Maryland Transportation Authority

FINANCE AND ADMINISTRATION COMMITTEE

THURSDAY, NOVEMBER 13, 2025

MARYLAND TRANSPORTATION AUTHORITY
2310 BROENING HWY
BALTIMORE, MD 21224

FINANCE AND ADMINISTRATION COMMITTEE MEETING AGENDA
November 13, 2025 – 9:00 a.m.

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

NOTE: This is an Open Meeting being conducted via livestreaming. The public is welcomed to watch the meeting at the link listed above. ***If you wish to comment on an agenda item please email your name, affiliation, and agenda item to cgreen2@mdta.state.md.us no later than noon on Wednesday, November 12, 2025. You MUST pre-register in order to comment.*** Once you have pre-registered you will receive an email with all pertinent information.

AGENDA

OPEN SESSION

Call to Order

1. **Approval** –	October 9, 2025 - Open Meeting Minutes	Chairman von Paris	5 min.
2. **Approval** –	Contract No. J01B5600027 – IBM Maximo Consulting Services	David Wang	5 min.
3. **Approval** –	Contract MA-2868-0000 – Electronic Toll System (ETC 3G) Customer Service Center Services – Collection Contract Modification No. 5	Joseph Quattrone	10 min.
4. **Approval** –	Contract MA-2257-0000 – Electronic Toll System (ETC 3G) Toll System and Services – Contract Modification No. 4	Joseph Quattrone	10 min.
5. **Approval** –	FY 2027 Preliminary Operating Budget – Approval of the preliminary operating budget	Jeffrey Brown	10 min.
6. **Approval** –	Investment Committee Report – Quarterly review of investment strategy and benchmarks	Kevin Cullity Clayton Viehweg	20 min.
7. **Update** –	Independent Auditor's Report for the FY 2025 Financial Statements Audit and SOC 1 & SOC 2 Reports	Chantelle Green William Seymour, SB Tiana Wynn, SB	15 min.
8. **Update** –	FY 2025 Revenue Assurance Metrics – A review of collected toll revenue	Walter Laun	15 min.
9. **Update** –	1st Quarter Budget Comparison – Review of actual vs. projected FY 2026 operating budget spending	Jeffrey Brown	5 min.
10. **Update** –	1st Quarter Budget Comparison – Review of	Jennifer Stump	5 min.

	actual vs. projected FY 2026 capital budget spending		
11. <u>Update</u> –	Quarterly Update on Traffic and Revenue – Update on the actual performance of traffic and revenue compared to the forecast through September 30, 2025	Walter Laun	5 min.

<u>Vote to Adjourn</u>

ITEM
1

FINANCE AND ADMINISTRATION COMMITTEE MONTHLY MEETING
THURSDAY, OCTOBER 9, 2025
OPEN MEETING VIA CONFERENCE CALL

OPEN SESSION

MEMBERS ATTENDING:	Cynthia Penny-Ardinger Dontae Carroll Jeffrey Rosen John von Paris
STAFF ATTENDING:	Yaw Berkoh Kevin Cullity Percy Dangerfield Jeffrey Davis David Dikes Timothy Eikenberg Allen Garman Chantelle Green Anthony Hagen James Harkness Pilar Helm Natalie Henson Kendra Joseph Frederick Luther Megan Mohan, Esq. Kenneth Montgomery Mary O'Keeffe Russell Radziak, Esq. Deborah Sharpless Timothy Sheets Thomas Smith Jennifer Stump Abey Tamrat Patricia Tracey Agnes Vadasz
OTHERS ATTENDING:	Tyler Horner – Canton Railroad

At 9:05 a.m., Member John von Paris, Chair of the Finance and Administration Committee, called the Finance and Administration Committee Meeting to order.

APPROVAL – OPEN MEETING MINUTES FROM SEPTEMBER 11, 2025 MEETING

Member John von Paris called for the approval of the meeting minutes from the open meeting held on September 11, 2025. Member Jeffrey Rosen made the motion, and Member Dontae Carroll seconded the motion, which was unanimously approved.

APPROVAL – CONTRACT NO. J01B4600044 – CITILOG INCIDENT DETECTION SYSTEM (IDS) SOFTWARE MAINTENANCE AND SERVICE PLAN

David Dikes requested a recommendation of approval from the Finance and Administration Committee to present Contract No. J01B4600044, Citilog Incident Detection System Software Maintenance and Service Plan, to the full Maryland Transportation Authority (MDTA) Board at its next scheduled meeting.

Mr. Dikes advised that this is a sole source contract to provide full-service software maintenance and a service plan (including repairs) for Citilog IDS software. Citilog IDS software is used to detect stopped vehicles inside the tunnels, and on the MDTA's bridges and roadways using video images from closed circuit television cameras. Mr. Dikes explained that a sole source procurement is necessary because the software is proprietary and only the developer's technicians can provide the requisite maintenance and upkeep of the system. The contract is for a five (5) year term in the amount of $431,850.00.

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

APPROVAL – CONTRACT NO. MT-00211281 – WEIGH STATION SCALE MAINTENANCE

Abey Tamrat requested a recommendation of approval from the Finance and Administration Committee to present Contract No. MT-00211281, Weigh Station Scale Maintenance, to the full Maryland Transportation Authority (MDTA) Board at its next scheduled meeting.

Mr. Tamrat advised that this is a sole source contract to retain the services of Mettler-Toledo, LLC, for weigh station scale maintenance at the JFK (I-95 Northbound and Southbound), Hatem Bridge (US 40 Eastbound and Westbound), and Bay Bridge (US 50/301 Eastbound and Westbound). The vendor is responsible for furnishing all personnel, maintenance, training, and program oversight necessary to support the MDTA's weigh station scale maintenance program.

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

APPROVAL – DEBT POLICY

Yaw Berkoh requested a recommendation of approval from the Finance and Administration Committee to present the MDTA's Debt Policy to the full MDTA Board at its next scheduled meeting. The Board Policy on Debt Management establishes the guidelines for the process by which the MDTA issues and manages debt and provides guidance to the MDTA Board and staff to ensure that a sound debt position and strong credit quality is maintained.

Mr. Berkoh advised the Committee that following the annual review by internal staff and an external municipal advisory firm, no changes to the Debt Policy are currently recommended.

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

APPROVAL – PROPOSED CHANGES TO THE MDTA'S TRUST AGREEMENT

Allen Garman requested a recommendation of approval from the Finance and Administration Committee to present proposed conceptual Trust Agreement changes to the full MDTA Board at its next scheduled meeting.

Mr. Garman advised that currently, the Trust Agreement does not provide the MDTA with the ability to self-fund a business interruption insurance reserve and treat the releases from the reserve as Net Revenues for purposes of supporting the annual Rate Covenant or Debt Service Coverage ratios. Recently, the MDTA has experienced rapidly rising insurance premiums nationally as a function of increasing natural disaster loss activity, as well as the MDTA's recent business interruption experience. These circumstances have necessitated a close examination of the Master Trust Agreement provisions for insurance reserves and the legal treatment of reserve releases to ensure stable Debt Service Coverage.

The proposed changes would authorize external Bond Counsel to draft changes to various sections and definitions within the Trust Agreement to provide the MDTA with the financial flexibility to self-insure for potential business interruption with cash reserves. Other potential benefits include lower insurance costs, the elimination of counterparty risk, and more stable Debt Service Coverage in stress scenarios.

The Committee requested, and MDTA Management concurred, to update the MDTA's Board Operating Policy at a future date to reserve the authority of the Board to make future decisions regarding self-funding.

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

UPDATE – CANTON DEVELOPMENT COMPANY

Tyler Horner, President and CEO of the Canton Development Company, updated the Committee on Canton's customer base and the company's operations and financial performance. Mr. Horner also updated meeting attendees on key initiatives to secure additional revenue and improve business performance.

UPDATE – CTP PROCESS/ADDITIONS

Jennifer Stump provided the Finance and Administration Committee with an overview of the MDTA's Consolidated Transportation Program (CTP) process and an update of additions to the capital program. The CTP is released yearly and presents the MDTA's ongoing and new capital projects for a six-year rolling period for all MDTA facilities. Following the MDTA Board's approval of the Draft CTP in June of each year, the CTP is presented to local elected officials and citizens throughout the State of Maryland for review and comment. When the Final CTP is approved by the MDTA Board in November, it becomes part of the Governor's budget to the Maryland General Assembly in January of the following year. This process is required by statute and applies to the MDTA and the Maryland Department of Transportation modes.

Ms. Stump explained that projects in the CTP are categorized into three programs (1) the System Preservation – Minor Projects Program; (2) the Development and Evaluation (D&E) Program - Major Projects; and (3) the Construction Program. The three programs include ongoing projects and projects scheduled to begin construction within the six-year period. The D&E program includes major projects that are being prepared for possible future addition to the Construction Program. Projects are moved from the D&E Program to the Construction Program as funds and resources become available, based on the merits of the projects.

Ms. Stump reported that four (4) new projects were added to the FY 2026-2031 Final CTP. Funding availability to budget for identified projects is based on the MDTA's six-year financial forecast, which considers estimates of traffic and revenue (prepared annually), the operating budget and capital budget, debt service payments, the potential need for future bond sales and toll increases, and compliance with financial standards (Trust Agreement covenant, debt service coverage, unrestricted cash balance).

There being no further business, the meeting of the Finance Committee adjourned at 10:15 a.m., following a motion by Member Caroll, and seconded by Member Penny-Ardinger.

John von Paris, Chairman

ITEM

2

MEMORANDUM

TO: MDTA Finance & Administration Committee

FROM: Senior IT Project Manager David Wang

SUBJECT: J01B5600027, IBM Maximo Consulting Services

DATE: November 13, 2025

PURPOSE OF MEMORANDUM

To seek approval from the Finance & Administration Committee to present Contract No. J01B5600027, IBM Maximo Consulting Services, to the full MDTA Board at its next scheduled meeting.

SUMMARY

This Sole Source Contract is to provide IBM Maximo Consulting Services for expert labor services on the IBM Maximo system currently utilized by the MDTA as its asset management system. The labor services include architects, delivery consultants and project managers which will be utilized to build and upgrade the current Maximo system to the Maximo Application Suite (MAS) version 9. A Sole Source procurement is required because IBM Corporation is the developer of the proprietary owner of Maximo software and only technicians from IBM can provide the upgrades required for MAS version 9. The total amount for this contract is $5,065,328.80 for a term of five (5) years.

RECOMMENDATION(S)

To obtain approval by the Finance & Administration Committee to present Contract No. J01B5600027, IBM Maximo Consulting Services to the full MDTA Board at its next scheduled meeting.

ATTACHMENT(S)

- Finance & Administration Committee Project Summary

Maryland Transportation Authority

FINANCE & ADMINISTRATION COMMITTEE PROJECT SUMMARY

PIN NUMBER	TBD
CONTRACT NUMBER	J01B5600027
CONTRACT TITLE	IBM Maximo Consulting Services

PROJECT SUMMARY

This Sole Source Contract is to provide IBM Maximo Consulting Services for expert labor services on the IBM Maximo system currently utilized by the MDTA as its asset management system. The labor services include architects, delivery consultants and project managers which will be utilized to build and upgrade the current Maximo system to the Maximo Application Suite (MAS) version 9. A Sole Source procurement is required because IBM Corporation is the developer of the proprietary Maximo system software and only technicians from IBM can provide the upgrades required for MAS version 9. The total amount for this contract is $5,065,328.80 for a term of five (5) years.

SCHEDULE	
ADVERTISEMENT DATE	7/28/2025
ANTICIPATED NTP DATE	1/1/2026
DURATION (CALENDER DAYS)	1825

MBE PARTICIPATION	**ADVERTISED GOAL (%)**	**PROPOSED GOAL (%)**
OVERALL MBE	0.00%	0.00%
AFRICAN AMERICAN	0.00%	0.00%
ASIAN AMERICAN	0.00%	0.00%
VSBE	0.00%	0.00%

	($)
ENGINEER'S ESTIMATE (EE)	$5,000,000.00

BID RESULTS	**BID AMOUNT ($)**	**% VARIANCE TO EE**
IBM Corporation	$5,065,328.80	1.31%
No other bidders - Sole Source		

ITEM

3

MEMORANDUM

TO: MDTA Finance and Administration Committee
FROM: Electronic Toll Collection Program Manager Joseph Quattrone
SUBJECT: MDTA Electronic Toll Collection (ETC-3G) Customer Service Center Services, Contract No. MA-2868-0000 – Contract Modification No. 5
DATE: November 13, 2025

PURPOSE OF MEMORANDUM

This request seeks a recommended approval from the Finance and Administration Committee to present Modification No. 5 for Contract No. MA 2868-0000 with Transcore LP, for the 3G Electronic Toll Collection Customer Service Center Services and Systems to the full Maryland Transportation Authority (MDTA) Board for award at its next scheduled meeting. Approval of this Modification No. 5 is contingent upon Board of Public Works (BPW) approval.

BACKGROUND

Contract MA 2868-000 was competitively solicited and awarded to Transcore Limited Partnership (aka Transcore, LP) on February 21, 2018, in the amount of $200,428,772.81 to furnish and provide Customer Service Center Services and Systems for the operation of the Electronic Toll Collection System. To date, there have been four contract modifications. Modification No. 1 was approved by the BPW on July 22, 2022, for $63,106,810.98. Modification No. 2 was approved by the BPW on July 7, 2023, for $44,317,717.58. Modification No. 3 was approved by the BPW on August 28, 2024, for $49,159,268.19. Lastly, Modification No. 4 was approved by the BPW on October 1, 2025. Modification 4 was a no-cost modification related to business requirements and a non-compensable time extension for certain phases of the contract. The current contract value is $357,012,569.56. The proposed Modification No. 5 includes an adjustment to the calculation of a Key Performance Indicator (KPI) and increases funding for new business requirements and Operations and Maintenance (O&M).

SUMMARY

As shown below, the net increase for Modification No. 5 is $38,518,558.29. This includes an additional $61,662,773.43 for O&M activities and the application of $23,144,215.14 in unused funds from Years 1 and 2 of the contract. If approved, the new contract total will be $395,531,127.85.

Modification #4 Contract Value		**$357,012,570**
Modification #5 (O&M Activities)		
Pre-Registered Accounts	$	34,500,000
Other Recurring O&M Needs (routine postage, citations, NOTDs, etc.)		19,762,773
NOTD (second mailing & related postage)		4,800,000
Transponder fulfillment		2,600,000
	$	**61,662,773**
Unused Funds from Years 1 & 2	$	(23,144,215)
Modification #5 (Net Increase)	**$**	**38,518,558**
New Total Contract Value	**$**	**395,531,128**

O&M Activities

Modification No. 5 increases the original O&M line items for Phase IV in years 5 and 6 by $61,662,773.43. The increase is primarily due to (1) changes in certain line items associated with the overnight transition to all-electronic tolling (AET) due to the COVID-19 pandemic; (2) correcting an error in pre-registered account quantities in the Request for Proposals; (3) the inclusion of new business requirements that support the MDTA's toll collection initiatives which are aimed at increasing the MDTA's revenue attainment (*e.g.*, second payment warning notice and altering the bundling requirement for Notices of Toll Due mailings); and (4) transponder fulfillment.

KPI 2.2.3.3.CSC Employee Turnover

Modification No. 5 changes the calculation of the annual turnover rate which is currently based on a 90-day probationary period to a 180-day probationary period. The purpose of this change is to provide a fair and more equitable way of calculating the annual turnover rate. The wording in Section 2.2.3.3 will be revised to read as follows:

> "The annual turnover rate for CSRs (after a ~~90~~ 180-day probation period) shall be no more than 50%. This calculation shall be determined by dividing the number of CSRs who left their jobs after being employed for ~~90~~ 180 days ~~or less~~ during the previous 365 days, by the total number of CSRs employed for longer than ~~90~~180 days during the ~~same~~ previous 365-day year. (Use 366 days for leap years)".

RECOMMENDATION

Approve the presentation of Contract Modification No.5 of the ETC-3G Customer Service Center Services Contract (MA-2868-0000) to the full MDTA Board at its next scheduled meeting.

ATTACHMENT

Summary of Contract Changes

Summary of Contract Changes

Request for Proposal was advertised in August 2016.

Original Contract was entered into on February 21, 2018, in the amount of $200,428,772.81 for the six-year base term following the Board of Public Works approval.

Contract Modification No. 1 was approved by the Board of Public Works on July 27, 2022 (Item 35-IT-MOD), and:

- Provided a non-compensable time extension for the completion of Phases I, II, and III; and
- Increased the contract value for Phase IV, Years 1 and 2, by $63.1 million, resulting in a total contract value of $263.5 million.
    - The additional funding allowed for TransCore to process All-Electronic Toll (AET) transactions in real-time[1], to recover the backlog of transactions paused during the pandemic, and to provide services for the Customer Assistance Plan.

Contract Modification No. 2 was approved by the Board of Public Works on July 5, 2023 (Item 34-IT-MOD), and:

- Provided a non-compensable time extension for the completion Phases I, II and III and the respective punch list and final system acceptance items;
- Extended the contract term by 214-days to align the contract end date with the other Electronic Tolling Collections (ETC) contract with Kapsch TrafficCom (MA-2257) to February 28, 2028; and
- Increased the contract value for Phase IV, Years 1 and 2, by $44.3 million, resulting in a total contract value of $308.7 million.
    - The additional funding is attributed to the additional contract duration and changes in certain line items associated with AET and correcting an error in pre-registered account qualities in the RFP.

Contract Modification No. 3 was approved by the Board of Public Works on August 28, 2024 (Item 34-IT-MOD)

- Updated three critical requirements to protect the State’s interests (performance bond, punch list timeframe, data storage); and
- Increased the contract value for Phase IV, Years 3 and 4, by $49.2 million, resulting in a total contract value of $357.0 million.
    - The additional funding is attributed changes in certain line items associated with AET and correcting an error in pre-registered account qualities in the RFP.

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[1] In March 2020, during the COVID-19 pandemic, the MDTA implemented statewide cashless tolling to protect customers and employees from face-to-face cash transactions. Also, between March and October 2020, the MDTA paused mailing Video Toll Notice of Toll Due.

Contract Modification No. 4 was approved by the Board of Public Works on October 1, 2025 (Item 41-IT-MOD)

- Aligned system requirements stated in the RFP to the system design, tested, implemented, and accepted. System requirements are tracked on a Requirements Traceability Matrix (RTM). Of the 2,397 requirements tracked on the RTM, nearly 20% of the original requirements were updated or removed (300 updates; 175 removals). Most of the changes related to:
    - deleting references to the Alliance for Toll Interoperability (ATI) Hub, which is no longer in operation;
    - including requirements for the Pay-by-Plate (PBP) payment option; and
    - removing requirements for pre-registered video toll accounts payment option (PBP replaced this option).

