-Time Revenues – The Authority will only propose operating expenses which can be supported from on-going revenues. Before undertaking any agreement that would create fixed on-going expenses, the cost implications of such agreements will be fully determined for current and future years. The on-going operating expense impact resulting from the use of one-time revenue sources will be reviewed for compliance with this policy.

Monitoring – Directors are responsible for managing division expenses within the total adopted operating budget. Monthly monitoring reports will be presented to the Directors, Chief Executive Officer, and Board of Directors.

Debt Management (adopted March 2014)

Management of Borrowing – The Authority will manage its debt obligations to keep debt service a predictable part of the operating budget, raise capital at the lowest cost unless other conditions or exigencies suggest otherwise, and support the Authority's credit rating objective.

Credit Rating Objective – The Authority will maintain a good reputation in the credit markets by implementing and maintaining a sound capital program and managing the annual budget responsibly, with a goal of maintaining and/or strengthening its credit rating.

Appropriate Use of Debt – Long-term debt issued will not exceed the useful life of projects financed unless other exigencies dictate otherwise. Current operations will not be financed with long-term debt. Short-term borrowing will not be used for operating purposes.

Continuing Disclosure – The Authority will ensure compliance with continuing disclosure reporting requirements, including its obligation to inform the Municipal Securities Rulemaking Board through the EMMA website (Electronic Municipal Market Access), post-issuance IRS compliance, and IRS arbitrage regulations.

Post-Issuance Compliance – The Authority will maintain a post-issuance tax compliance policy for its debt obligations that are eligible for tax benefits under federal and state law. Such obligations may include tax exempt bonds and/or bonds eligible for tax credits.

Reserve Accounts – The Authority will maintain reserve accounts as required by applicable bond documents, and where deemed advisable by the Board.

Debt Service Coverage Ratio – The Authority will maintain debt service coverage ratios at least sufficient to comply with current bond documents. The long-term financial plan will be used to ensure sufficient funding for capital while maintaining an internal debt service coverage ratio goal of at least 1.50X.

Reserve Fund (adopted March 2014, amended March 2016)

Funding Policy – Adequate reserves are a necessary component of the Authority's overall financial management strategy and ensure sufficient funding is available to meet current and future operating, capital, and debt service obligations. Adequate reserves are a key factor in external agencies' measurement of the Authority's financial strength.

Current bond documents require certain accounts and prioritize their funding. Fund requirements are established, by either the provisions of the bond documents or Board policy, as follows:

1. Operating Fund, Section 504 of Bond Resolution – maintenance of a balance equal to the current and next month's budgeted Expressway System operating expenses; used to pay the operating costs of the Expressway System.
2. Parity Bond Fund, Section 505 of Bond Resolution – monthly transfers of 1/12th of annual principal and 1/6th of semi-annual interest to accumulate a sufficient balance for each debt service payment (January 15 and July 15).
3. Parity Bond Reserve Fund, Section 506 of Bond Resolution – maintenance of a balance equal to the lesser of: (a) 10% of the original sale proceeds on all parity bonds outstanding, (b) maximum annual debt service on all parity bonds outstanding, or (c) 125% of the average annual debt service on all parity bonds outstanding; used to cure shortfalls in debt service payment.
4. Repair & Contingency Fund, Section 509 of Bond Resolution – maintain a balance as of June 30th at least equal to the next fiscal year's capital plan, as certified by the Consulting

Engineers in accordance with Section 708 of Bond Resolution; used to pay the capital costs of the Expressway System.

5. Excess Balances Fund, Section 510 of Bond Resolution – no minimum funding level required per bond documents. To meet liquidity goals, this Board policy establishes the maintenance of a balance in such fund of between one and two years of the annual Expressway System operating budget. Use of amounts in the Excess Balances Fund is restricted to allowable purposes as defined under the Bond Resolution, including the redemption of outstanding debt and payment for capital costs of the Expressway. Any amounts drawn from the Excess Balances Fund shall require Board approval.

Accounting and Financial Reporting (adopted April 2015)

Accounting Standards – The Authority's financial statements will conform to Generally Accepted Accounting Principles (GAAP) as established by the Government Accounting Standards Board (GASB).

Accounting Records – The Authority will maintain an accounting system to allow for the accurate and timely preparation of financial statements.

Audit Requirement – An independent certified public accountant will perform an annual audit of the Authority's financial statements. Audit results will be presented to the Authority's audit committee and Board of Directors for acceptance.

Audit Committee – The Authority will maintain an audit committee consisting of members of its Board of Directors to provide independent review and oversight of the Authority's financial reporting process, internal controls and independent auditors.

Annual Comprehensive Financial Report – The Authority will prepare an Annual Comprehensive Financial Report in accordance with guidelines established by the Government Finance Officers Association (GFOA) to maintain the GFOA's Certificate of Achievement for Excellence in Financial Reporting.

Annual Budget – The Authority will prepare an annual budget in accordance with guidelines established by the Government Finance Officers Association (GFOA) to maintain the GFOA's Distinguished Budget Presentation Award.

Presentation of Financial Reports – The Authority will use its website as a primary means of communicating financial information to its customers, bondholders and other interested parties.

Revenue Sources and Forecasting Assumptions

Revenue Sources

Toll revenue from the Expressway System represents over 98% of the Authority's total revenue and is considered the Authority's only major revenue source. The Authority's Traffic and Revenue Consultant prepares an annual traffic and revenue forecast, which is used as the basis for the Authority's toll revenue budget.

Economic Conditions

Traffic on the Authority's Expressway System is primarily commuter-based, with area employment levels directly impacting the number of daily commuter trips. While the unemployment rate indicates the general direction of the economy, area employment is a more appropriate economic indicator to correlate to the Authority's traffic. The continued economic recovery from the COVID-19 pandemic and the return of traffic volume has been factored in the FY 2025 budget with available information at the time of budget development.

Employment

Employment data for the Richmond Metropolitan Statistical Area (MSA) from the Bureau of Labor Statistics (BLS) is historically correlated with RMTA traffic. As the RMTA is mostly a commuter facility, traffic is related to economic output and employment levels. The charts that follow show the historical employment levels for the Richmond MSA. The first shows the impact of the COVID-19 pandemic and subsequent recovery. The second graph presents the unemployment rate over the same period.

Figure 1: Richmond MSA Employment – Long Term

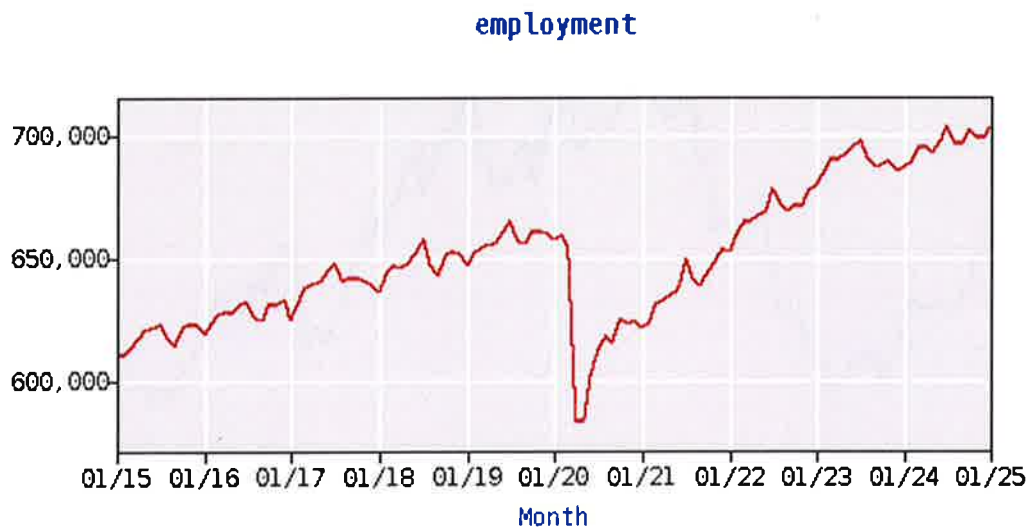


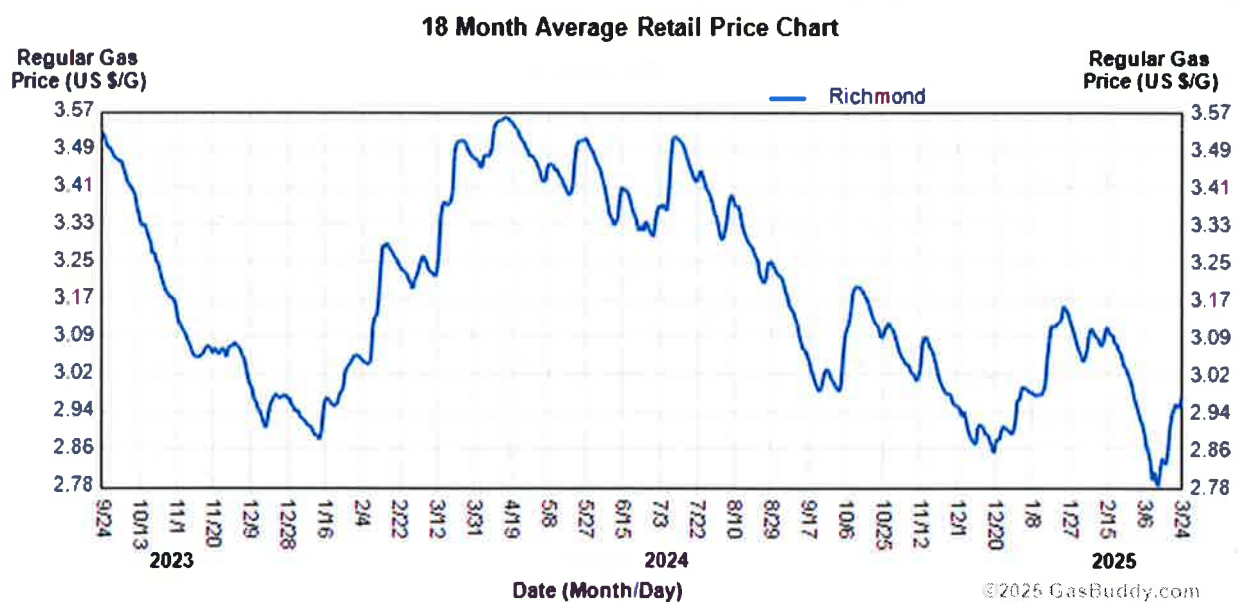
Figure 2: Unemployment Rates – Long Term



Gas Prices

For the FY26 forecast, it is projected that gas prices will continue to decline across much of the country, raising the possibility that the national average could slip below \$3 per gallon and approach some of the lowest prices seen in years. As of March 2025, the national average gas prices were approximately \$3.13. Richmond gas prices have been generally below those of the United States as a whole and are averaging \$2.95.

Figure 3: Price of Gasoline over the Past 36 months



Long-Term Financial Plan

Long-Term Financial Plan Overview

The Authority works closely with its Traffic and Revenue Consultant and Consulting Engineer to develop a long-term financial plan for the Expressway that incorporates historical trends and assumptions regarding future traffic patterns, customer service demands, operating costs, debt requirements, and future capital needs. As stated in the Authority's financial policies, toll rate adjustments and borrowing decisions are identified within the context of the long-term financial plan.

The following contains a summary of the long-term financial plan with a focus on the current and next six fiscal years. These conservative projections incorporate a sustained impact of the COVID-19 pandemic on commuting and traffic patterns. The projections are used for planning purposes only and may differ from actual results.

Current and Next Six Fiscal Year Projections (in millions)

	FY2026 Budget	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032
Tolls	\$ 51.1	\$ 56.7	\$ 57.5	\$ 58.3	\$ 58.9	\$ 59.4	\$ 60.0
Other	1.4	1.4	1.4	1.4	1.4	1.4	1.4
Total revenue	52.5	58.1	58.9	59.7	60.3	60.8	61.4
Operating expense	(20.8)	(21.2)	(21.7)	(22.1)	(22.5)	(23.0)	(23.4)
Net revenue	31.7	36.9	37.2	37.6	37.8	37.8	38.0
Debt service	(9.8)	(9.8)	(9.8)	(9.8)	(9.8)	(9.8)	(9.8)
Available for capital	\$ 21.9	\$ 27.1	\$ 27.4	\$ 27.8	\$ 28.0	\$ 28.0	\$ 28.2
Projected DSCR	3.23	3.77	3.80	3.84	3.86	3.86	3.88

Toll Rates and Debt Issuance

The Authority's FY 2026 budget is based upon toll rates that were last increased in September 2023. The rates are \$.90 for EZ pass customers, and \$1.00 for cash customers. Starting in January 2026 the Authority is implementing all electronic tolling along with pay by plate processing. The budget and projections represent the increase in anticipated revenues and associated expenses for the conversion. The timing and extent of future rate adjustments will continue to be analyzed as projections are updated and revised based on actual results. The Authority has no plans to issue additional debt currently.

Debt Service Coverage Ratio

Debt service coverage ratio (DSCR) is an important consideration in the Authority's long-term financial planning efforts. The amount by which DSCR exceeds 1.00 illustrates the potential cash funding for capital, minimizing the need for borrowing. The Authority's bond resolution requires a DSCR of 1.20; a ratio below this level could place the Authority's bonds in default. As illustrated in the projections above, the Authority expects to continue meeting its DSCR requirements for the foreseeable future.

Credit Rating

The confidence of financial markets in the Authority's performance is best illustrated through its credit rating. In October 2011, the Authority received credit ratings on its Series 2011-D Expressway revenue refunding bonds from three major credit rating agencies: Fitch, Moody's, and Standard & Poor's. This was the first time the Authority sought credit ratings from all three agencies.

Each rating agency periodically reviews the Authority's performance to determine if a rating action is needed. In FY2024, Fitch upgraded the Authority's rating from A to A+, citing the Authority's stable traffic, rate making flexibility, limited debt needs, and healthy infrastructure as key rating drivers.

Moody's	S&P	Fitch
Aaa	AAA	AAA
Aa1	AA+	AA+
Aa2	AA	AA
Aa3	AA-	AA-
A1	A+	A+
A2	A	A
A3	A-	A-
Baa1	BBB+	BBB+
Baa2	BBB	BBB
Baa3	BBB-	BBB-

Lower ratings are non-investment grade

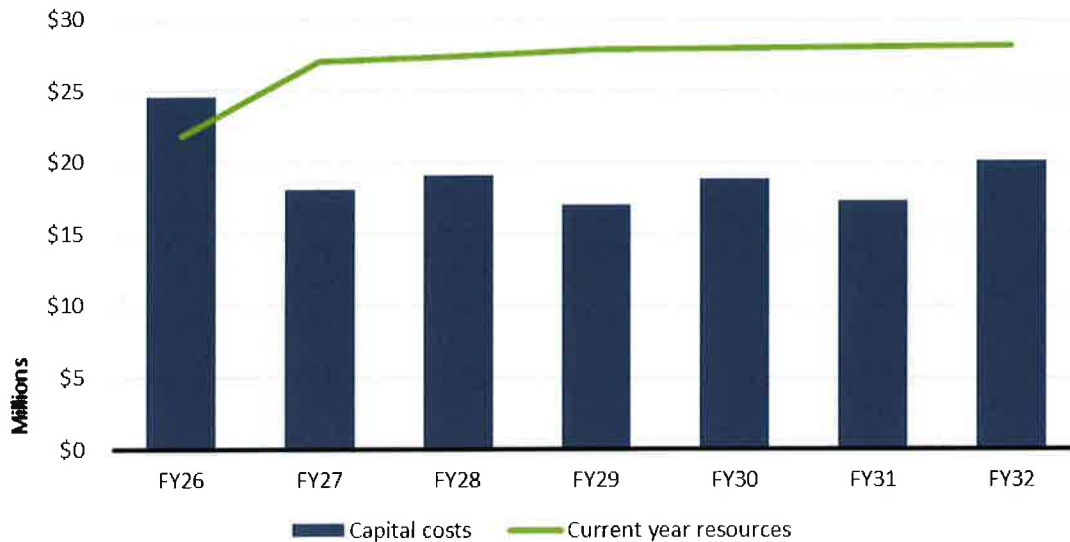
For reference, a summary of the rating scale for each rating agency (from highest to lowest):

Capital Plan Funding

Capital needs must be compared to available resources to ensure capital funding is sufficient. In accordance with adopted financial policies, the Authority's goal is to have cash balances on hand as of June 30th to fully fund the next fiscal year's Capital Budget.

