



CENTRAL TEXAS REGIONAL
MOBILITY AUTHORITY

BUDGET WORKSHOP

Our mission is to develop, deliver, operate and maintain high-quality roadways and related transportation solutions.

June 13, 2025



CENTRAL TEXAS REGIONAL
MOBILITY AUTHORITY

AGENDA ITEM #1

Bobby Jenkins
Chairman

Welcome and opportunity for public comment



CENTRAL TEXAS REGIONAL
MOBILITY AUTHORITY

AGENDA

ITEM #2

James Bass
Executive Director

José Hernández
Chief Financial Officer

Draft FY 2026 Operating Budget

Budget Overview



- **Cash Only - Non-Cash Expenditures are excluded from the FY 2026 budget**
- **System vs Non-System Expenditures**
 - » Sections have expenditures for both System and Non-System (MoPac)
- **System has requirement for debt service coverage**
 - » **Coverage Requirement** - measurement of available net cash flow to pay current debt obligations.
 - » **Indenture System Coverage Requirements**
 - Available Net Cash Flow = Revenue less Operation & Maintenance Expenses
 - Senior Lien 1.25 times (available cash flow / debt obligations)
 - All Debt 1.20 times (available cash flow / debt obligations)
 - » **Target for System Coverage**
 - All Debt 1.75 times (available cash flow / debt obligations)
- **Constraint is the coverage requirement for all System debt**

Factors in Developing FY26 System Budget



- **Priorities**
 - » Maintenance
 - » Enforcement
 - » Payment methods
 - » Project Development
 - » Prepaid Account Penetration
 - » Safety
 - » Innovation
- **Revenue**
 - » Includes the opening of 183N
 - » CPI increase assumption effective January 1, 2026 – 2.2%
 - » Forecasted transaction increase of 12.3% systemwide
- **Expenses**
 - » Contractual CPI increase in roadway and landscape maintenance
 - » Addition of 183N to maintenance responsibilities
 - » Increased tag processing fees and PBM image review

System Draft Budget Overview



System	FY 2025 Budget	FY 2025 Projected	FY 2026 Budget
Revenue*	\$283,945,800	\$285,761,000	\$313,119,400

Actual FY 2025 System Revenues through April 2025: \$223,526,991

- *Revenues pledged for debt service include:
- Toll revenue
 - Interest earnings

System Draft Budget Submission Overview



System O&M Expense	FY 2025	FY 2026	Variance
Submitted	\$52,730,902	\$56,317,250	\$3,586,348
Add/Reduction	\$106,556	\$0	\$0
Budget/Draft	\$52,837,458	\$56,317,250	\$3,586,348

System Draft Budget Overview



System	FY 2025 Budget	FY 2025 Projected	FY 2026 Budget
Revenue	\$283,945,800	\$285,761,000	\$313,119,400
O&M Requested	\$52,837,458	\$45,673,021	\$56,317,250
Available for DS	\$231,108,342	\$240,087,979	\$256,802,150

System Draft Budget Overview



System	FY 2025 Budget	FY 2025 Projected	FY 2026 Budget
Debt Service	\$107,093,022	\$107,093,022	\$109,148,058

Debt Service: Scheduled annual Principal and Interest payments on

- Senior lien bonds
- Subordinate lien debt obligations (bonds and notes)
- All fixed-rate debt
- No refinancings during FY 2025

System Draft Budget Overview



System	FY 2025 Budget	FY 2025 Projected	FY 2026 Budget
Revenue	\$283,945,800	\$285,761,000	\$313,119,400
O&M Requested	\$52,837,458	\$45,673,021	\$56,317,250
Available for DS	\$231,108,342	\$240,087,979	\$256,802,150
Debt Service	\$107,093,022	\$107,093,022	\$109,148,058
DS Coverage	2.16 X	2.24 X	2.35 X

Earlier actual debt service coverage: FY 2022: 1.72x FY 2023: 2.39x FY 2024: 2.43x

Agency Personnel



Section	FY 2025	FY 2026	Change
Administration/Legal	5	5	0
Finance	5	5	0
Operations	7	13	6
Communications	3	3	0
Information Technology	4	5	1
Engineering	8	9	1
TOTAL	32	40	8

