



# Budget Briefing

## Moving People Forward

April 2026

## Mission, Vision and Values



### Our Mission:

- Moving People Forward

### Our Vision:

- To create a seamless transit experience that improves the live of individuals, fuels economic growth, builds a connected region and fosters a sustainable future for all.

### Our Values:

- Safety, Employee-Centric, Customer-Focused, Equity and Inclusion, Innovation, Sustainability, and Excellence

### Organizational Focus:

1. **People** : Employees, Customers, Community
2. **Assets** and Infrastructure – State of Good Repair
3. **Safety** and Security



## Advancing the Vision: FY27 Priority Actions

### 1 Support Current Service

### 2 Expand Service and Implement the 2055 Transit System Plan

### 3 Strengthen the Organization's Capacity and Resilience

#### OPERATING

- |   |   |  |
|---|---|--|
| <ul style="list-style-type: none"> <li>• Maintaining current levels of service</li> <li>• Safety and Security / Fare Collection Enhancements</li> <li>• Paratransit staffing</li> <li>• Continue state of good repair and maintenance initiatives</li> <li>• Technology investment to ensure business continuity</li> </ul> | <ul style="list-style-type: none"> <li>• Better Bus (includes Microtransit) Implementation</li> <li>• Personnel to support the 2055 Transit System Plan (TSP) implementation</li> </ul> | <ul style="list-style-type: none"> <li>• Personnel – new functions not already included in CATS budget</li> <li>• Professional services contracts</li> </ul> |
|---|---|--|

#### CAPITAL

- |   |  |  |
|---|--|--|
| <ul style="list-style-type: none"> <li>• Infrastructure, technology and fleet investments</li> <li>• Facility improvements</li> </ul> | <ul style="list-style-type: none"> <li>• Hambright Park and Ride and Southend Station</li> <li>• Corridor design</li> <li>• Bus stops and shelters, mobility hubs</li> </ul> | <ul style="list-style-type: none"> <li>• Technology</li> </ul> |
|---|--|--|

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## Revenues



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## Summary of FY 2027 Revenues



### Transit Generated Revenue:

- No fare increase
- **\$18.8 million** total including service improvements



### Local Tax Funding:

- Article 43 Sales Tax **\$165.7 million**
- Article 34 Sales Tax **\$198.9 million**
- U-Drive It Car Rental Tax **\$20.1 million**



### Fund Balance

- No fund balance appropriated
- Focusing on building our reserves to support future core operational needs



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### State Funding:

- **\$9.2 million** in grants



### Federal Funding:

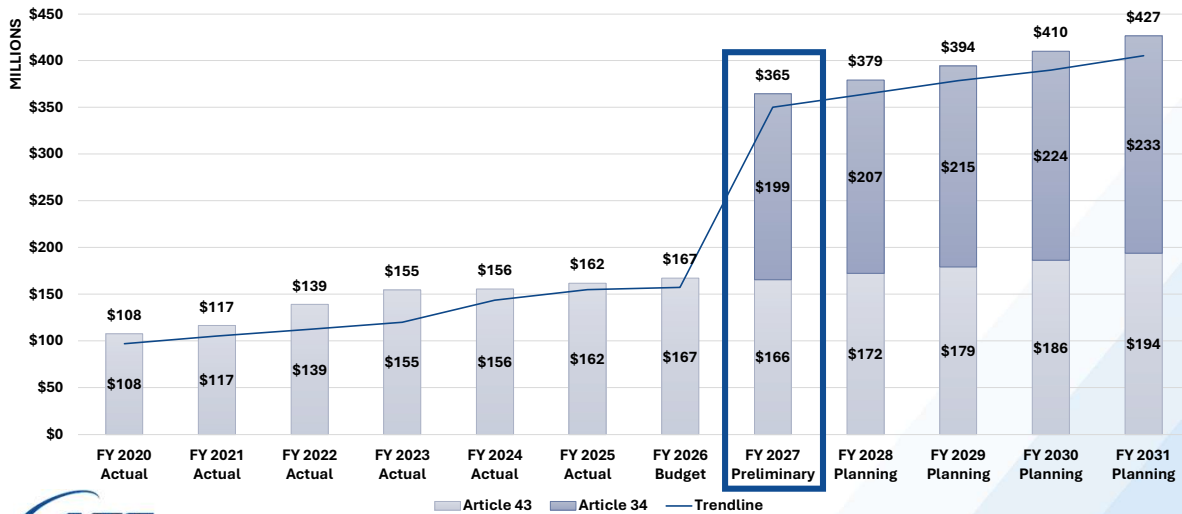
- **\$56.1 million** in grants



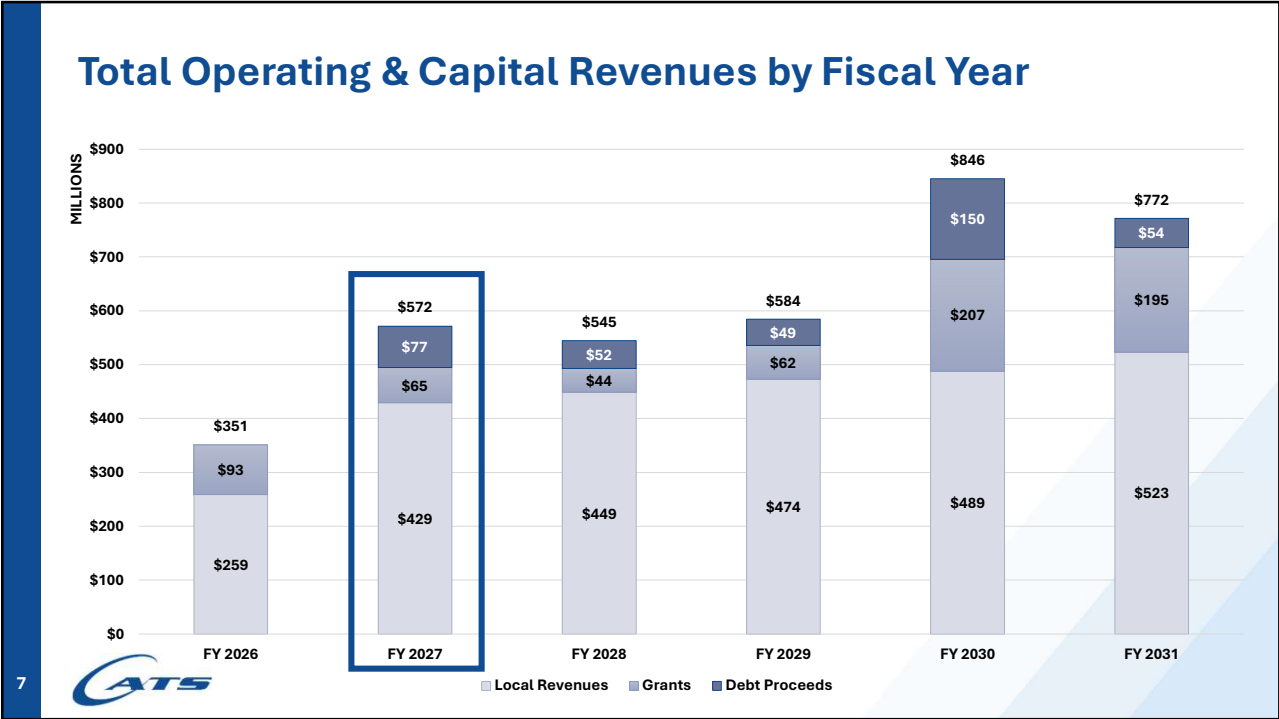
### Debt Issuance:

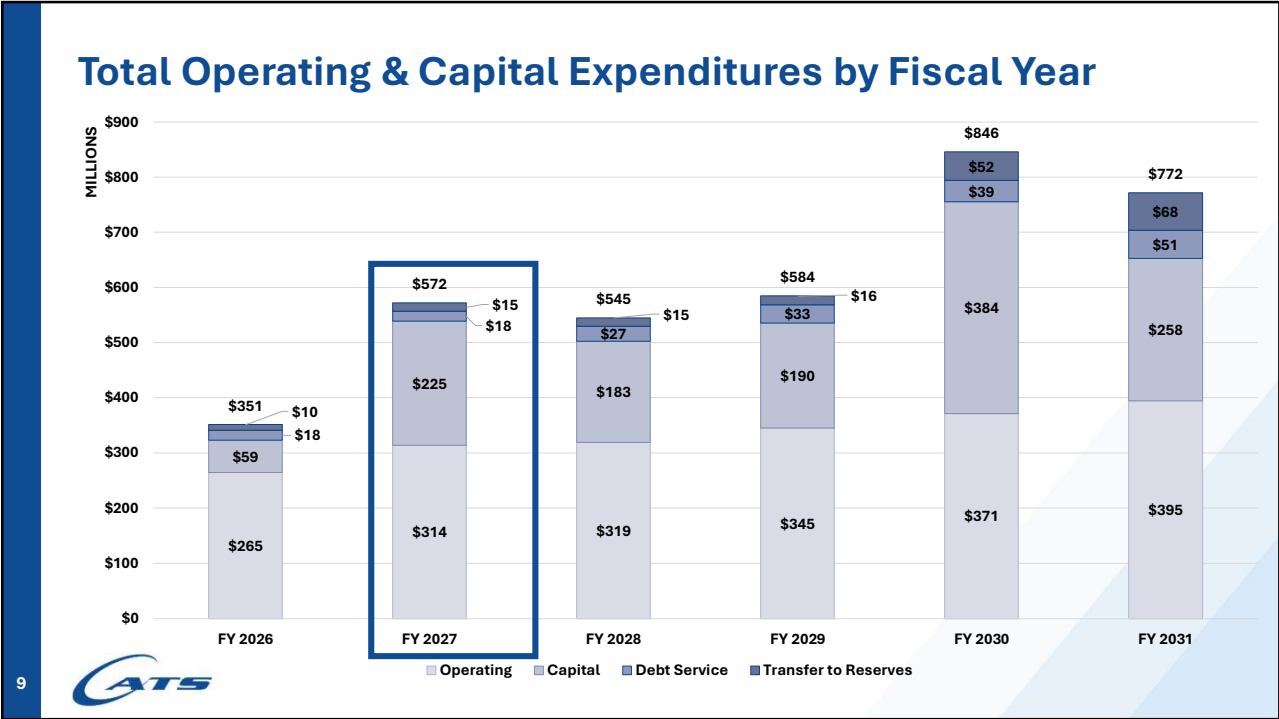
- Planned COPS issuance for buses, paratransit and nonrevenue vehicles
- May shift to FY 2028 depending on vehicle delivery schedule

## Article 34 & 43 Sales Tax History & Projections



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## FY2027 Operating Budget

Funding day-to-day service delivery

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## Operating Budget – Expenses to run transit service every day

### 1 Support Current Service

**People**

- Maintain staffing and operations at the current level of service for our riders

**Assets**

- Continue state of good repair and maintenance initiatives
- Technology investment to ensure business continuity

**Safety**

- Safety and Security / Fare Collection Enhancements

### 2 Expand Service and Implement the 2055 Transit System Plan

**People**

- Personnel to support TSP implementation
- Better Bus implementation – staffing and microtransit
- Staffing supporting state of good repair