The following table and graph compares projected amounts available for capital after payments for operations and debt service against budgeted capital costs (in millions):

	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032
Prior available for capital	\$ 6.5	\$ 3.8	\$ 12.8	\$ 21.1	\$ 31.9	\$ 41.1	\$ 51.8
Current available for capital	21.9	27.1	27.4	27.8	28.0	28.0	28.2
Debt issuance	-	-	-	-	-	-	-
Use of reserves	-	-	-	-	-	-	-
Capital budget	(24.6)	(18.1)	(19.1)	(17.0)	(18.8)	(17.3)	(20.1)
Available for future capital	<u>\$ 3.8</u>	<u>\$ 12.8</u>	<u>\$ 21.1</u>	<u>\$ 31.9</u>	<u>\$ 41.1</u>	<u>\$ 51.8</u>	<u>\$ 59.9</u>



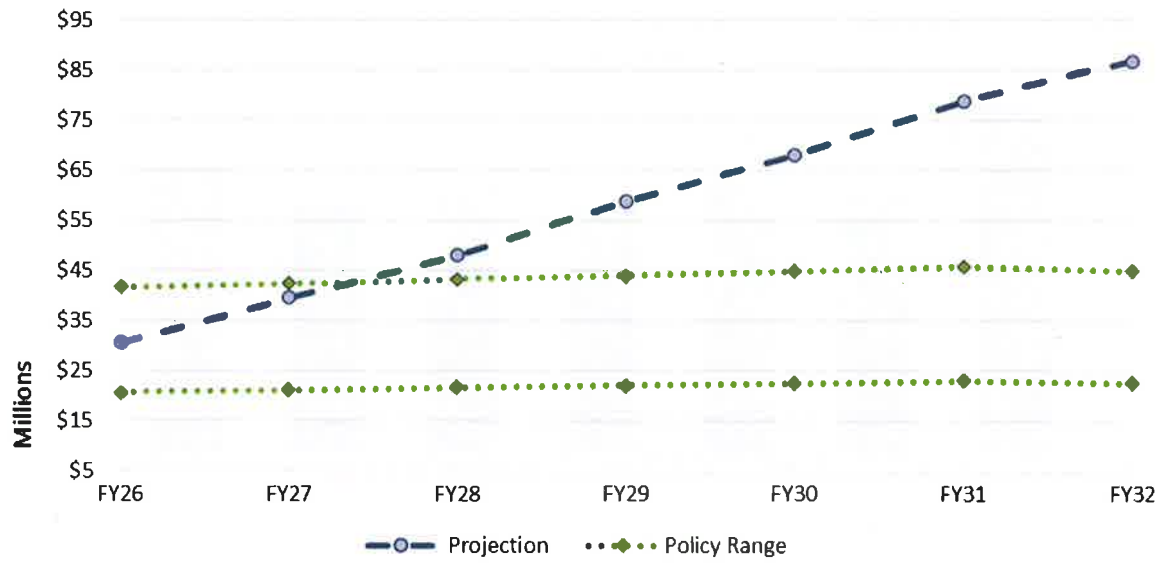
Excess Balances Overview

For budgetary purposes, fund balance or fund equity is defined as the cumulative difference between revenues and expenses over time. For the Authority's Expressway System, this cumulative difference is best represented by the Excess Balances fund. The Excess Balances fund was established by the Authority's bond resolution and provides the only reserves available for the Expressway System with capital assets valued in excess of \$350 million.

After making required payments to fund operations, debt service and related reserves and the Capital Budget, any remaining revenue is transferred to Excess Balances at fiscal year-end. The Authority's financial policies establish the maintenance of a balance of between one and two years of the annual Expressway System operating budget in the Excess Balances fund. Any amounts drawn from Excess Balances requires the approval of the Board of Directors.

Actual and Projected Changes to Excess Balances (millions)

These projections are used by the Authority for planning purposes only. Future projections are based on cash balances on hand and may differ from actual results due to changes in revenue, operating expenses, or capital estimates, as well as the timing of cash receipts and payments.



The use of reserves is driven by the difference between capital cost estimates, operational expenses, and available revenue.

Department Budgets

Expressway Operations

Description

Expressway Operations is responsible for collection of toll revenue, facility maintenance, managing and optimizing traffic flow, safety, and mobility on our roadways. This involves a wide range of activities, from monitoring traffic conditions in real-time to implementing various strategies and technologies to improve traffic flow, reduce congestion, and enhance safety. The Authority's Expressway System is comprised of the Powhite Parkway, Downtown Expressway, and Boulevard Bridge.

The Authority began its modernization of the toll road by implementing the ORT lanes and continues with the active transition to All Electronic Tolling (AET), with phase 1 Powhite Parkway. Transitioning to AET requires updating the toll collection process and moving toward image-based transactions. This will be accomplished with the award of the RFP for the Toll Collection Services (TCS).

Priorities

1. Provide efficient and convenient toll collection methods
2. Provide a high level of customer service
3. Increased safety awareness

Performance Measures

Priority	Objective	Performance Measure	Result
1	Ensure public awareness of tolling programs and practices	Growth of E-ZPass penetration rates	FY22 74.7% FY23 76.7% FY24 77.3%
2	Improve customer service experience.	Leverage technologies to improve operations and reduce the cost to collect. Offer fair and sustainable options to pay.	Award TCS (Toll Collection Services) Contract. Pay-By-Plate and increase E-ZPass Penetration
3	Safety Awareness	Increased Internal and External Communications & Conversations	Safety Committee Re-established. Agency participation in Global Road Safety Week

Toll Collection	FY2024	FY2025	FY2026	FY2025 to FY2026	
	Actual	Budget	Budget	\$	%
Compensation and Benefits	\$ 3,374,193	\$ 3,806,506	\$ 3,355,904	\$ (450,601)	-11.8%
Operating	8,120,205	8,995,365	10,322,199	1,326,833	14.8%
Total	\$ 11,494,398	\$ 12,801,871	\$ 13,678,103	\$ 876,232	6.8%

Maintenance	FY2024	FY2025	FY2026	FY2025 to FY2026	
	Actual	Budget	Budget	\$	%
Compensation and Benefits	\$ 255,810	\$ 407,072	\$ 246,827	\$ (160,245)	-39.4%
Operating	1,211,321	2,261,480	2,455,400	193,920	8.6%
Total	\$ 1,467,131	\$ 2,668,552	\$ 2,702,227	\$ 33,675	1.3%

Total Expressway Operations	FY2024	FY2025	FY2026	FY2025 to FY2026	
	Actual	Budget	Budget	\$	%
Compensation and Benefits	\$ 3,630,003	\$ 4,213,578	\$ 3,602,732	\$ (610,846)	-14.5%
Operating	9,331,525	11,256,845	12,777,599	1,520,753	13.5%
Total	\$ 12,961,529	\$ 15,470,424	\$ 16,380,330	\$ 909,907	5.9%

Financial Summary

FY2026 overall operating costs increased due to increases in violation processing, toll system maintenance expense and an increase to E-ZPass processing costs due to the increase in traffic volume and increased road maintenance cost.

Highlights

The Authority is continuing to modernize its Toll System. This will allow the opportunity to overcome maintenance of Multiple Toll Technologies and to Increase Safety with an end result of being an All-Electronic Tolling system. Electronic tolling reduces emissions and is more cost-effective than manual collection.

The first phase is Powhite which is scheduled to go live next fiscal year. After several months of planning, surveying and procuring the larger equipment items the project team, that includes RMTA Staff, Consultants and the Tolling Integrator worked collaboratively to kick off the project. The Authority then sought to identify the team to execute the vision by advertising an Invitation for Bid (IFB) for the ITS Civil Service & Gantry Erection. It was awarded in March 2025 and received Notice to Proceed (NTP) in April 2025. In the background, the project team began procuring large pieces of equipment in advance of anticipated tariffs. Since its initial implementation in 1999, customers continue to utilize E-ZPass as the preferred method of payment on the Authority's Expressway System with a consistent average penetration rate of 77.3%. The Authority anticipates increased adoption with the modernization of the toll system, which will primarily use transponders and the pay-by-plate method.

Modernizing the toll system requires the Toll Collection Services (TCS) to be updated as well. After peer exchanges and industry interviews, a comprehensive scope was written, and a draft was posted for comment. Upon receipt, feedback was reviewed and incorporated into the final scope

for the TCS RFP which was advertised in March and planned to award and issue an NTP by May 2025. The Authority looks forward to partnering with a vendor that will provide customers with multiple options to pay.

The Authority completed the Express Lanes transition to the new A-to-Be Open Road Tolling (ORT) system last fiscal year resulting in a modernized toll collection system, transmitting all electronic toll transactions and image-based transactions to the VDOT customer service center. The system was accepted in January 2025 and is in maintenance.

A-to-Be will install the AET lane equipment. Additionally, they will install equipment in the traditional lanes and ramps to capture tolls in the same manner resulting in “AET Lite”. Lastly, they have also provided a cash lane solution that assists the Authority with navigating the challenges of the traditional lanes system that is at the end of its useful life.

The Authority manages toll system maintenance, which consists of traditional equipment (Cash and Automatic Coin Machines) and Electronic Tolling Collection equipment (ETC) for the Open Road Tolling (ORT) Lanes with continued oversight of each integrator. The traditional lanes system integrator, The Revenue Markets, Inc. (TRMI), and the ETC system integrator A-to-Be, as well as the Authority’s toll system maintenance team.

The Authority’s dedication to its customers, regional stakeholders and member jurisdictions is further evidenced by its continued commitment to ensuring the final toll system design meets all system requirements, safeguarding revenue, and capital project funds.

As a result of the diligent work of the Maintenance employees, the Authority had no slip and fall incidents resulting in worker’s compensation claims during the winter months in FY2025.

This was the seventh year the Authority would oversee its own snow and ice removal operations previously performed by VDOT. The table below details the number of events and annual costs associated with each fiscal year. Annual cost for snow and ice removal services are depended upon several variables – duration of event, severity of event, the amount of equipment and equipment operators needed to adequately respond to the event and whether or not pre-treatment and post-treatment of the roadways is necessary.

The current snow and ice removal services contract includes dedicated snowplows and operators to ensure adequate and timely responses to winter weather events without competing for resources with other agencies. Additionally, through existing contract mechanisms with our Incident Response vendor, we have deployed them to assist with the Boulevard Bridge snow removal. This proved to be helpful when coordinating with Richmond Police Department and Richmond’s Department of Public Works to reopen the bridge, which is typically closed for safety reasons related to the approaches being icy, in a timelier manner.

Over the previous three years, the unit costs for these services have continued to increase as illustrated in the table below, see FY 2025 total costs.

Fiscal Year	# of Snow/Ice Events	Total Cost
FY 2023	2	\$ 1,600
FY 2024	1	\$52,350
FY 2025	4	\$405,351

Operations continue to staff additional lanes at the mainline plazas during morning and evening rush hours, when staff is available. We have explored and found some success by creating new and different shifts, create different shifts to attract new employees and have also reduced overtime.

Administration

Description

The Chief Executive Officer leads the organization, providing operational direction for the execution of policies established by the Board of Directors and for advising and recommending actions to the Board to meet the organization's needs. The CEO is the face of the organization in working and collaborating with local jurisdiction stakeholders and various transportation related partners.

Administration provides support services necessary to the Authority's daily operations, primarily through information systems and administrative support. Administration is also responsible for coordinating all external communications through RMTA-owned channels and media relations. For budgetary purposes, internal audit and procurement functions are also classified under Administration.

Priorities

1. Develop RMTA's new strategic plan
2. Coordinate all external communications with customers and media
3. Provide operational support through information technology services
4. Conduct internal audit reviews of Authority processes and procedures
5. Oversee the procurement and contractual process

Performance Measures

Priority	Objective	Performance Measure	Result
1	Determine the direction for the organization over the next three years	Develop and approve a new RMTA strategic plan	Contracted a consultant to lead the organization through the strategic plan process; executed board and staff input sessions; process expected to be completed in Q2 2025
2	Manage the Authority's relationship with the community	Regular monitoring and updates of Facebook, Instagram, LinkedIn, X, Info Line, and website; Implementation of community initiatives; Create communications plan to drive awareness of modernization efforts	Timely updates are communicated via social channels, the website and to media; Regular content is produced for social; Staff regularly monitors Info Line for customer questions; Executed River City Half Marathon sponsorship; Developed AET communications plan
3	Provide necessary IT services to support organization operations	Necessary devices, network access,	Upgraded all users to Microsoft Office 365; ensures staff has to RMTA network; Upgraded staff laptops and desktops; Converted plaza security cameras to new system

4	Routinely examine internal processes and procedures to ensure compliance and safekeeping of Authority assets	Number of internal audit examinations and related findings	<u>FY22</u> 4 internal reviews performed – no significant findings <u>FY23</u> 2 internal reviews performed – no significant findings
5	Manage the procurement process for all contracts	Number of contracts signed with oversight by the Internal Audit and Procurement Manager	<u>FY22</u> 7 contracts with value of \$10.3 million <u>FY23</u> 8 contracts with value of \$18 million <u>FY24</u> 8 contracts with value of \$8 million

Financial Summary

Administration	FY2024	FY2025	FY2026	FY2025 to FY2026	
	Actual	Budget	Budget	\$	%
Compensation and Benefits	\$ 785,596	\$ 975,814	\$ 1,443,984	\$ 468,170	48.0%
Operating	498,203	888,255	934,100	45,845	5.2%
Total	\$ 1,283,799	\$ 1,864,069	\$ 2,378,084	\$ 514,015	27.6%

FY 2026 compensation and benefits costs increased primarily due to the addition of eleven positions associated with the planned conversion to AET in December 2025, and increases in salaries, healthcare premiums, and retirement contributions. FY 2025 operating expense increased primarily due to an increase in community outreach expenses.

Highlights

The Administration Department played a key role in advancing several strategic, communications, technology, and operational initiatives that support RMTA's mission and long-term vision. One of the most significant efforts was the development of RMTA's next three-year strategic plan. This process included gathering input from both the Board and staff to shape a new mission statement, define core values, and establish key priorities that will guide the Authority in the years ahead.