ITEM
4

MEMORANDUM

TO: MDTA Finance and Administration Committee
FROM: Electronic Toll Collection Program Manager Joseph Quattrone
SUBJECT: MDTA Electronic Toll Collection (ETC-3G) Toll System & Services, Contract No. MA-2257-0000 – Contract Modification No. 4
DATE: November 13, 2025

PURPOSE OF MEMORANDUM

This request seeks the Finance and Administration Committee's recommendation for approval to present Modification No. 4 for Contract No. MA 2257-0000 with Kapsch TrafficCom USA Inc., for the 3G Electronic Toll System Operation to the full MDTA Board for award at its next scheduled meeting. Approval of this Modification is contingent upon the Board of Public Works (BPW) approval

BACKGROUND

Contract MA 2257-000 was competitively solicited and awarded to Kapsch TrafficCom USA Inc. (Kapsch), on February 21, 2018, in the amount of $71,911,342.78. The contract requires Kapsch to furnish and provide Operator Electronic Toll Collection Technology and Associated Subsystem Components and Services for the operation of the Electronic Toll Collection System. Modification No. 1 was approved on July 22, 2022, for $8,764,758.28; Modification No. 2, a no-cost modification, was approved on July 7, 2023. Modification No. 3 was approved on August 28, 2024, for $16,130,376.68. The current contract value is $96,806,477.74.

The proposed Modification No. 4 will (1) update the language of the Key Performance Indicators (KPI) for Video Toll Review and Trip Building; and (2) increase the original Operations and Maintenance (O&M) line items due to the conversion from cash to All-Electronic Tolling (AET) and the completion of task orders related to the I-95 Express Toll Lanes (ETL) Northbound Extension, and IntelliRoad image review.

SUMMARY

As shown in the table below, the net increase of Modification No. 4 is $19,788,506.44. This includes an additional $21,890,738.00 in funds for O&M activities and the application of

$2,102,231.56 in unused funds from Years 1 and 2 of the contract. If approved, the new contract total will be $116,594,984.18.

Modification #3 Contract Value	**$**	**96,806,478**
Modification #4 (O&M Activities)		
AET - O&M Support of Lane Equipment	$	5,890,738
IntelliRoad Image Reviews		5,000,000
Other (FSK Rebuild, I-95 ETL adjustments, force majeure, etc.)		11,000,000
	$	**21,890,738**
Unused Funds from Years 1 & 2	$	(2,102,232)
Modification #4 (Net Increase)	**$**	**19,788,506**
New Total Contract Value	**$**	**116,594,984**

<u>O&M</u>

Modification No. 4 will increase Phase IV O&M line items by $5,890,738.00 for years 5 and 6. The increase is due to the earlier than anticipated conversion from cash to AET during the COVID-19 pandemic. Additionally, $5,000,000.00 is being added to the contract to create an operating line item for IntelliRoad image review. The modification also reflects the inclusion of additional allowance funding in the amount of $11,000,000.00 to complete the Francis Scott Key (FSK) Bridge Rebuild, account for I-95 ETL cost adjustments, force majeure incidents, MD Integrated System for Transaction Analytics and Reporting, and future task orders to improve and enhance customer service.

<u>KPI – IntelliRoad Quality Reviews</u>

As a result of the implementation of IntelliRoad image review, trip processing will change. IntelliRoad image review will enhance image review accuracy to minimize the number of customers receiving incorrect bills due to incorrect license plate data. This helps to maximize revenue by reducing the number of rejection errors and toll disputes.

The amended KPI contract language accounts for the inclusion of IntelliRoad as part of the quality image review process. The wording in Section 2.2.3.3 will be revised to read as follows:

<u>Section 2.2.3.3.A</u>

> "No disincentive for each Video-Based Point Transaction sent to the CSC System ~~within 96 hours~~ <u>via IntelliRoad within 144 hours</u>. A disincentive of 100% of the unit price for each Video-Based Point Transaction sent to the CSC System after ~~more than 96 hours~~ <u>via IntelliRoad after more than 144 hours</u>".

Section 2.2.3.3 B

> ~~"99.0%~~ 99.95% of all other video toll lane transactions sent to the CSC System via IntelliRoad shall include readable images and correct information in the lane transaction message".

Section 2.2.3.3 D

> "100% of all trips completed and sent to the CSC within ~~96~~ 144 hours".

RECOMMENDATION

Approval to present Modification 4 of the ETC-3G Electronic Toll System & Services Contract (MA-2257-0000) to the full MDTA Board for approval at its next scheduled meeting.

ITEM

5

MEMORANDUM

TO:	Finance & Administration Committee
FROM:	Director of Budget Jeffrey Brown
SUBJECT:	FY 2027 Preliminary Budget
DATE:	November 13, 2025

PURPOSE

The purpose of this memorandum is to request a recommendation of approval to the Maryland Transportation Authority (MDTA) Board for the FY 2027 Preliminary Operating Budget.

KEY TAKEAWAYS

Key points regarding the FY 2026 Amended Operating Budget relative to the FY 2027 Preliminary Operating Budget:

FY 2027 Preliminary Operating Budget Request

Summary of Major Changes ($ millions)

FY 2027 Preliminary Operating Budget Request	$463.1
FY 2026 Amended Operating Budget	$462.2
$ Change FY 2027 vs FY 2026	0.9
% Change FY 2027 vs FY 2026	0.2%

The proposed FY 2027 Preliminary Operating Budget of $463.1 million, represents a $0.9 million, or 0.2%, increase versus the FY 2026 Amended Operating Budget. Several of the key changes include the transfer of IT personnel costs to contractual services and increases in *E-ZPass*® service center (tolling vendor) costs, building/road repair and maintenance costs, and insurance costs. These increases were partially offset by reduced vehicle purchases, reduced credit card fees, and various other smaller reductions.

ANALYSIS

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

FY 2026 Amended Operating Budget	$462.2
Mandated Changes	(7.5)
Additions	20.5
Reductions	(12.1)
FY 2027 Prelim Operating Budget	$463.1

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

The mandated changes decreased the budget by $7.5 million and are as follows:

- Personnel expenses for RC 9507 (IT) decreased by $8.0 million (base salaries & fringe benefits) following the transfer of Object 01 (Personnel) costs to Object 08 (Contractual Services). Future IT personnel costs will be allocated to the MDTA by TSO as part of the IT consolidation. After accounting for this change, all other mandated expenses increased $0.5 million.

- Overtime (0104) increases by $0.5 million.

- Base salaries (0101 – excludes MSP) increases $0.2 million. This is due to the reduction of 12 positions via the State's Voluntary Separation Program ($1.2). This reduction is partially offset by employee reclassifications/other costs.

- Pension cost (0161) increases by $0.1 million.

- Employee and Retiree Health Insurance (0152, 0154) increases by $0.1 million.

- Maryland State Police (MSP) personnel costs decline by $0.2 million, primarily due to a reduction in Overtime (0104), Health costs (0152, 0154), State Police Retirement cost (0165), and Turnover (0189), which total $0.3 million. This is partially offset by an increase in various other MSP-related personnel costs.

- Other – (other fringe benefits, accrued leave, etc.) decreases $0.2 million.

The operating budget includes $20.5 million in additional discretionary spending. The key variances are as follows:

- Other Contractual Services (0899) increases $8.3 million, primarily due to the transfer of IT personnel expenses from Object 01($8 million) as part of the IT consolidation.

- *E-ZPass*® Service Center Costs (0873) increases by $5.4 million. The increase is mostly due to additional costs associated with the implementation of various toll collection initiatives aimed at improving the MDTA's video toll collection rate (e.g., second NOTD mailings), double-blind image reviews to help improve the accuracy of customer NOTD billings, and increased video-based transactions.

- Building & Road Repair Maintenance (0812) increases $3.4 million. Most of the increase is due to a new swing gate contract for the Baltimore Harbor Tunnel and the Bay Bridge ($2.1 million). The remainder of the increase is due to the Curtis Creek drawbridge contract ($0.9 million) and various building maintenance activities such as the HVAC system, overhead doors, fire alarm work, and plumbing

- Insurance (1309 -Property & Liability) increases $1.1 million. This is based upon a10% forecasted increase in insurance premiums due to market pressures.

- Radios & Electronic Equipment (1019) increases by $0.7 million. A rate increase for Land Mobile Radios ($0.6 million) drives higher spending.

- Security Services (0823) increases by $0.2 million due to a new security service contract for Point Breeze.

- Other Replacement Equipment (1099) increases $0.2 million due to tariffs.

- Janitorial Services (0813) increases by $0.2 million due to a new contract.

- Management Studies & Consultants (0821) increases $0.2 million due to toll increase services.

- The remaining $0.8 million increase is spread across multiple line items such as other insurance, equipment repairs & maintenance, travel, etc.

The key variances for the $12.1 million reduction in operating budget spending are as follows:

- Vehicle Purchases (0701) decrease by $9.1 million. The reduction is due to adjustments in the anticipated timing of certain purchases that are expected to occur in either FY 2026 or FY 2028.

- Fiscal Services (0829) decreases $1.3 million due to lower credit card processing interchange rates following the implementation of enhanced credit and debit card transaction data collection to reduce the risk of fraud.

- Gas & Oil (0702) decreases $0.8 million to align with prior actuals.

- Computers (1033) decrease by $0.3 million due an adjustment in the timing of certain purchases.

- Electricity (0620) decreases $0.2 million due to the alignment of expenses with FY 2025 actual costs.

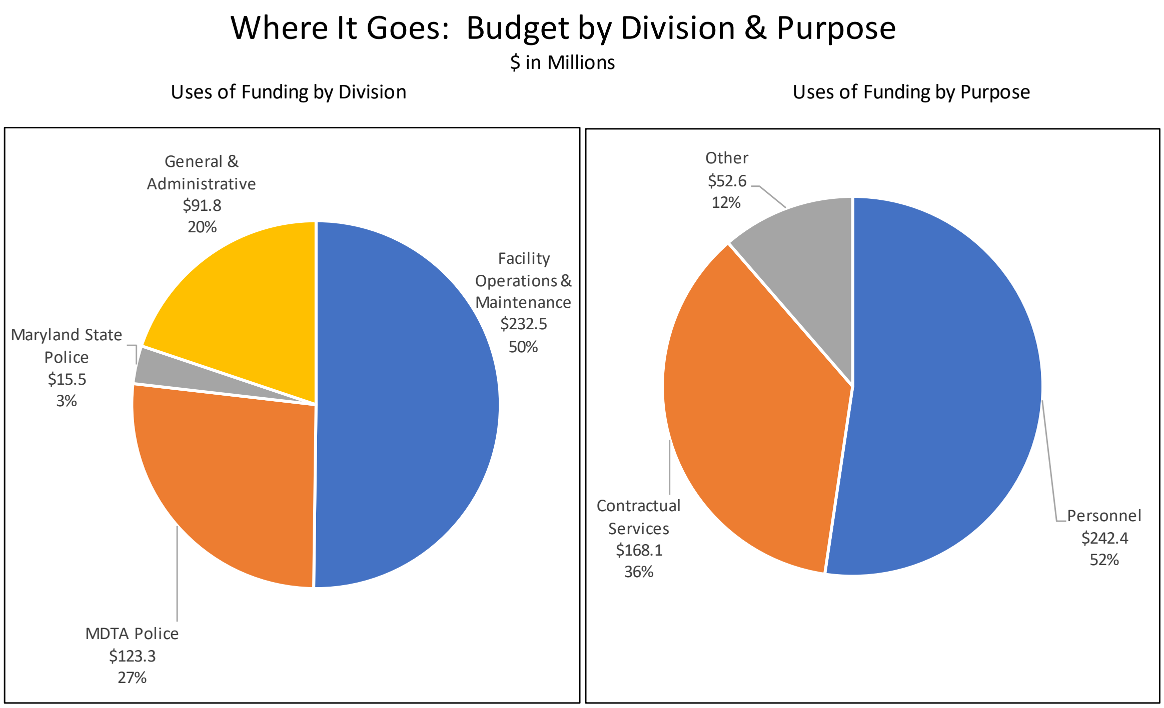
- Additional Office Equipment (1115) decreases $0.1 million due to reduced MSP needs.

- Transponders (0951) decreases $0.1 million due to reduced needs.

- Other reductions that totaling $0.2 million across multiple line items include Watercraft Maintenance & Repair, Other Equipment, Electrical Materials, and other expenses.

Figure 1 graphically displays the FY 2027 budget by division and purpose.

Figure 1



Budgeted Positions

The MDTA's position complement declines by 56 positions in FY 2027 due to the Voluntary Separation Program (12 PINS) and IT consolidation (44 PINS).

Personnel Budget Data

FY 2025 Actual Budget	FY 2026 Amended Budget	FY 2027 Proposed Budget	FY 2026 - FY 2027 Change
1697.0	1697.0	1641.0	-56.0

ATTACHMENTS
Attachment 1 - Summary of Major Changes
Attachment 2 - FY 2026 SummaryByObject

Attachment 1

Summary of Major Changes

	FY27 Prelim VS FY26 Amended
FY 2027 Preliminary Operating Budget	$463.1
FY 2026 Final Operating Budget	462.2
$ Increase FY 2027 Preliminary over FY 2026 Final	$0.9
% Increase FY 2027 Preliminary over FY 2026 Final	0.2%
FY 2026 Final Operating Budget	$462.2
Mandated Changes	(7.5)
Additions	20.5
Reductions	(12.1)
FY 2027 Preliminary Operation Budget Request	$463.1
Mandated	
IT - PINs removed due to IT expense allocation	($8.0)
Voluntary Separation - 12 PINs	($1.2)
MSP changes	($0.2)
Reclassifications	1.4
Overtime	0.5
Various Minor Fringe Changes Net to Zero	0.0
Total Mandated	($7.5)
Additions	
Other Contractual (IT allocation)	$8.0
Other Contractual (Non IT)	0.3
E-ZPass® Service Center Costs	5.4
Building/Road Repairs & Maintenance	3.4
Insurance	1.1
Radios & Electronic Equipment	0.7
Security Services	0.2
Other Replacement Equipment	0.2
Janitorial Services	0.2
Management Studies	0.2
All Other	0.8
Total Additions	$20.5
Reductions	
Vehicle Purchases	($9.1)
Fiscal Services	(1.3)
Vehicle Gas & Oil	(0.8)
Computers	(0.3)
All Other	(0.6)
Total Reductions	($12.1)

Attachment 1

Summary of Major Changes

	FY27 Prelim VS FY26 Amended
Total Change	$0.9

Attachment 2

Object	Description	Amended FY 2026 Budget	Prelim FY 2027 Budget	FY27 Prelim-FY26 Amended $ Inc/Dec	FY27 Prelim-FY26 Amended % Inc/Dec
OBJECT 01 Salaries and Wages					
101	REGULAR EARNINGS	152,589,257	147,408,628	(5,180,629)	-3.4%
102	ADDITIONAL ASSISTANCE	194,092	194,092	0	0.0%
104	OVERTIME EARNINGS	6,007,621	6,400,579	392,958	6.5%
104	OVERTIME EARNINGS - SNOW	1,379,686	1,465,246	85,560	6.2%
105	SHIFT DIFFERENTIAL	983,391	992,391	9,000	0.9%
110	MISCELLANEOUS P/R ADJUSTMENTS	259,750	348,236	88,486	34.1%
111	ANNUAL LEAVE PAYOUTS	192,471	231,025	38,554	20.0%
112	RECLASSIFICATIONS	403,865	403,865	0	0.0%
151	SOCIAL SECURITY CONTRIBUTIONS	10,936,678	10,526,024	(410,654)	-3.8%
152	HEALTH INSURANCE	21,801,255	21,165,770	(635,485)	-2.9%
154	RETIREE'S HLTH INSURANCE PREM	13,019,894	12,647,393	(372,501)	-2.9%
161	EMPLOYEES RETIREMENT SYSTEM	19,650,180	18,589,885	(1,060,295)	-5.4%
165	STATE POLICE RETIREMENT SYSTEM	5,204,476	5,186,133	(18,343)	-0.4%
169	LAW ENFORCEMNT OFF PENSION SYS	23,925,977	23,846,651	(79,326)	-0.3%
171	BURDEN EXPENSE	0	0	0	
172	DEFERRED COMPENSATION MATCH	358,077	356,877	(1,200)	-0.3%
174	UNEMPLOYMENT COMPENSATION	222,105	206,394	(15,711)	-7.1%
175	WORKERS COMPENSATION	3,633,039	3,633,039	0	0.0%
189	TURNOVER	(12,922,298)	(13,163,609)	(241,311)	1.9%
199	OTHER FRINGE BENE - CLOTH ALLOW	859,111	868,411	9,300	1.1%
		248,698,627	241,307,030	(7,391,597)	-3.0%
Object 02 Technical and Special Fees					
202	PER DIEM PAYMENTS	125,000	150,000	25,000	20.0%
209	ADMIN/MGMT SERVICES SUPPORT	3,000	1,500	(1,500)	-50.0%
211	EMPLOYEE AWARDS	1,000	1,000	0	0.0%
217	CONTRACTUAL HEALTH INS	0	0	0	
220	SPECIAL PAYMENTS PAYROLL	1,118,978	980,108	(138,870)	-12.4%
		1,247,978	1,132,608	(115,370)	-9.2%
Object 03 Communications					
301	POSTAGE	51,600	49,600	(2,000)	-3.9%
302	TELEPHONE	880,904	879,479	(1,425)	-0.2%
303	TELECOMMUNICATIONS	803,730	820,465	16,735	2.1%
304	MISCELLANEOUS COMMUNICATION	0	0	0	
305	STATE PAID TELECOMMUNCIATIONS	2,000,000	2,000,000	0	0.0%
306	CELL PHONE EXPENDITURES	663,181	666,406	3,225	0.5%
		4,399,415	4,415,950	16,535	0.4%
Object 04 Travel					
401	IN STATE/ROUTINE OPERTN TRAVEL	51,377	53,177	1,800	3.5%
401	IN STATE/ROUTINE OPERTN TRAVEL-SNOW	0	0	0	
402	INSTATE/CONF/SEMNR/TRNG TRAVEL	95,098	92,179	(2,919)	-3.1%
403	OUTSTATE/ROUTINE OPERTN TRAVEL	63,393	48,964	(14,429)	-22.8%
404	OUTSTATE/CONF/SEMNR/TRNG TRAVL	360,978	344,778	(16,200)	-4.5%
		570,846	539,098	(31,748)	-5.6%
Object 06 Fuel and Utilities					
603	FUEL-OIL #2	149,300	138,500	(10,800)	-7.2%
606	FUEL-NATURAL GAS/PROPANE	486,434	542,733	56,299	11.6%
620	UTILITIES-ELECTRICITY	4,248,405	4,092,405	(156,000)	-3.7%
621	UTILITIES-WATER/SEWAGE	416,703	451,190	34,487	8.3%
		5,300,842	5,224,828	(76,014)	-1.4%
Object 07 Motor Vehicle Operations and Maintenance					
701	PURCH VEH-CAR,LIGHT TRUCK	9,110,000	0	(9,110,000)	-100.0%
702	VEHICLE GAS & OIL	4,025,750	3,275,000	(750,750)	-18.6%
702	VEHICLE GAS & OIL-SNOW	0	0	0	
703	VEHICLE MAINTENANCE & REPAIR	2,721,700	2,746,450	24,750	0.9%
703	VEHICLE MAINTENANCE & REPAIR-SNOW	0	0	0	
704	INSURANCE	407,863	407,863	0	0.0%
720	PURCH VEH-WATERCRAFT	0	0	0	
721	VEHICLE GAS & OIL-WATERCRAFT	49,347	49,347	0	0.0%
722	VEHICLE MAINTENANCE & REPAIR-WATERCRAFT	111,431	62,500	(48,931)	-43.9%
724	BOAT SLIP RENTAL/LAUNCHING FEES	4,200	10,200	6,000	142.9%
730	PURCH VEH-OTHER LAND VEH - DUMP, TRACTOR	1,816,000	1,816,000	0	0.0%
731	LG VEHICLE GAS & OIL	1,000,000	1,000,000	0	0.0%

