

RIDERS' ADVISORY COUNCIL

MARTA'S FINANCE & GOVERNANCE

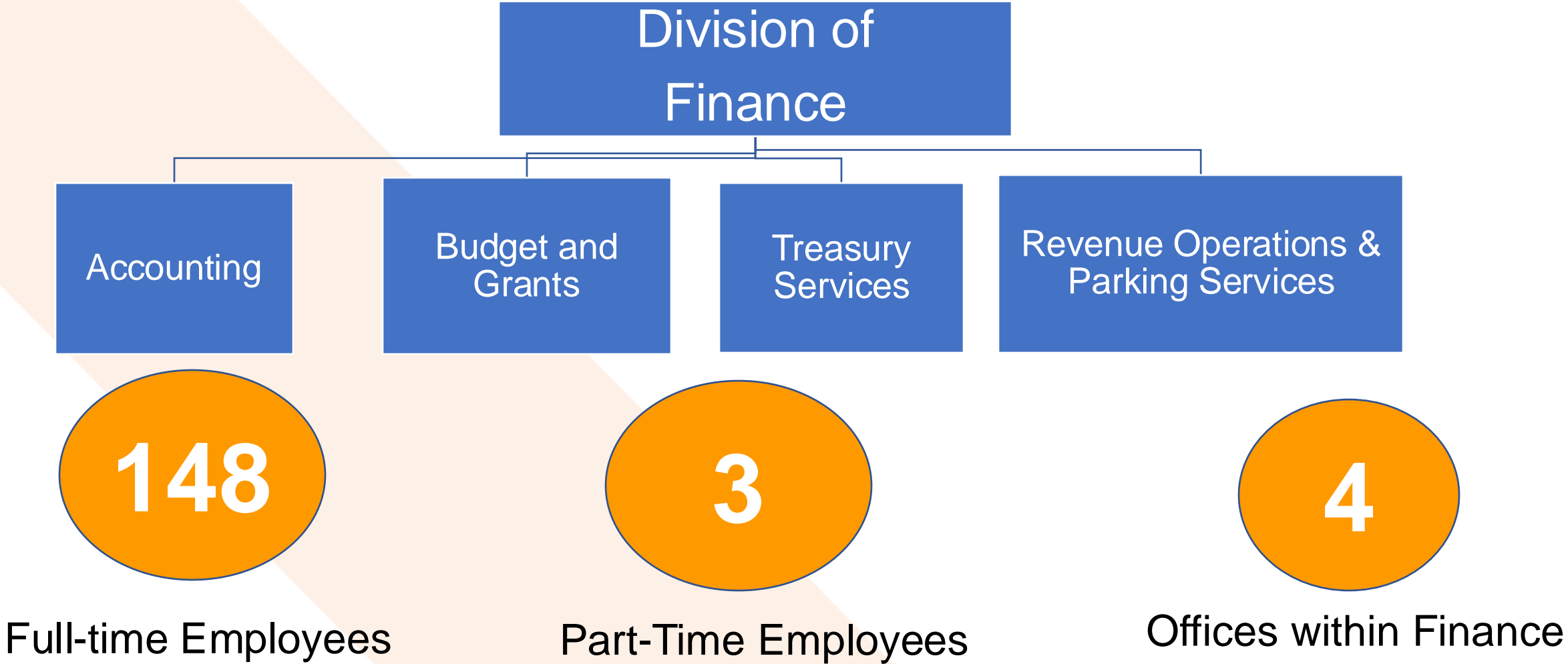
Presented by: Kevin Hurley – Chief Financial Officer

Greg Patterson – Sr. Director of Grants and Budget

DEPARTMENT OF FINANCE



About MARTA Finance



MARTA Finance Responsibilities



- ✓ Financial Planning and Analysis
- ✓ Debt Management
- ✓ Cash and Investment Management
- ✓ Accounts Payable and Receivable
- ✓ Payroll
- ✓ Cost Analysis
- ✓ General Ledger and Financial Reporting
- ✓ Property (Fixed Assets)
- ✓ Accounting System Administration
- ✓ Revenue Collection and Processing
- ✓ Media Sales
- ✓ Revenue Settlement and Clearinghouse
- ✓ Parking Services
- ✓ Operating and Capital Budgets
- ✓ Strategic Performance Management
- ✓ Financial Systems
- ✓ Capital Improvement Program Management & Oversight
- ✓ Federal and State Grants