The Communications department continued to expand RMTA's reach and visibility through consistent updates on roadway conditions and Authority news shared across social media platforms and the RMTA website. The team developed and launched a comprehensive communications plan to support the transition to AET. The plan focuses on informing and engaging multiple audiences, including employees, Board members, regional leaders, customers, and peers in the transportation industry. In addition, Communications led RMTA's sponsorship activation for the River City Half Marathon, held in celebration of the 100-year anniversary of the Boulevard Bridge. This sponsorship created an opportunity for community engagement and to share information about the Authority. The department also began the early phases of an RMTA rebrand, including updates to the logo and brand colors to align with the new strategic direction.

The Information Technology department devoted a substantial portion of its time and resources to supporting the AET project. Working closely with consultants Atkins and A-to-Be, the team ensured RMTA's infrastructure could handle the increased data demands and maintain seamless communication between tolling equipment and RMTA's network. Beyond AET, the department

completed several key upgrades, including transitioning all users to Microsoft Office 365, replacing all staff laptops and desktops, and migrating RMTA's security camera systems to Johnson Controls ExacqVision at all plazas and ramps. IT also continued to support hybrid and telework staff with secure network access and made ongoing enhancements to the Authority's website.

The Internal Audit and Procurement functions remained focused on maintaining operational efficiency and transparency. Since the addition of procurement oversight in FY 2016, this team has streamlined processes and centralized contract management, providing staff with greater awareness of expiring contracts and creating a single point of contact for vendors. In FY 2024, approximately eight contracts were signed, totaling \$4 million. The department also expanded its scope to include Revenue Assurance, implementing new controls and data quality measures to reduce risk and prevent revenue loss. To explore industry innovations and cost-saving opportunities, a Request for Information was conducted with 18 vendors. As a result, a Request for Proposals was issued to secure a new back-office system provider.

Together, these efforts underscore the Administration Department's ongoing commitment to supporting RMTA's strategic goals, operational readiness, and service to the Richmond region.

Engineering

Description

Engineering provides the expertise required to preserve existing assets and facilities as directed by the Authority's bond covenants. Engineering considers the most sustainable, efficient and cost-effective approaches possible when planning for the future needs and demands of the Authority's assets.

Priorities

1. Maintain assets through preventative maintenance and rehabilitation.
2. Develop a comprehensive and cost-effective asset preservation plan.

Performance Measures

Priority	Objective	Performance Measure	Result
1	Perform annual inspections to timely identify asset needs	Annual facility inspections	FY24 100% complete FY25 100% complete FY26 5% complete FY27 0% complete
1,2	Maintain bridges at or above the established condition level	% of bridges rated below Federal Highway Administration (FHWA) condition rating of 5	FY22 0% FY23 0% FY24 0% FY25 0%
1,2	Maintain pavement at or above the established condition level	% of pavement with a PCR score less than 40	FY22 0% FY23 0% FY24 0% FY25 0%

Financial Summary

Engineering	FY2024 Actual	FY2025 Budget	FY2026 Budget	FY2025 to FY2026 \$	%
Compensation and Benefits	\$ 184,427	\$ 348,356	\$ 223,259	\$ (125,098)	-35.9%
Operating	36,302	36,525	7,100	(29,425)	-80.6%
Total	\$ 220,729	\$ 384,881	\$ 230,359	\$ (154,523)	-40.1%

FY 2026 compensation and benefits costs decreased primarily due to the transfer of one position to Operations management offset by budgeted salary increase and the increase in health insurance costs.

Highlights

The Maintenance and Repair 2022 (MR-22) was completed in early FY 2024. Once again, due to the reduced traffic volumes and revenue during 2021 caused by the COVID-19 pandemic, the RMTA revised the Miscellaneous Repair 2022 project to include only critical repair items affecting the Authority's assets' condition ratings. All non-critical repair items were rescheduled to a future Miscellaneous Repair project. The main items addressed in the MR-22 project include steel repairs, concrete protective coatings, shotcrete repairs and bridge joint repairs.

The Maintenance and Repair 2023 (MR-23) was completed in late FY 2024. The MR-23 project included the same repair items typical to all Authority MR projects. However, in MR-23 the Authority included some of the non-critical repair items that were delayed in earlier MR projects due to the previous fiscal years' reduced funding.

Maintenance and Repair 2024 (MR-24) began in early FY 2025 and is anticipated to be completed by the close of FY 2025. Included in this project are many of the non-critical steel repairs that were previously identified but unable to be completed due to budget constraints caused by the COVID-19 pandemic. These include multiple bearing realignments, sole plate welds, deck scuppers and downspout repairs and other non-critical repairs on several of the Authority's bridges. The project also includes pavement line striping and lane marking replacements, asphalt crack sealing, bridge deck joint repairs and drainage structure repairs.

Maintenance and Repair 2025 (MR-25) will be based on items identified in the FY 2025 annual bridge inspections and will have a major emphasis on steel super structure repairs required to ensure bridge ratings stay at or above 6. Items typically found in MR contracts, such as crack sealing and concrete repairs will also be included. Procurement for MR-25 is scheduled for early FY 2026

The Authority has continued to maintain all assets above policy thresholds as set by the Authority's Board of Directors. During the FY 2025 assets inspections, condition ratings were maintained due to work completed during the last MR project. Currently, approximately 80% of the Authority's bridges have a condition rating of 6 or above. A condition rating of 6 is defined as all structural elements are sound with minor deterioration. All Authority assets remain in a "State of Good Repair" as required by the Authority's Bond indenture. Staff continues to assure the continued structural integrity of all its assets, including 36 bridges, 2 culverts, 50.2 lane-miles of pavement and various ancillary structures. RMTA's bridge management and pavement preservation program focuses on a planned strategy of cost-effective treatments to be performed to maintain bridges and pavement in good condition, preserve existing bridge elements or component conditions and retard future deterioration. Appropriate timing of planned preservation treatments and activities extend useful life of the assets at an overall lower lifetime cost.

The Authority resurfaced the north approach pavement at the Boulevard Bridge early in FY 2024. The FY 2023 annual pavement inspection identified this section of pavement to be in fair condition.

The pavement was resurfaced with Hot Mix Asphalt (SM-9.5E) and is now in excellent condition with a condition rating score of 100. The pavement inspection for the system has been completed for FY 2025 and the overall weighted average pavement condition score is 79.52 for the entire Expressway System.

The Authority has completed the Express Lanes transition to the new A-to-Be Open Road Tolling (ORT) system, resulting in a modernized toll collection system, transmitting all electronic toll transactions and image-based violation transactions to the VDOT customer service center. Authority staff and A-to-Be have finalized as-built documentation and system acceptance. The maintenance phase of the system began mid FY 2025. The Authority's dedication to its customers, regional stakeholders and member jurisdictions is further evidenced by its continued commitment to ensuring the final toll system design meets all system requirements, safeguarding revenue, and capital project funds.

Protective Coating (PC) 2023 was advertised and awarded by the Authority during the summer of 2022. This project included the full bridge protective coatings for the bridges located on the Downtown Expressway, Route 146 and Powhite Parkway, 17 bridges in all. This project was finalized mid FY 2025 and completes the protective coatings work on the remaining Authority bridges, work that originally began FY 2018. Over 1 million square feet of steel was be blasted and newly painted with a three-part zinc epoxy protective coating system under this contract. The project was completed by the Authority's contractor ahead of schedule and within budget despite delays encountered due to scheduling issues with multiple railroads and public utility repairs identified by the contractor. This project demonstrated the Authority's dedication to the appropriate timing of planned preservation treatments that help extend the life of its major assets in the most cost-effective manner possible.

The Authority continues to review the capital budget, making adjustments based on the annual facility inspection reports and condition assessments. Over the past year staff has adjusted the long range capital plan to include anticipated capital needs through FY 2041, including the addition of several missing items such as toll system expansions and upgrades, buildings and facility repairs and renovations, and cyclical preventative maintenance activities such as full protective bridge coatings, bridge deck overlays and mill & asphalt overlays. These cyclical preventative maintenance activities provide a planned strategy of cost-effective treatments to keep bridges and pavement in good condition, retard future deterioration and avoid large expenses such as reconstructions and/or full replacements of assets. Additionally, the Authority utilizes the AASHTO Bridge Management analytics software ("BrM") to assist with short and long range capital planning. The Authority has been utilizing this software tool since 2015/2016 in support of its capital plan. Using the predictive analytics based on annual inspection data allows the Authority to model the future inventory condition with multiple construction scenarios. Future system conditions can be projected based on anticipated available funds or preset allocations for various preservation and rehabilitation work. Capital program optimization can also be project specific at the bridge level or at the network level. As a result, the Authority's capital program aligns bridge level strategy decisions supported by life-cycle costs analysis and also aligns with the Authority's values for maintaining safety, mobility, inventory condition ratings at the lowest possible costs.

Finance

Description

Finance plans, organizes, and directs the financial activities of the Authority including note and bond financing, investment management, accounting, financial analysis, risk management, cash management, financial reporting and annual budgeting. Finance also provides fiscal operation support through the accounts payable, accounts receivable and payroll functions.

Priorities

1. Ensure fiscal compliance with financial policies, bond indentures, and other agreements
2. Establish and maintain an effective internal control environment
3. Prepare financial reports that are useful, timely and accurate

Performance Measures

Priority	Objective	Performance Measure	Result
1,2,3	Receive an unmodified ("clean") audit opinion	External auditor's audit opinion	<u>FY23</u> Unmodified <u>FY24</u> Unmodified
1,2,3	Obtain the GFOA Financial Reporting Award	Consecutive years receipt of award	FY24 submitted, we anticipate receiving award

Financial Summary

Finance	FY2024 Actual	FY2025 Budget	FY2026 Budget	FY2025 to FY2026 \$	%
Compensation and Benefits	\$ 481,756	\$ 522,098	\$ 548,589	\$ 26,491	5.1%
Operating	840,223	703,330	760,900	57,570	8.2%
Total	\$ 1,321,978	\$ 1,225,428	\$ 1,309,489	\$ 84,061	6.9%

FY 2026 compensation and benefits costs increased primarily due to increased salaries, healthcare premiums, and retirement contributions. FY 2026 operating expenses increased primarily due to increases in accounting and auditing services costs, accounting systems and services and traffic and revenue consulting service.

Highlights

Finance works closely with the CEO to identify revenue opportunities, implement cost savings, and improve financial reporting. Finance manages the portfolio of extensive investments to maximize returns while maintaining a conservative approach. Finance evaluates the Risk Management coverage annually for proper protection of RMTA assets and operational activities. Finance also communicates with the Traffic and Revenue consultant to monitor traffic statistics, revenues, funding, and overall financial performance.

Staff continues to attend online presentations on new Governmental Accounting Standards Board (GASB) pronouncements and access the impact they will have on the Authority. Additional reporting and analytics are provided to internal departments to assist in the management and decision-making process during the current environment.

Finance continues to provide accurate and excellent financial services as evidenced by receiving an unmodified ("clean") audit opinion on the Authority's' FY 2024 Comprehensive Annual Financial Report.

Finance managed the investment portfolio of the Authority with assets over \$70 million in FY 2025, ensuring maximum yields while maintaining security of funds.

In FY 2024, in a testament to the Authority's management, robust maintenance of capital assets, and sound financial stewardship, Fitch upgraded the Authorities rating of "A" to "A+" with a positive outlook for the Authority.

Finance is responsible for risk management of the Authority and annually reviews and updates insurance and liability coverages. In conjunction with the insurance provider, evaluations are made to ensure adequate asset protection is provided at the best premium rates.

In FY 2025, Finance continued with the financial system conversion project that started in FY 2024. This upgraded application will improve efficiency with a reduction in vendor cost. With the increase in working remotely, staff will also have the benefit of accessing the program via an easier configuration. Additionally, various internal processing costs will be reduced.

Human Resources

Description

Human Resources maintains a productive and highly-skilled workforce through recruitment, employment, compensation, benefits, employee relations and health and safety programs while ensuring compliance with laws and regulations.

Priorities

1. Maintain competitive compensation and benefit plans while managing costs
2. Prepare employees for transition to All Electronic Tolling
3. Promote a positive and efficient working environment through employee communication and recognition
4. Comply with federal, state and local regulatory mandates and requirements

Performance Measures

Priority	Objective	Performance Measure	Result
1	Assess staffing needs and ensure positions are filled	Appropriate, timely and effective staffing	Ongoing
1	Evaluate benefit plans with benefits consultant and providers to ensure packages are consistent with the marketplace	Annual review of benefit plans	March 2025
2	Work with Strategic Communications Manager to establish effective employee communications plan for AET	Town Hall meetings; develop frequently asked questions (FAQ) template	Ongoing
2	Evaluate and coordinate efforts to assist and prepare employees for AET transition: behavioral and cognitive assessments; skills training; partnerships with community partners for employment opportunities	Conduct one-on-one sessions with employees; complete behavioral and cognitive assessments	April – July 2025
		Training and development based on determined AET needs (i.e. RMTA back-office or other identified positions)	Ongoing
		Identification of businesses for staff placement	Ongoing
3	Evaluate employee engagement	Completion of engagement survey	June 2025

3	Conduct regular training and development programs/activities to enhance knowledge of employee policies and legislation	Supervisor/Manager Training	May 2025
3	Enhance Employee Recognition Program	“Spot” incentives for significant contributions to RMTA	Ongoing
		Celebrate employee milestones	December 2024
4	Review Personnel Policies and Procedures manual at least annually	Revise policy manual	June 2025

Financial Summary

	FY2024	FY2025	FY2026	FY2025 to FY2026	
Human Resources	Actual	Budget	Budget	\$	%
Compensation and Benefits	\$ 359,879	\$ 383,547	\$ 395,911	\$ 12,364	3.2%
Operating	76,822	92,625	122,800	30,175	32.6%
Total	\$ 436,701	\$ 476,172	\$ 518,711	\$ 42,539	8.9%

FY 2026 compensation and benefits costs increased due to planned salary increases and increased medical insurance costs. FY 2026 operating costs increased for employee engagement, training and development in preparation for the implementation of AET and the associated decrease in toll collectors.

Highlights

With an increased focus on preparing staff for the All-Electronic Tolling (AET) modernization, the Human Resources team continues to play a proactive role in supporting employees through this transition. HR is meeting individually with all employees—beginning with Toll Collection Attendants—to discuss their employment options, provide clarity around organizational changes, and share tailored resources for career development. Employees are also completing a behavioral assessment designed to identify individual motivators and strengths. This tool helps both HR and employees better understand where each team member may best fit within the organization once AET is fully implemented. These efforts reflect HR’s commitment to providing compassionate, informed support while ensuring every employee is empowered with the knowledge and tools to successfully navigate the transition.

In FY25, employee engagement, enlightenment, and recognition remained a top priority for the Human Resources team. A series of intentional strategies were implemented to foster connection, transparency, and appreciation across the organization. HR strengthened its presence through regular and impromptu “touch points” with employees, fostering approachability and open communication. We held Zoom-based training sessions to deliver mandatory safety and policy updates for all RMTA employees. HR committed to intentional communication, including: increased frequency of town hall; monthly wellness emails with health tips, resources, and support tools; employee feedback channels through surveys and open-dialogue sessions. We hosted several “Lunch & Learn” sessions, covering key topics such as: Financial Literacy, Mental Wellness,

HSA Accounts and Retirement Planning. At the annual Employee Recognition Luncheon, HR proudly recognized the significant contributions of a Toll Road Superintendent and celebrated 12 employees for their longstanding dedication (ranging from 5 to 35 years of service). We assisted the OneRMTA Committee in organizing a festive holiday party at SKYBOX. HR marked a momentous occasion by celebrating the retirement of a toll employee after an incredible 43 years of service. These efforts reflect HR's ongoing commitment to building a workplace culture grounded in connection, celebration, and support during a time of significant organizational change.