Attachment 2

Object	Description	Amended FY 2026 Budget	Prelim FY 2027 Budget	FY27 Prelim-FY26 Amended $ Inc/Dec	FY27 Prelim-FY26 Amended % Inc/Dec
732	LG VEHICLE MAINT & REPAIR	2,500,000	2,500,000	0	0.0%
732	LG VEHICLE MAINT & REPAIR-SNOW	0	0	0	
789	COMMUTE CHARGES	(5,000)	(5,000)	0	0.0%
799	OTHER MOTOR VEHICLE CHARGES	50,000	50,000	0	0.0%
		21,791,291	11,912,360	(9,878,931)	-45.3%
Object 08 Contractual Services					
801	ADVERTISING/LEGAL PUBLICATION	3,278,691	3,280,191	1,500	0.0%
802	APPLICATIONS SOFTWARE MAINTENANCE	100,000	100,000	0	0.0%
804	PRINTING/REPRODUCTION SERVICE	33,250	27,500	(5,750)	-17.3%
805	BOOKBINDING/PHOTOGRAPHIC SVC	0	0	0	
807	ENGINEERS	35,940,000	35,940,000	0	0.0%
808	EQUIPMENT RENTAL	544,018	582,697	38,679	7.1%
809	EQUIPMENT REPAIRS & MAINT	2,123,609	2,192,883	69,274	3.3%
810	EXTERMINATION SERVICE	17,413	25,863	8,450	48.5%
812	BUILDING/ROAD REPAIRS & MAINT	16,176,962	19,595,515	3,418,553	21.1%
813	JANITORIAL SERVICES	1,944,667	2,140,443	195,776	10.1%
814	GROUNDS MAINTENANCE	86,700	98,300	11,600	13.4%
815	LAUNDRY SERVICE	3,400	3,150	(250)	-7.4%
816	HOUSEKEEPING SERVICES	0	50	50	
817	LEGAL SERVICES	477,850	532,850	55,000	11.5%
819	EDUCATION/TRAINING CONTRACTS	1,328,188	1,322,388	(5,800)	-0.4%
820	MEDICAL CARE	594,720	594,720	0	0.0%
821	MGMT STUDIES AND CONSULTANTS	6,947,572	7,100,572	153,000	2.2%
823	SECURITY SERVICES	1,241,976	1,451,976	210,000	16.9%
824	LABORATORY SERVICES	44,278	42,378	(1,900)	-4.3%
825	VETERINARY SERVICES	31,565	34,165	2,600	8.2%
826	FREIGHT AND DELIVERY	17,841	18,941	1,100	6.2%
827	TRASH AND GARBAGE REMOVAL	474,648	519,256	44,608	9.4%
828	OFFICE ASSISTANCE	62,000	52,000	(10,000)	-16.1%
829	FISCAL SERVICES	15,715,250	14,418,229	(1,297,021)	-8.3%
831	OFFICE OF ADMINISTRATIVE HEARINGS	0	30,000	30,000	
832	EDUCATION/TRAINING REIMBURSEMENT	6,000	6,000	0	0.0%
841	DP CENTRAL PROCESS SVC	900,000	900,000	0	0.0%
843	DP COMMUNICATIONS CONTROLLERS SVC	400,000	400,000	0	0.0%
849	TELECOMM LINES, MODEMS & CONTRLLR	613,538	614,769	1,231	0.2%
850	DP PERIPHERAL EQUIPMENT SVC	0	0	0	
854	COMPUTER MAINTENANCE CONTRACTS	100,000	100,000	0	0.0%
858	SOFTWARE LICENSES	123,750	124,750	1,000	0.8%
861	APPL SOFTWARE ACQUISITION	50,000	50,000	0	0.0%
862	APPL SOFTWARE MAINTENANCE	1,501,000	1,506,000	5,000	0.3%
863	SYSTEMS SOFTWARE ACQUISITION	0	0	0	
864	SYSTEMS SOFTWARE MAINTENANCE	1,000,000	1,000,000	0	0.0%
865	OUTSIDE SVCS-SYS ANALYSIS&DSGN	8,000,000	8,000,000	0	0.0%
866	OUTSIDE SVCS-PROGRAMMING	500,000	500,000	0	0.0%
869	OUTSIDE SVCS-COMPUTER USAGE	550,000	550,000	0	0.0%
872	OUTSIDE SVCS-IT CONSULTANT	0	0	0	
873	OUTSIDE SVC - E-ZPASS® SVC CENTER	45,500,000	50,853,481	5,353,481	11.8%
874	OFFICE OF ATTORNEY GENERAL FEE	44,265	44,265	0	0.0%
875	RETIREMENT AGENCY ADMIN FEE	232,588	225,361	(7,227)	-3.1%
876	STATEWIDE DOIT SERVICES	125,000	125,000	0	0.0%
894	STATEWIDE PERSONNEL SYS ALLOC	41,676	41,676	0	0.0%
897	STATEWIDE ENTERPRISE BUDGET SYSTEM	348,402	348,402	0	0.0%
899	OTHER CONTRACTUAL SVC-NON DP	4,310,702	12,594,809	8,284,107	192.2%
Object 09 Supplies and Materials		151,531,519	168,088,580	16,557,061	10.9%
901	AGRICULTURE	53,090	49,475	(3,615)	-6.8%
902	OFFICE SUPPLIES	446,170	441,903	(4,267)	-1.0%
903	ELECTRICAL MATERIALS	492,291	463,750	(28,541)	-5.8%
904	BUILDING & HOUSEHOLD SUPPLIES	488,712	532,870	44,158	9.0%
905	ROADWAY MAINT MATERIALS	761,477	796,258	34,781	4.6%
906	SALT/SNOW MELTING MATERIALS	1,661,500	1,659,500	(2,000)	-0.1%
908	HOUSEKEEPING SUPPLIES	74,266	73,420	(846)	-1.1%
909	MEDICAL SUPPLIES	44,807	44,194	(613)	-1.4%

Attachment 2

Object	Description	Amended FY 2026 Budget	Prelim FY 2027 Budget	FY27 Prelim-FY26 Amended $ Inc/Dec	FY27 Prelim-FY26 Ame nded % Inc/Dec
912	WEARING APPAREL-UNIFORMS EMPL	1,293,258	1,299,091	5,833	0.5%
915	LIBRARY SUPPLIES	29,975	31,434	1,459	4.9%
917	SMALL TOOLS	348,519	373,172	24,653	7.1%
918	VETERINARY SUPPLIES	29,381	28,500	(881)	-3.0%
920	FOOD	194,784	213,074	18,290	9.4%
926	DATA PROCESSING SUPPLIES	32,435	32,186	(249)	-0.8%
930	MICROCOMPUTER PKG APPL SOFTWARE	0	0	0	
932	MICROCOMPUTER OPER SYS SFTWRE	0	0	0	
933	SOFTWARE UPGRADES	0	0	0	
934	AMMO GUNS FIRING RNGE SUPPLIES	754,811	754,811	0	0.0%
951	E-ZPASS TRANSPONDERS	4,115,000	4,003,701	(111,299)	-2.7%
995	CORPORATE PURCHASING CARD	0	0	0	
999	OTHER SUPPLIES AND MATERIALS	369,319	396,028	26,709	7.2%
Object 10 Replacement Equipment		11,189,795	11,193,367	3,572	0.0%
1002	REPL AUDIO-VISUAL EQUIP	0	0	0	
1003	REPL CLEANING EQUIPMENT	0	0	0	
1007	REPL EDUCATIONAL EQUIPMENT	0	0	0	
1009	REPLHUMAN ENVIRONMENTAL EQUIPMENT	0	0	0	
1013	REPL MAINTENANCE & BUILDING EQUIP	296,600	314,700	18,100	6.1%
1015	REPL OFFICE EQUIPMENT	106,357	82,757	(23,600)	-22.2%
1019	REPL RADIOS & ELECTRONIC EQUIPMENT	66,000	809,800	743,800	1127.0%
1031	REPL DP EQUIP-MAINFRAME	0	0	0	
1033	REPL DP EQUIP-MICROCOMPUTER	1,005,200	750,000	(255,200)	-25.4%
1034	REPL DP EQUIP-WORKSTATIONS	0	0	0	
1036	REPL DP EQUIP-PERIPHERALS	14,400	0	(14,400)	-100.0%
1099	OTHER REPLACEMENT EQUIPMENT	541,266	741,266	200,000	37.0%
Object 11 Additional Equipment		2,029,823	2,698,523	668,700	32.9%
1102	ADDT'L AUDIO-VISUAL EQUIP	6,500	16,000	9,500	146.2%
1103	ADDT'L CLEANING EQUIPMENT	10,000	10,000	0	0.0%
1107	ADDT'L EDUCATIONAL EQUIPMENT	0	0	0	
1109	ADDT'L HUMAN ENVIRONMENTAL EQUIPMENT	1,000	1,000	0	0.0%
1113	ADDT'L MAINTENANCE & BUILDING EQUIP	253,000	254,450	1,450	0.6%
1115	ADDT'L OFFICE EQUIPMENT	238,590	101,500	(137,090)	-57.5%
1119	ADDT'L RADIOS & ELECTRONIC EQUIPMENT	665,000	665,000	0	0.0%
1131	ADDT'L DP EQUIP-MAINFRAME	0	0	0	
1133	ADDT'L DP EQUIP-MICROCOMPUTER	20,000	20,000	0	0.0%
1134	ADDT'L DP EQUIPMENT-WORKSTATIONS	0	0	0	
1136	ADDT'L DP EQUIP-PERIPHERALS	0	0	0	
1199	OTHER ADDITIONAL EQUIPMENT	1,378,962	1,348,462	(30,500)	-2.2%
Object 13 Fixed Charges		2,573,052	2,416,412	(156,640)	-6.1%
1301	RENT	0	0	0	
1302	INSURANCE COVERAGE PAID TO STO	907,813	999,868	92,055	10.1%
1303	RENT PAID TO DGS	1,100	1,100	0	0.0%
1304	SUBSCRIPTIONS	29,020	41,020	12,000	41.4%
1305	ASSOCIATION DUES	283,857	289,121	5,264	1.9%
1308	LICENSES	9,720	10,720	1,000	10.3%
1309	INSURANCE (NON STO PAYMENTS)	11,596,367	12,754,153	1,157,786	10.0%
1320	1320 BAD DEBT EXPENSE (NON TOLLS)	50,000	50,000	0	0.0%
1310	INTEREST ON LATE PAYMENTS	0	0	0	
1310	BOND ISSUE COSTS	0	0	0	
1320	BAD DEBT EXPENSE	0	0	0	
		12,877,877	14,145,982	1,268,105	9.8%
	Total	462,211,066	463,074,739	863,673	0.2%

ITEM

6

MEMORANDUM

TO: Finance and Administration Committee
FROM: Investment Administrator Clayton Viehweg
Director Treasury & Debt Kevin Cullity
SUBJECT: Quarterly Investment Report
DATE: November 13, 2025

PURPOSE OF MEMORANDUM

Complete required quarterly review of investment report for the three-month period ended September 30, 2025. Request recommendation of the Finance and Administration Committee to present to the full Board for approval for the continuation of investment strategy and associated benchmarks.

SUMMARY

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

Key Points

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

RECOMMENDATION

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

ATTACHMENT

Performance Report Finance Committee 9 30 25

Maryland Transportation Authority

Investment Portfolio Management & Performance

Period Ended – September 30, 2025

Meeting Date – November 13, 2025

Agenda & Key Points

Agenda

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

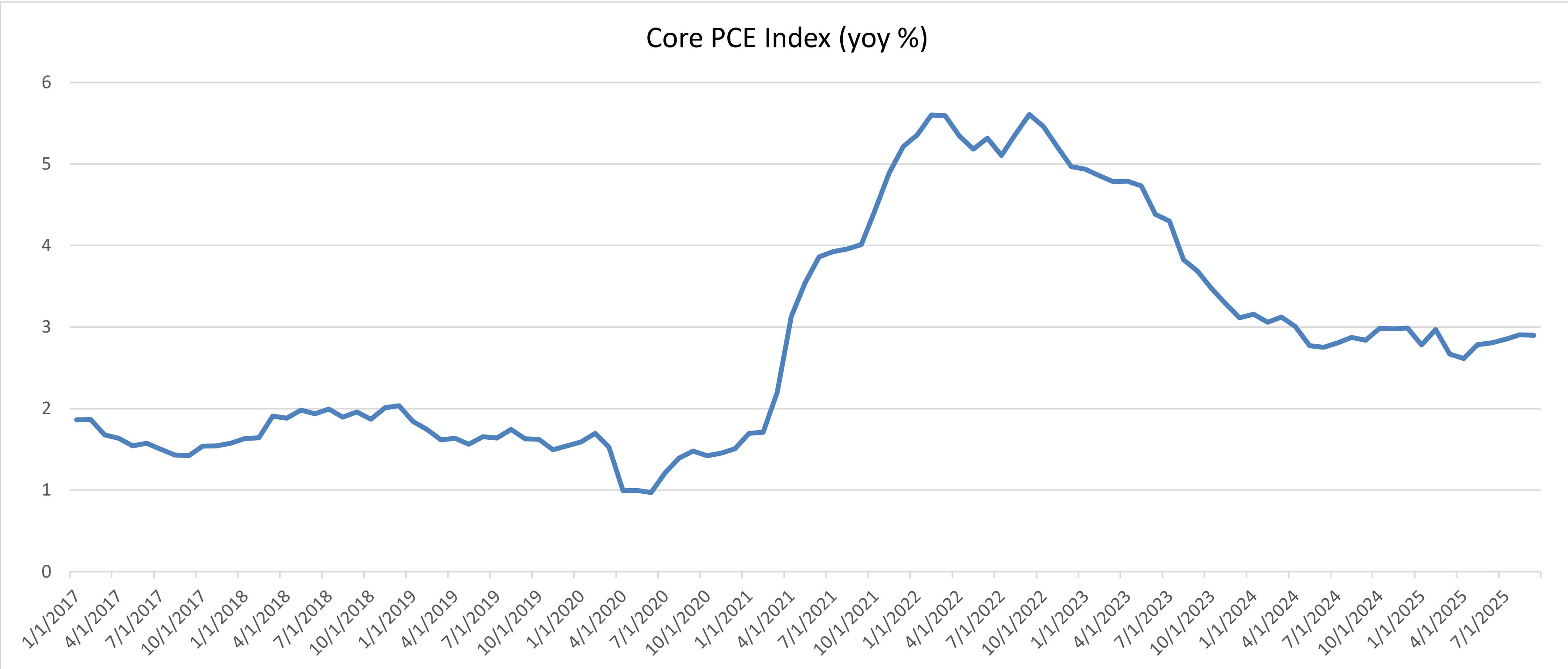
Key Points

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

Market Update – Economy, Federal Reserve & Bond Market

- Federal Reserve's preferred measure of inflation, Core PCE, continues to show inflation moderation.
- The Fed noted at its October 29 meeting that "job gains have slowed" and "the unemployment rate has edged up". Additionally, inflation "remains somewhat elevated" and has even "moved up since earlier in the year".

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

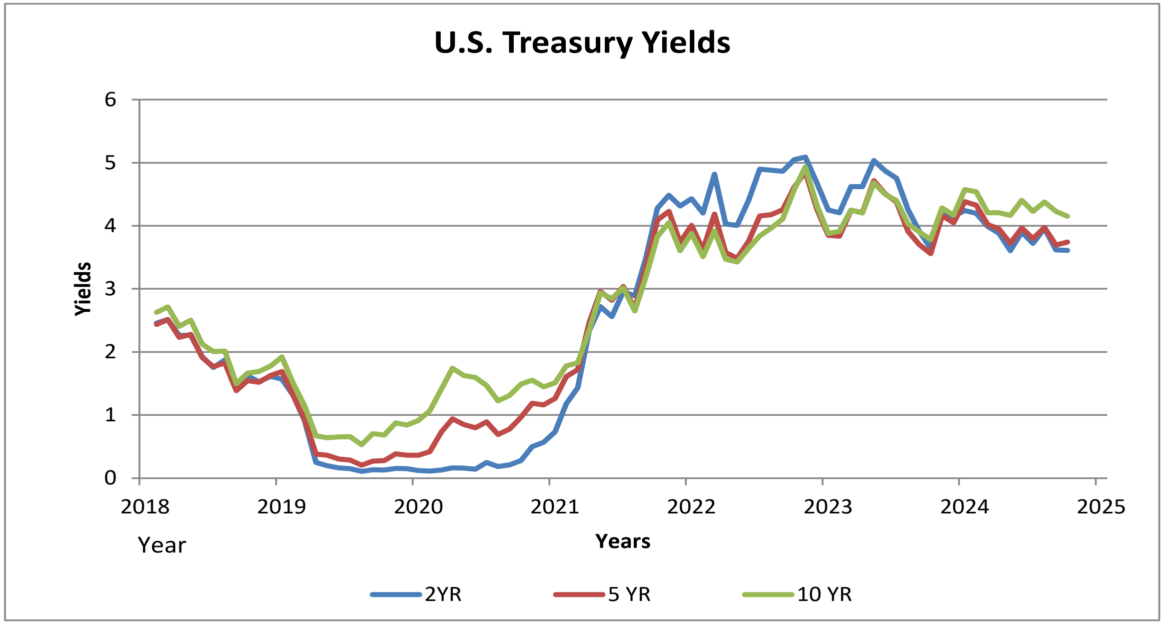


Market Update – Economy, Federal Reserve & Bond Market

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

	Q3 2025		Q2 2025	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022
Real GDP (yoy %)	2.10	1/	2.10	2.00	2.40	2.80	3.10	2.90	3.40	3.20	2.80	2.30	1.30
Core PCE Index (yoy %)	2.90	2/	2.81	2.67	2.99	2.84	2.75	3.12	3.11	3.69	4.38	4.78	4.97
Unemployment Rate (%)	4.50	3/	4.10	4.20	4.10	4.10	4.10	3.90	3.80	3.80	3.60	3.50	3.50