**Assets**

- Better Bus implementation – upgrade stops

**Safety**

- Corridor safety and security planning

### 3 Strengthen the Organization's Capacity and Resilience

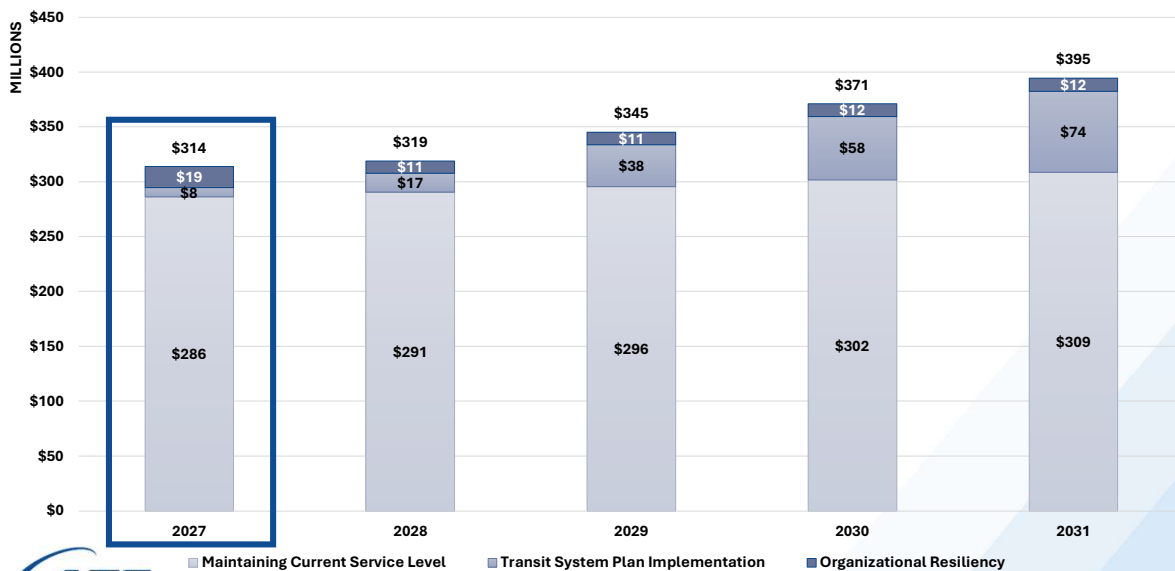
**People/Assets/Safety**

- Personnel for functions not already included in CATS budget or currently handled by other City of Charlotte Departments
- Professional services contracts

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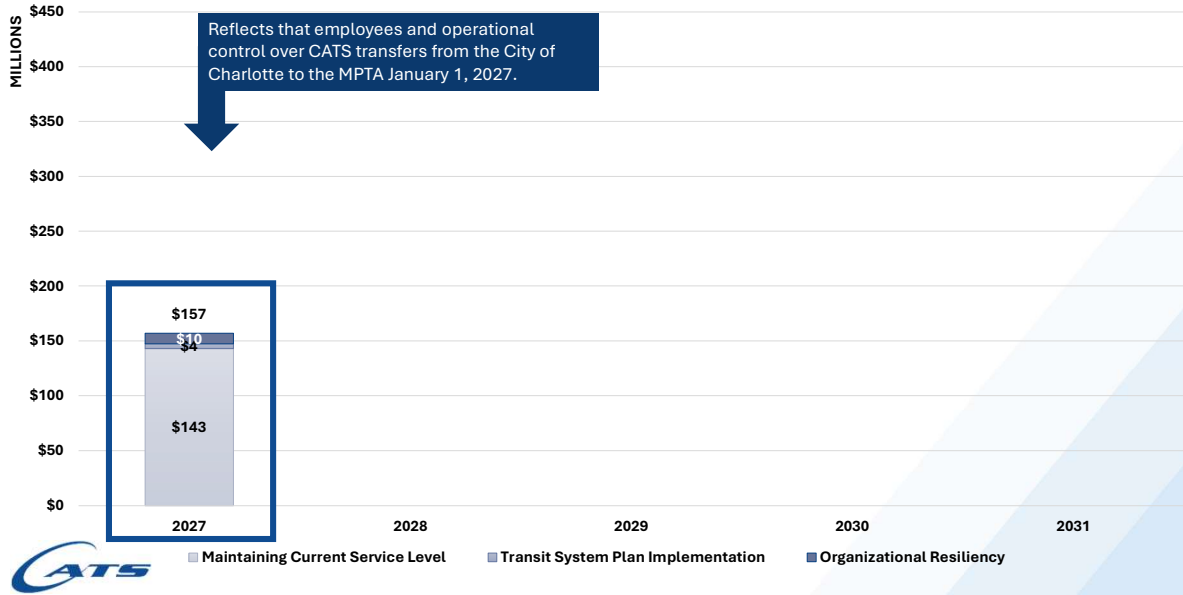
## Total Operating Expenditures