Training and development continued to be a strategic priority for the Human Resources team, with efforts focused on strengthening leadership capabilities, ensuring policy compliance, and staying current with evolving employment legislation. HR played a key role in planning and supporting the Executive Staff Team Building and Management Training held in the fall. This session focused on enhancing collaboration, leadership effectiveness, and strategic alignment across the organization's leadership team. A comprehensive Supervisor and Manager Training was held in the spring, offering an engaging, in-person experience. Core topics included: Change Management, Employment Law, Safety & Risk Management, and Mental Wellness. HR actively participated in quarterly Operations Supervisor meetings, providing training on HR policies and procedural updates to ensure operational consistency and compliance. Human Resources staff attended multiple conferences, training seminars, and workshops throughout the year. These sessions focused on the implications of new state and federal employment legislation and their potential impact on RMTA policies and practices.

Benefits consultant, OneDigital, worked with HR staff to facilitate a virtual Open Enrollment, with a 12% premium increase for FY26. The Board has announced that RMTA will continue providing contributions to employee Health Savings Accounts (HSA), reinforcing its commitment to employee well-being and financial support. In addition, OneDigital will maintain its partnership with the HR team to assist with health and wellness surveys and events in FY26.

The Human Resources department has increased its visibility and engagement by expanding recruitment efforts across multiple channels. HR enhanced its digital footprint to attract a broader and more diverse candidate pool by sharing job opportunities, organizational culture, and employee highlights on platforms like LinkedIn and Instagram. Recruitment postings have been extended to include local colleges and high schools, with a special focus on graduating seniors, supporting early career pathways and workforce development in the community.

Human Resources is committed to maintaining a well-informed team, minimizing legal risk, and ensuring organizational adherence to all applicable laws. HR staff participates in regular training and review sessions to stay up-to-date with critical regulations, including: Fair Labor Standards Act (FLSA), Family and Medical Leave Act (FMLA), Workers' Compensation Act, Americans with Disabilities Act Amendments Act (ADAAA), and Equal Employment Opportunity Commission (EEOC) requirements. This consistent focus on regulatory review ensures that RMTA remains compliant with both federal and state labor laws, helping to mitigate risks and uphold the organization's commitment to fair, equitable, and legally sound practices.

Budget Details

As shown in the previous section, expense budgets by department are developed to track costs by the Authority's main functions. To comply with bond indenture requirements and accounting principles, the Authority must separate department budgets or budgets by funds.

As discussed in the Fund Structure, Basis of Accounting and Budgeting, and Budget Process section, the Authority administers three enterprise funds: Expressway, Expressway Repair and Contingency (Capital), Central Administration. The Expressway Repair and Contingency budget is presented as the Expressway Capital Budget in this document.

A summary of the FY 2025 operating budget by department and a crosswalk to the budgets by fund can be found below.

	Expressway	Central Administration	Total
Toll Collection	\$ 13,678,103	\$ -	\$ 13,678,103
Maintenance	2,702,227	-	2,702,227
Administration	232,000	2,146,084	2,378,084
Engineering	-	230,359	230,359
Finance	685,300	624,189	1,309,489
Human Resources	-	518,711	518,711
	\$ 17,297,630	\$ 3,519,343	\$ 20,816,973

	Expressway	Central Administration	Total
Total Budget by Fund	\$ 20,296,386	\$ 3,519,343	\$ 23,815,729
Central Admin Allocation	(2,998,756)	-	(2,998,756)
	\$ 17,297,630	\$ 3,519,343	\$ 20,816,973

- (1) Central Administration costs are recovered by allocating Central Administration expenses to the Authority's operating activity and capital plan. The allocation is based on estimated employee efforts towards the management of the Authority's operating activities and capital plan and is reviewed annually during budget development.

The following pages present a line-item detail budget by fund with a discussion of significant line-item variances. Additional discussion can be found in the Department Budget section.

Expressway Fund Budget

Description

The Expressway fund is used to account for all ongoing Expressway System operations, including toll collection and maintenance. The Expressway System is comprised of the Powhite Parkway, Downtown Expressway, and Boulevard Bridge, providing a vital urban transportation link for the Richmond metropolitan area.

Significant Budgetary Changes

- *Toll Revenue:* Year to date toll revenue in FY 2025 is projected to be greater than budget by approximately 1.5% due traffic volume that were higher than projected. The budgeted toll revenue for FY 2026 is .5% less than the FY 2025 budget. This is primarily due to the planned implementation of AET and Pay by Plate processing in December 2025. We anticipate a delay in the collections of certain revenues due to the billing and collection process.
- *Compensation and benefits:* Compensation and benefits expense decreased in FY 2026 due to the planned decrease in toll collection personnel offset by the addition of eleven new positions associated with the AET and Pay by Plate processing. This is offset by increases in salaries and healthcare premiums.
- *E-ZPass processing fees:* The FY 2026 budget includes a 11.9% increase based on increased traffic volume and the anticipated increase in E-ZPass utilization rate and the initial processing of pay by plate transactions.
- *Violation enforcement fees:* The FY 2026 budget includes a (52.8%) decrease based on planned conversion to pay by plate processing. This is offset by new costs for the billing and collection services associated with pay by plate processing.
- *Annual Road Maintenance – Roadways:* FY 2026 includes increases for the general maintenance of the expressway system due to contractual CPI increases and the increase in scope of the toll system maintenance associated with the AET conversion, along with increases for increases in snow removal expense. The budget anticipates 6 snow removal incidents in fiscal year 2026.

Toll System Maintenance: FY 2026 includes an increase for the toll system maintenance. This is primarily due to the new system coming off its warranty period and the increase in scope of the toll system maintenance associated with the AET conversion.

Expressway	FY2024 Audited	FY2025 Budget	FY2025 Projected	FY2026 Budget	FY2025 to FY2026	
					\$	%
Revenue						
Toll Revenue	\$47,642,378	\$49,360,000	\$50,009,000	\$47,161,000	\$ (2,199,000)	-4.5%
Toll Revenue PBP				2,287,200	\$ 2,287,200	0.0%
Violation Enforcement - CSC	-	346,000	-	-	(346,000)	-100.0%
Violation Enforcement - Courts	2,170,640	1,200,000	2,338,615	500,000	(700,000)	-58.3%
Toll Payments - Collections	447,362	420,000	74,364	1,107,000	687,000	163.6%
Parking Lot Rentals	48,197	54,000	58,851	58,000	4,000	7.4%
Interest Income	1,024,672	700,000	1,293,866	1,300,000	600,000	85.7%
Miscellaneous Income	1,208	-	-	1,000	1,000	0.0%
Total Revenue	\$51,334,457	\$52,080,000	\$53,774,696	\$52,414,200	\$ 334,200	0.6%
Toll Collection						
Regular Pay	\$ 2,307,027	\$ 2,627,883	\$ 2,401,084	\$ 2,238,693	\$ (389,189)	-14.8%
Overtime	301,321	207,717	308,922	157,407	(50,309)	-24.2%
Payroll Taxes	195,186	216,923	201,883	176,646	(40,277)	-18.6%
Retirement	37,090	46,635	18,484	41,237	(5,398)	-11.6%
Health Insurance	484,817	652,939	578,510	591,796	(61,143)	-9.4%
Group Life Insurance	28,079	29,281	19,737	23,772	(5,509)	-18.8%
Long Term Disability	3,127	2,953	2,796	9,852	6,899	233.6%
Unemployment Benefits	3,527	5,150	9,179	100,000	94,850	1841.7%
Uniforms	2,294	4,025	6,544	6,500	2,475	61.5%
Employee Mileage	11,725	13,000	12,073	10,000	(3,000)	-23.1%
Compensation and Benefits	3,374,193	3,806,506	3,559,212	3,355,904	(450,601)	-11.8%
E-ZPass Processing Fees	3,925,990	4,000,000	4,033,301	4,477,743	477,743	11.9%
PBP Processing				979,226	979,226	0.0%
Violation Enforcement - CSC	2,739,090	2,470,923	2,103,487	1,166,617	(1,304,306)	-52.8%
Collections Service	1,800	10,000	1,286	820,030	810,030	8100.3%
Armored Transport & Coin						
Counting	1,800	115,001	69,466	92,001	(23,000)	-20.0%
Toll System Maint. - A-to-Be /Tran	76,759	902,081	600,000	1,600,000	697,919	77.4%
Toll System Maint. - TRMI	-	1,111,496	1,104,680	763,381	(348,115)	-31.3%
Currency Counter Maintenance	1,061,590	3,864	-	8,000	4,136	107.0%
Security System	4,819	14,000	11,328	14,000	-	0.0%
Traffic Camera Hosting	-	2,500	2,028	2,500	-	0.0%
Utilities	2,582	190,000	153,207	209,000	19,000	10.0%
Toll System Parts and Supplies	200,223	125,000	63,902	125,000	-	0.0%

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Expressway	FY2024 Audited	FY2025 Budget	FY2025 Projected	FY2026 Budget	FY2025 to FY2026	
					\$	%
Security System - Camera						
Maintenance	76,374	-	-	17,200	17,200	0.0%
Traffic Cameras - Maintenance	-	15,000	-	15,000	-	0.0%
Gate Claims	-	5,000	-	5,000	-	0.0%
Office Supplies and Printing	150	16,500	14,050	16,500	-	0.0%
Office Equipment	16,864	5,000	2,280	5,000	-	0.0%
Miscellaneous Expenses	-	9,000	607	6,000	(3,000)	-33.3%
Personnel - Employee Relations	1,467	-	-	-	-	0.0%
Operating	<u>8,109,508</u>	<u>8,995,365</u>	<u>8,159,621</u>	<u>10,322,199</u>	<u>1,326,833</u>	14.8%
Toll Collection Total	<u>\$11,483,701</u>	<u>\$12,801,871</u>	<u>\$11,718,832</u>	<u>\$13,678,103</u>	<u>\$ 876,232</u>	6.8%
Maintenance						
Regular Pay	\$ 175,589	\$ 265,764	\$ 186,307	\$ 197,623	\$ (68,141)	-25.6%
Overtime	31,299	28,134	28,599	22,642	(5,492)	-19.5%
Payroll Taxes	14,984	22,483	15,595	16,850	(5,633)	-25.1%
Retirement	2,507	5,371	2,733	3,916	(1,455)	-27.1%
Health Insurance	29,198	76,719	47,707	-	(76,719)	-100.0%
Group Life Insurance	2,234	3,469	1,855	2,556	(913)	-26.3%
Uniforms	-	3,700	1,159	2,500	(1,200)	(0)
Compensation and Benefits	<u>255,810</u>	<u>407,072</u>	<u>283,954</u>	<u>246,827</u>	<u>(160,245)</u>	<u>-39.4%</u>
Annual Road Maintenance	967,853	1,955,080	1,855,101	2,094,000	138,920	7.1%
Building and Janitorial Services	24,734	50,400	33,539	55,400	5,000	9.9%
Materials & Supplies - Toll Plaza	5,187	7,500	2,554	7,500	-	0.0%
Materials & Supplies - Traffic Control	1,610	6,000	-	6,000	-	0.0%
Materials & Supplies - Grounds & Buildings	59,629	70,000	30,049	70,000	-	0.0%
Materials & Supplies - Roadways	5,075	10,000	-	10,000	-	0.0%
Grounds & Building Maintenance	85,043	103,000	87,538	153,000	50,000	48.5%
Maintenance - Equipment Repair	7,835	7,500	4,319	7,500	-	0.0%
Vehicle Operations and Maintenance	<u>54,355</u>	<u>52,000</u>	<u>32,343</u>	<u>52,000</u>	<u>-</u>	<u>0.0%</u>
Operating	<u>1,211,321</u>	<u>2,261,480</u>	<u>2,045,442</u>	<u>2,455,400</u>	<u>193,920</u>	<u>8.6%</u>
Maintenance Total	<u>\$ 1,467,131</u>	<u>\$ 2,668,552</u>	<u>\$ 2,329,397</u>	<u>\$ 2,702,227</u>	<u>\$ 33,675</u>	1.3%

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Expressway	FY2024 Audited	FY2025 Budget	FY2025 Projected	FY2026 Budget	FY2025 to FY2026	
					\$	%
Administrative						
Telecommunications	\$ 11,501	\$ 19,000	\$ 11,954	\$ 19,000	\$ -	0.0%
Data Communications	58,026	55,000	57,050	78,000	23,000	41.8%
Computer Service Agreements	67,019	73,000	90,296	85,000	12,000	16.4%
Legal Services	-	40,000	-	40,000	-	0.0%
Computer Hardware	-	10,000	8,904	10,000	-	0.0%
Computer Software	-	-	-	-	-	0.0%
Asset Management Software	27,650	29,425	-	-	(29,425)	-100.0%
Insurance	374,782	375,000	390,000	409,500	34,500	9.2%
Trustee Services	11,152	20,000	18,686	21,800	1,800	9.0%
Traffic and Revenue Consultant	55,624	56,650	56,274	60,000	3,350	5.9%
Audit and Accounting Services	241,697	82,680	76,102	90,000	7,320	8.9%
Credit Rating Fees	23,500	31,000	24,857	31,000	-	0.0%
Financial Advisor	14,049	15,000	-	15,000	-	0.0%
Investment Advisor	59,500	58,000	53,916	58,000	-	0.0%
Administrative Total	\$ 944,501	\$ 864,755	\$ 788,039	\$ 917,300	\$ 52,545	6.1%
Compensation and Benefits	\$ 3,630,003	\$ 4,213,578	\$ 3,843,166	\$ 3,602,732	\$ (610,846)	-14.5%
Operations	10,265,330	12,121,600	10,993,102	13,694,899	1,573,298	13.0%
Central Admin Allocation	2,132,328	2,528,015	2,528,015	2,998,756	-	0.0%
Total Expenses	\$16,027,661	\$18,863,194	\$17,364,283	\$20,296,386	\$ 1,433,192	7.6%

Consultants' Certifications

Certificate

In accordance with Section 701 of the 2011 bond resolution, the Authority is required to engage a Traffic and Revenue Consultant to certify that the budget has been prepared in accordance with the provisions of the Master Resolution and shall contain a certificate of the Consulting Engineers approving the same.

The Authority has contracted with Stantec Consulting Services Inc. as Traffic and Revenue Consultant and with HNTB as Consulting Engineer.

The certificate is presented as a draft in the proposed budget presentation to the RMTA Board of Directors; consultant revenue and expense certifications are finalized upon budget adoption.