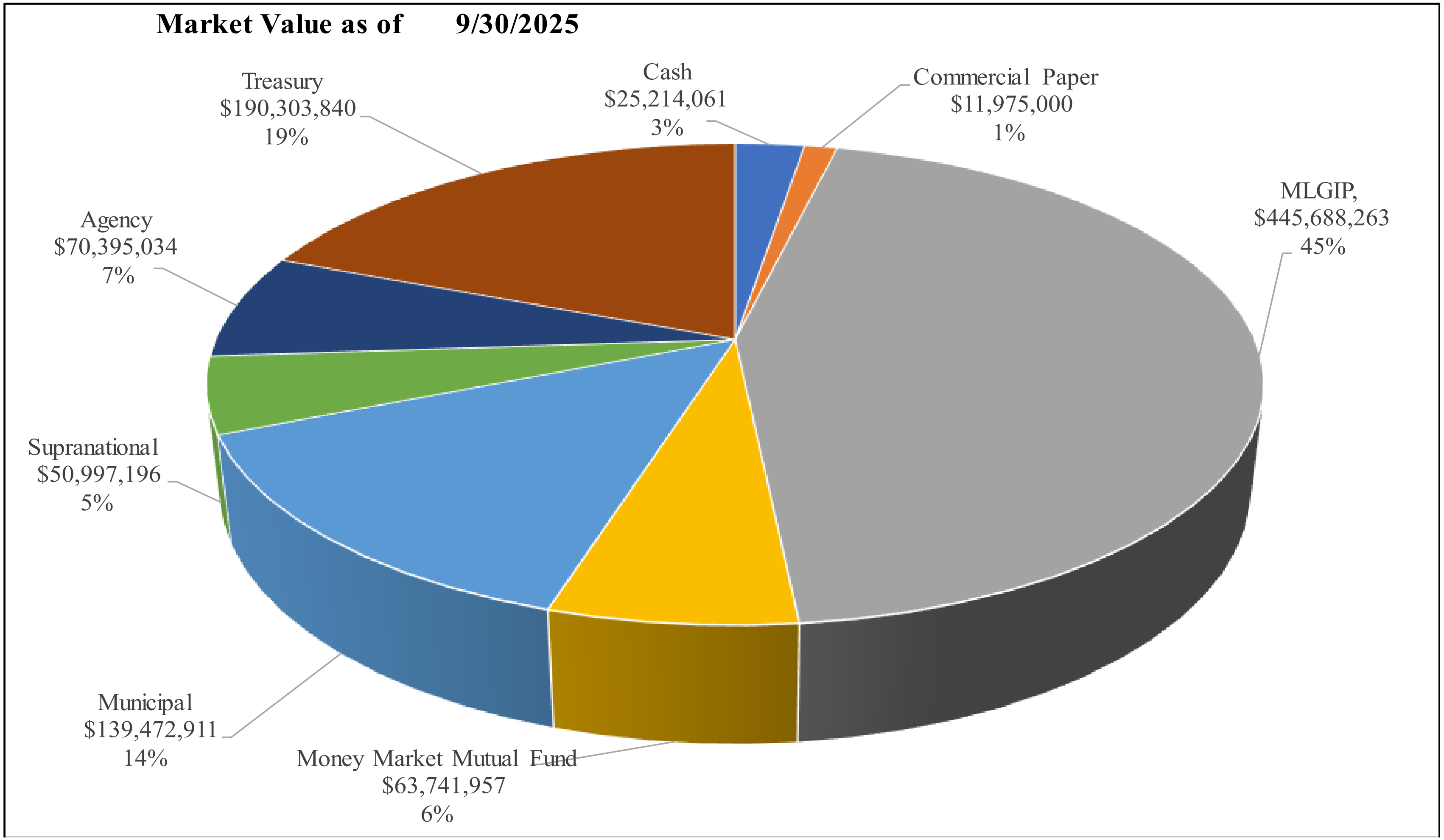
1/ Period through June 30 as revised September 2025
2/ Survey Average for August 2025 as of September 2025
3/ Survey Average for October 2025 as of November 2025
***** Real GDP & Core PCE are published by the Bureau of Economic Analysis; the website was last updated on 10/1/2025.*
***** The Unemployment Rate is published by the Bureau of Labor Statistics; the website was last updated on 10/4/2025.*



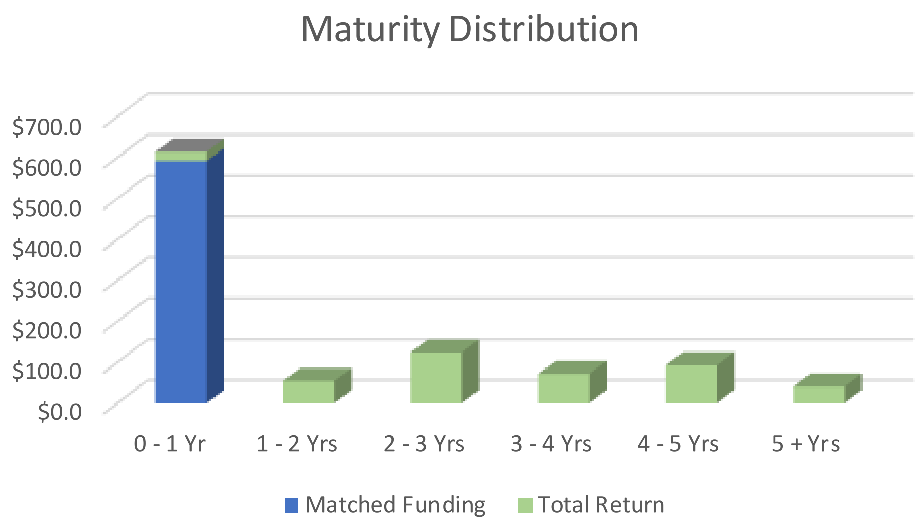
- **Federal Reserve:** The Fed remains vigilant to downside risks, with keen attention to the uncertainty surrounding tariffs & geopolitical risks.
  - The Fed held rates steady from August 2023 to September 2024, but has since cut fives times for a total of 150 basis points in order mitigate the risk of an economic slowdown.
  - The Fed stated at its most recent meeting in October that it will no longer continue the reduction of its positions in Treasuries, Agency & Agency MBS, ceasing to actively shrink its balance sheet. This program officially ends December 1, 2025, allowing markets an adjustment period.

Portfolio Composition & Compliance – Security Composition

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



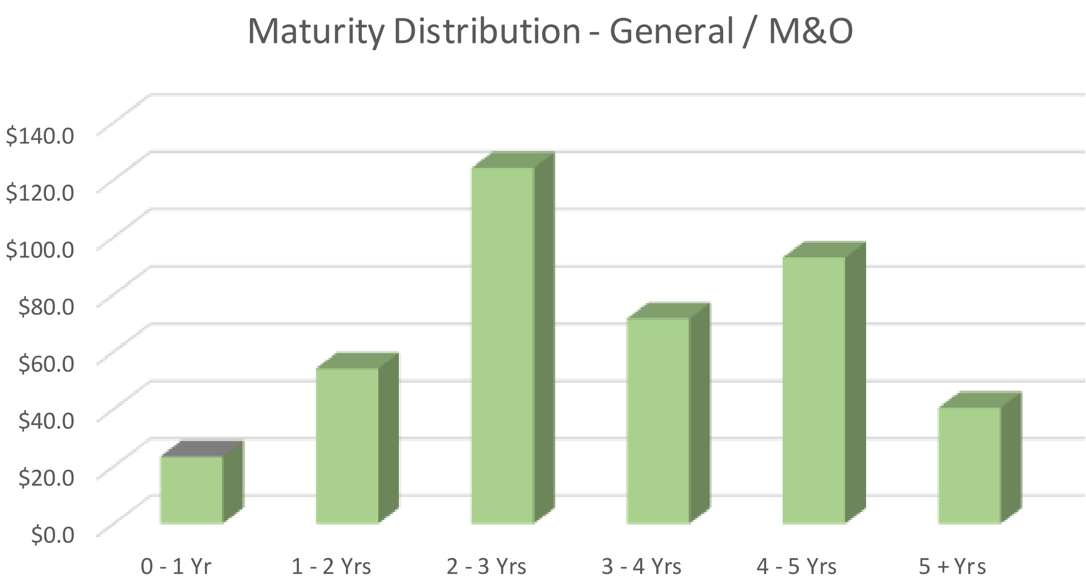
Portfolio Composition & Compliance – Maturity Distribution (All Accounts)



9/30/2025	Market Value ($M)	
Maturity Distribution	**Matched Funding**	**Total Return**
0 - 1 Yr	$591.2	$23.4
1 - 2 Yrs		$54.2
2 - 3 Yrs		$124.1
3 - 4 Yrs		$71.6
4 - 5 Yrs		$92.8
5 + Yrs		$40.4
Total	**$591.2**	**$406.6**

- Match Funded accounts necessitate maturities heavily weighted within 1 year.
  - Driven by cash flow schedules for debt service, operating expenses, and capital spending.
    - Debt service: $36.2M
    - Operating: $45.5M
    - Capital: $509.5M

Portfolio Composition & Compliance – Maturity Distribution (Reserves)



Maturity Distribution	9/30/2025 Market Value ($M)
0 - 1 Yr	$23.4
1 - 2 Yrs	$54.2
2 - 3 Yrs	$124.1
3 - 4 Yrs	$71.6
4 - 5 Yrs	$92.8
5 + Yrs	$40.4
Total	**$406.6**

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

Portfolio Composition & Compliance – Compliance Report

- Portfolio complied with all legal & policy limitations throughout the reporting period of 6/30/25 through 9/30/25
  - Investment holdings above minimum credit ratings.
  - Investment concentrations below required limits.
  - Conformed to maturity limitations.

Maturity Limits	Longest Maturity (# of years)	Policy Limit (# of years)	Compliance With Investment Policy
Account Types			
Bond Service Accounts	0.2	1	Yes
Unrestricted (General) *	4.6	5	Yes
Unrestricted (M&O)	13.6	15	Yes

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

	Credit Ratings S&P	Credit Ratings Moody's	Market Value ($)	Market % of Total	Investment Policy Limit	Compliance With Investment Policy
Cash			**25,214,061**	**2.5%**		
Money Market Mutual Funds						
- Goldman Sachs Financial Square Gov't FGTXX	AAAm	Aaa-mf	55,161,993	5.5%	50%	Yes
- MLGIP	AAAm	NR	445,688,263	44.7%	50%	Yes
- Dreyfus Gov't Cash DGCXX	AAAm	Aaa-mf	8,579,964	0.9%	50%	Yes
Sub-Total Money Market Mutual Funds			**509,430,220**	**51.1%**	**100%**	**Yes**
U.S.Treasuries **	AA+	Aa1	**190,303,840**	**19.1%**	**100%**	**Yes**
Federal Agencies **						
- Fannie Mae	AA+	Aaa	28,280,370	2.8%	50%	Yes
- Federal Farm Credit Bank	AA+	Aaa	33,143,275	3.3%	50%	Yes
- Federal Home Loan Bank	AA+	Aaa	8,260,269	0.8%	50%	Yes
- Freddie Mac	AA+	Aaa	711,120	0.1%	50%	Yes
Sub-Total Federal Agencies			**70,395,034**	**7.1%**	**100%**	**Yes**

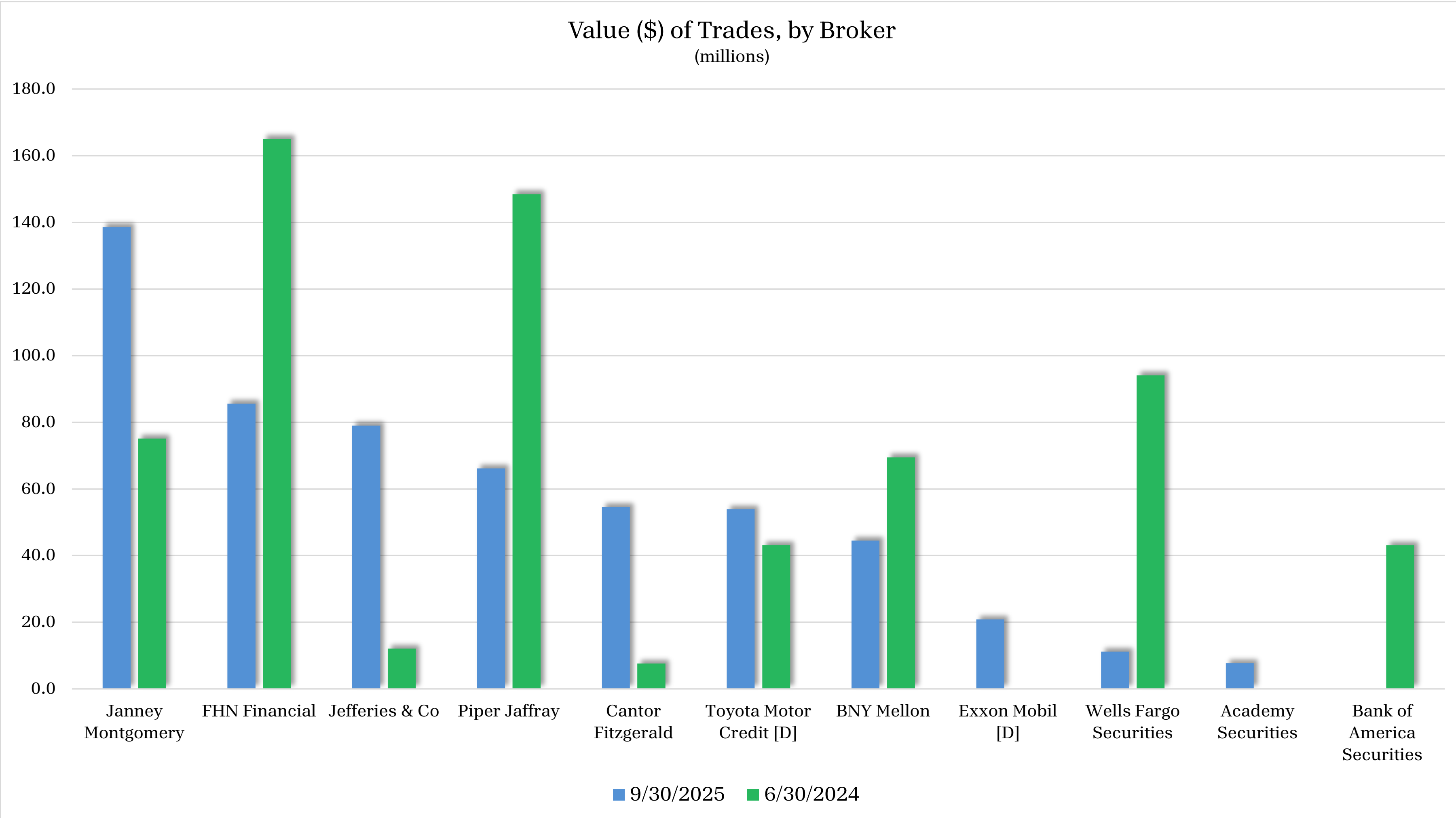
*** Includes defeased municipals with government securities escrows.*

Portfolio Composition & Compliance – Compliance Report (continued)

	Credit Ratings S&P	Moody's	Market Value ($)	Market % of Total	Investment Policy Limit	Compliance With Investment Policy
Municipal Debt						
- Austin, TX Comm Coll	AA+	Aa1	864,790	0.1%	5%	Yes
- Bergen County, NJ	NR	Aaa	2,668,803	0.3%	5%	Yes
- Boston, City of	AAA	Aaa	1,552,621	0.2%	5%	Yes
- Collin County, TX	AAA	Aaa	949,760	0.1%	5%	Yes
- Contra Costa Comm, CA	AA+	Aa1	2,037,320	0.2%	5%	Yes
- Emeryville, CA	AAA	NR	9,001,969	0.9%	5%	Yes
- Garland, TX			1,027,810	0.1%	5%	Yes
- Hawaii, State of	AA+	Aa2	8,111,675	0.8%	5%	Yes
- Los Angeles CMNTY CLG DIST, CA	AA+	Aaa	7,597,200	0.8%	5%	Yes
- Marin County, CA	NR	Aaa	1,689,605	0.2%	5%	Yes
- Martinsville Independent School	AAA	NR	1,021,870	0.1%	5%	Yes
- Massachusetts, Commonwealth of	AA+	Aa1	6,286,620	0.6%	5%	Yes
- Minnesota, State of	AAA	Aaa	9,767,160	1.0%	5%	Yes
- Multnomah County, OR	NR	Aaa	19,866,563	2.0%	5%	Yes
- New York, State of	AA+	Aa1	9,259,776	0.9%	5%	Yes
- New York City	AA	Aa2	5,968,580	0.6%	5%	Yes
- Ohlone Comm College	AA+	Aa1	984,427	0.1%	5%	Yes
- Oregon Local Govts	NR	Aa2	1,433,572	0.1%	5%	Yes
- Oregon School Board	AA	Aa2	12,731,029	1.3%	5%	Yes
- Oregon, State of	AA+	Aa1	9,880,688	1.0%	5%	Yes
- Palm Beach County, FL	AAA	Aaa	2,638,654	0.3%	5%	Yes
- Phoenix	AA+	Aa1	10,147,900	1.0%	5%	Yes
- Santa Clara County	AAA	NR	759,420	0.1%	5%	Yes
- Solano County Community	AA	Aa2	978,054	0.1%	5%	Yes
- Texas, State of	AAA	NR	2,042,020	0.2%	5%	Yes
- Travis County Health, Texas	NR	Aa2	2,177,301	0.2%	5%	Yes
- Tulsa ISD, OK	NR	Aa2	4,929,841	0.5%	5%	Yes
- Westchester County, NY	AA+	Aa1	824,970	0.1%	5%	Yes
- Wisconsin, State of	AA+	Aa1	2,272,914	0.2%	5%	Yes
Sub-Total Municipal			**139,472,911**	**14.0%**	**20%**	**Yes**
Supranationals						
- African Development Bank	AAA	Aaa	9,765,000	1.0%	10%	Yes
- Asian Development Bank	AAA	Aaa	4,213,269	0.4%	10%	Yes
- International Bank for Reconstruction & Development	AAA	Aaa	22,020,727	2.2%	10%	Yes
- Inter-American Development Bank	AAA	Aaa	14,998,200	1.5%	10%	Yes
Sub-Total Supranationals			**50,997,196**	**5.1%**	**30%**	**Yes**
Commercial Paper						
- Toyota Motor Credit	A-1+	P-1	11,975,000	1.2%	5%	Yes
Sub-Total Commercial Paper			**11,975,000**	**1.2%**	**20%**	**Yes**
Grand Total			**997,788,263**	**100.0%**		

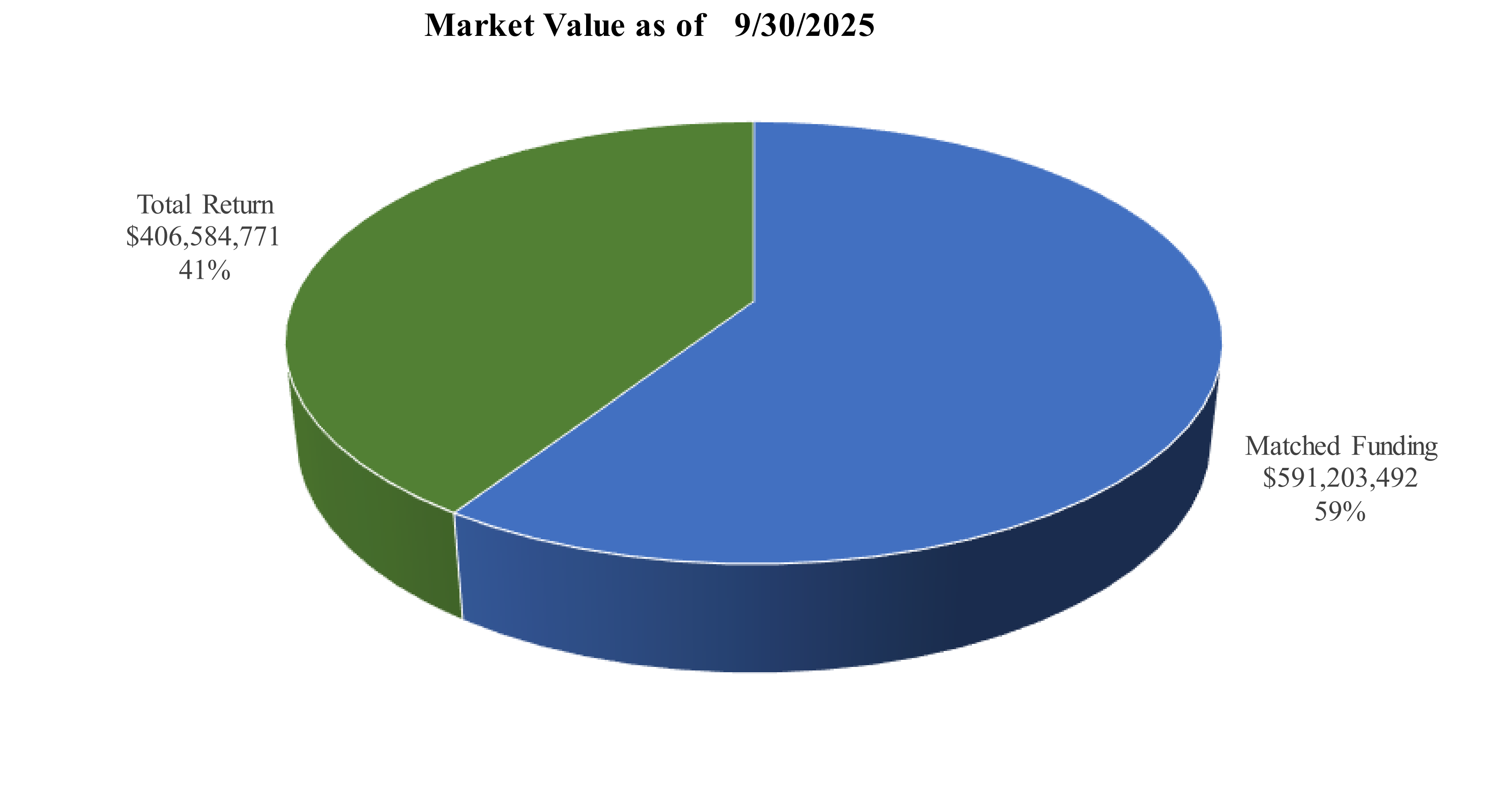
After reviewing the investment activity for the month ended September 30, 2025, we have not identified any instances of material non-compliance with the Investment Policy.