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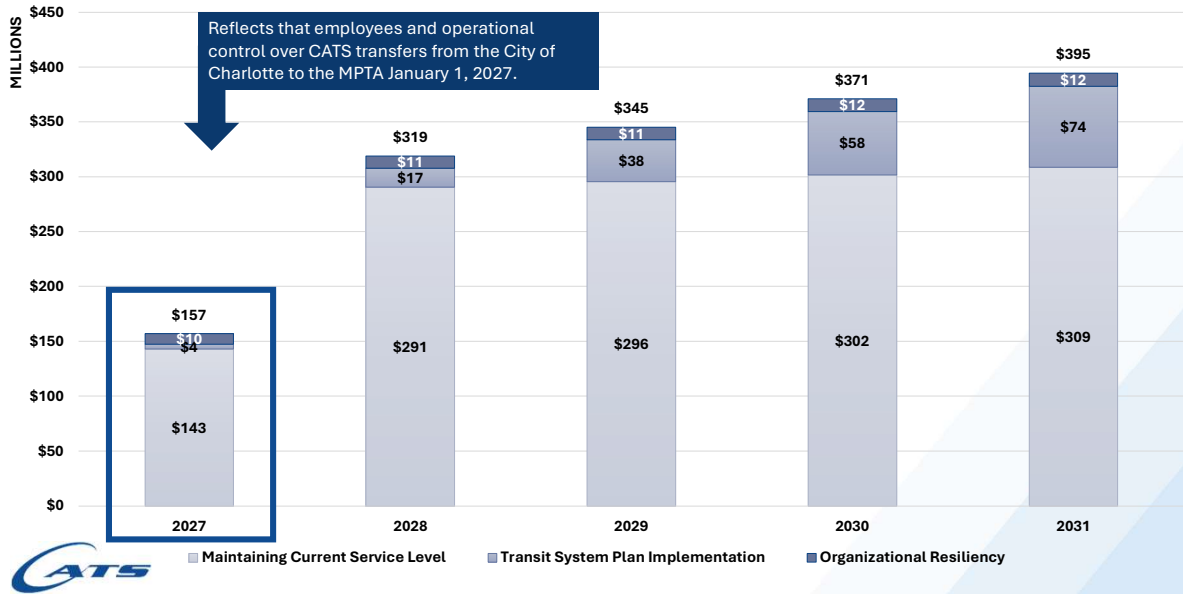


## Operating Expenditures (City of Charlotte)



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## Operating Expenditures (MPTA)



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## Summary of FY 2027 Operating Increases

### 1 Support Current Service



#### Safety & Security

\$5 million for CMPD Off Duty Support

\$5 million for Fare Enforcement & Ambassadors (Contract Service)



#### Bus Operations

- \$2 million for Microtransit service expansion
- \$6 million in support of Better Bus service expansion



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### 2 Expand Service and Implement the 2055 Transit System Plan



#### Facilities

- \$4 million increase to support state of good repair



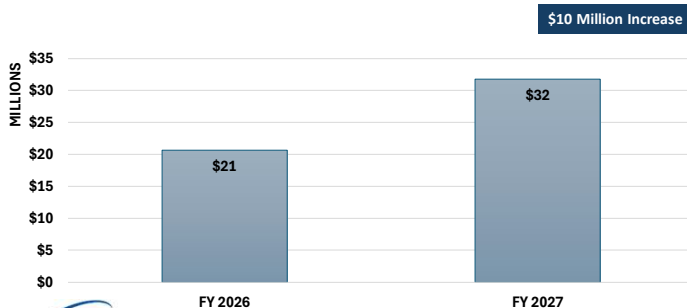
#### Organization Capacity & Resilience

- ~\$19 Million
- Executive Leadership continues to review and refine
- Exploring the proper mix of FTEs, managed services, and technology improvements

## Safety Improvements

Funding added for security improvements including:

- Continuing CMPD Officers providing an additional 1,200 – 1,400 hours of coverage weekly across the system
- Positions added to Security Contract
- Adding additional dispatchers / telecom operators
- Funds Fare Inspectors and Transit Ambassadors
- Enhances surveillance through evolving technology



Operator assaults have trended down with a total of 8 in 2025 (15 in 2023)

More than doubling security contract positions between 2024 and 2027



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## State of Good Repair (SGR)

An asset is in a state of good repair when it meets safety and performance standards, is maintained according to its expected lifecycle, is not past its useful life or has been properly overhauled, poses no operational or safety risks, and reliably supports consistent service.

SGR applies to all transit capital assets, and maintaining it reduces breakdowns, minimizes safety incidents, builds customer confidence, and meets FTA requirements. Supporting this, CATS' FY 2027 budget increases investment in bus and rail fleets and facilities to keep assets safe, reliable, and performing their intended function throughout their lifecycle.

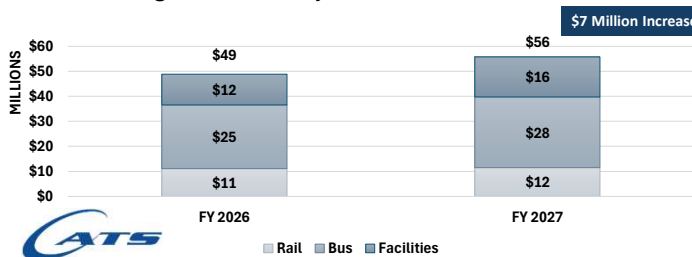


Facility budget has been steady, it will go up 55% in the next fiscal year, and then nearly double in FY2028

Since 2023 CATS I, II, & III truck work shows steady progress with 14 truck maintenance sets and 17 overhaul sets completed with 5 more overhauls for CATS I & II in 2026 and 25 overhauls for CATS III through 2028.



Average bus fleet age has decreased from 10 years in 2022 to 7 years in 2025.



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■ Rail ■ Bus ■ Facilities

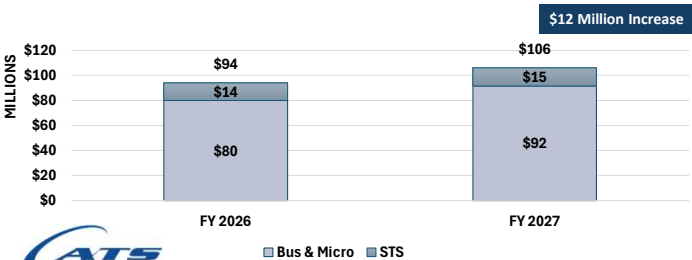
## Better Bus, Microtransit, Special Transportation Service

The service, workforce, scheduling and operations management improvements required to deliver the enhanced bus network and Microtransit service expansion envisioned as part of Better Bus as well as the expansion of STS to meet service requirements.