	FY2024	FY2025	FY2026	FY2025 to FY2026	
	Audited	Budget	Budget	\$	%
Toll Revenue (1)	\$ 50,260,380	\$ 51,326,000	\$ 51,055,200	\$ (270,800)	-0.5%
Other Revenue (2)	<u>1,074,077</u>	<u>754,000</u>	<u>1,359,000</u>	<u>605,000</u>	<u>80.2%</u>
	51,334,457	52,080,000	52,414,200	334,200	0.6%
Operating Expenses (2)	<u>16,224,736</u>	<u>19,420,974</u>	<u>20,816,973</u>	<u>1,395,999</u>	<u>7.2%</u>
Net Operating Revenue	<u>35,109,721</u>	<u>32,659,026</u>	<u>31,597,227</u>	<u>(1,061,799)</u>	<u>-3.3%</u>
Debt Service (3)	<u>(9,752,000)</u>	<u>(9,752,000)</u>	<u>(9,752,000)</u>	<u>-</u>	<u>0.0%</u>
Available for Capital	<u>\$ 25,357,721</u>	<u>\$ 22,907,026</u>	<u>\$ 21,845,227</u>	<u>\$ (1,061,799)</u>	<u>-4.6%</u>

(1) As estimated by Stantec and the Authority

(2) As estimated by the Authority

(3) Per debt service schedule, advance funding basis

Revenue Certification Stantec Consulting Services, Inc.

See Appendix A

Expense Certification HNTB Corporation

See Appendix A

Central Administration Fund Budget

Description

The Central Administration fund is used to accumulate and allocate administrative expenses, including costs associated with the Board of Directors, Chief Executive Officer, and department Directors. Costs are allocated to the Authority's operations based on estimated Central Administration employee efforts toward each operation. Department Directors review the cost allocation percentages each year during the budget process.

Significant Budgetary Changes

- *Compensation and benefits:* Compensation is increased in FY 2026 due to the addition of eleven new positions associated with the conversion to AET and pay by plate processing along with increases in salaries, healthcare premiums, and retirement contributions.
- *Public Relations:* Increased due to the planned conversion to AET and the related efforts to inform the public of these changes.

Benefits Consulting: Increased due to a planned compensation study.

Central Administration	FY2024	FY2025	FY2025	FY2026	FY2025 to FY2026	
	Audited	Budget	Projected	Budget	\$	%
Administration						
Regular Pay	\$ 540,385	\$ 684,531	\$ 552,747	\$ 1,068,251	\$ 383,720	56.1%
Payroll Taxes	36,776	47,100	35,457	76,953	29,852	63.4%
Retirement	57,907	62,695	42,807	71,361	8,666	13.8%
Health Insurance	84,804	116,055	106,087	151,807	35,752	30.8%
Group Life Insurance	8,495	9,173	5,890	14,315	5,142	56.1%
Long Term Disability	4,973	4,760	5,443	9,798	5,039	105.9%
Unemployment Benefits	756	-	17,723	-	-	0.0%
OPEB Trust Contribution	51,500	51,500	44,143	51,500	-	0.0%
Compensation and Benefits	785,596	975,814	810,297	1,443,984	468,170	48.0%
Telecommunications	9,691	10,000	8,159	6,000	(4,000)	-40.0%
Data Communications	2,558	12,000	1,433	4,200	(7,800)	-65.0%
Computer Service Agreements	49,083	45,000	44,704	55,000	10,000	22.2%
Consulting Services	-	30,000	-	30,000	-	0.0%
Legal Services	125,902	140,000	204,980	140,000	-	0.0%
Office Lease and Parking	30,413	214,400	219,166	220,000	5,600	2.6%
Miscellaneous Expenses	23,631	500	-	500	-	0.0%
Computer Hardware	2,000	5,500	3,538	5,500	-	0.0%
Computer Software	2,351	5,000	-	8,000	3,000	60.0%
Web Site Development	27,649	25,000	3,189	25,000	-	0.0%
Board Attendance Fees	4,200	7,500	3,514	7,500	-	0.0%
Board Expenses - Other	6,201	20,000	5,612	20,000	-	0.0%
Professional Memberships and Subscriptions	27,695	31,055	34,442	35,000	3,945	12.7%
Training and Development	33,133	45,300	42,839	45,300	-	0.0%
Public Relations	16,150	40,000	40,571	62,100	22,100	55.3%
Community Outreach	1,000	60,000	31,714	38,000	(22,000)	-36.7%
Operating	361,656	691,255	643,862	702,100	10,845	1.6%
Administration Total	\$ 1,147,253	\$ 1,667,069	\$ 1,454,159	\$ 2,146,084	\$ 479,015	28.7%
Engineering						
Regular Pay	\$ 154,542	\$ 289,623	\$ -	\$ 181,507	\$ (108,116)	-37.3%
Payroll Taxes	11,629	21,492	-	12,360	(9,132)	-42.5%
Retirement	7,168	12,377	-	2,442	(9,935)	-80.3%
Health Insurance	7,625	20,318	-	24,651	4,333	21.3%
Group Life Insurance	2,026	3,507	-	2,300	(1,208)	-34.4%
Long Term Disability	1,436	1,040	-	-	(1,040)	-100.0%
Compensation and Benefits	184,427	348,356	-	223,259	(125,098)	-35.9%
Professional Memberships and Subscriptions	491	600	-	600	-	0.0%
Training and Development	8,161	6,500	-	6,500	-	0.0%
Operating	8,652	7,100	-	7,100	-	0.0%
Engineering Total	\$ 193,079	\$ 355,456	\$ -	\$ 230,359	\$ (125,098)	-35.2%

Central Administration	FY2024 Audited	FY2025 Budget	FY2025 Projected	FY2026 Budget	FY2025 to FY2026	
					\$	%
Finance						
Regular Pay	\$ 393,694	\$ 410,205	\$ 405,467	\$ 427,891	\$ 17,686	4.3%
Overtime	3,297	4,365	3,608	4,539	174	4.0%
Payroll Taxes	30,081	31,318	30,911	32,304	985	3.1%
Retirement	3,430	15,747	3,430	16,315	568	3.6%
Health Insurance	43,466	53,109	51,205	59,892	6,783	12.8%
Group Life Insurance	5,155	5,089	3,886	5,293	204	4.0%
Long Term Disability	2,633	2,264	2,851	2,355	91	4.0%
Compensation and Benefits	481,756	522,098	501,359	548,589	26,491	5.1%
Bank Fees	-	-	-	600	600	0.0%
Payroll Systems and Services	21,474	20,000	23,453	25,000	5,000	25.0%
Accounting System and Services	32,976	30,000	22,504	35,000	5,000	16.7%
OPEB Actuarial Valuation	1,720	5,000	6,129	5,000	-	0.0%
Professional Memberships and Subscriptions	1,408	5,000	3,078	5,000	-	0.0%
Training and Development	2,340	5,000	2,047	5,000	-	0.0%
Operating	59,918	65,000	57,212	75,600	10,600	16.3%
Finance Total	\$ 541,673	\$ 587,098	\$ 558,570	\$ 624,189	\$ 37,091	6.3%
Human Resources						
Regular Pay	\$ 277,459	\$ 297,314	\$ 281,048	\$ 308,338	\$ 11,024	3.7%
Overtime	715	1,969	1,623	2,048	79	4.0%
Payroll Taxes	20,146	22,895	20,620	23,744	849	3.7%
Retirement	13,372	14,231	13,101	14,759	528	3.7%
Health Insurance	38,611	41,733	41,345	41,411	(323)	-0.8%
Group Life Insurance	3,986	3,690	2,897	3,838	148	4.0%
Long Term Disability	2,633	1,465	2,851	1,524	59	4.0%
Unemployment Benefits	2,735	-	-	-	-	0.0%
Compensation and Benefits	359,879	383,547	363,484	395,911	12,364	3.2%
Document Storage	5,672	3,400	3,558	3,800	400	11.8%
Copier Lease	3,813	4,100	3,348	4,200	100	2.4%
Postage Machine	3,131	3,500	3,152	3,800	300	8.6%
Benefits Consultant	34,500	40,625	45,306	71,250	30,625	75.4%
Office Supplies and Printing	2,751	3,000	2,397	2,500	(500)	-16.7%
Office Equipment	977	-	-	-	-	0.0%
Miscellaneous Expenses	84	500	726	750	250	50.0%
Professional Memberships and Subscriptions	896	1,000	1,221	1,000	-	0.0%
Training and Development	12,881	18,000	7,030	20,000	2,000	11.1%
Personnel - Employment	5,360	3,500	2,941	3,500	-	0.0%
Personnel - Employee Relations	6,757	15,000	9,039	12,000	(3,000)	-20.0%
Tuition Assistance	-	-	-	-	-	0.0%
Operating	76,822	92,625	78,717	122,800	30,175	32.6%
Human Resources Total	\$ 436,701	\$ 476,172	\$ 442,200	\$ 518,711	\$ 42,539	8.9%
Compensation and Benefits	\$ 1,811,657	\$ 2,229,815	\$ 1,675,139	\$ 2,611,743	\$ 381,928	17.1%
Operations	507,049	855,980	779,790	907,600	51,620	6.0%
Total Expenses	\$ 2,318,706	\$ 3,085,795	\$ 2,454,929	\$ 3,519,343	\$ 433,548	14.0%

Expressway Capital Budget

Capital Budget Overview

Overview

The Expressway Capital Budget includes capital expenditures for all preservation, capital maintenance, and major capital improvement projects for over 50 lane miles of roads and 36 bridges that comprise the Expressway System.

Asset Maintenance Approach

The Authority's asset maintenance philosophy centers on performing annual condition assessments and facility inspections, which identify preventive maintenance and rehabilitation required to maintain and preserve infrastructure assets. This provides for cost-effective maintenance while minimizing the need for full asset replacement. Barring significant regional growth or a disaster scenario, the Authority expects this approach to asset maintenance will continue to extend the useful life of its major infrastructure assets without the need for full asset replacement.

Capital Budget Development

The Authority utilizes its independent Consulting Engineer to perform annual condition assessments and facility inspections to identify required and recommended maintenance needs. The Capital Budget is developed by the Authority based on these recommendations. The Consulting Engineer is required to certify the final Capital Budget amounts per the Authority's 2011 bond resolution.

Grouping

Expenses within the Capital Budget are grouped into two broad categories: Routine Maintenance and Capital Improvement Projects. The Routine Maintenance group includes costs required to maintain facilities at or above established condition levels. Recurring Routine Maintenance projects include general maintenance and repair, protective coatings, and inspections. The Capital Improvement Projects group includes all other projects, such as the recent Downtown Expressway ORT project and the Powhite Bridge Overlay project.

Funding Sources

The Authority primarily funds its Capital Budget through current revenues, with debt funding used as appropriate. As indicated in its adopted financial policies, the Authority's goal is to have cash balances on hand as of June 30th to fully fund the next fiscal year's Capital Budget. See the Long-Term Financial Plan section of this document for additional information on the funding source for current and future year Capital Budgets.

Presentation

The Capital Budget is presented in this document in two components: a detailed Six-Year Plan and a Long-Term Overview. The Six-Year Plan allows for a detailed project by project review of the

upcoming fiscal year and succeeding five fiscal years, while the long-term capital projection provides perspective on capital needs through 2041.

Executive Summary
by Category & Fiscal Year (2025 - 2031)

Category	2025- 2031							
	Totals	2025	2026	2027	2028	2029	2030	2031
Major Deck & Bridge Rehab	\$26,001,412			\$1,286,466	\$7,398,468	\$8,544,839	\$5,378,898	\$3,392,741
Maintenance & Repair	36,267,733	6,014,510	4,415,056	4,483,335	4,925,462	5,085,111	5,586,582	5,757,677
Protective Coatings	0							
Mill & Overlay	12,175,296					1,103,213	5,378,898	5,693,185
AET - Civil Work	22,067,177	6,710,831	9,567,247	5,789,099				
Toll Systems - Technology	12,807,119	4,713,857	8,093,262					
Toll Plaza Demo	9,000,000			4,500,000	4,500,000			
Miscellaneous								
Roadway Enhancement Project	\$249,935	\$56,711	\$60,397	\$64,323	\$68,504			
Misc.	1,506,939	756,939	\$750,000					
Miscellaneous Total	\$1,756,874	\$813,650	\$810,397	\$64,323	\$68,504	\$0	\$0	\$0
Administrative								
Expressway Admin.	\$5,190,961	\$612,482	\$652,293	\$694,692	\$739,847	\$787,937	\$839,153	\$864,557
Vehicles	386,696	85,067		85,067		96,485		120,077
GEC & Inspection only	9,375,413	1,252,179	1,062,996	1,196,414	1,419,173	1,393,481	1,610,241	1,440,929
Administrative Total	\$14,953,070	\$1,949,728	\$1,715,289	\$1,976,173	\$2,159,020	\$2,277,903	\$2,449,394	\$2,425,563
Total	\$135,028,681	\$20,202,576	\$24,601,251	\$18,099,396	\$19,051,454	\$17,011,066	\$18,793,772	\$17,269,166

Note: The Long-Term Capital Plan is only a tool utilized for planning purposes and may change due to facility needs and Authority funding capacity

Executive Summary
by Category & Fiscal Year (2032 - 2041)

Category	2032-2041 Totals	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041
Major Deck & Bridge Rehab	\$32,094,120	\$ 12,161,736.00	\$10,136,542	\$9,795,842							
Maintenance & Repair	67,437,923	5,636,274	5,861,725	6,096,194	6,340,042	6,593,643	6,857,389	7,131,684	7,416,952	12,271,166	3,232,854
Protective Coatings	0										
Milt & Overlay	0										
AET - Civil Work	0										
Toll Systems - Technology	44,734,375		13,395,506	31,338,869							
Miscellaneous											
Debris	\$1,049,184	\$ 169,340.00		\$183,158		\$214,269		\$231,753		250,664	
Roadway Enhancement Project	0										
Misc.	0										
Miscellaneous Total	\$1,049,184	\$169,340	\$0	\$183,158	\$0	\$214,269	\$0	\$231,753			
Administrative											
Expressway Admin.	\$10,346,716	899,140	\$935,105	\$972,509	\$1,011,410	\$1,051,866	\$1,093,941	\$1,137,699	1,183,206	1,230,535	831,309
Vehicles	586,620		129,876		140,474		151,936		164,334		
GEC & Inspection only	16,190,591	1,248,805	1,385,341	1,755,920	1,545,210	1,558,320	1,823,235	1,580,137	1,917,233	2,221,799	1,154,591
Administrative Total	\$27,123,927	\$2,147,945	\$2,450,322	\$2,728,429	\$2,697,084	\$2,610,186	\$3,069,112	\$2,717,836	\$3,264,773	\$3,452,334	\$1,985,896
Total	\$172,439,529	\$20,115,295	\$31,844,095	\$50,142,492	\$9,037,136	\$9,418,098	\$9,926,501	\$10,061,273	\$10,681,725	\$15,723,500	\$5,218,750

Six Year Plan

Six-Year Plan by Project (in thousands)