Dealer Trade Allocation



Portfolio Composition & Compliance – MF and TR Proportions

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



Strategy – Previous & Current Quarter

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

Purpose	*Strategy for Prior Period* Benchmarks	Duration	% Target	*Strategy for Current Period* Benchmarks	Duration	% Target
Capital / Operating / Debt	Matched Funding	N/A	N/A	Matched Funding	N/A	N/A
Long Term Reserves (1)						
General	50% ICE BofA 1-3 YR & 50% ICE BofA 3-5 Yr	~3 Yrs	101%	50% ICE BofA 1-3 YR & 50% ICE BofA 3-5 Yr	~3 Yrs	98%
M&O Reserve	U.S. Treasury Strips 1-13 Yr	~7 Yrs	100%	U.S. Treasury Strips 1-13 YR	~7 Yrs	102%

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

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

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

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

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

Strategy – Relative Value

Relative Value & Benchmark Implications

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

Supranational

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

Municipal

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

Commercial Paper

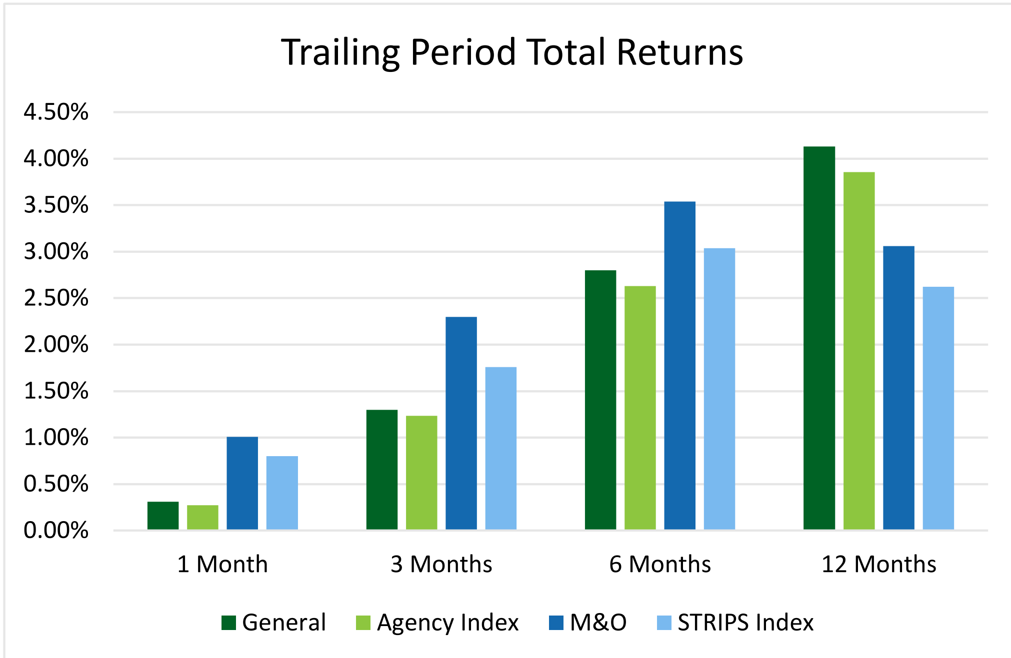
- CP is limited by policy to 20% of the portfolio, with a single issuer limitation of 5%.
- Three-month Tier-1 rated CP offered a 15 bp premium to agencies at the end of the quarter.

Total Return Performance – Matched Funding & Total Return

Total Return as of Period Ended 9/30/2025

	Trailing Period				Ending
	1 Month	3 Months	6 Months	12 Months	Market Value
Combined Accounts Weighted Average	*0.37%*	*1.23%*	*2.45%*	*4.30%*	*$ 956,646,469*
MATCHED FUNDING					
Capital	0.35%	1.09%	2.13%	4.40%	$ 511,073,313
Bond Service	0.36%	0.97%	2.06%	4.37%	$ 36,318,705
TOTAL RETURN					
Reserves General / M&O	0.40%	1.43%	2.90%	4.00%	$ 409,254,451
Composite Agency / STRIPS Index	0.34%	1.30%	2.69%	3.71%	

- Shorter Term Matched Funded accounts for Capital/Construction & Bond Service continue to benefit from higher short- term interest rates.
- Longer Duration Reserves – interest rate volatility results in market value changes that drive total returns higher or lower than market yields.
  - Yield curve twist (lower front end, higher back end) was modest enough to be offset by accruals, leading to mark-to-market price increases.
- Note: Table provides weighted returns for the combined M&O / General accounts & the respective indices. Graph shows individual portfolio total returns.



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

ITEM

7

Maryland Transportation Authority
MDTA

MEMORANDUM

TO: MDTA Finance & Administration Committee
FROM: Director of Finance Chantelle Green
SUBJECT: Independent Auditor's Report for the FY 2025 Financial Statements Audit & SOC 1 Type 2 & SOC 2 Type 2 Reports
DATE: November 13, 2025

PURPOSE OF MEMORANDUM

To present the results of the FY 2025 financial statements and Service Organization Control (SOC) audits conducted for the Maryland *E-ZPass®* System. The audits were conducted by the Maryland Transportation Authority's independent auditors, SB & Company, LLC (SB& Co.).

SUMMARY

Regarding the MDTA's financial statements, the attached presentation includes an overview of the key areas of emphasis, internal controls, required auditor communications, and future considerations. An unmodified opinion was issued by the independent auditor.

As it pertains to the SOC audits, exceptions (*i.e.*, findings) were noted related to the timeliness of disaster recovery testing (TransCore) and organization and human resources and confidentiality (Kapsch). Irrespective of the findings, unmodified opinions were issued for the SOC 1 Type 2 and SOC 2 Type 2 audits.

ATTACHMENT

- PowerPoint Presentation – MDTA FY 2025 Financial Statements & SOC Audit Results

2310 Broening Highway • Baltimore, MD 21224 • mdta@mdta.maryland.gov • 410.537.1000 • 711 (MD Relay) • mdta.maryland.gov • DriveEzMD.com

Certified Public Accountants & Business Advisors
SBC

Presentation to Those Charged with Governance

June 30, 2025 Audit Results

Maryland Transportation Authority

MDTA

November 13, 2025

Executive Summary

I. Scope of Services

- Audit of the June 30, 2025 financial statements
- Review of the Annual Comprehensive Financial Report
- Uniform Grant Guidance Audit for the year ended June 30, 2025
- SSAE 18, Service Organization
  - SOC Reporting (SOC) 1, Type 2 report for Kapsch & TransCore
  - SOC 2, Type 2 report - TransCore
- Year-round advice and consultation

II. Results

- Issued an unmodified opinion on the financial statements and an internal controls over financial reporting
- Two exceptions identified with the SOC reporting procedures; unmodified opinions issued
- Planning to issue an unmodified opinion on uniform grant guidance audit
- Discovered no instances of fraud and were not made aware of fraud occurrences
- Discovered no material weakness in internal controls
- Discovered no audit adjustments
- Received full cooperation from management

Significant Financial Statement Risks

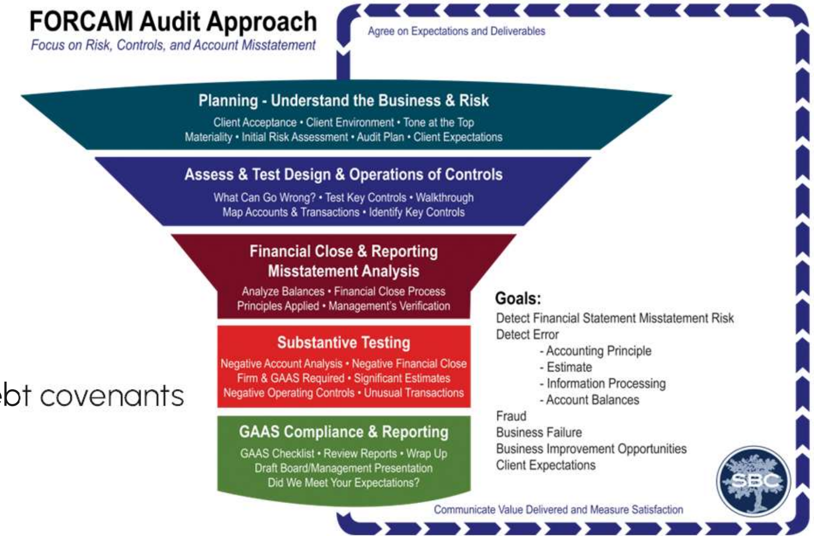
The principle areas of audit emphasis included key industry, business and technical issues as identified during our audit planning and the accounts with greater risk of misstatement due to their inherent risk, error or fraud.

The significant accounting principles, estimates and judgments were as follows:

- Revenue recognition
- Cash and investments, including restricted assets
- Capital Asset Accounting, including depreciation and disposal of capital assets
- Accounting for pensions

The principle areas of audit emphasis were as follows:

- Cash reconciliations
- Cash disbursements
- Collectability accounts receivables
- Completeness of liabilities
- Intergovernmental agency relationships
- Debt accounting and other long-term liabilities, including review of debt covenants
- Service concession arrangements



Recent Accounting Standards

- **GASB 101, *Compensated Absences* – Adopted in FY 2025**
  - The primary objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. The impact of the new accounting standard adoption is as follows:

June 30, 2024 - *(thousands of dollars)*		
Net position, as originially stated	$	6,060,373
Adjustment to restate		(22,334)
Net position, as restated	$	6,038,039

- **GASB 102, *Certain Risk Disclosures* – Adopted in FY 2025**
  - The disclosures will provide users with timely information regarding certain concentrations or constraints and related events that have occurred or have begun to occur that make a government vulnerable to a substantial impact. Adoption did not have a material impact to the financial statements.

- **GASB 104, *Certain Capital Assets*, To be adopted in FY 2026**
  - The requirements of this Statement will improve financial reporting by providing users of financial statements with essential information about certain types of capital assets in order to make informed decisions and assess accountability.

Assessment of Control Environment

Control Environment	Risk Assessment	Control Activities	Information and Communication	Monitoring Activities
▪ Key executive integrity, ethics, and behavior ▪ Control consciousness and operating style ▪ Commitment to competence ▪ Exercise oversight responsibility ▪ Organizational structure, responsibility, and authority ▪ Enforce accountability ▪ HR policies and procedures	▪ Define objectives and risk tolerances ▪ Identify, analyze, and respond to risk ▪ Assess fraud risk ▪ Identify, analyze, and respond to change ▪ Mechanisms to anticipate, identify, and react to significant events ▪ Processes and procedures to identify changes in GAAP, business practices, and internal control	▪ Design control activities ▪ Design activities for the information system ▪ Implement control activities ▪ Existence of necessary policies and procedures ▪ Clear financial objectives with active monitoring ▪ Logical segregation of duties ▪ Periodic comparisons of book-to-actual and physical count-to-books ▪ Adequate safeguards of documents, records, and assets ▪ Assess controls in place	▪ Use quality information ▪ Communicate internally ▪ Communicate externally ▪ Adequate performance reports produced from information systems ▪ Information systems are connected with business strategy ▪ Commitment of HR and finance to develop, test, and monitor IT systems and programs ▪ Business continuity and disaster plan for IT ▪ Established communication channels for employees to fulfill responsibilities ▪ Adequate communication across organization	▪ Perform monitoring activities ▪ Remediate deficiencies ▪ Periodic evaluations of internal controls ▪ Implementation of improvement recommendations
Effective	Effective	Effective	Effective	Effective

Evaluation of Key Processes

Treasury	Payroll	Expenditures
▪ Cash Management ▪ Investment Policy & Accounting ▪ Investment Monitoring & Valuation ▪ Debt Accounting & Compliance ▪ Reconciliations	▪ Hiring ▪ Attendance Reporting ▪ Payroll Accounting ▪ Payroll Disbursements ▪ Separation	▪ Vendor Maintenance ▪ Purchasing ▪ Receiving ▪ Accounts Payable and Cash Disbursements
Effective	Effective	Effective

Evaluation of Key Processes

Revenue	Capital Assets	Information Technology
▪ Billing ▪ Toll Collections ▪ Intergovernmental Revenue ▪ Service Concessions ▪ Cash Receipts ▪ Revenue Recognition ▪ Cutoff	▪ Physical Custody ▪ Asset and Construction in Process Accounting ▪ Accounting for Disposals ▪ Depreciation	▪ Understand of the IT General Controls ▪ Physical and Environmental Controls ▪ Logical Access to Data and Applications ▪ Change and Incident Management ▪ System Operations ▪ Data Backup and Recovery ▪ Encryption ▪ Networks- Firewalls and Vulnerability Scanning ▪ IT Policies ▪ Cyber Security Policies ▪ System Maintenance and Version Updates ▪ Contract Management ▪ Third-Party Processors
Effective	Effective	Effective

Financial Statement Highlights

Financial Statement Highlights

Statements of Assets, Liabilities, and Net Position (In Thousands)

	As of June 30:		
	2025	2024*	2023
Current Assets	$ 941,292	$ 951,253	$ 755,409
Noncurrent Assets	672,150	854,448	858,266
Capital Assets, net	7,881,566	7,547,605	7,379,405
Total Assets	9,495,008	9,353,306	8,993,080
Deferred Outflow of Resources	153,447	152,788	129,384
Current Liabilities	491,663	444,008	440,978
Long-Term Bonds Payable	2,471,092	2,574,532	2,696,414
Other Long-Term Liabilities	389,960	334,393	288,871
Total Liabilities	3,352,715	3,352,933	3,426,263
Deferred Inflow of Resources	83,586	115,122	146,003
Net Position			
Net Investment in Capital Assets	5,522,753	5,155,046	4,892,521
Restricted	440,107	401,539	100,061
Unrestricted	249,294	481,454	557,616
Total Net Position	**$ 6,212,154**	**$ 6,038,039**	**$ 5,550,198**

* FY24 Total Liabilities and Net Position have been adjusted due to a change in accounting policy (GASB 101).

Financial Statement Highlights

Statements of Revenues, Expenses, and Change in Net Position (In Thousands)

	For the Years Ended June 30:		
	2025	2024	2023
Operating revenues			
Toll revenue	$ 732,012	$ 761,200	$ 755,701
Intergovernmental revenue	50,369	55,068	56,477
Toll administrative revenue	98,987	79,529	41,396
Concession revenue	6,158	6,476	6,303
Total operating revenue	887,526	902,273	859,877
Operating expenses	(707,692)	(629,951)	(607,982)
Total operating revenues and expenses	179,834	272,322	251,895
Non-operating revenues			
Investment revenue	53,784	45,543	17,583
Total non-operating revenue	53,784	45,543	17,583
Non-operating expenses			
Loss on disposal (non-Key Bridge)	(4,322)	(11,895)	(1,666)
Interest expense	(75,210)	(85,917)	(84,454)
Total non-operating expenses	(79,532)	(97,812)	(86,120)
Unusual or infrequent items			
Insurance Proceeds, net	-	325,000	-
Grant and other revenue	20,166	37,964	-
Expenses related to collapse	(137)	(95,176)	-
Net unusual or infrequent items	20,029	267,788	-
Change in Net Position	$ 174,115	$ 487,841	$ 183,358

Uniform Grant Guidance Audit

MDTA

Uniform Grant Guidance Audit Results

Major Program	Federal Assistance Listing	Federal Expenditures
Federal Highway Administration - Key Bridge Collapse	20.205	$ 18,903,810
Total Federal Awards		$ 18,903,810
Tested Percentage		94%
Threshold for distinguishing between Type A and B programs		$ 750,000
Did MDTA qualify as a low risk auditee?		Yes

Section II - Financial Statement Findings

None noted.

Section III - Federal Award Findings

None noted.

Uniform Grant Guidance Audit Status

- The 2025 Compliance Supplement (the Supplement) is still pending final release. According to communications from Office of Management and Budget (OMB) staff, there is currently no definitive timeline for its issuance.
- The delay is largely attributed to the current administration's focus on passing the budget bill, which has taken precedence over the other matters, including the release of the Supplement.
- Auditors are required to use the version of the Supplement that is effective for the fiscal year-end of the audit.
- SB & Company, LLC will continue to monitor the Government Audit Quality Center & OMB communications for updates and guidance.