This turns capital investments into service. It ensures that higher frequency, improved reliability and better access are not just planned, but delivered every day.



FY 2027 will deliver 30,500 additional bus service hours.



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■ Bus & Micro ■ STS



STS increased to over 221,000 trips, program enrollment up 48%, and on time performance at 87%

Microtransit reached 58,000 rides in 12 months of service, estimate over 500,000 annual rides with full roll out by year 5



85% On Time Performance  
1.2% Missed Trips in FY2026 (YTD)

# FY2027 to FY 2031 Capital Budget

Funding long-term assets and  
infrastructure

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## Capital Budget - *Building, purchase or replacement of assets*

### ① Support Current Service

#### People

Promotes the safety of our riders and employees by ensuring SGR is maintained and safety improvement are implemented

#### Assets

- CTC
- Facility Improvements
- Rail infrastructure
- Fleet replacements

#### Safety

- Access control improvements
- Fixed camera replacements
- Mobile video upgrades
- Portable radio replacements
- Vulnerability Analysis

### ② Expand Service and Implement the 2055 Transit System Plan

#### People

Makes the transit experience safer, more convenient, and more rider-centered through service upgrades, network expansion, enhanced infrastructure, and a focus on safety and cleanliness.

#### Assets

- South End Station
- Fleet expansion
- Bus stops and shelters
- Technology
- Corridor design

#### Safety

- Safety and security planning for Red Line and Silver Line

### ③ Strengthen the Organization's Capacity and Resilience

#### People

Ensures CATS employees have the resources needed to serve our riders and continue to meet all state and federal requirements

#### Assets

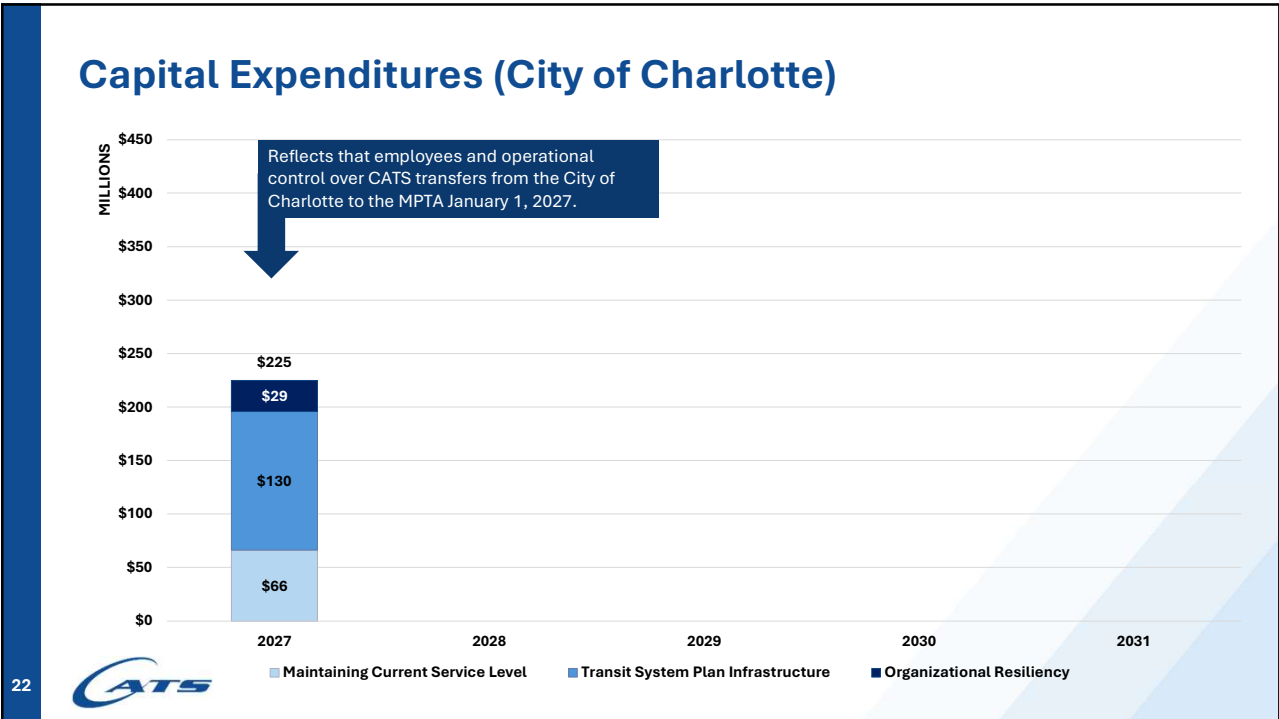
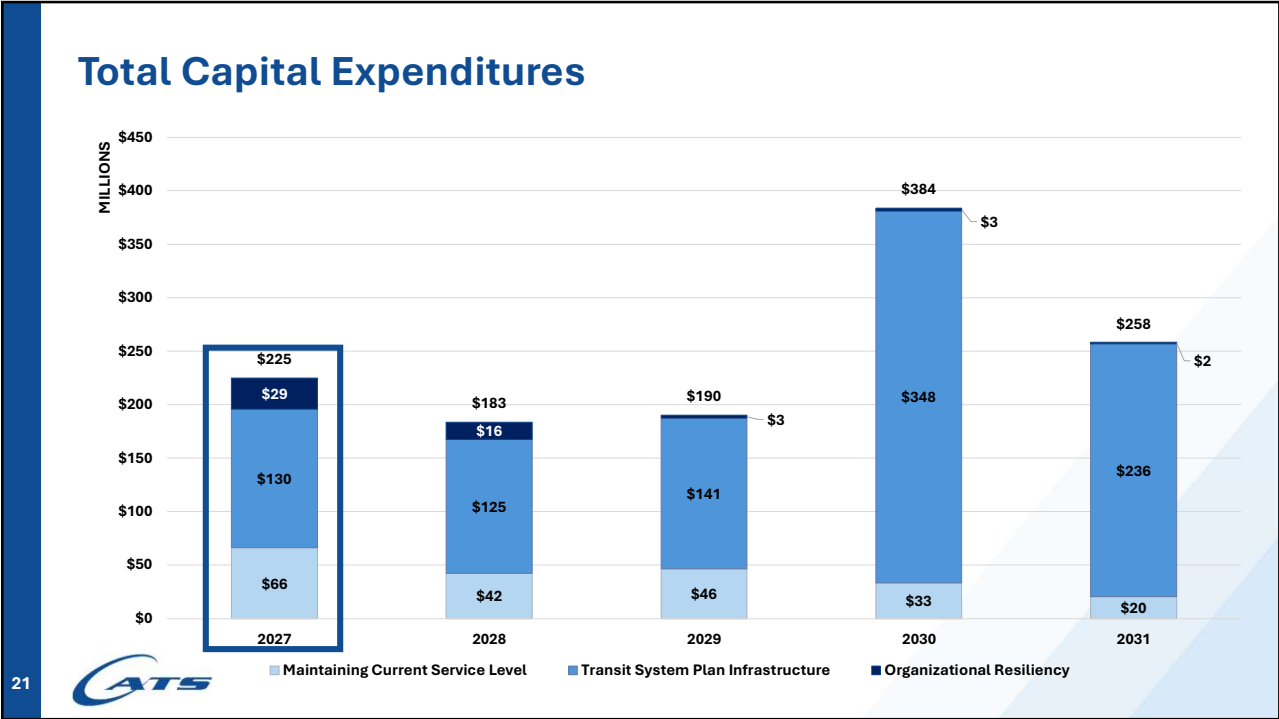
- Workday financial system
- Backbone technology