	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	Total
Routine Maintenance							
Major Deck & Bridge Rehab		\$ 1,286,466	\$ 7,398,468	\$ 8,544,839	\$ 5,378,898	\$ 3,392,741	\$ 26,001,412
Maintenance & Repair	\$ 4,415,056	4,483,335	4,925,462	5,085,111	5,586,582	5,757,677	30,253,223
Protective Coatings							0
Mill & Overlay				1,103,213	5,378,898	5,693,185	12,175,296
Administration	652,293	694,692	739,847	787,937	839,153	864,557	4,578,479
Vehicles		85,067		96,485		120,077	301,629
GEC & Inspection	1,062,996	1,196,414	1,419,173	1,393,481	1,610,241	1,440,929	8,123,234
Miscellaneous	750,000			0	0	0	750,000
Subtotal	6,880,345	7,745,974	14,482,950	17,011,066	18,793,772	17,269,166	82,183,273
Capital Improvement Projects							
AET - Civil Work	9,567,247	5,789,099					15,356,346
Toll Systems - Technology	8,093,262						8,093,262
Toll Plaza Demo		4,500,000	4,500,000				9,000,000
Roadway Enhancement	60,397	64,323	68,504				193,224
Subtotal	17,720,906	10,353,422	4,568,504	0	0	0	32,642,832
Total	\$ 24,601,251	\$ 18,099,396	\$ 19,051,454	\$ 17,011,066	\$ 18,793,772	\$ 17,269,166	\$114,826,105

Routine Maintenance

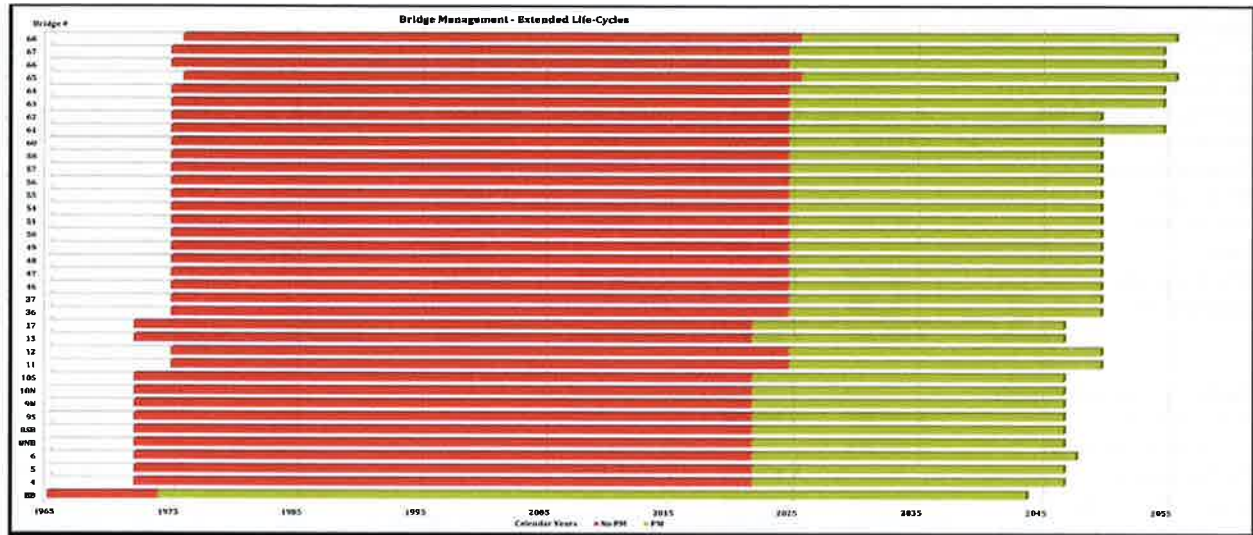
- Maintenance and Repair – routine repairs to prevent, delay, or reduce the deterioration of pavement and bridges; includes asphalt crack repairs, shotcrete repairs, and joint sealant replacement, as well as miscellaneous items such as sign overlays, pavement line markings, and facility maintenance and repairs.
- Protective Coatings – preservation and corrosion control of steel bridges through the application of a coating system; typically involves the full removal of lead-based paint.
- Inspections and GEC – annual pavement and bridge inspections and general engineering consulting (GEC) services provided by the Authority's Consulting Engineer.
- Administrative – a portion of the Central Administration allocation and miscellaneous expenses related to the capital program.
- Vehicle Replacement – periodic replacement of vehicles used to support Expressway operations.

Capital Improvement Projects

- Toll Systems & Services – Includes the costs for the conversion to AET and Pay by Plate processing at both the Powhite and Downtown expressway locations.
- Facility Restoration/Upgrade – upgrade and restoration of toll facilities.
- Bridge Rehabilitation – removal of damaged bridge deck surfaces and installation of an overlay as a cost-effective way to rehabilitate bridge decks.
- Roadway Enhancement – ongoing beautification project for the Downtown Expressway.

See the Project Pages for additional information on each project, including detailed project descriptions, estimated useful life, and operating budget impact.

Bridge Management Life Cycle



This chart shows a graphical representation of the cumulative result of current and past preventive maintenance efforts on the extended life of each major bridge asset. The red bars indicate the bridge life cycle as if no preventative maintenance had been done since the structure was built. The extension of the green bars represent the cumulative result of current and past preventive maintenance efforts on the extended life of each major bridge asset.

Project Pages

Maintenance and Repair

Description: Maintenance and Repair (M&R) is an ongoing project for routine maintenance actions that prevent, delay, or reduce the deterioration of the Expressway System's pavement and bridges. This project bundles individually small maintenance items into one large project to facilitate the lowest possible cost to the Authority. The M&R project includes asphalt crack repairs, shotcrete repairs and joint sealant replacement, as well as miscellaneous items such as sign overlays and pavement line markings.

The M&R project also includes the required steel repairs and retrofits as the needs are identified during the annual bridge inspections. These steel repairs are an integral part to the RMTA's asset management program which is driven by the RMTA policy goals and objectives that define the required condition of assets, the levels of performance, and the quality of services to meet customer needs. Routinely performing the necessary steel repairs and retrofits helps to extend the use life of the assets. These preservation activities typically cost much less than major reconstruction or replacement activities that delaying or forgoing the required steel repairs will result in.

Other major work items that are typically addressed with the M&R projects include shotcrete repairs for bridge columns, asphalt crack sealing, line striping, bridge deck sealing, high speed impact attenuators, overhead sign panel replacements as well as minor work such tree trimming, Right of Way fencing repairs, and drainage structure clean-out.

Location: As needed throughout the Expressway System.

Estimated Useful Life: Varies based on the repair type.

Operating Budget Impact: None.

Total Cost: Renewed on an annual basis with adjustments to project scope as needed.

Inspections and GEC

Description: The Inspections and GEC project includes funding for annual pavement, bridge, and overhead sign inspections as well as general engineering consulting (GEC) services provided by the Authority's Consulting Engineer. Condition assessments and facility inspections are performed each year on pavement, bridge structures, and ancillary structures to provide the basis for determining the maintenance needs of the Expressway System.

Operating Budget Impact: None.

Total Cost: Included annually in the Capital Budget based on projected needs.

Other Notes: Inspection estimates for FY 2023 (\$801k) includes costs for element level inspections for Authority bridges and pavement.

Administrative

Description: The Administrative item consists of a portion of the Central Administration efforts towards the capital program as an administrative allocation as well as miscellaneous expenses specifically related to the capital program, such as legal costs for capital plan activity and research studies.

Operating Budget Impact: None.

Total Cost: Included annually in the Capital Budget based on projected needs

Vehicle Replacement

Description: The Vehicle Replacement project periodically replaces vehicles used to support Expressway operations, including maintenance.

Operating Budget Impact: Routine vehicle maintenance costs are included in the annual operating budget. No significant change to the operating budget is expected as a result of vehicle replacements.

Total Cost: Included as needed in the Capital Budget based on replacement needs.

Toll Systems and Services

Description: The Toll Systems & Services (TSS) project includes the costs for the conversion to AET and Pay by Plate processing at both the Powhite and Downtown expressway locations. The project includes the construction of new gantries, and the replacement of the hardware and software systems used for toll collection along with the project related to GEC and Inspections.

Location: Throughout the Expressway System.

Estimated Useful Life: 7-10 years.

Operating Budget Impact: None.

Total Cost: \$54.0 million for the toll system replacement.

Rehabilitation

Description: Concrete bridge decks require periodic rehabilitation to reduce the impacts of gaining weathering and aggressive chemical solutions. A cost-effective way to rehabilitate bridge decks that are structurally sound is to remove the damaged wearing surface and install a latex-modified concrete (LMC) overlay, which prevents or retards corrosion of reinforcing steel and deterioration of the concrete bridge deck. This project provides for removal of old surfaces and new LMC overlays.

Estimated Useful Life: 25 years; no previous overlays have been performed.

Operating Budget Impact: None.

Roadway Enhancement

Description: The Roadway Enhancement project is an ongoing project to visually enhance the median and shoulders of the Downtown Expressway. Enhancements primarily consist of increased landscaping efforts, the planting of low maintenance blooming plants, the removal and/or trimming of aged plants, and fencing replacement along the Downtown Expressway.

Location: Downtown Expressway.

Estimated Useful Life: Variable.

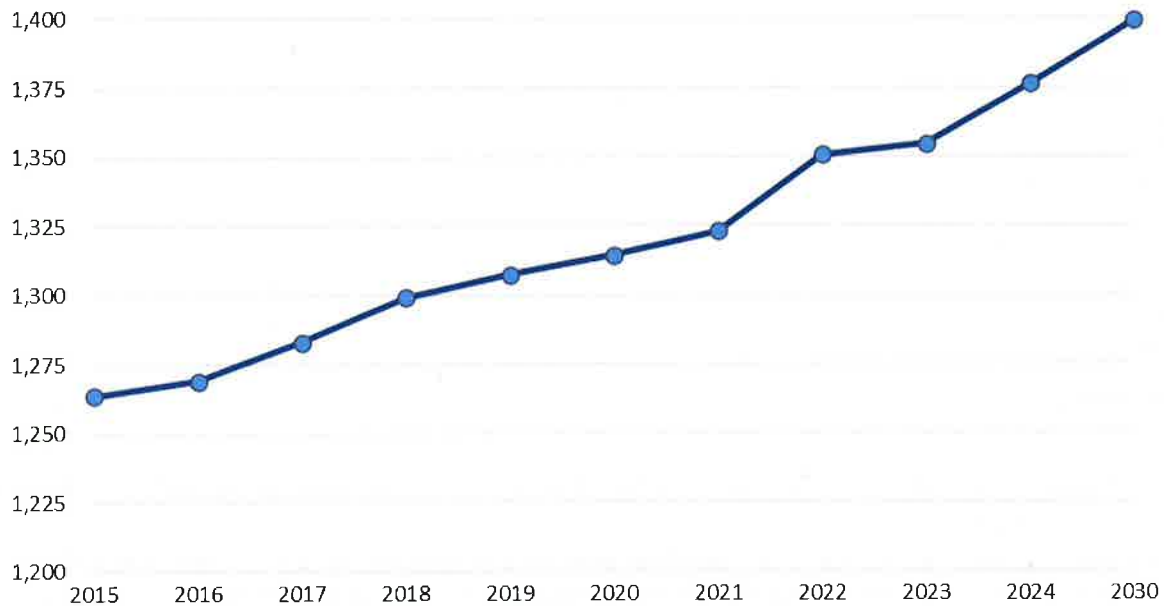
Operating Budget Impact: None.

Total Cost: Included annually in the Capital Budget based on projected needs.

Supplemental Information

Estimated Population, Richmond Metropolitan Area

Estimated Population, Richmond Metropolitan Area (in thousands)



Fiscal Year	City of Richmond	Chesterfield County	Henrico County	Total RMTA		Total	% Change
				Member Jurisdictions	Other Service Area		
2015	217,938	333,450	320,717	872,105	391,512	1,263,617	1.01%
2016	221,679	333,963	321,233	876,875	392,254	1,269,129	0.44%
2017	222,853	340,020	324,395	887,268	395,693	1,282,961	1.09%
2018	226,919	346,357	326,993	900,269	399,001	1,299,270	1.27%
2019	226,841	350,760	328,999	906,600	400,661	1,307,261	0.62%
2020	226,610	364,548	334,389	925,547	388,887	1,314,434	0.55%
2021	226,623	369,943	336,226	932,792	390,245	1,323,037	0.65%
2022	228,000	372,000	352,541	952,541	398,000	1,350,541	2.08%
2023	229,035	387,703	339,918	956,656	397,964	1,354,620	0.30%
2024	233,039	394,825	345,973	973,837	402,463	1,376,300	1.60%
2030	245,437	406,942	356,656	1,009,035	390,245	1,399,280	5.76%

Source: University of Virginia Weldon Cooper Center, Demographics Research Group (2024), Virginia Population Estimates

Principal Employers, Richmond Metropolitan Area

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Employer Ranking (1, 2)										
Amazon	-	-	10	10	10	10	-	1	1	1
US Department of Defense	8	8	9	8	9	8	7	8	8	2
VCA Hospital	5	5	4	2	3	3	5	2	2	3
Chesterfield County School Board	4	4	5	6	6	6	3	3	3	4
Henrico County School Board	3	3	3	7	7	4	2	5	5	5
Bon Secours Health System	7	6	7	4	4	5	6	4	4	6
HCA Virginia Health System	6	7	6	5	5	7	-	7	7	7
Virginia Commonwealth University	2	1	1	1	1	1	1	6	6	8
Wal-Mart	9	9	8	9	8	9	9	9	9	9
Capital One Bank	1	2	2	3	2	2	4	10	10	10
CarMax							8	-	-	-
Richmond City Public Schools	-	-	-	-	-	-	10	-	-	-
Integrity Staffing Solutions	10	10	-	-	-	-	-	-	-	-
Richmond Area Employment (3)	621,411	631,095	636,068	689,437	685,100	638,200	647,057	665,184	712,073	671,413

- (1) Final quarter data for the top ten employers shown based on the most recent calendar year (2015-2024).
- (2) The Virginia Employment Commission does not disclose the actual number of employees, due to the Confidential Information Protection and Statistical Efficiency Act – Title V of Public Law 107-347. All employers have over 1,000 individuals employed.
- (3) Annual amounts based on the most recent calendar year. Total employment data obtained from the Bureau of Labor Statistics. Employment numbers are not seasonally adjusted.