- Additional positions for Traffic and Incident Management
- Maintenance Area Manager for Engineering
- Information Technology Administrator addition

Consolidated Operating Budget Overview



Section	FY 2025 Budget	FY 2025 Projected	FY 2026 Budget
Administration/Legal	\$3,536,812	\$1,822,824	\$3,709,024

- Administration/Legal Initiatives
 - Potential outsourcing of Human Resources
 - Moving costs to new headquarters
 - Construction Partnership Program

Proposed Capital Budget - Administration



- Capital Budget - Headquarters
 - » Furniture, Fixtures, Equipment, HVAC and Other - \$2,250,000
 - » Information Technology Buildout - \$250,000

Consolidated Operating Budget Overview



Section	FY 2025 Budget	FY 2025 Projected	FY 2026 Budget
Finance	\$5,064,112	\$4,779,645	\$6,706,149

- Finance Initiatives
 - Increase in property insurance – adding new roadways to the coverage
 - Reduction in rent expense with move to new headquarters
 - Traffic and revenue forecast update, pay-by-mail procurement, and managed lane pricing initiative
 - Debt Service and CAMPO RIF contribution moved to Non-departmental category

Consolidated Operating Budget Overview



Section	FY 2025 Budget	FY 2025 Projected	FY 2026 Budget
Operations	\$23,433,274	\$19,760,706	\$26,673,132

- Operations Initiatives
 - HERO services added to 183A and 183N corridors
 - Traffic safety and speeding initiative
 - Moving contracted traffic and incident management supervisor and operators to CTRMA employment as a cost saving measure
 - Increase in transactions – higher tag collection fees and image review

Proposed Capital Budget - Operations



- Capital Budget – General Fund
 - » **Shared Use Path Improvements:**
 - Bike Racks and Tire Repair Stations - \$42,000
 - Hydration Stations - \$52,000
 - Upgraded Signage - \$82,500
 - » **Field Operations Building Improvements - \$2,506,000**
 - » **Speed Awareness Monitors - \$75,000**

Consolidated Operating Budget Overview



Section	FY 2025 Budget	FY 2025 Projected	FY 2026 Budget
Communications	\$3,267,967	\$3,159,283	\$3,352,484

- Communications Initiatives
 - Continuation of communication and marketing initiatives
 - Media planning and placement increase
 - Additional promotional television and video production

Consolidated Operating Budget Overview



Section	FY 2025 Budget	FY 2025 Projected	FY 2026 Budget
Information Technology	\$13,167,432	\$12,264,412	\$15,710,506

- Information Technology Initiatives
 - Increase forecasted in Google Cloud services for Data Platform
 - Additional outsourced administrative support for security and internal controls
 - IT Administrator position for increasing workload and security initiative

Proposed Capital Budget – Information Technology



- Capital Budget – General Fund
 - » Field Operations Building Network - \$120,000
 - » Data Platform Enhancements - \$979,530
 - » Roadside Hardening - \$1,977,500
 - » Toll Canopy Structures - \$145,000
- Renewal and Replacement – General Fund
 - » CCTV Camera Replacements (Systemwide) - \$550,000
 - » Toll System Replacement (183A) - \$6,105,000

Consolidated Operating Budget Overview



Section	FY 2025 Budget	FY 2025 Projected	FY 2026 Budget
Engineering	\$16,527,825	\$14,202,809	\$18,570,749

- Engineering Initiatives
 - CPI increase on roadway and landscape maintenance contract
 - Addition of 183N to maintenance contract
 - New Maintenance Area Manager to assist with monitoring of permitting and new roadways
 - Driver training for maintenance and construction personnel