#### Safety

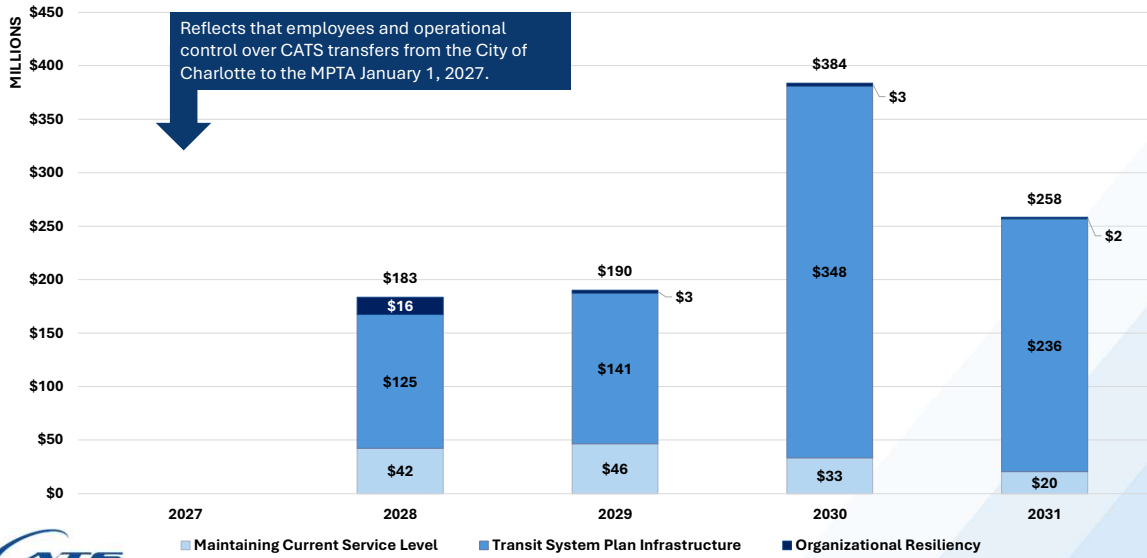
- Cybersecurity

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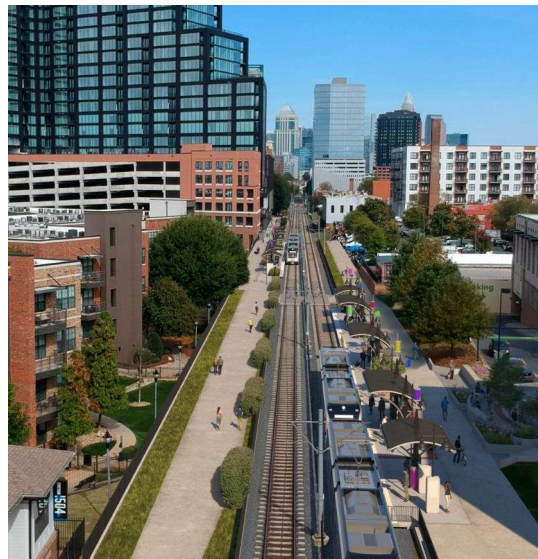
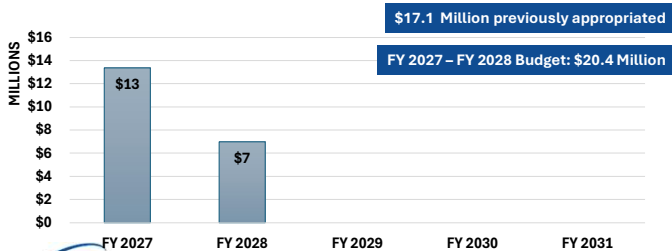
## Capital Expenditures (MPTA)



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## South End Station

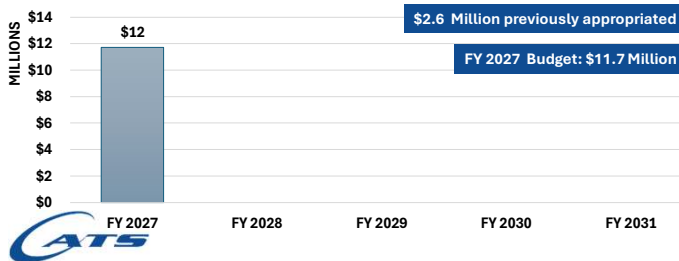
Since the Blue Line opened in 2007, rapid growth between Remount Road and Tremont Drive has created the need for improved transit access. The new South End Station will support this expanding community with a new light rail station, a pedestrian crossing near Publix, an added Rail Trail section behind nearby businesses, upgraded sidewalks and special trackwork that increases operational flexibility. These improvements give residents safer walking and biking connections, easier access to transit, reduced travel times and better connectivity to South End's businesses, homes, and public spaces.