Source: Virginia Employment Commission, Bureau of Labor Statistics

Expressway Toll Rates, Current and Historical

Two-Axle Vehicles	Effective Dates							Sept-23 Cash / E-Zpass
	Original (1)	Jul-78	Nov-86	Apr-88	Jan-98	Sept-08		
Powhite Parkway Mainline	\$ 0.20	\$ 0.25	\$ 0.30	\$ 0.35	\$ 0.50	\$ 0.70		\$1.00/\$0.90
Forest Hill Ramps	0.20	0.25	0.30	0.35	0.50	0.70		1.00/0.90
Douglasdale Ramps	0.10	0.10	0.10	0.10	0.15	0.20		0.50/0.45
Downtown Expressway Main	0.15	0.25	0.30	0.35	0.50	0.70		1.00/0.90
Second Street Ramps	0.10	0.10	0.10	0.20	0.25	0.35		0.50/0.45
Eleventh Street Ramps	0.10	0.10	0.10	0.15	0.20	0.30		0.50/0.45
Boulevard Bridge	0.10	0.10	0.10	0.20	0.25	0.35		0.50/0.45

Three-Axle Vehicles	Original (1)	Jul-78	Nov-86	Apr-88	Jan-98	Sept-08	Sept-23
Powhite Parkway Mainline	\$ 0.30	\$ 0.35	\$ 0.40	\$ 0.45	\$ 0.60	\$ 0.80	\$ 1.10
Forest Hill Ramps	0.30	0.35	0.40	0.45	0.60	0.80	1.10
Douglasdale Ramps	0.20	0.10	0.10	0.20	0.25	0.40	1.00
Downtown Expressway Main	0.25	0.35	0.40	0.45	0.60	0.80	1.10
Second Street Ramps	0.15	0.20	0.20	0.40	0.50	0.70	1.00
Eleventh Street Ramps	0.15	0.20	0.20	0.30	0.40	0.60	1.00
Boulevard Bridge	0.20	0.20	0.20	0.40	0.50	0.70	1.00

Four-Axle Vehicles	Original (1)	Jul-78	Nov-86	Apr-88	Jan-98	Sept-08	Sept-23
Powhite Parkway Mainline	\$ 0.40	\$ 0.45	\$ 0.50	\$ 0.55	\$ 0.70	\$ 0.90	\$ 1.20
Forest Hill Ramps	0.40	0.45	0.50	0.55	0.70	0.90	1.20
Douglasdale Ramps	0.20	0.10	0.10	0.20	0.25	0.40	1.10
Downtown Expressway Main	0.30	0.45	0.50	0.55	0.70	0.90	1.20
Second Street Ramps	0.20	0.20	0.20	0.40	0.50	0.70	1.10
Eleventh Street Ramps	0.20	0.20	0.20	0.30	0.40	0.60	1.10
Boulevard Bridge	0.20	0.20	0.20	0.40	N/A (2)	N/A (2)	

Five or More-Axle Vehicles	Original (1)	Jul-78	Nov-86	Apr-88	Jan-98	Sept-08	Sept-23
Powhite Parkway Mainline	\$ 0.50	\$ 0.55	\$ 0.60	\$ 0.65	\$ 0.80	\$ 1.00	\$ 1.30
Forest Hill Ramps	0.50	0.55	0.60	0.65	0.80	1.00	1.30
Douglasdale Ramps	0.20	0.10	0.10	0.20	0.25	0.40	1.20
Downtown Expressway Main	0.35	0.55	0.60	0.65	0.80	1.00	1.30
Second Street Ramps	0.25	0.20	0.20	0.40	0.50	0.70	1.20
Eleventh Street Ramps	0.25	0.20	0.20	0.30	0.40	0.60	1.20
Boulevard Bridge	0.20	0.20	0.20	0.40	N/A (2)	N/A (2)	

(1) Original RMTA opening dates: Boulevard Bridge in 1969, Powhite Parkway in 1973, and Downtown Expressway in 1976.

(2) Vehicles over three axles are no longer permitted on the Boulevard Bridge.

Operating Indicators

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenues (1):										
Powhite Parkway	\$ 23,606,375	\$ 24,796,353	\$ 25,470,997	\$ 25,721,280	\$ 25,892,404	\$ 22,700,737	\$ 19,661,256	\$ 21,869,496	\$ 23,062,566	\$ 30,827,890
Downtown	13,061,678	13,674,656	13,979,051	14,216,747	14,359,468	11,738,154	8,487,473	10,828,719	12,019,282	15,656,163
Expressway										
Boulevard Bridge	1,492,920	1,523,353	1,510,119	1,448,157	1,419,349	1,285,439	958,446	947,914	960,748	1,158,324
Total	\$ 38,160,973	\$ 39,994,362	\$ 40,960,167	\$ 41,386,184	\$ 41,671,221	\$ 35,769,331	\$ 29,107,175	\$ 33,646,129	\$ 36,042,595	\$ 47,642,377
Vehicle Traffic Volume:										
Powhite Parkway	34,579,728	36,350,428	37,354,162	37,689,222	38,172,792	34,058,075	30,315,116	33,804,764	35,764,143	38,037,419
Downtown	20,623,336	21,561,269	21,863,219	22,460,081	22,701,568	18,820,763	14,236,125	18,103,616	19,881,654	20,505,819
Expressway										
Boulevard Bridge	4,262,366	4,343,172	4,332,640	4,206,077	4,046,748	3,660,223	2,892,141	3,101,684	3,268,183	3,178,727
Total	59,465,430	62,254,869	63,550,021	64,355,380	64,921,108	56,539,061	47,443,382	55,010,064	58,913,980	61,721,965
Avg. Toll (2)	\$ 0.64	\$ 0.64	\$ 0.64	\$ 0.64	\$ 0.64	\$ 0.63	\$ 0.61	\$ 0.62	\$ 0.61	\$ 0.77
E-ZPass % (3)	64.90%	66.50%	68.60%	70.60%	72.00%	73.50%	74.60%	76.90%	76.70%	76.50%
Lane Miles	50.15	50.15	50.15	50.15	50.15	50.15	50.15	50.15	50.15	50.15

- (1) Toll revenue excludes violation processing revenue. Toll rates were last increased in September 2023 (FY 2024).
- (2) Average toll is determined by dividing toll revenue by traffic volumes.
- (3) Transactions paid via Electronic Toll Collection (ETC, or E-ZPass) as a percentage of total traffic.

Personnel Complement, Budgeted Positions

Department	Position	FY2025	FY2026	Change
Expressway Operations				
Toll Collection	Floating Supervisor	2	2	0
Toll Collection	Toll Road Superintendent	2	2	0
Toll Collection	Senior Toll Collection Attendant	7	7	0
Toll Collection	Toll Collection Attendant	32	32	0
Toll Collection	Bridge Attendant	3	3	0
Toll Collection	Toll Collection Supervisor	13	13	0
Toll Collection	Toll Maintenance Administrator	1	1	0
Toll Collection	Toll Maintenance Assistant	1	1	0
Toll Collection	Toll Operations Manager	0	0	0
Toll Collection	Vault Attendant	3	3	0
Toll Collection	Toll Systems Engineer	1	1	0
Toll Collection	Deputy Director of Operations	1	1	0
Toll Collection	Total	66	66	0
	**			

Department	Position	FY2025	FY2026	Change
Maintenance	Maintenance Supervisor	1	1	0
Maintenance	Lead Maintenance Worker	1	1	0
Maintenance	Maintenance Worker	4	2	-2
Maintenance	Total	6	4	-2
Administration	Chief Executive Officer	1	1	0
Administration	Chief of Staff/Counsel to CEO	1	1	0
Administration	Information Systems Analyst	0	1	1
Administration	Information Systems Administrator	1	1	0
Administration	Internal Auditor	1	1	0
Administration	Strategic Comm. Manager	1	1	0
Administration	Total	5	6	1
	**			
Engineering	Director of Operations	1	1	0
Engineering	Total	1	1	0

Department	Position	FY2025	FY2026	Change
Finance	Director of Finance	1	1	0
Finance	Controller	1	1	0
Finance	Accountant II	1	1	0
Finance	Accounting Technicians	1.5	1.5	0
Finance	Total	4.5	4.5	0
Human Resources	Director of Human Resources	1	1	0
Human Resources	Payroll & Administrative Coordinator	1	1	0
Human Resources	Employee Relations Manager	1	1	0
Human Resources	Total	3	3	0
TOTALS		85.5	84.5	-1

**Does not include staffing changes for AET conversion scheduled for December 2025

Expressway Debt

Overview

The following debt was outstanding for the Expressway System as of December 31, 2023:

Series	Sale Date	Original Borrowing	Interest Rate	Final Maturity	Outstanding Balance
2011-A, B, C	November 2011	77,490,000	4.62-4.75%	July 2041	36,895,000
2011-D	November 2012	43,875,000	4.29%	July 2041	31,980,000
2017	August 2017	19,735,000	4.50%	July 2041	17,520,000
2019	August 2019	17,985,000	2.85%	July 2041	17,030,000
2024-C	November-24	8,825,000	3.53%	July 2041	8,825,000
					<u>\$ 112,250,000</u>

Legal Debt Limit

While the Authority has no legal debt limit, current bond documents require compliance with certain covenants, including a minimum debt service coverage ratio of no less than 1.20. A ratio below this level could place the Authority's bonds in a default status.

Series 2011-A, B, & C bonds

Revenue bonds were issued to refund a portion of Series 1998 and Series 2002 bonds; fully refund Series 1999, Series 2000, Series 2005, Series 2006, and Series 2008 bonds; and fund various construction of \$22.3 million, including the Downtown Expressway Open Road Tolling Project.

Series 2011-D bonds

Revenue bonds were issued and combined with other resources to pay off \$22.8 million of subordinate notes and \$39.4 million of accrued interest (totaling \$62.2 million) to the City of Richmond. The Authority issued debt in 1975 to construct the Expressway System with a Moral Obligation from the City to cover debt service short falls. Between 1975 and 1991, the Authority issued subordinate notes to the City for amounts equal to the City's contributions.

Series 2017 bonds

Revenue Bonds were issued to refund \$18,795,000 of the Series 2011-A bonds.

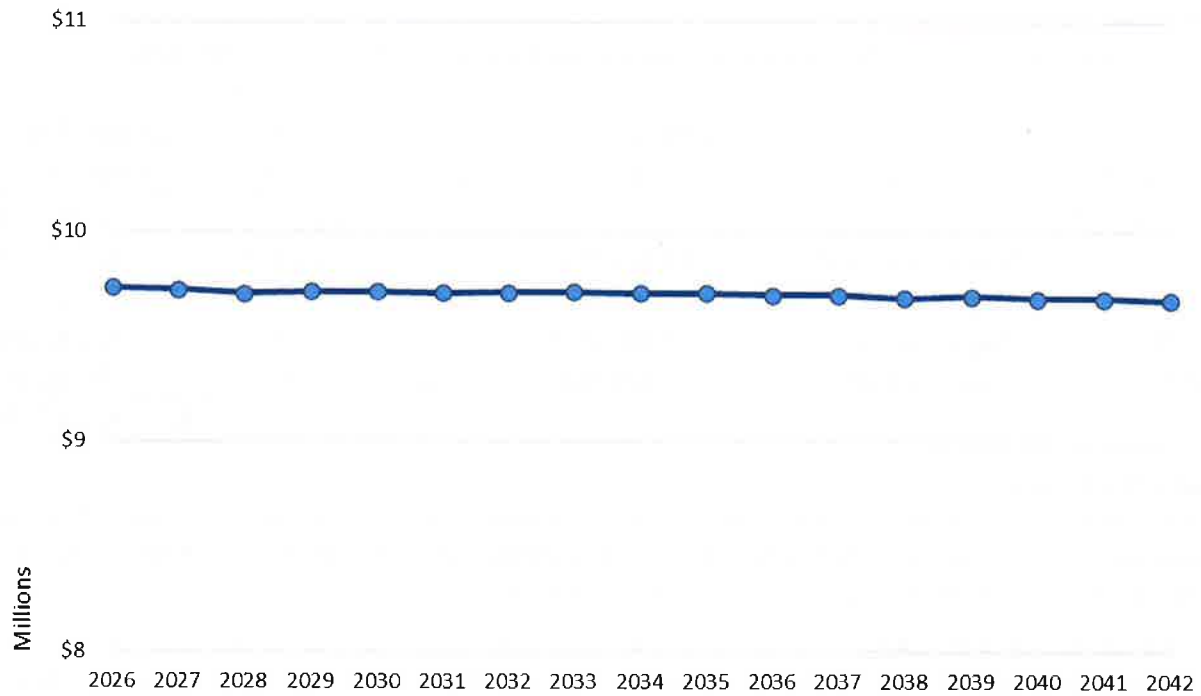
Series 2019 bonds

Revenue Bonds were issued to fully refund \$19,035,000 of the Series 2011-A and Series 2011-B bonds.

Series 2024-C bonds

Revenue Bonds were issued to refund \$9,000,000 of the Series 2011-D bonds.

Annual Debt Service Requirements (millions)



Fiscal Year	Principal	Interest	Total	Fiscal Year	Principal	Interest	Total
2026	4,475,000	5,257,338	9,732,338	2035	6,760,000	2,950,359	9,710,359
2027	4,655,000	5,068,016	9,723,016	2036	7,065,000	2,635,628	9,700,628
2028	4,865,000	4,842,037	9,707,037	2037	7,395,000	2,306,220	9,701,220
2029	5,115,000	4,601,178	9,716,178	2038	7,735,000	1,951,102	9,686,102
2030	5,365,000	4,351,044	9,716,044	2039	8,110,000	1,585,952	9,695,952
2031	5,615,000	4,094,050	9,709,050	2040	8,480,000	1,202,940	9,682,940
2032	5,885,000	3,826,450	9,711,450	2041	8,865,000	818,746	9,683,746
2033	6,160,000	3,554,483	9,714,483	2042	9,255,000	418,544	9,673,544
2034	6,450,000	3,259,422	9,709,422				
				Total	112,250,000	52,723,508	164,973,508

Glossary

Balanced Budget

The budget is considered balanced when all payments for operations, debt service, and annual capital plan needs do not exceed budgeted revenues.

Basis of Accounting/Budgeting

The method of accounting used to track and report revenues and expenses. The Authority uses the accrual basis for its accounting and budget basis. Under the accrual basis of accounting, revenue is recognized when earned and becomes measurable while expenses are recognized when an obligation to pay is incurred.

Bond Resolution

A contract between the Authority and its bondholders that establishes rights and obligations of both parties, including the pledging of toll revenue to the bondholders and revenue and expense certification by the Traffic and Revenue Consultant and Consulting Engineer, respectively.

Capital Budget

The portion of the Authority's annual budget that provides for the funding of preservation, replacement, repair, renewal, reconstruction, modification, and improvements of the Authority's Expressway System.

Consulting Engineer

The firm retained by the Authority for the purpose of carrying out the duties imposed on the Consulting Engineer by the Bond Resolution and such other duties as assigned.

Debt Service

Payment of principal, interest, and other obligations associated with the retirement of debt.

Debt Service Coverage Ratio (DSCR)

Net revenue available after operations and debt service divided by debt service; the amount by which DSCR exceeds 1.0x illustrates the potential cash funding for the capital budget.

E-ZPass

Form of electronic toll collection accepted on the Authority's Expressway System.

ETC

Electronic Toll Collection; an electronic means for patrons to pay toll charges without using coins or currency. Patrons attach an electronic signal device, known as a transponder, to their windshield to automatically deduct the toll charges as they drive through a toll plaza. The Authority accepts ETC payments via E-ZPass.

Established Condition Level

The Authority annually inspects roads and bridges to determine the condition assessment of the Authority's Expressway System. The Authority must maintain its assets at a certain condition level.

Excess Balances Fund

Represents the only reserve available for the operation of the Expressway System and provides a manner to accumulate funding for long-term future capital needs associated with the Expressway System.

Expressway System

Comprised of the Powhite Parkway, Downtown Expressway, the Boulevard Bridge, and associated on/off ramps.

Fiscal Year

A 12-month period for which an organization plans the use of its funds, which does not necessarily correspond to a calendar year. The Authority's fiscal year is from July 1st through June 30th.

Fund

An account established by the Bond Resolution or other legal document to track revenues and expenses for a specific program.

GAAP

Generally Accepted Accounting Principles; standard of framework of guidelines for financial accounting.

GASB

Governmental Accounting Standards Board; source of GAAP used by state and local governments in the United States.

GFOA

Government Finance Officers Association; professional organization of state and local government finance officers. The GFOA sponsors award programs for financial documents including the annual report and budget.

HNTB

Howard, Needles, Tammen, and Bergendoff; the Consulting Engineer retained by the Authority.

Stantec, Inc.

The Traffic and Revenue Consultant retained by the Authority.