GOVERNANCE AND FUNDING



How MARTA Was Created



MARTA Act of 1965

- ✓ Defines governance structure – Board of Directors
- ✓ Authorizes levy of 1-cent sales tax subject to voter referendum
- ✓ Authorizes execution of transportation services contract (bus services only) with any county within five-county region
- ✓ Permits provision of transportation services across state (except rail)
- ✓ Provides for jurisdictions to enter into Rapid Transit Contract



MARTOC COMMITTEE



- ✓ Oversight Established by the Georgia Legislature
- ✓ Metropolitan Atlanta Rapid Transit Overview Committee (MARTOC)
 - Joint (House/Senate) committee
 - Comprised of 12 legislators



Funding Jurisdictions



MARTA BOARD OF DIRECTORS



JANUARY 1, 2017 AND AFTER

Voting Members



DeKalb
appointees



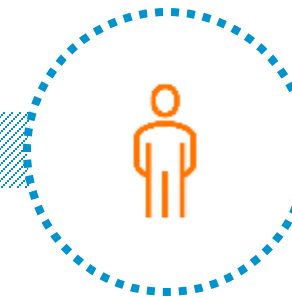
Fulton
appointees



COA
appointees



Clayton
appointees



Governor
appointee;
in MARTA
jurisdiction

Non-Voting



GDOT
Commissioner



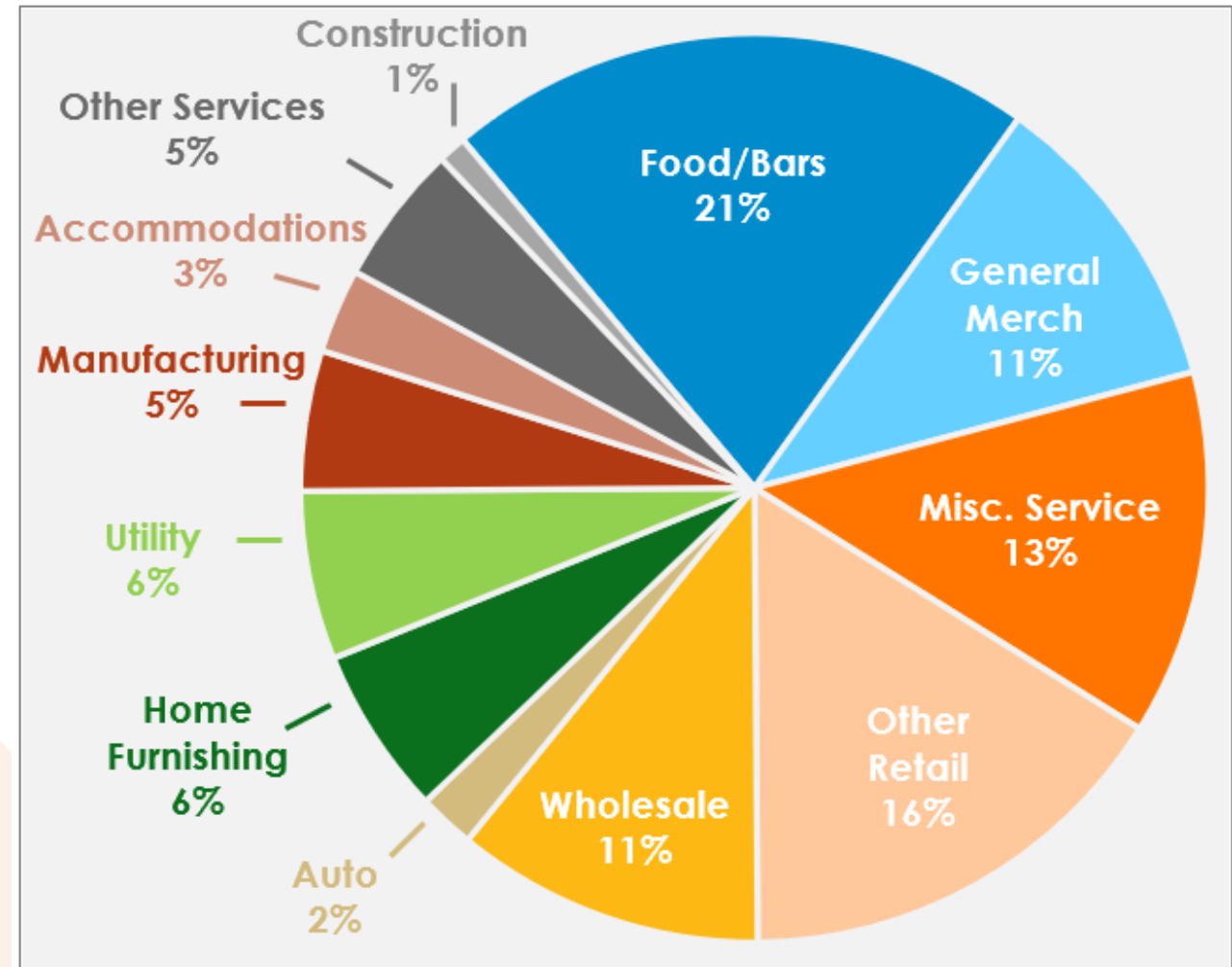
State Road and Tollway
Authority
Executive Director