SOC Reporting

SOC Reporting

- Audit period from July 1, 2024 through June 30, 2025
- Kapsch TrafficCom USA – SOC 1 Type 2 Report
  - Review of 5 Control Objectives described/asserted by Kapsch
  - No qualifications within the report; however, we did identify one exception (Organization & Human Resources and Confidentiality)
- TransCore, LP – SOC 1 Type 2 Report
  - Review of 11 Control Objectives described/asserted by TransCore
  - No qualifications within the report
  - Procedures related to certain complementary user entity controls
- TransCore, LP – SOC 2 Type 2 Report
  - Review of controls related to security, availability, processing integrity, and confidentiality, asserted by TransCore
  - No qualifications within the report; however, we did identify one exception (disaster recovery)
  - Procedures related to certain complementary user entity controls

SOC 1 vs. SOC 2 – Overview

- SOC 1 audit is focused on specific internal controls related to financial reporting. Each audit is unique to the controls tested for that entity.
- SOC 1 audits ensure that a service organization has done its due diligence when it comes to the effects their service has on their customer's financial reporting.
- SOC 2 audit is focused on information and IT security identified by any of 5 trust services categories: security, confidentiality, information privacy, processing integrity and availability.
- SOC 2 audits ensure that a service organization's people, infrastructure, software, data-handling, and procedures are prepared to handle their customer's information and data and protect it accordingly.
- Type 1 reports are as of a specific date; Type 2 reports are for a period of time.

Summary of Results – Kapsch SOC 1 Type 2

Control Objective & Type	Result of Test(s)
IT Controls	
Logical Access	No exceptions identified.
Change Management	No exceptions identified.
Operations	
Organization & Human Resources	Exception identified.
Security & System Operations	No exceptions identified.
Confidentiality	Exception identified.

Control Type	Summary of Results
Organization & Human Resources and Confidentiality	For 1 of the 5 newly hired employees inspected, the Intellectual Property policy was not signed by the employee.

Summary of Results – TransCore SOC 1 Type 2

Control Objective & Type	Result of Test(s)
Physical Access	
Physical Access to Integrity Systems & Data	No exceptions identified.
IT Controls	
Integrity System Program Changes	No exceptions identified.
Logical Access to Integrity Systems & Data	No exceptions identified.
Integrity Backup Jobs	No exceptions identified.
Integrity Computer Operations	No exceptions identified.
Accounting & Processing	
Unregistered Account Invoicing & Reconciliation	No exceptions identified.
E-ZPass Financial Operations	No exceptions identified.
E-ZPass Reciprocity	No exceptions identified.
DriveEzMD Account Establishment	No exceptions identified.
Operations	
E-ZPass Customer Service & Account Maintenance	No exceptions identified.
Transponder Inventory Reconciliation	No exceptions identified.

Summary of Results – TransCore SOC 2 Type 2

Criteria	Result of Test(s)
Security	
Control Environment	No exceptions identified.
Communication & Information	No exceptions identified.
Risk Assessment	No exceptions identified.
Monitoring Activities	No exceptions identified.
Control Activities	No exceptions identified.
Logical & Physical Controls	No exceptions identified.
System Operations	No exceptions identified.
Change Management	No exceptions identified.
Risk Mitigation	No exceptions identified.
Availability	Exception identified.
Confidentiality	No exceptions identified.
Processing Integrity	No exceptions identified.

Criteria	Summary of Results
Availability	Discussion with management revealed that a Disaster Recovery Test was not run during the audit period.

Required Communications

Required Communications

1. **Auditor's Responsibilities Under Generally Accepted Auditing Standards (GAAS)**

   The financial statements are the responsibility of management. Our audit was designed in accordance with auditing standards generally accepted in the United States of America and Government Auditing Standards, and provide for reasonable, rather than absolute, assurance that the financial statements are free of material misstatement.

2. **Significant Accounting Policies**

   Management has the responsibility for selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we will advise management about the appropriateness of accounting policies and their application.

   The significant accounting policies used by management are described in the notes to the financial statements.

   No matters have come to our attention that would require us, under professional standards, to inform you about (2) the methods used to account for significant unusual transactions, and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

3. **Auditor's Judgments About the Quality of Accounting Principles**

   We discuss our judgments about the quality, not just the acceptability, of accounting principles selected by management, the consistency of their application, and the clarity and completeness of the financial statements, which include related disclosures.

   We have reviewed the significant accounting policies adopted by the Maryland Transportation Authority (MDTA) and have determined that those policies are acceptable accounting policies.

4. **Audit Adjustments**

   We are required to inform the *MDTA* oversight body about adjustments arising from the audit (whether recorded or not) that could in our judgment, either individually or in the aggregate, have a significant effect on the entity's financial reporting process.

   There were no adjustments identified during the audit process.

Required Communications *(cont.)*

5. **Fraud and Illegal Acts**

   We are required to report to the *MDTA's* oversight body any fraud and illegal acts involving senior management and fraud and illegal acts (whether caused by senior management or other employees) that cause a material misstatement of the financial statements.

   Our procedures identified no instances of fraud or illegal acts.

6. **Material Weaknesses in Internal Control**

   We are required to communicate all significant deficiencies in the *MDTA's* systems of internal controls, whether or not they are also material weaknesses.

   There were no material weaknesses noted during the audit.

7. **Other Information in Documents Containing Audited Financial Statements**

   We are not aware of other documents containing the audited financial statements.

8. **Disagreements with Management on Financial Accounting and Reporting Matters**

   None.

9. **Serious Difficulties Encountered in Performing the Audit**

   None.

10. **Major Issues Discussed with Management Prior to Acceptance**

    None.

Required Communications (cont.)

11. **Management Representations**

    We receive certain written representations from management as part of the completion of the audits.

12. **Consultation with Other Accountants**

    To our knowledge, there were no consultations with other accountants since our appointment as the *MDTA's* independent public accountants.

13. **Independence**

    We are independent of the MDTA. We did not provide any non-attest services.

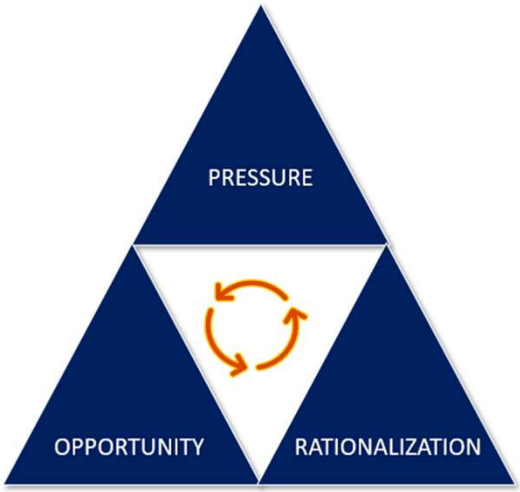
14. **Subsequent Events**

    We were not made aware of any material subsequent events that have occurred that would affect the information presented in the financial statements or require additional disclosure.

Required Communications *(cont.)*

Our Responsibility Related to Fraud

- Plan and perform the audit to obtain reasonable assurance that there is no material misstatement caused by error or fraud;
- Comply with GAAS AU-C *240, "Consideration of Fraud in a Financial Statement Audit"*;
- Approach all audits with an understanding that fraud could occur in any entity, at any time, by anyone; and
- Perform mandatory procedures required by GAAS and our firm policies.



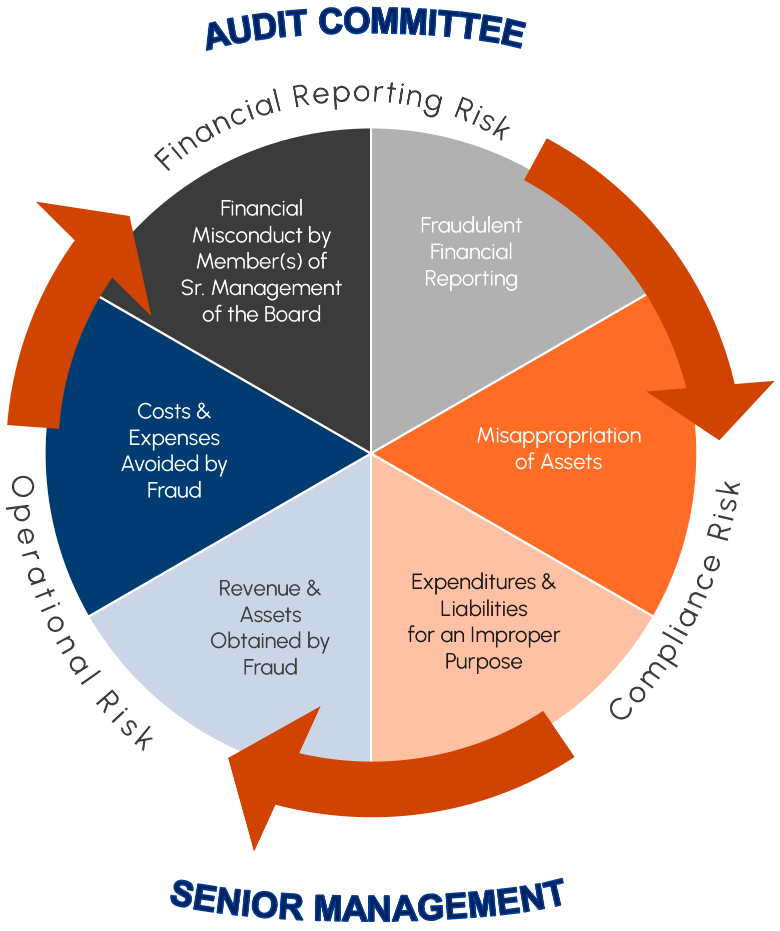
Examples of Procedures Performed

- Discuss thoughts and ideas in areas where the financial statements might be susceptible to material misstatement due to fraud;
- Understand pressures on the financial statement results;
- Understand the tone and culture of the organization;
- Look for unusual or unexpected transactions, relationships, or procedures;
- Discussions with individuals outside of finance;
- Evaluate key processes and controls; and
- Consider information gathered throughout the audit.

Responsibility for Mitigating Fraud

External Auditor:

- Evaluate management programs and controls to deter and detect fraud for identified risks
- Reasonable assurance that financial statements are free of material misstatement due to fraudulent financial reporting or misappropriation of assets
- Compliance with fraud standard (SAS 99)
  - Conversations with finance and operations personnel
  - Disaggregated analytics
  - Surprise audit procedures
  - Journal entry testing



Management:

- CFO: controls to deter and detect fraud
- General Counsel/Compliance: monitoring

Audit Committee:

- Evaluate management identification of fraud risk
- Evaluate implementation of fraud controls
- Reinforce "tone at the top"

Questions & Answers

Engagement Team

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ITEM

8

Maryland Transportation Authority

MDTA

MEMORANDUM

TO: MDTA Finance & Administration Committee
FROM: Revenue Manager Walter Laun
SUBJECT: Fiscal Year 2025 Revenue Assurance Metrics
DATE: November 13, 2025

PURPOSE OF MEMORANDUM

To provide the Maryland Transportation Authority (MDTA) Finance & Administration Committee with an annual update of the disposition of toll transactions.

KEY TAKEAWAYS

- Approximately 94% of total lane transactions in FY 2024 and FY 2025 are expected to be collected.
- The percentage of revenue collected from total lane transactions remained consistent year-over-year.

ANALYSIS

The attached information is provided to demonstrate the MDTA's performance in ensuring revenue is collected. This is accomplished by analyzing the final disposition of all toll transactions captured at the lanes. The analysis is based on transaction date, or the date a vehicle passed through a gantry.

When analyzing toll transactions they are broken into the following categories.

- *E-ZPass*® Collected
- *E-ZPass* Unbilled
- Pay-by-Plate Collected
- Video Billed: Collected or Expected to be Collected
- Video Billed: Uncollected
- Video Unbilled: Address Unavailable
- Video Unbilled: License Plate Unreadable
- Video Unbilled: Other

ATTACHMENT

- Revenue Assurance Presentation

Revenue Assurance: Metrics Summary

Toll System Performance FY2025

Summary of Toll Transaction Processing

- **Transactions are captured at the MDTA's toll facilities each time a customer passes through a gantry.**
  - Captured via Transponder or Image of License Plate
    - Images are reviewed and unreadable plate transactions discarded
- **Transactions are then sent to the back office for processing.**
  - Transponder reads
    - Post to Maryland *E-ZPass*® accounts
    - Processed through the Interagency Group (IAG) if Out of State *E-ZPass* account
  - Plate reads
    - Plate matches to an existing account
      - Post to Maryland *E-ZPass* accounts as I-Tolls
      - Post to Maryland Pay-by-Plate accounts as PBP
      - Processed through the IAG as I-Tolls
      - Post to Video Toll Accounts with Recent Address on File
        - Customer Invoiced
    - Plate does not match to an existing account
      - Post to a Video Toll Account to be sent to MVA/DMV for address lookup
        - Customer Invoiced Once Valid Address Received

FY25 Summary

Total Lane Transactions:
165,601,160

Revenue Estimated for Paid Transactions:
$703,309,019

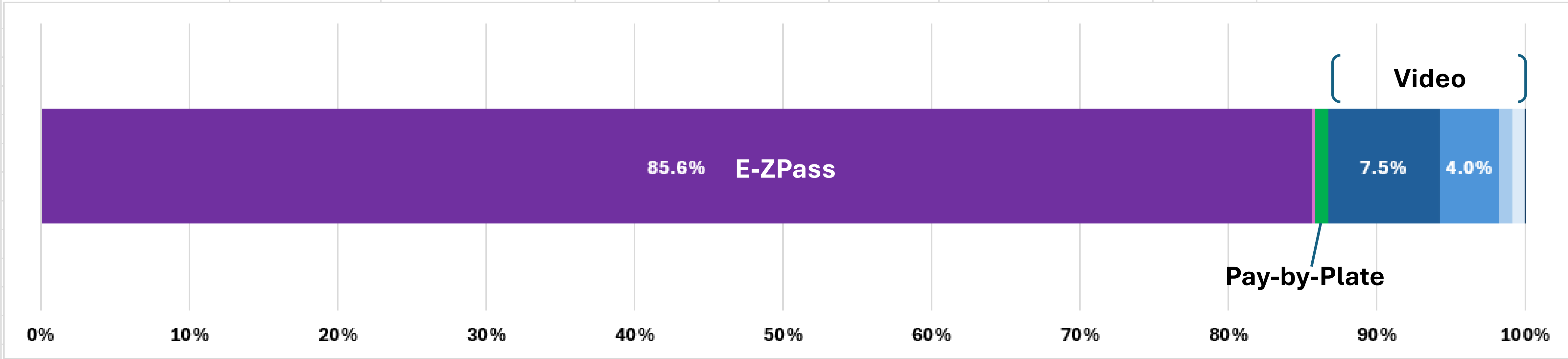
94.0% of total lane transactions have been collected or are expected to be collected ($703.3M)

4.0% of total lane transactions have been billed but are not expected to be collected ($47.8M)

2.0% of total lane transactions were not billed and will not be collected ($36.5M)

Disposition of All Transactions FY25

As a % of Total Lane Transactions



***E-ZPass* Transactions Collected**

85.6% of all transactions [99.7% of E-ZPass transactions]

Percentage of all transactions paid via E-ZPass by transponder in the vehicle or by license plate matched to an E-ZPass customer account

***E-ZPass* Transactions Unbilled**

0.2% of all transactions [0.3% of E-ZPass transactions]

Percentage of all transactions rejected by the IAG

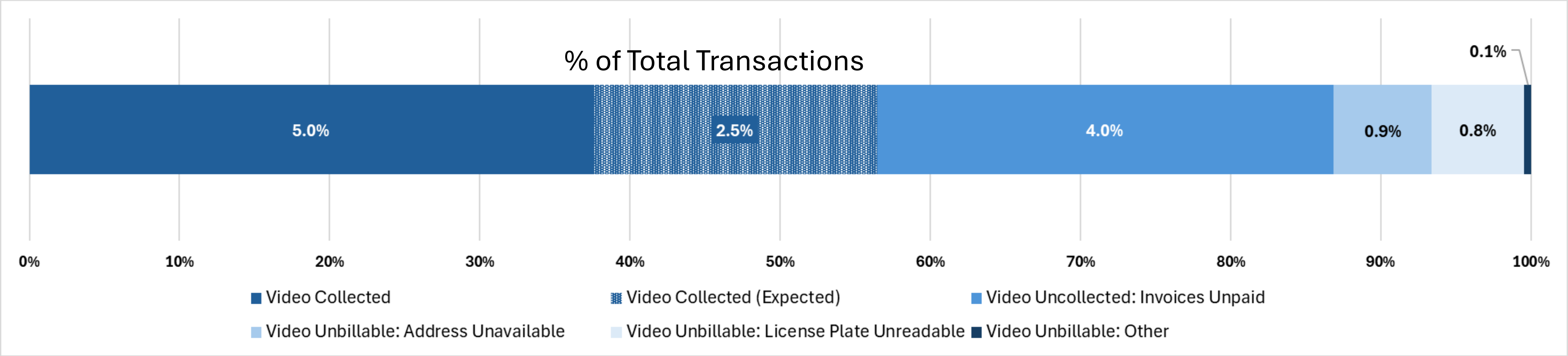
Pay-by-Plate Transactions Collected

0.8% of all transactions

Percentage of all transactions paid by license plate matched to a Pay-by-Plate account

- E-ZPass Collected 85.6%
- E-ZPass Unbillable: IAG/TP Rejects 0.2%
- Pay-By-Plate Collected 0.8%
- Video Collected 7.5%
- Video Uncollected: Invoices Unpaid 4.0%
- Video Unbillable: Address Unavailable 0.9%
- Video Unbillable: License Plate Unreadable 0.8%
- Video Unbillable: Other 0.1%

Video Transactions Only FY25



Video Transactions Collected [Paid 5% or Expected to be Paid 2.5%]
7.5% of all transactions [56.4% of Video transactions]
Percentage of transactions for which an invoice can be generated and delivered to a customer and the customer is expected to pay within 3 years

Video Transactions Uncollected
4.0% of all transactions [30.4% of Video transactions]
Percentage of transactions for which an invoice can be generated but the customer is not expected to pay within 3 years. The MDTA continues collection efforts via the Central Collections Unit (CCU).