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## Hambright Park & Ride

This project marks a significant advancement for public transportation in Huntersville by establishing a modern mobility hub that connects to the I-77 Express Bus services, offering commuters faster, more reliable and more convenient travel options. The facility provides ~ 450 parking spaces and a variety of amenities enhancing the daily commute, including a driver breakroom, safe internal pedestrian pathways, micro-mobility and shared-ride services, site surveillance, bicycle and pedestrian features and enhanced landscaping with an Art in Transit component. Together, these features improve comfort, safety, accessibility and multimodal connections for riders.

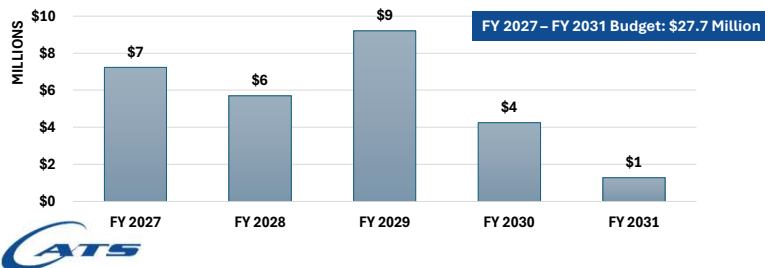


## Safety & Technology Improvements

The core systems, equipment, communications network and physical infrastructure ensuring CATS continues to operate safely, securely and reliably across all modes. These components form the non-negotiable foundation of safe daily operations for bus, rail, streetcar, paratransit and future services.

The transit safety backbone continues to ensure CATS:

- Operates **without unacceptable risk** to riders, employees, or the public
- **Detects, prevents, and responds** to incidents in real-time
- Maintains **regulatory compliance** with FTA and state safety oversight
- Remains **resilient** to equipment failures, weather, or cybersecurity threats
- **Protects** the integrity of expanding systems like the Silver Line and Red Line



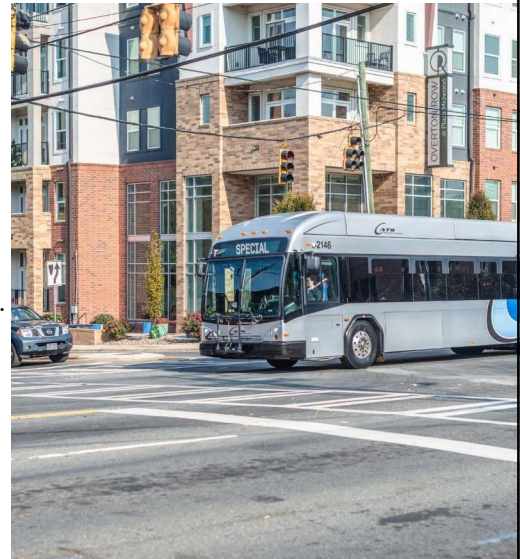
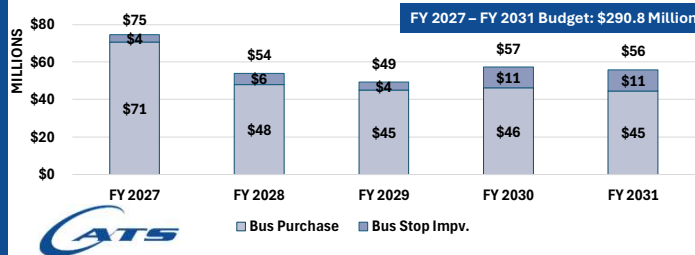
## Better Bus

Transform bus service into a faster, more frequent, more reliable and more equitable network establishing buses as the backbone of CATS's regional transit system.

Core Elements of the Better Bus Program:

- Major service improvement
- Enhanced rider experience
- Faster, more reliable trips
- Expanded coverage
- Equitable outcomes

FY 2027 will see CATS begin the process of purchasing buses for future expansion of services and improvements to ~ 100 bus stops.

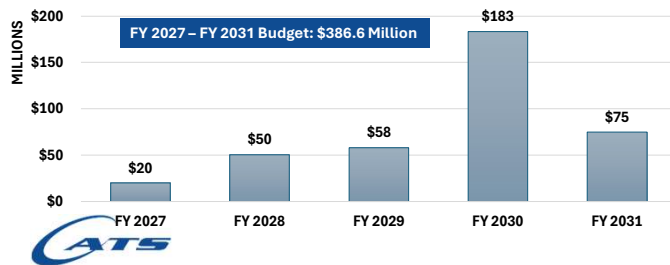


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## Red Line Commuter Rail Project

The Red Line is a 25-mile commuter rail corridor linking Uptown Charlotte with Huntersville, Cornelius and Davidson, with possible extension to Mt. Mourne. It will connect to Charlotte Gateway Station for seamless transfers to Amtrak, the Gold Line and bus services. Stations will serve as mobility hubs with first/last-mile options and park-and-rides supporting transit-oriented development and providing faster, more reliable regional travel for residents.