MARTA Tax Distributions



- ✓ 1% Sales Tax collected from Clayton, DeKalb, and Fulton Counties and 1.5% Sales Tax collected from City of Atlanta
- ✓ Vehicle TAVT received from Clayton, DeKalb & Fulton Counties
- ✓ Broad and balanced - low reliance on volatile sectors *

- Jurisdictions DeKalb, Fulton and Clayton Counties and City of Atlanta



FLOW OF FUNDS OVERVIEW



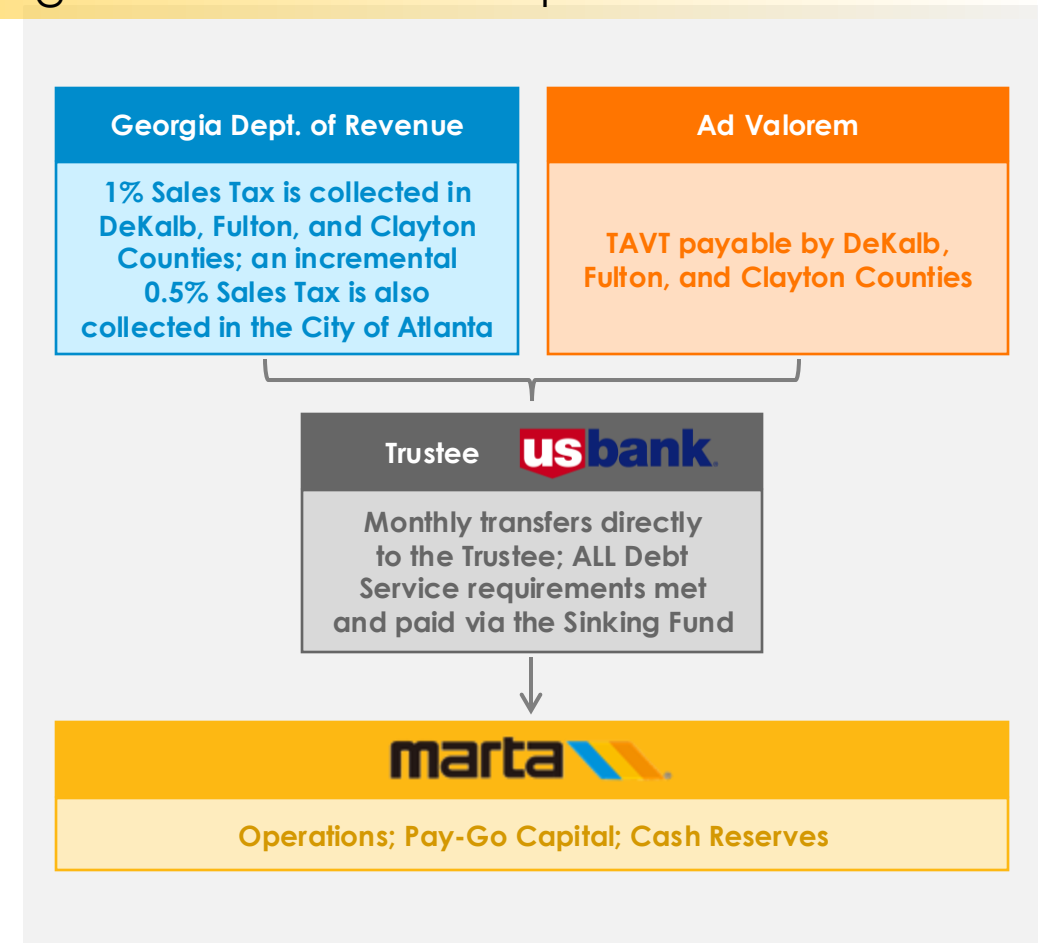
At no point does MARTA receive sales tax or TAVT revenues before debt service is paid; bond holders benefit from and receive priority payment through the Trustee Intercept