Proposed Capital Budget - Engineering



- Capital Budget – General Fund
 - » Maintenance Yard Site Acquisitions - \$10,000,000
 - » Maintenance Yard Buildout - \$400,000
 - » Pond Upgrades (183A) - \$5,000,000
 - » Maintenance Yard Expansion and Brine Production (290E) - \$2,100,000
 - » Maintenance Vehicles with Attachments - \$250,000
- Renewal and Replacement – General Fund
 - » Slab Stabilization - \$200,000
 - » Wall Repair - \$3,220,000
 - » Handrail Replacement (SH71) - \$510,000
 - » Large and Small Sign Replacement (290E) - \$2,300,000
 - » Safety Improvements Systemwide - \$1,500,000

Proposed Capital Improvement Projects - Engineering



- General Fund Allocations
 - » MoPac South Express Lanes – \$3,686,000
 - » Ronald Reagan Managed Lanes - \$1,000,000
 - » 183A Added Capacity - \$1,268,000
 - » 290E Extension - \$7,500,000

Consolidated Operating Budget Overview



Section	FY 2025 Budget	FY 2025 Projected	FY 2026 Budget
Administration/Legal	\$3,536,812	\$1,822,824	\$3,709,024
Finance	\$5,064,112	\$4,779,645	\$6,706,149
Operations	\$23,433,274	\$19,760,706	\$26,673,132
Communications	\$3,267,967	\$3,159,283	\$3,352,484
Information Technology	\$13,167,432	\$12,264,412	\$15,710,506
Engineering	\$16,527,825	\$14,202,809	\$18,570,749
TOTAL	\$64,772,422	\$55,989,679	\$74,722,044

MoPac North FY 2026 Operating Budget



- Revenues - \$24,247,800
 - » Toll Revenue - \$23,687,800
 - » Interest Income - \$560,000
- Operating Expenses - \$3,934,000
- Loan Payment - \$2,101,700
- Capital Budget
 - » Nothing new for FY 2026
 - » Carryforward - \$4,689,330 (toll system equipment and signage)
- Regional Infrastructure Fund Contribution - \$10,000,000
- Future Capital - \$14,611,000 (FY27 – FY29)
 - » Pavement and delineators - \$12,511,000
 - » Sign replacement - \$2,100,000

FY 2026 Non-Departmental Budget



- New section of Operating Budget
- Contains:
 - » Retiree cost of living adjustment - \$215,000
 - » Headquarters operational expenses - \$512,000
 - » System Debt Service - \$109,148,058



CENTRAL TEXAS REGIONAL
MOBILITY AUTHORITY

AGENDA

ITEM #3

James Bass
Executive Director

José Hernández
Chief Financial Officer

Draft FY 2026 – FY 2030 Five Year Capital Plan

CTRMA Five Year Capital Plan



- **Planning tool to align with Board's Strategic Goal and Supporting Strategies**
 - » **Develop and adhere to a system-wide capital improvement plan**
 - Maintain a capital improvement planning process and update the plan on an annual basis working within the Mobility Authority's funding constraints
 - Ensure the capital plan maintains and enhances the existing Mobility Authority system as a priority
 - Partner with local communities to expand the Mobility Authority system and potentially develop other non-tolled projects

CTRMA Five Year Capital Plan - Strategic Plan Alignment



CTRMA Five Year Capital Plan



- **Objective of the Capital Plan**
 - » Tool to identify future capital needs and timeline to address them
 - » Provides for prioritization of identified needs
 - » Establishes framework for funding decisions in the annual capital budget and planning for future needs
 - » Identifies operational expenses associated with larger capital improvement projects (typically new construction)

CTRMA Five Year Capital Plan



- **Capital Plan Operation**

- » Needs, timing, and prioritization of projects subject to change annually (or even mid-year i.e. budget amendments)
- » From the five-year plan, **only projects approved and funded in the subsequent annual capital budget are fully committed**
- » **Projects in future years of the capital plan DO NOT commit the Board or staff to subsequent approval or funding**
- » Any and all projects in the second year of the plan and thereafter would require formal Board approval, including funding, before work would begin on that project
- » Some projects have been added for deliberation as they have been discussed in the broader transportation community
- » Funding for previously approved projects not yet completed is 'carried forward' in a capital reserve

CTRMA Five Year Capital Plan



- **Description of Capital Plan Elements**
 - » Capital budget – new additions of equipment or other items
 - » Renewal and replacement – existing components and items that require cyclical replenishment or have reached end of useful life
 - » Capital improvement projects – new construction and pre-development planning (such as MoPac South and 183N)