FY 2027 will see CATS begin 30% design and environmental documentation, safety and security planning, and railroad review and coordination with Norfolk Southern and CSX.

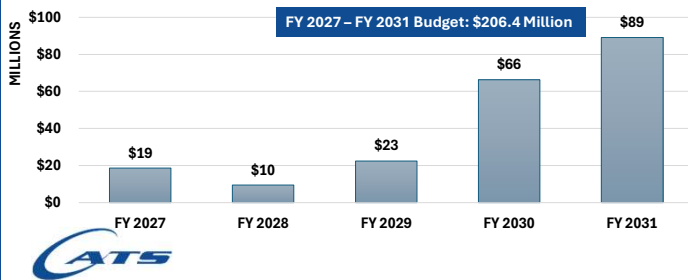


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## Silver Line Light Rail Project

The initial segment of the proposed Silver Line is a 10-mile, 10 station light rail line from Charlotte-Douglas International Airport in the West, through Uptown Charlotte and then east to Bojangles Coliseum/Ovens Auditorium. Designed to deliver fast, reliable east west mobility, the project integrates with the Blue and Gold Lines, Charlotte Gateway Station, major employment centers, and key activity centers.

During FY 2027 CATS will advance 30% design and environmental documentation, safety and security planning and coordination with NCDOT and Norfolk Southern.

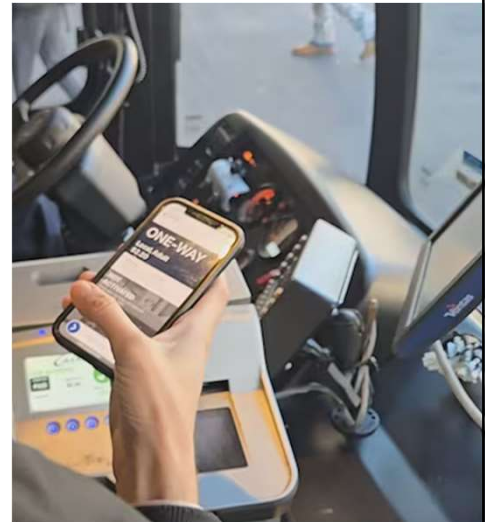
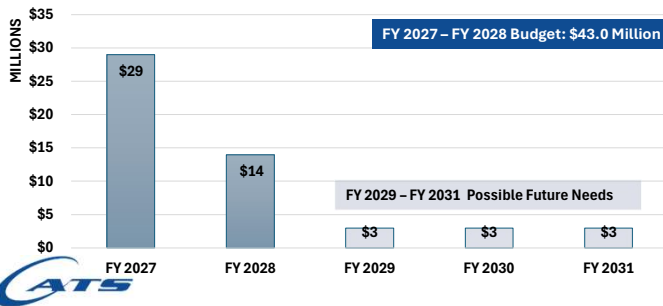


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## Backbone Technology Infrastructure

The Core technologies required to launch, operate, secure and grow CATS's multimodal network including bus, rail, streetcar, microtransit, express services, and future corridors. These systems provide the foundational digital and operational infrastructure for reliable service, coordinated operations, regional integration and future scalability.

Specifically, the FY 2027 Budget begins a multi-year cycle supporting CATS' transition into an authority and the necessary, primarily human resources and financial software and systems, necessary for independent operation.



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# Adoption Process

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## FY 2027 Budget Timeline

### March

- 6<sup>th</sup> – MPTA Retreat Workshop – Budget Workshop
  - Budget Overview
- 11<sup>th</sup> – MPTA Business Meeting – Budget Workshop
  - Operating and Capital Budget Overview, Capital Deep Dive
- 24<sup>th</sup> – MPTA Retreat Workshop – Budget Workshop
  - Operating Deep Dive
- 25<sup>th</sup> – MTC Business Meeting – Budget Workshop
  - Operating and Capital Budget

### April

- 6<sup>th</sup> – Charlotte City Council Budget, Governance and Intergovernmental Relations (BGIR) Committee
  - CATS Budget Presentation
- 9<sup>th</sup> – Public Transit Advisory Committee (PTAC) Budget Presentation
- 16<sup>th</sup> – MPTA Business Meeting
  - Approve setting public hearing date for MPTA Budget and providing the City of Charlotte with a draft budget.
- 22<sup>nd</sup> – MTC Meeting
  - MTC CATS Budget Approval
- 30<sup>th</sup> – Submit CATS Budget to City of Charlotte Strategy and Budget

### May and June

- May 2026**
- 4<sup>th</sup> – Charlotte City Council Meeting
  - City Manager’s Budget Presentation to Charlotte City Council
- 11<sup>th</sup> – Charlotte City Council Meeting
  - City of Charlotte Budget Public Hearing (including CATS Budget)
- 13<sup>th</sup> – MPTA Business Meeting
  - MPTA Budget Public Hearing
- June 2026**
- 8<sup>th</sup> – Charlotte City Council Meeting
  - Budget Approval by city Council (including CATS/MTC/MPTA Budget)
- 10<sup>th</sup> – MPTA Business Meeting
  - Budget Approval by MPTA

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## FY27 Budget: Improving Customer Experience



**No Fare Increase**  
 And explores innovative solutions to make affordable solutions more accessible



**Improves**  
 Safety through CMPD off duty support, fare enforcement, ambassadors, and technology



**Increases**  
 Bus service to 15-minute frequencies on weekdays to four more routes (5, 7, 16, and 21) and more trips on six express routes and ~100 stop upgrades



**Expands**  
 Microtransit to two new zones (North End/ Beatties Ford and West Zones) and extend hours of service



**Advances**  
 Rail corridor design and builds new light rail station on the Blue Line



**Invests**  
 In capacity and maintenance of facilities, fleet, and staff to support service reliability and growth

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Thank you!

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