Video Transactions Unbilled
1.8% of all transactions [13.2% of Video transactions]
Percentage of transactions that cannot be pursued because no license plate could be identified or because no valid address could be found

Address Unavailable from MVA/DMV
0.9% of all transactions [6.6% of Video transactions]

License Plate Unreadable
0.8% of all transactions [6.2% of Video transactions]

Other: Incomplete or Filtered Transactions
0.1% of all transactions [0.4% of Video transactions]

Unreadable License Plates

(0.8% of all transactions)

License Plate Missing
0.4% of all transactions [49.3% of Unreadable License Plates]
Customer did not mount the plate or mounted it in a non-conventional location that was not detected by the camera

License Plate Obstructed
0.2% of all transactions [24.7% of Unreadable License Plates]
Customer's plate is obscured by natural factors (e.g., mud, snow), human factors (e.g., bike rack, trailer hitch), or intentionally (e.g., duct tape)

Policy Issue
0.1% of all transactions [15.0% of Unreadable License Plates]
Customer's plate is out of country or Federal Government

System Issue
0.1% of all transactions [11.0% of Unreadable License Plates]
Customer's plate cannot be identified due to system performance (e.g., camera angle, exposure issue, out of focus)

FY24 Compared to FY25

Revenue Assurance FY24				
Description	**Count**	**Amount**	**% of Total Trxns**	**% of Total Revenue**
Collected (65% Video Coll. Rate Assumed)	158,152,763	$ 716,995,228.36	93.9%	89.4%
Uncollected	6,885,930	$ 49,290,637.68	4.1%	6.1%
Unbilled	3,310,494	$ 36,077,580.93	2.0%	4.5%
Total	**168,349,187**	**$ 802,363,446.97**	**100.0%**	**100.0%**

Revenue Assurance FY25				
Description	**Count**	**Amount**	**% of Total Trxns**	**% of Total Revenue**
Collected (65% Video Coll. Rate Assumed)	155,591,693	$ 703,309,019.12	94.0%	89.3%
Uncollected	6,698,988	$ 47,815,553.16	4.0%	6.1%
Unbilled	3,310,479	$ 36,500,411.53	2.0%	4.6%
Total	**165,601,160**	**$ 787,624,983.81**	**100.0%**	**100.0%**

Key Takeaways

- Revenue is expected to be collected from 93.9% and 94.0% of total lane transactions in FY24 and FY25, respectively.
- Revenue collected from total lane transactions remains consistent from FY24 to FY25

Appendix

Revenue Assurance FY24

Description	Count	Amount	Count	Amount	% of Total Trxns	% of Total Revenue
E-ZPass® Collected	144,121,698	$ 620,570,765.95	99.7%	99.5%	85.6%	77.3%
E-ZPass Unbilled: IAG/TP Rejects	447,963	$ 3,090,340.46	0.3%	0.5%	0.3%	0.4%
Total E-ZPass®	**144,569,661**	**$ 623,661,106.41**			**85.9%**	**77.7%**
	-					
Video Billed: Collected or Expected to be Collected	12,788,157	$ 91,539,755.68	56.7%	52.7%	7.6%	11.4%
Video Billed: Uncollected	6,885,930	$ 49,290,637.68	30.6%	28.4%	4.1%	6.1%
Video Unbilled: Address Unavailable	1,488,574	$ 15,130,373.21	6.6%	8.7%	0.9%	1.9%
Video Unbilled: License Plate Unreadable	1,211,152	$ 16,906,126.10	5.4%	9.7%	0.7%	2.1%
Video Unbilled: Other	162,805	$ 950,741.16	0.7%	0.5%	0.1%	0.1%
Total Video	**22,536,618**	**$ 173,817,633.83**			**13.4%**	**21.7%**
Total Pay-by-Plate Collected	**1,242,908**	**$ 4,884,706.73**			**0.7%**	**0.6%**
Grand Total	**168,349,187**	**$ 802,363,446.97**			**100.0%**	**100.0%**

Collected (65% Video Coll. Rate Assumed)	158,152,763	$ 716,995,228.36	93.9%	89.4%
Uncollected	6,885,930	$ 49,290,637.68	4.1%	6.1%
Unbilled	3,310,494	$ 36,077,580.93	2.0%	4.5%
Total	**168,349,187**	**$ 802,363,446.97**	**100.0%**	**100.0%**

Revenue Assurance FY25						
Description	Count	Amount	Count	Amount	% of Total Trxns	% of Total Revenue
E-ZPass® Collected	141,795,115	$ 609,243,349.98	99.7%	99.6%	85.6%	77.4%
E-ZPass Unbilled: IAG/TP Rejects	409,956	$ 2,243,190.33	0.3%	0.4%	0.2%	0.3%
Total E-ZPass®	**142,205,071**	**$ 611,486,540.31**			**85.9%**	**77.6%**
	-					
Video Billed: Collected or Expected to be Collected	12,440,978	$ 88,800,313.01	56.4%	52.0%	7.5%	11.3%
Video Billed: Uncollected	6,698,988	$ 47,815,553.16	30.4%	28.0%	4.0%	6.1%
Video Unbilled: Address Unavailable	1,445,744	$ 14,421,103.42	6.6%	8.4%	0.9%	1.8%
Video Unbilled: License Plate Unreadable	1,357,554	$ 19,058,154.08	6.2%	11.2%	0.8%	2.4%
Video Unbilled: Other	97,225	$ 777,963.70	0.4%	0.5%	0.1%	0.1%
Total Video	**22,040,489**	**$ 170,873,087.37**			**13.3%**	**21.7%**
Total Pay-by-Plate Collected	**1,355,600**	**$ 5,265,356.13**			**0.8%**	**0.7%**
Grand Total	**165,601,160**	**$ 787,624,983.81**			**100.0%**	**100.0%**

Collected (65% Video Coll. Rate Assumed)	155,591,693	$ 703,309,019.12	94.0%	89.3%
Uncollected	6,698,988	$ 47,815,553.16	4.0%	6.1%
Unbilled	3,310,479	$ 36,500,411.53	2.0%	4.6%
Total	**165,601,160**	**$ 787,624,983.81**	**100.0%**	**100.0%**

ITEM

9

MEMORANDUM

TO: Finance & Administration Committee
FROM: Director of Budget Jeffrey Brown
SUBJECT: FY 2026 Operating Budget vs. Actual Spending Review
DATE: November 13, 2025

PURPOSE

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

KEY TAKEAWAY

As of September 30, 2025, 19% of the budget was spent compared to a target of 25%. All Object Codes were at or below budget spending levels. The seasonality of the expenses, the timing of invoices, and the year-end accruals heavily impacted 1st quarter performance.

SUMMARY

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

- Salaries & Wages/Technical & Special Fees (**Object 01 & 02 - \$249.9M Budget**) is at targeted spending levels with a 24% spend rate.

- Communications (**Object 03 - \$4.2M Budget**) is below budget with an 8% spend rate primarily driven by the State Radio Invoice.
    - State Paid Telecomm (**State Radio Invoice - (Object 0305 - \$2.0M Budget**)) is below budget with a 0% spend rate because the invoice has not yet been issued.

- Travel (**Object 4 - \$571K Budget**) is below budget with a 12% spend rate. Seasonality (heavier spending in 3rd and 4th quarters) accounts for the underspend.

- Fuel and Utilities (**Object 06 - $5.3M Budget**) is below budget with a 16% spend rate.
    - Utilities-Electricity (**Object 0620 - $4.2M Budget**) is close to budget with an 18% spend rate.

- Motor Vehicle Operations & Maintenance (**Object 07 - $21.8M Budget**) is below budget with a 9% spend rate.
    - Vehicle Purchases (**Object 0701 - $19.1M Budget**) is below budget with an 8% spend rate. This is dependent on when we receive orders.
    - Vehicles Gas & Oil (**Object 0702 - $4.0M Budget**) is below budget with a 13% spend rate.
    - Vehicles Maintenance & Repair (**Object 0703 - $2.7M Budget**) is below budget with an 6% spend rate. This activity does not occur smoothly throughout the year.
    - Large Vehicle Maintenance & Repair (**Object 0732 - $2.5M Budget**) is below budget with an 10% spend rate. This activity does not occur smoothly throughout the year.

- Contractual Services (**Object 08 - $151.5M Budget**) is below budget with a 13% spend rate.
    - Advertising (**0801 - $3.3M Budget)** is below budget with a negative 11% spend rate due to accrual activity. Also, promotional activity is typically heavier in the 3rd and 4th quarters.
    - Engineers (**0807 - $35.9M Budget**) is below budget with a 6% spend rate as activity is heavier in the 3rd and 4th quarters.
    - Equipment Repairs & Maintenance **(0809 - $2.1M Budget)** is above budget with an 86% spend rate. One-time Rubrik charges (backup services) drive this performance, but we expect this to be on budget for the year.
    - Building/Road Repairs & Maintenance (**0812 - $16.2M Budget**) is below budget with a negative 3% spend rate due to fiscal year end accruals. Activity is heavier in the 3rd and 4th quarters.
    - Education & Training (**0819 - $1.3M Budget**) is close to budget with a 15% spend rate.
    - Management Studies (**0821 - $6.9M Budget**) is below budget with a 7% spend rate due to the timing of the activity.
    - Security Services (**0823 - $1.2M Budget**) is below budget with an 8% spend rate.
    - IT Services (**0841 through 0869 - $13.9M Budget**) is on budget with a 29% spend rate.
        - Telecomm (**0849 - $613K Budget**) is below budget with a 3% spend rate due to the timing of invoices.
        - Application Software Maintenance (**0862 -$1.5M Budget**) is above budget with a 40% spend rate due to charges for body worn cameras. This is expected to be on budget; however, this requires monitoring to ensure compliance with the budget.
        - System Software Maintenance (**086 - $1.0M Budget**) is above budget with a 63% spend rate due to the Consulting and Technical Services (CATS) and Rubrik (software) charges.

        - Outside Services Computers (**0869 - $550K Budget**) is above budget with a 67% spend rate due to OpenGov (budgeting) and Salesforce (Human resources) charges. This is expected to be on budget.
    - *E-ZPass*® Service Center Costs (**0873 - $45.5M Budget**) is below budget with a 16% spend rate.
    - Other Contractual Services (**0899 - $4.3M Budget**) is below budget with a 7% spend rate primarily due to MSP and overhead charges.

- Supplies & Materials (**Object 09- $11.2M Budget**) is below budget with an 7% spend rate.
    - Roadway Maintenance (**0905 - $761K Budget**) is below budget with a 10% spend rate. Activity is higher in the 3rd and 4th quarters.
    - Salt (**0906 - $1.7M Budget**) is at a 0% spend rate due to seasonality
    - Uniforms **(0912 - $1.3M Budget)** is below budget with an 15% spend rate. This cost is driven by when the orders are received.
    - Ammunition (**0934 - $755K Budget**) is below budget with an 4% spend rate. This cost is driven by when the orders are received.
    - Transponders (**0951 - $4.1M Budget)** expense is below budget with an 7% spend rate. This is due to fiscal year-end accrual activity.

- Replacement Equipment **(Object 10 - $2.0M Budget**) is below budget with an 8% spend rate.
    - Microcomputers (**Object 1033 - $1.0M Budget)** is below budget with a 1% spend rate. This is dependent upon when orders are received.
    - Other Replacement Equipment **(Object 1099 - $541K Budget)** is below budget with a 1% spend rate. This is dependent upon when orders are received.

- Additional Equipment (**Object 11 - $2.6M Budget**) is below budget with a 6% spend rate mostly due the timing of orders.
    - Additional Radios & Electronic Equipment (**Object 1119 - $665k Budget**) is below budget with a 1% spend rate.
    - Other Additional Equipment (**Object 1199 - $1.4M Budget**) is below budget with a 7% spend rate.

- Fixed Costs (**Object 13 - $12.9M Budget**) is on budget with a 24% spend rate.
    - Insurance (**Object 1302 $907K Budget, Object 1309 - $11.6M Budget**) are below budget with a 0% spend rate due to the timing of invoices.
    - Bad Debt **(Object 1320 - $50K Budget**) is above budget with a 5,655% spending rate. This is primarily due to uncollectible damage expense that occurred at the Bay Bridge in 2016.

<u>ATTACHMENT</u>

Budget vs Actual by Object 1st Qtr. FY 2026

MDTA OPERATING FUND
Bgt vs. Actual by Obj and RC Detail
Summary of All Units
For the Three Months Ending Tuesday, September 30, 2025

	Expenditures This Month	Budget	YTD Expense	Balance	% Spent
OBJECT 01 Salaries and Wages					
0101 REGULAR EARNINGS	$12,639,258	$152,589,257	$28,029,290	$124,559,967	18.37%
0102 ADDITIONAL ASSISTANCE		194,092		194,092	0.00%
0104 OVERTIME EARNINGS	822,828	6,107,621	1,814,319	4,293,302	29.71%
0104 OVERTIME EARNINGS - SNOW	33,879	1,279,686	35,048	1,244,638	2.74%
0105 SHIFT DIFFERENTIAL		983,391	5,122	978,269	0.52%
0110 MISCELLANEOUS P/R ADJUSTMENTS		259,750	18,780	240,970	7.23%
0111 ACCRUED LEAVE PAYMENTS		192,471	138,031	54,439	71.72%
0112 RECLASSIFICATIONS		403,865		403,865	0.00%
0151 SOCIAL SECURITY CONTRIBUTIONS		10,936,678	10,333	10,926,346	0.09%
0152 HEALTH INSURANCE		21,801,255	57,985	21,743,270	0.27%
0154 RETIREE'S HLTH INSURANCE PREM		13,019,894	11,455	13,008,439	0.09%
0161 EMPLOYEES RETIREMENT SYSTEM		19,650,180	9,429	19,640,751	0.05%
0165 STATE POLICE RETIREMENT SYSTEM		5,204,476	240,003	4,964,473	4.61%
0169 LAW ENFORCEMNT OFF PENSION SYS		23,925,977		23,925,977	0.00%
0171 BURDEN EXPENSE	13,485,861		28,588,394	(28,588,394)	0.00%
0172 DEFERRED COMPENSATION MATCH		358,077	2,325	355,752	0.65%
0174 UNEMPLOYMENT COMPENSATION		222,105	1,079	221,026	0.49%
0175 WORKERS COMPENSATION		3,633,039		3,633,039	0.00%
0189 TURNOVER		(12,922,298)		(12,922,298)	0.00%
0199 OTHER FRINGE BENE - CLOTH ALLOW		859,111	205,483	653,628	23.92%
Total Object 01	**26,981,826**	**248,698,628**	**59,167,076**	**189,531,552**	**23.79%**
Object 02 Technical and Special Fees					
0202 PER DIEM PAYMENTS	8,069	125,000	14,069	110,931	11.26%
0209 ADMIN/MGMT SERVICES SUPPORT		3,000		3,000	0.00%
0211 EMPLOYEE AWARDS		1,000		1,000	0.00%
0220 SPECIAL PAYMENTS PAYROLL		1,118,978		1,118,978	0.00%
Total Object 02	**8,069**	**1,247,978**	**14,069**	**1,233,909**	**1.13%**
Object 03 Communications					
0301 POSTAGE	2,729	51,600	13,253	38,347	25.68%
0302 TELEPHONE	1,527	880,904	47,280	833,624	5.37%
0303 TELECOMMUNICATIONS	48,517	803,730	160,282	643,448	19.94%
0305 STATE PAID TELECOMMUNCIATIONS		2,000,000		2,000,000	0.00%
0306 CELL PHONE EXPENDITURES	66,882	663,181	124,288	538,893	18.74%
Total Object 03	**119,654**	**4,399,415**	**345,103**	**4,054,312**	**7.84%**
Object 04 Travel					
0401 IN STATE/ROUTINE OPERTN TRAVE	2,213	51,377	4,829	46,548	9.40%
0402 INSTATE/CONF/SEMNR/TRNG TRAV	5,577	95,098	7,634	87,464	8.03%
0403 OUTSTATE/ROUTINE OPERTN TRAV	1,724	63,393	3,494	59,898	5.51%
0404 OUTSTATE/CONF/SEMNR/TRNG TRV	32,371	360,978	51,270	309,708	14.20%
Total Object 04	**41,884**	**570,846**	**67,227**	**503,618**	**11.78%**
Object 06 Fuel and Utilities					
0603 FUEL-OIL #2		149,300	13,603	135,697	9.11%
0606 FUEL-NATURAL GAS/PROPANE	2,594	486,434	7,812	478,622	1.61%
0620 UTILITIES-ELECTRICITY	335,499	4,248,405	748,715	3,499,690	17.62%
0621 UTILITIES-WATER/SEWAGE	4,018	416,703	70,275	346,428	16.86%

	Expenditures This Month	Budget	YTD Expense	Balance	% Spent
Total Object 06	**342,112**	**5,300,842**	**840,405**	**4,460,437**	**15.85%**
Object 07 Motor Vehicle Operations and Maint					
0701 PURCH VEH-CAR,LIGHT TRUCK	290,650	9,110,000	714,750	8,395,250	7.85%
0702 VEHICLE GAS & OIL	431,640	4,025,750	521,648	3,504,102	12.96%
0703 VEHICLE MAINTENANCE & REPAIR	47,513	2,721,700	174,507	2,547,193	6.41%
0704 INSURANCE		407,863		407,863	0.00%
0721 VEHICLE GAS & OIL - WATERCRAFT	1,621	49,347	5,827	43,520	11.81%
0722 VEHICLE MAINT & REPAIR - WATER	351	111,431	1,726	109,705	1.55%
0724 BOAT SLIP RENTAL/LAUNCHING FEES		4,200		4,200	0.00%
0730 PURCH VEH-OTHER LAND VEH - DUMP, TRACTOR		1,816,000	5,313	1,810,687	0.29%
0731 GAS & OIL - OTHER LAND VEHICLES	171,499	1,000,000	212,165	787,835	21.22%
0732 LG VEHICLE MAINT & REPAIR	87,535	2,500,000	236,956	2,263,044	9.48%
0732 LG VEHICLE MAINT & REPAIR-SNOW			1,727	(1,727)	0.00%
0789 COMMUTER CHARGE	(2,678)	(5,000)	(4,575)	(425)	91.50%
0799 OTHER MOTOR VEHICLE CHARGES		50,000	5,389	44,611	10.78%
Total Object 07	**1,028,131**	**21,791,291**	**1,875,434**	**19,915,857**	**8.61%**
Object 08 Contractual Services					
0801 ADVERTISING/LEGAL PUBLICATION	23,932	3,278,691	(374,341)	3,653,032	(11.42%)
0802 APPLICATIONS SOFTWARE MAINT	47	100,000	47	99,953	0.05%
0804 PRINTING/REPRODUCTION	3,262	33,250	3,613	29,637	10.87%
0807 ENGINEERS	356,439	3,150,000	326,915	2,823,085	10.38%
0807 ENGINEERS - Environmental (MA0967)	193,376	4,000,000	213,880	3,786,120	5.35%
0807 ENGINEERS - Highways (MA0983)	7,069	235,000	7,069	227,931	3.01%
0807 ENGINEERS - Architectural (MA2395)	65,949	400,000	66,828	333,172	16.71%
0807 ENGINEERS - ITS/Electrical (MA2226)	44,404	1,180,000	21,223	1,158,777	1.80%
0807 ENGINEERS - Structural (MA2055)	30,841	1,825,000	33,571	1,791,429	1.84%
0807 ENGINEERS - Traffic (MA2181)	85,693	1,700,000	60,202	1,639,798	3.54%
0807 ENGINEERS - Asset Mgmt (MA2869)	67,233	800,000	67,233	732,767	8.40%
0807 ENGINEERS - On-Call (All MR)	1,103,766	6,700,000	980,622	5,719,378	14.64%
0807 ENGINEERS - Annual Insp(MA2471)	443,252	15,950,000	368,324	15,581,676	2.31%
0808 EQUIPMENT RENTAL	46,817	544,018	76,011	468,007	13.97%
0809 EQUIPMENT REPAIRS & MAINT	3,700	2,123,609	1,833,182	290,427	86.32%
0810 EXTERMINATION	109	17,413	109	17,304	0.62%
0812 BUILDING/ROAD REPAIRS & MAINT	366,307	16,176,962	(95,162)	16,272,123	(0.59%)
0812 BLDG/ROAD REP & MAINT - On-Call	352,023		(326,588)	326,588	0.00%
0813 JANITORIAL SERVICES	158,312	1,944,667	422,185	1,522,482	21.71%
0814 GROUNDS MAINTENANCE		86,700	2,790	83,910	3.22%
0815 LAUNDRY	121	3,400	281	3,119	8.26%
0817 LEGAL SERVICES	95	477,850	83,325	394,525	17.44%
0819 EDUCATION/TRAINING CONTRACTS	59,334	1,328,188	195,128	1,133,060	14.69%
0820 MEDICAL CARE	18,652	594,720	53,624	541,096	9.02%
0821 MGMT STUDIES AND CONSULTANTS	365,506	6,947,572	487,537	6,460,035	7.02%
0823 SECURITY SERVICES	93,529	1,241,976	103,713	1,138,263	8.35%
0824 LABORATORY SERVICES		44,278		44,278	0.00%
0825 VETERINARIAN	2,016	31,565	6,163	25,402	19.53%
0826 FREIGHT AND DELIVERY	761	17,841	1,402	16,439	7.86%
0827 TRASH AND GARBAGE REMOVAL	42,423	474,648	99,306	375,342	20.92%
0828 OFFICE ASSISTANCE		62,000	6,478	55,522	10.45%