MSA

Metropolitan Service Area; geographical region with a high population density and close economic ties throughout the area. The Richmond MSA includes the Cities of Colonial Heights, Hopewell, Petersburg, and Richmond, and the Counties of Amelia, Caroline, Charles City, Chesterfield, Cumberland, Dinwiddie, Goochland, Hanover, Henrico, King and Queen, King William, Louisa, New Kent, Powhatan, Prince George, and Sussex.

Operating Budget

The portion of the budget that provides for the day-to-day operations of the Authority, including compensation and benefits, services, materials, and other expenses.

ORT

Open-Road Tolling; a barrier-free system that allows for electronic toll collection (ETC) and violation enforcement under normal highway driving conditions.

OPEB

Other-Post Employment Benefits; benefits offered to retirees outside of a pension. The Authority's OPEB includes retiree health care. Additional information on the OPEB plan can be found in the Authority's annual report.

Traffic and Revenue Consultant

The Engineer or firm of Engineers retained by the Authority for the purpose of performing the duties imposed on the Traffic and Revenue Consultant by the Bond Resolution and such other duties as assigned. The Authority has contracted with Stantec, Inc. to be its Traffic and Revenue Consultant.

VDOT

Virginia Department of Transportation

Appendix A

Appendix A

Stantec Revenue Certificate

HNTB Expense Certificate

Attention: Ms. Joi Dean, CEO
Richmond Metropolitan Transportation Authority
901 East Byrd Street, Suite 1120
Richmond, VA 23219

RE: Deposits to the Expressway Repair and Contingency Fund

April 1, 2025

Dear Ms. Dean,

The purpose of this letter is to provide recommended deposits for the Expressway Repair and Contingency fund for fiscal years 2026, 2027, and 2028.

Fiscal Year	Recommended Deposit
2026	\$23,851,251
2027	\$18,099,396
2028	\$19,051,454

Article VII, Section 708, of the Richmond Metropolitan Authority's Bond Resolution, adopted October 18, 2011 provides in part that "the Consulting Engineers shall certify to the Authority and include in each of their reports their recommendations as to the amounts that should be deposited in the Repair and Contingency Fund for the purpose of paying extraordinary repairs and replacements to the Expressway System for not less than each of the three (3) succeeding Fiscal Years." This letter serves as certification of HNTB's and AtkinsRéalis' recommended deposit amounts.

Dated: April 1, 2025

HNTB CORPORATION

(attesting to the above and to the extent related to
Maintenance/Repair and Capital Projects)

Robert B. Stimpson

Name: Brad Stimpson

Title: Project Manager

AtkinsRéalis

(attesting to the above and to the extent related to
AET - Civil Work, Toll Systems - Technology,
and Toll Plaza Demo)

Wayne A. Reed

Name: Wayne A. Reed

Title: Division Manager



Stantec Consulting Services Inc.
475 5th Avenue, 12th Floor
New York, NY 10017

May 7, 2025

Attention: Steven Owen
Director of Finance
Richmond Metropolitan Transportation Authority
901 E. Byrd St, Suite 1120
Richmond, VA 23219

Dear Mr. Owen,

Reference: FY2026 Annual Revenue Review and Certification for FY2026 Budget

Pursuant to Section 701 of the Amended and Restate Bond Resolution dated October 18, 2011, (the "Master Resolution") for the Richmond Metropolitan Transportation Authority (RMTA), not less than 30 days prior to the beginning of each Fiscal Year (FY), this certificate meets the requirement that the Traffic and Revenue Consultants shall provide a certificate to be included in the budget documents stating that the budget has been prepared in accordance with the Master Resolution.

Stantec Consulting Services Inc. (Stantec) conducted traffic and toll revenue analysis for FY2026 in order to estimate traffic and toll revenue and compare against costs and debt service provided by RMTA and calculate the toll coverage ratio. At the beginning of the COVID-19 pandemic in the Spring of 2020, traffic and revenue on the RMTA Expressway System (the System) were significantly affected. The height of the impact on traffic and toll revenue was felt in April 2020 resulting in some 55 percent reduction in transaction levels as compared to the forecast. Since then, the RMTA System has recovered significantly, close to pre-pandemic levels and consistently besting revised forecasts.

The growth in transactions from FY2024 to FY2025 through February 2025 as well as performance of FY2025 transactions and revenue against forecast are provided in Table 1. Note that there is relatively flat growth in transactions from FY2024 to FY2025, but healthy 7 percent growth in revenue. This is due to the toll adjustment implemented on September 1, 2023, therefore there are two months of FY2024 that have a lower toll rate. The existing toll schedule is provided in Table 2.

Also note that the relatively flat growth can be directly attributable to a water crisis in the City of Richmond in January and a significant snow event in February. Normalizing these abnormal events it is estimated that transactions would have grown by 2 percent year over year. More importantly is that the actual results of FY2025 compare very well to forecast.

Reference: FY2026 Annual Revenue Review and Certification for FY2026 Budget

Table 1: FY2025 Growth and T&R Forecast Performance

FY2025 Transaction and Revenue Results FYTD (through February 2025)					
Facility	Transactions				
	FY24	% Growth	FY25	2025 Forecast	Diff. from Forecast
Powwhite Parkway	24,925,957	-0.5%	24,805,066	24,903,000	-0.4%
Downtown Expressway	13,402,935	1.1%	13,546,546	13,445,000	0.8%
Boulevard Bridge	2,059,922	-3.6%	1,985,486	2,024,000	-1.9%
RMTA System	40,388,814	-0.1%	40,337,098	40,372,000	-0.1%
Facility	Toll Revenue				
	FY24	% Growth	FY25	2025 Forecast	Diff. from Forecast
Powwhite Parkway	\$19,675,902	8.0%	\$21,250,675	\$21,315,000	-0.3%
Downtown Expressway	\$10,030,714	5.3%	\$10,566,635	\$10,792,000	-2.1%
Boulevard Bridge	\$732,649	2.7%	\$752,591	\$785,000	-4.1%
RMTA System	\$30,439,264	7.0%	\$32,569,901	\$32,892,000	-1.0%

Table 2: RMTA FY2026 Toll Schedule (Implemented September 2023)

Facility	Two Axle Cash	Two Axle E-ZPass	Three Axle	Four Axle	Five Axle
Powwhite Parkway					
Mainline Plaza	\$1.00	\$0.90	\$1.10	\$1.20	\$1.30
Forest Hill Avenue	\$1.00	\$0.90	\$1.10	\$1.20	\$1.30
Douglasdale Road	\$0.50	\$0.45	\$1.00	\$1.10	\$1.20
Downtown Expressway					
Mainline Plaza	\$1.00	\$0.90	\$1.10	\$1.20	\$1.30
Second Street	\$0.50	\$0.45	\$1.00	\$1.10	\$1.20
Eleventh Street	\$0.50	\$0.45	\$1.00	\$1.10	\$1.20
Boulevard Bridge	\$0.50	\$0.45	\$1.00		

Reference: FY2026 Annual Revenue Review and Certification for FY2026 Budget

Stantec updated the forecasting model with actual results that were normalized to understand potential forecasts for the remainder of FY2025 and FY2026. The slow, steady growth in the region is forecasted to continue into the next fiscal year. In addition, there will be changes to RMTA toll policies as a portion of the RMTA System will be converted to all electronic tolling (AET) during FY2026. Based on direction from RMTA the analysis assumes full conversion of the Forest Hills ramps and Powhite Mainline gantries to a single AET gantry on December 15, 2025. There will be no cash collected for those motorists at that toll point. Furthermore, all other gantries will offer "AET light" that allows customers to pay via cash, E-ZPass or invoicing. The forecasting model was updated to reflect these changes in toll policy as well as the introduction of fee revenue because of non-payment of invoices but payment in the violation phase. It is assumed that invoiced customers will be an extra \$1.00 per toll if they pay during the invoicing period. If not paid after the first invoice, customers will be charged a fee of \$25 during the first notice period, and \$50 if paid in the second notice period. The forecasting model assumed a lag in payment as well as a collection rate on invoiced payments based on industry experience.

The remainder of FY2025 and full FY2026 T&R forecasts are presented in Table 3 and Table 4, respectively. Using the foundation of customer's reaction to AET and continued growth, we are estimating a slow steady continued growth on the RMTA system as shown by the FY2026 forecast, which results in approximately 1.4 percent growth across the System.

Table 3: RMTA Expressway System FY2025 Actuals and Forecasted Transactions and Revenues

Month	RMTA FY25 T&R Actual/Estimates							
	Transactions (000s)				Revenue (\$000s)			
	Powhite	DTE	BB	Total	Powhite	DTE	BB	Total
July	3,164	1,694	268	5,125	\$2,711	\$1,323	\$102	\$4,136
August	3,262	1,774	278	5,314	\$2,790	\$1,384	\$104	\$4,277
September	3,134	1,718	264	5,117	\$2,731	\$1,348	\$104	\$4,183
October	3,427	1,919	286	5,632	\$2,924	\$1,491	\$106	\$4,522
November	3,069	1,666	255	4,990	\$2,647	\$1,324	\$96	\$4,067
December	3,111	1,693	248	5,053	\$2,668	\$1,322	\$95	\$4,086
January	2,908	1,577	189	4,674	\$2,476	\$1,224	\$71	\$3,771
February	2,729	1,507	197	4,432	\$2,302	\$1,151	\$73	\$3,527
March	3,345	1,874	278	5,497	\$2,865	\$1,461	\$105	\$4,431
April	3,279	1,809	278	5,366	\$2,808	\$1,411	\$105	\$4,324
May	3,439	1,872	292	5,603	\$2,945	\$1,460	\$111	\$4,516
June	3,189	1,707	278	5,174	\$2,731	\$1,331	\$105	\$4,167
Total	38,056	20,808	3,111	61,976	\$32,600	\$16,230	\$1,179	\$50,009

Forecasted

Reference: FY2026 Annual Revenue Review and Certification for FY2026 Budget

Table 4: RMTA Expressway System FY2026 Forecasted Transactions and Revenues

Month	RMTA Expressway System, FY2026 T&R Forecast								
	Transactions (000s)				Revenue (\$000s)				Fee Revenue
	Powwhite	DTE	BB	Total	Powwhite	DTE	BB	Total	
July	3,198	1,731	269	5,198	\$2,739	\$1,350	\$102	\$4,191	
August	3,297	1,813	280	5,390	\$2,824	\$1,414	\$106	\$4,344	
September	3,168	1,757	266	5,191	\$2,714	\$1,370	\$101	\$4,184	
October	3,463	1,962	288	5,713	\$2,966	\$1,530	\$109	\$4,605	
November	3,102	1,703	257	5,062	\$2,657	\$1,328	\$97	\$4,082	
December	3,144	1,608	230	4,982	\$2,525	\$1,350	\$95	\$3,970	
January	2,912	1,603	190	4,705	\$2,047	\$1,257	\$72	\$3,376	
February	2,733	1,531	197	4,461	\$2,081	\$1,253	\$81	\$3,415	
March	3,349	1,905	277	5,532	\$2,745	\$1,627	\$120	\$4,492	\$103
April	3,284	1,839	278	5,402	\$2,802	\$1,614	\$124	\$4,540	\$239
May	3,444	1,903	292	5,639	\$2,984	\$1,692	\$134	\$4,810	\$273
June	3,194	1,735	278	5,207	\$2,842	\$1,572	\$132	\$4,546	\$307
Total	38,288	21,090	3,102	62,481	\$31,927	\$17,356	\$1,272	\$50,555	\$923

Reference: FY2026 Annual Revenue Review and Certification for FY2026 Budget

Based on data provided by the RMTA, Stantec calculated the debt service coverage ratios (DSCR) as shown in Table 5 for the current forecast. As shown, the DSCR exceeds the requirements of the Master Resolution which requires a 1.2x coverage of annual debt service on parity & subordinate (sub) bonds as well as the required deposits to both the "parity bonds reserve fund" and the "repair and contingency fund". Additionally, the coverage levels exceed the RMTA internal goal of 1.5x coverage. The "other revenue", operations and maintenance (O&M) estimates, and the annual debt service on parity & subordinate (sub) bonds as well as the required deposits to both the "parity bonds reserve fund" and the "repair and contingency fund" as required under the Master Resolution were provided by RMTA.

Table 5: FY2026 Debt Service Coverage Ratio Calculation

Source	Metric	Budget (\$000)
Stantec	Toll Revenue	\$51,478
RMTA	Other Revenue	\$936
calculation	Total Revenue	\$52,414
RMTA	O&M	\$20,817
calculation	Net Revenue	\$31,597
RMTA	Annual Debt Service on Parity & Sub Bonds + required deposits to Parity Bonds Reserve Fund AND Repair and Contingency Fund	\$9,752
Coverage Calculations		
calculation	DSCR	3.24
Bond Resolution	DSCR	1.2
RMTA	DSCR RMTA Goal	1.5

Reference: FY2026 Annual Revenue Review and Certification for FY2026 Budget

Limits and Disclaimers

It is Stantec's opinion that the traffic and toll revenue estimates provided herein represent reasonable and achievable levels of traffic and toll revenues that can be expected to accrue at the Authority's toll facilities over the forecast period and that they have been prepared in accordance with accepted industry-wide practice. However, as should be expected with any forecast, and given the uncertainties within the current economic climate, it is important to note the following assumptions which, in our opinion, are reasonable:

- This limited synopsis presents the highlighted results of Stantec's consideration of the information available as of the date hereof and the application of our experience and professional judgment to that information. It is not a guarantee of any future events or trends. It also assumes no continued restrictions with regard to the Pandemic.
- The traffic and toll revenue estimates will be subject to future economic and social conditions, demographic developments and regional transportation construction activities that cannot be predicted with certainty.
- The estimates contained in this document, while presented with numeric specificity, are based on a number of estimates and assumptions which, though considered reasonable to us, are inherently subject to economic and competitive uncertainties and contingencies, most of which are beyond the control of the Authority and cannot be predicted with certainty. In many instances, a broad range of alternative assumptions could be considered reasonable with the availability of alternative toll schedules, and any changes in the assumptions used could result in material differences in estimated outcomes.
- The standards of operation and maintenance of the whole System will be maintained as planned within the business rules and practices.
- The general configuration and location of the System and its interchanges will remain as they are today.
- Access to and from the System will remain as they are today.
- No other new competing highway projects are assumed to be constructed or significantly improved in the project corridor during the project period.
- Major highway improvements that are currently underway or fully funded will be completed as planned.
- The System will be well maintained, efficiently operated, and effectively signed to encourage usage.
- No reduced growth initiatives or related controls will be introduced during the forecast period that would significantly inhibit normal development patterns.
- There will be no serious protracted recession during the forecast period.
- There will be no protracted fuel shortage during the forecast period.
- No local, regional, or national emergency will arise that will abnormally restrict the use of motor vehicles.

May 7, 2025
Steven Owen
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Reference: FY2026 Annual Revenue Review and Certification for FY2026 Budget

In Stantec's opinion, the assumptions underlying the study provide a reasonable basis for the analysis. However, any financial projection is subject to uncertainties. Inevitably, some assumptions used to develop the projections will not be realized, and unanticipated events and circumstances may occur.

Regards,

Stantec Consulting Services Inc.

A handwritten signature in black ink, appearing to read 'Phil Eshelman', with a long horizontal flourish extending to the right.

Phil Eshelman
Principal