CTRMA Five Year Capital Plan



- **Staff Prioritization of Projects**
 - » Ranking based on strategic plan values and goals
 - » Departments identified capital needs based on tiered ranking
 1. Absolutely essential to maintain the integrity of the enterprise
 2. Enhancements that would facilitate operations, processes, and/or driver satisfaction
 3. Improvements that would yield future benefits if affordable (not critical now)
 - » Executive management review of departmental capital requests

Priority 1 Capital Requests FY 2026 - FY 2030



Capital Budget		FY 2026	FY 2027-2030
General Fund			
	Administration	2,500,000	-
	Operations	2,757,500	-
	Information Technology	3,222,030	-
	Engineering	17,750,000	8,950,000
MoPac General Fund			
	Operations	-	950,000
	Information Technology	-	236,000
	Total Capital Budget	26,229,530	10,136,000
Renewal and Replacement			
General Fund			
	Information Technology	6,655,000	10,000,000
	Engineering	7,730,000	35,850,000
MoPac General Fund			
	Engineering	-	12,511,000
	Total Renewal and Replacement	14,385,000	58,361,000
	Total All Projects	40,614,530	68,497,000

Proposed FY26 Capital Budget for new projects – Priority 1



Capital Budget		
General Fund		
	Headquarters Furniture, Fixtures, and Equipment, HVAC, and Other Improvements	2,250,000
	Information Technology Buildout of Headquarters	250,000
	Shared Use Path Improvements	
	Bike Racks and Tire Repair Stations	42,000
	Hydration Stations	52,000
	Upgraded Signage	82,500
	Field Operations Building Improvements	2,506,000
	Field Operations Building Network	120,000
	Data Platform System Enhancements	979,530
	Speed Awareness Cameras - 3	75,000
	Roadside Hardening	1,977,500
	Toll Canopy Structures	145,000
	Maintenance Yard Site Acquisition	10,000,000
	Maintenance Yard Buildout	400,000
	Pond Upgrades - 183A	5,000,000
	Maintenance Yard Expansion and Brine Production Facilities - 290E	2,100,000
	Maintenance Vehicle with Attachments - 2	250,000
	Total Capital Budget	26,229,530
Renewal and Replacement		
General Fund		
	CCTV Camera Replacements (Systemwide)	550,000
	Toll System Replacement - 183A	6,105,000
	Slab Stabilization	200,000
	Wall Repair	3,220,000
	Handrail Replacement - SH71	510,000
	Large and Small Sign Replacement - 290E	2,300,000
	Annual Safety Improvements - Systemwide	1,500,000
	Total Renewal and Replacement	14,385,000
	Total all Projects	40,614,530

Proposed Capital Improvement Project Funding



Capital Improvement Projects

as of July 1, 2025

	Estimated Total	State/Federal	General	
Project Name	Project Cost	Funding	Fund	Funding Source
Mopac South Project	823,000,000	16,500,000	3,686,000	<u>Proposition 12 Funding, Revenue Bonds, TIFIA Loan</u>
Ronald Reagan Managed Lane - Schematic and Environmental	120,000,000		1,000,000	<u>Revenue Bonds and TIFIA Loan</u>
US 183 N Express Lanes	612,000,000	7,200,000		<u>Category 7 Funding, Revenue Bonds, TIFIA Loan</u>
183A Added Capacity - Schematic, Environmental and Design	10,100,000	-	1,268,000	<u>General Fund - multi-year</u>
290E Extension - Schematic and Environmental	25,000,000		7,500,000	<u>General Fund - multi-year</u>
	<u>\$ 1,590,100,000</u>	<u>\$ 23,700,000</u>	<u>\$ 13,454,000</u>	



CENTRAL TEXAS REGIONAL
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AGENDA

ITEM #4

James Bass
Executive Director

Closing Comments and Feedback



CENTRAL TEXAS REGIONAL
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BUDGET WORKSHOP

ADJOURN MEETING #5

June 13, 2025