	Expenditures This Month	Budget	YTD Expense	Balance	% Spent
0829 FISCAL SERVICES	1,643,361	15,715,250	3,552,849	12,162,401	22.61%
0841 DP CENTRAL PROCESS SVC		900,000	71,326	828,674	7.93%
0843 DP COMMUNICATIONS CONTROLLE	34,943	400,000	34,943	365,057	8.74%
0849 TELECOMM LINES, MODEMS & CON	16,245	613,538	16,245	597,293	2.65%
0854 COMPUTER MAINTENANCE CTRCT	24,313	100,000	88,111	11,889	88.11%
0858 SOFTWARE LICENSES	63,486	123,750	75,918	47,832	61.35%
0861 APPL SOFTWARE ACQUISITION		50,000		50,000	0.00%
0862 APPL SOFTWARE MAINTENANCE	27,418	1,501,000	598,191	902,809	39.85%
0864 SYSTEMS SOFTWARE MAINTENANC	16,002	1,000,000	626,379	373,621	62.64%
0865 OUTSIDE SVCS-SYS ANALYSIS&DSC	556,713	8,000,000	1,980,418	6,019,582	24.76%
0866 OUTSIDE SVCS-PROGRAMMING	37,235	500,000	146,449	353,551	29.29%
0869 OUTSIDE SVCS-COMPUTER USAGE	22,740	550,000	371,142	178,858	67.48%
0872 IT OUTSIDE SVCS - CONSULTING SVC		6,000		6,000	0.00%
0873 OUTSIDE SVC - E-Z PASS SVC CENTI	625,448	45,500,000	7,496,902	38,003,098	16.48%
0874 OFFICE OF ATTORNEY GENERAL FEE		44,265		44,265	0.00%
0875 RETIREMENT AGENCY ADMIN FEE		232,588		232,588	0.00%
0876 STATEWIDE DOIT SERVICES		125,000		125,000	0.00%
0894 STATEWIDE PERSONNEL SYS ALLOC		41,676		41,676	0.00%
0897 STATE ENTERPRISE BUDGET SYSTEM		348,402		348,402	0.00%
0899 OTHER CONTRACTUAL SVC-NON DI	31,900	4,310,702	298,561	4,012,141	6.93%
Total Object 08	**7,034,771**	**151,531,519**	**20,082,104**	**131,449,415**	**13.25%**
Object 09 Supplies and Materials					
0901 AGRICULTURE	595	53,090	8,355	44,735	15.74%
0902 OFFICE SUPPLIES	14,843	446,169	48,322	397,847	10.83%
0903 ELECTRICAL MATERIALS	8,755	492,291	37,038	455,253	7.52%
0904 BUILDING & HOUSEHOLD SUPPLIES	28,753	488,712	67,568	421,144	13.83%
0905 ROADWAY MAINT MATERIALS	23,716	761,477	73,742	687,735	9.68%
0906 SALT/SNOW MELTING MATERIALS		1,661,500		1,661,500	0.00%
0908 HOUSEKEEPING SUPPLIES	1,129	74,266	10,851	63,415	14.61%
0909 MEDICAL SUPPLIES	332	44,807	5,653	39,154	12.62%
0912 WEARING APPAREL-UNIFORMS EMI	76,435	1,293,258	194,085	1,099,173	15.01%
0915 LIBRARY SUPPLIES		29,975	2,181	27,794	7.28%
0917 SMALL TOOLS	26,918	348,519	41,937	306,582	12.03%
0918 VETERINARY SUPPLIES	1,436	29,381	2,473	26,908	8.42%
0920 FOOD	9,731	194,784	18,471	176,313	9.48%
0926 DATA PROCESSING SUPPLIES	655	32,435	3,232	29,203	9.96%
0934 AMMO GUNS FIRING RANGE SUPPLI	6,953	754,811	26,918	727,893	3.57%
0951 E-ZPASS TRANSPONDERS	(298,540)	4,115,000	268,145	3,846,855	6.52%
0999 OTHER SUPPLIES AND MATERIALS	(3,158)	369,319	22,702	346,617	6.15%
Total Object 09	**(101,445)**	**11,189,794**	**831,672**	**10,358,122**	**7.43%**
Object 10 Replacement Equipment					
1009 REPL HUMAN ENVIRONMENTAL EQUIP			4,088	(4,088)	0.00%
1013 REPL MAINTENANCE & BUILDING E	64,271	296,600	95,825	200,775	32.31%
1015 REPL OFFICE EQUIPMENT	18,411	106,357	31,489	74,868	29.61%
1019 REPL RADIOS & ELECTRONIC EQUIP		66,000	7,372	58,628	11.17%
1033 REPL DP EQUIP-MICROCOMPUTER	1,890	1,005,200	14,818	990,382	1.47%
1036 REPL DP EQUIP-PERIPHERALS		14,400		14,400	0.00%
1099 OTHER REPLACEMENT EQUIPMENT	6,312	541,266	6,312	534,954	1.17%

	Expenditures This Month	Budget	YTD Expense	Balance	% Spent
Total Object 10	**90,883**	**2,029,823**	**159,902**	**1,869,921**	**7.88%**
Object 11 Additional Equipment					
1102 ADDT'L AUDIO-VISUAL EQUIP		6,500		6,500	0.00%
1103 ADDT'L CLEANING EQUIPMENT		10,000		10,000	0.00%
1109 ADDT'L HUMAN ENV EQUIP		1,000	3,426	(2,426)	342.58%
1113 ADDT'L MAINT & BLDG EQUIP	28,876	253,000	39,511	213,489	15.62%
1115 ADDT'L OFFICE EQUIPMENT	4,528	238,590	13,507	225,082	5.66%
1119 ADDT'L RADIOS & ELECTRONIC EQU	2,043	665,000	3,588	661,412	0.54%
1133 ADDT'L DP EQUIP-MICROCOMPUTER		20,000		20,000	0.00%
1199 OTHER ADDITIONAL EQUIPMENT	75,336	1,378,962	101,203	1,277,759	7.34%
Total Object 11	**110,783**	**2,573,052**	**161,235**	**2,411,816**	**6.27%**
Object 13 Fixed Charges					
1301 RENT			229,632	(229,632)	0.00%
1302 INSURANCE COVERAGE PAID TO STO		907,813		907,813	0.00%
1303 RENT PAID TO DGS		1,100		1,100	0.00%
1304 SUBSCRIPTIONS	433	29,020	3,576	25,444	12.32%
1305 ASSOCIATION DUES	159	283,857	2,731	281,126	0.96%
1308 LICENSES		9,720	754	8,966	7.76%
1309 INSURANCE (NON STO PAYMENTS)		11,596,368		11,596,368	0.00%
1320 BAD DEBT EXPENSE	4,637	50,000	2,827,315	(2,777,315)	5654.63%
Total Object 13	**5,228**	**12,877,878**	**3,064,009**	**9,813,870**	**23.79%**
Total All Objects	**35,661,896**	**462,211,066**	**86,608,236**	**375,602,830**	**18.74%**

ITEM

10

MEMORANDUM

TO: MDTA Finance and Administration Committee
FROM: Assistant Capital Program Manager Jennifer Stump
SUBJECT: First Quarter Review of FY 2026 Capital Budget vs. Actual Spending
DATE: November 13, 2025

PURPOSE OF MEMORANDUM

The purpose of the memorandum is to update the MDTA Finance and Administration Committee on the status of actual FY 2026 capital spending against the FY 2026 capital budget in the FY 2026-2031 Draft Consolidated Transportation Program (CTP). This information will be presented to the MDTA Board on November 25, 2025.

SUMMARY

As of September 30, 2025, 7.2% of the FY 2026 budget was spent as compared to the targeted spending level of 25%. The total budget for FY 2026 is $1.15 billion. The actual spending through the first quarter was $83.6 million. The first quarter percentage is low because there are outstanding accruals for work completed in FY 2025.

ANALYSIS

Ninety-five of the 102 projects budgeted in FY 2026 were within the acceptable spending limits of 0% to 50% (plus or minus 25% of the 25% target). Due to normal lags in invoicing, generally two months, a plus or minus 25% threshold was determined to be reasonable.

Actual spending through the first quarter for ten projects with FY 2026 budgets over $10 million was $56.5 million. The ten projects are detailed in Attachment A.

ATTACHMENT

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

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

Project Name	FY 2026 Budget Draft FY26-31 CTP ($ Million)	FY 2026 Actual thru 09/30/2025 ($ Million)	FY 2026 1st Qtr Spend Rate	FY 2026 Budget Remaining ($ Million)
Key Bridge Rebuild	$685.0	$8.6	1%	$676.4
I-95 ETL NB Transition - MD 24 Interchange Reconstruction	$78.7	$21.6	27%	$57.1
I-95 ETL NBE MD 24 to Bynum Run	$31.0	$6.2	20%	$24.8
Rehab Decks of EB Span - Phase I Deck Widening & Replacement of Deck Truss Spans	$30.0	$7.3	24%	$22.7
Envelope Repair and Switchgear Replacements at BHT Vent Buildings	$22.0	$4.8	22%	$17.2
I-695 Ramps to I-95 Northbound Express Toll Lanes	$21.1	$0.1	1%	$20.9
I-95/Belvidere Road Interchange	$15.9	-$1.1	-7%	$16.9
Cleaning and Painting of the Hatem Bridge	$15.5	$4.8	31%	$10.7
10-Year Equipment Budget - FY 2018 through FY 2027	$14.5	$3.7	25%	$10.9
FMT Facility-wide Zone Paint Program	$11.8	$0.5	4%	$11.4
Total	**$925.5**	**$56.5**	**6.1%**	**$869.0**

ITEM

11

MEMORANDUM

TO: MDTA Finance & Administration Committee
FROM: Revenue Manager Walter Laun
SUBJECT: First Quarter Fiscal Year 2026 Traffic and Revenue Performance
DATE: November 13, 2025

PURPOSE OF MEMORANDUM

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

KEY TAKEAWAYS

- For the quarter ending September 30, 2025, overall collected revenue was above forecast by $3.8 million.
- The overperformance is primarily driven by the following:
    - 2-Axle *E-ZPass*® revenue at the Fort McHenry Tunnel ($2.2 million).
    - Continued improvement of the collection of Video Tolls ($0.4 million).
    - Civil Penalty Fees ($0.7 million) by the Central Collection Unit (CCU).

ANALYSIS

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

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

Combined Facilities (including Administrative Revenue)														
	TRANSACTIONS (in Millions)							REVENUE (in Millions)						
	FY25 Actual	FY26 Actual	Diff	% Change	FY26 Forecast	Diff	% Diff	FY25 Actual	FY26 Actual	Diff	% Change	FY26 Forecast	Diff	% Diff
Qtr. 1	40.8	41.2	0.4	0.9%	41.3	(0.1)	-0.3%	$ 192.4	$ 204.8	$ 12.4	6.5%	$ 201.0	$ 3.8	1.9%
YTD Totals	**40.8**	**41.2**	**0.4**	**0.9%**	**41.3**	**(0.1)**	**-0.3%**	**$ 192.4**	**$ 204.8**	**$ 12.4**	**6.5%**	**$ 201.0**	**3.8**	**1.9%**
*Note: Numbers may not sum due to rounding														

As shown in the table above, for the quarter ended September 30, 2025, systemwide transactions totaled 41.2 million and corresponding toll and administrative revenue totaled $204.8 million. This represents an increase of 0.4 million transactions, or 0.9%, compared to the same period last year. Year-to-date revenue increased by $12.4 million, or 6.5%, compared to the same period last year. The increase in transactions and revenue was attributed to the improved collection of video tolls, civil penalty fees, completion of Phase I of the I-95 ETL Northbound Extension, and a catch up in the delay of New York toll processing.

For the quarter ending September 30, 2025, actual revenue was above forecast by $3.8 million. The variance between forecasted and actual performance was mainly due to higher than projected *E-ZPass* revenue at the Fort McHenry Tunnel and improved video toll and civil penalty fee collections.

ATTACHMENTS

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

Attachment A

Summary of Revenue
FY2026 Forecasted and Actual Revenue Comparison
July 1, 2025 to September 30, 2025

	E-ZPass®	Video, Administrative[1] & Pay-By-Plate	Total
Forecast Revenue	$162,292,216	$38,682,370	$200,974,586
Actual Revenue	164,604,990	40,190,721	204,795,710
Difference	$2,312,773	$1,508,350	$3,821,124

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

Attachment B

Comparison of Official Forecast to Actual Toll Revenue Performance
July 1, 2025 to September 30, 2025

Toll Revenue Forecast:		**$200,974,586**
Actual Revenue:		
E-ZPass	164,604,990	
Pay-By-Plate	1,600,573	
Video Toll	19,681,775	
Adminstrative Toll	18,908,373	
Total Actual Revenue		**204,795,710**
Actual Revenue *less* Forecasted Revenue		**3,821,124**

Attachment C

Analysis of Actual Toll Revenue Performance & Financial Forecast Differences
July 1, 2025 to September 30, 2025

Actual Revenue *less* Forecasted Revenue			**$3,821,124**
Forecast Assumption Differences:			
E-ZPass Daily Average Traffic Higher than Forecasted (FY2026) - ongoing	2,312,773		
Pay-By-Plate Usage Higher than Forecasted (FY2026) - ongoing	141,365		
Video Toll Collections Higher than Forecasted (FY2026) - one-time	371,813		
Administrative Toll Revenue Higher than Forecasted (FY2026) - one-time (CPFs +$0.7M)	995,172		
Total Forecast Assumption Differences		**$**	**3,821,124**
Unreconciled/Analyzed Difference		$	0

Attachment D

FY 2026 Forecast vs. Actual Revenue – By Facility

Legacy Facilities

		July	August	September	Total
E-ZPass	Forecast	$ 45,608,376	$ 46,392,126	$ 46,987,393	$ 138,987,895
	Actual	49,741,684	46,421,797	45,577,368	$ 141,740,848
	Difference	4,133,307	29,671	(1,410,025)	$ 2,752,954
Video, Pay-By-Plate & Other	Forecast	11,309,886	10,854,221	10,993,512	$ 33,157,620
	Actual	11,681,277	11,642,537	11,154,353	$ 34,478,167
	Difference	371,391	788,317	160,840	$ 1,320,548
Total	Forecast	56,918,263	57,246,347	57,980,905	$ 172,145,515
	Actual	61,422,961	58,064,335	56,731,720	$ 176,219,016
	Difference	$ 4,504,698	$ 817,988	$ (1,249,185)	$ 4,073,501

Intercounty Connector

		July	August	September	Total
E-ZPass	Forecast	$ 6,105,071	$ 5,364,197	$ 5,820,118	$ 17,289,386
	Actual	5,632,920	5,632,412	5,711,018	$ 16,976,350
	Difference	(472,152)	268,215	(109,099)	$ (313,036)
Video, Pay-By-Plate & Other	Forecast	1,783,455	1,687,946	1,763,709	$ 5,235,110
	Actual	1,909,346	1,786,071	1,720,105	$ 5,415,522
	Difference	125,891	98,125	(43,604)	$ 180,412
Total	Forecast	7,888,526	7,052,143	7,583,827	$ 22,524,496
	Actual	7,542,265	7,418,483	7,431,124	$ 22,391,872
	Difference	$ (346,261)	$ 366,340	$ (152,703)	$ (132,624)

I-95 Express Toll Lanes

		July	August	September	Total
E-ZPass	Forecast	$ 1,971,477	$ 2,122,168	$ 1,921,290	$ 6,014,935
	Actual	1,969,844	1,983,962	1,933,989	$ 5,887,795
	Difference	(1,633)	(138,206)	12,699	$ (127,140)
Video, Pay-By-Plate & Other	Forecast	98,383	95,555	95,703	$ 289,641
	Actual	106,635	95,229	95,168	$ 297,032
	Difference	8,252	(325)	(535)	$ 7,391
Total	Forecast	2,069,859	2,217,722	2,016,994	$ 6,304,576
	Actual	2,076,478	2,079,191	2,029,157	$ 6,184,827
	Difference	$ 6,619	$ (138,531)	$ 12,163	$ (119,749)

All Facilities

	July	August	September	Total
Forecast	$ 66,876,648	$ 66,516,213	$ 67,581,726	$ 200,974,586
Actual	71,041,704	67,562,009	66,192,001	$ 204,795,714
Difference	$ 4,165,056	$ 1,045,796	$ (1,389,725)	$ 3,821,128

Attachment E

FY 2026 Forecast vs. Actual Revenue – By Payment Method

E-ZPass						
		July	August	September		Total
Forecast	Legacy	45,608,376	46,392,126	46,987,393	$	138,987,895
	ICC	6,105,071	5,364,197	5,820,118	$	17,289,386
	ETL	1,971,477	2,122,168	1,921,290	$	6,014,935
	Total	53,684,924	53,878,491	54,728,801	$	162,292,216
Actual	Legacy	49,741,684	46,421,797	45,577,368	$	141,740,848
	ICC	5,632,920	5,632,412	5,711,018	$	16,976,350
	ETL	1,969,844	1,983,962	1,933,989	$	5,887,795
	Total	57,344,447	54,038,171	53,222,375		164,604,994
	Difference	$ 3,659,523	$ 159,680	$ (1,506,426)	$	2,312,777

Video, Pay-By-Plate & Other						
		July	August	September		Total
Forecast	Legacy	11,309,886	10,854,221	10,993,512	$	33,157,620
	ICC	1,783,455	1,687,946	1,763,709	$	5,235,110
	ETL	98,383	95,555	95,703	$	289,641
	Total	13,191,724	12,637,721	12,852,925	$	38,682,370
Actual	Legacy	$ 11,681,277	$ 11,642,537	$ 11,154,353	$	34,478,167
	ICC	1,909,346	1,786,071	1,720,105	$	5,415,522
	ETL	106,635	95,229	95,168	$	297,032
	Total	13,697,257	13,523,838	12,969,626		40,190,721
	Difference	$ 505,533	$ 886,116	$ 116,701	$	1,508,350

All Revenue					
	July	August	September		Total
Forecast	$ 66,876,648	$ 66,516,213	$ 67,581,726	$	200,974,586
Actual	71,041,704	67,562,009	66,192,001	$	204,795,714
Difference	$ 4,165,056	$ 1,045,796	$ (1,389,725)	$	3,821,128