Sales Tax Revenues

- Retailers collect Sales Taxes from Customers
- Retail Sales Taxes are reported and **deposited with the Georgia Department of Revenue (DOR)** (one month lag)
 - **State of Georgia rated Aaa/AAA/AAA (M/S/F)**
- DOR processes all Sales Tax receipts and prepares distribution amounts by jurisdiction
- **DOR transfers MARTA's Sales Tax distribution directly to Trustee (US Bank)**
- US Bank receives funding and pays Debt Service payments via the Sinking Fund
- **Only after all Debt Service requirements have been met does US Bank wire remaining funds to MARTA**

Title Ad Valorem Taxes (TAVT)

- **Title Ad Valorem Taxes are payable by Georgia Counties (DeKalb, Fulton, and Clayton)** when vehicles are titled
- MARTA's three jurisdictional counties process the vehicle title tax
- **The Counties transfer MARTA's TAVT to US Bank**
- US Bank receives funding and pays Debt Service payments via the Sinking Fund
- **Only after all Debt Service requirements have been met does US Bank wire remaining funds to MARTA**



MARTA: Funding Since Inception



\$13,313,752,000

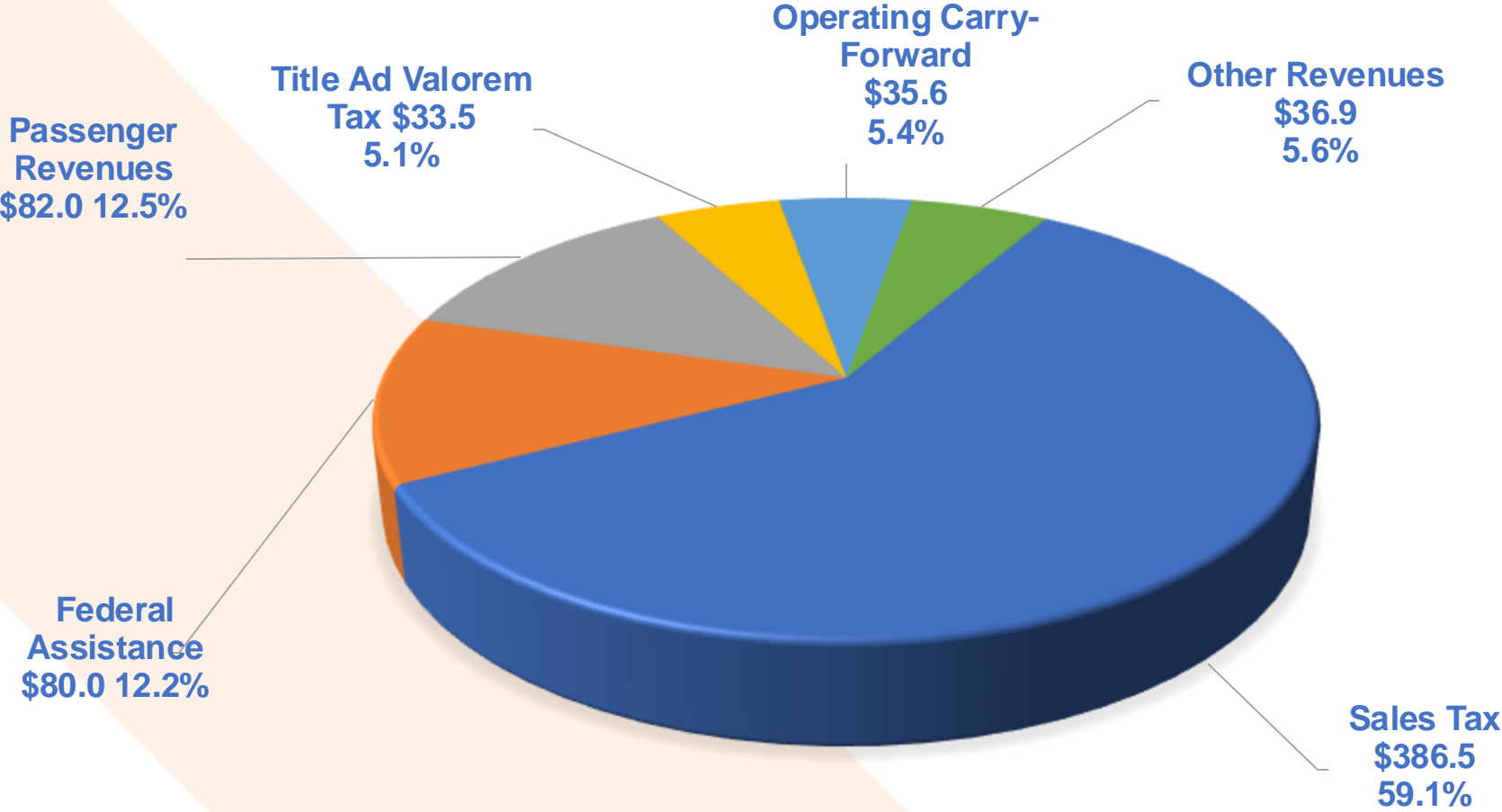
of

Investment since 1973

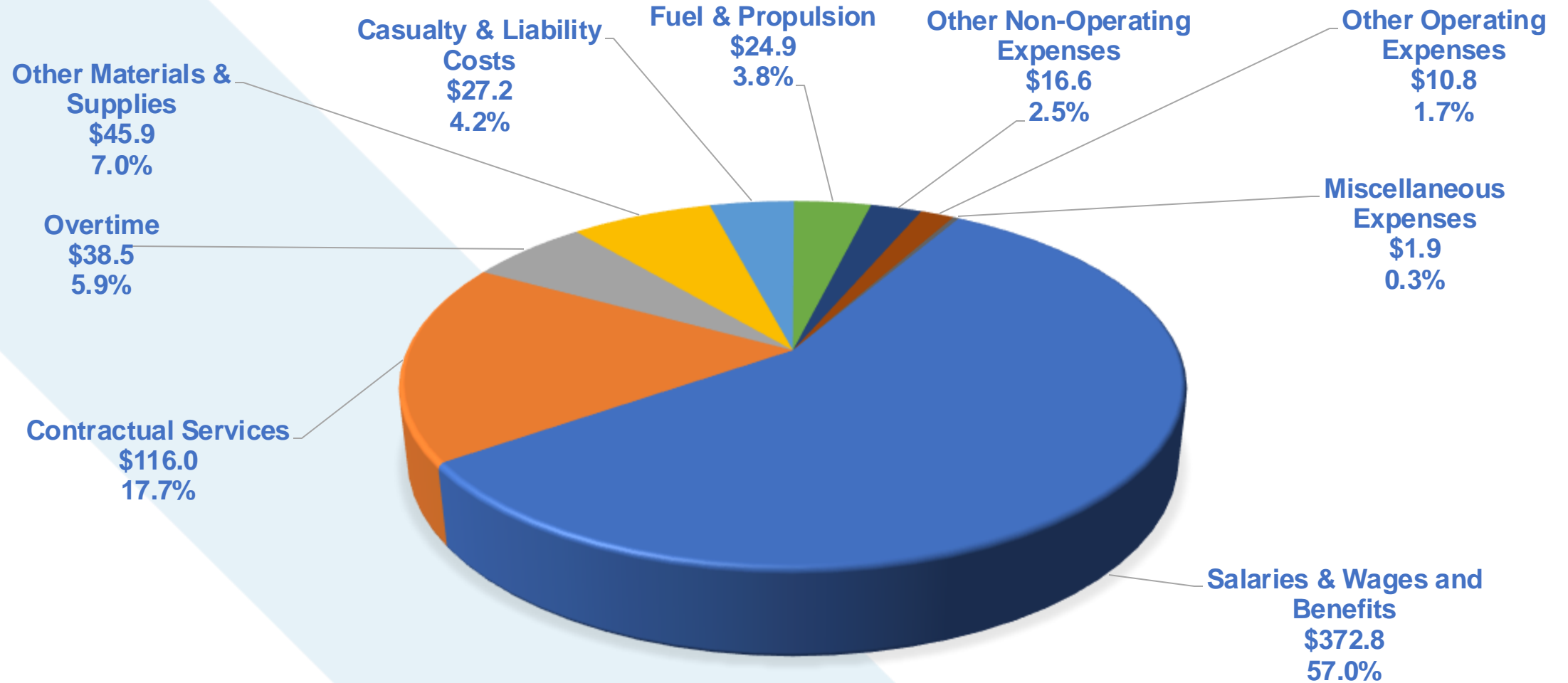
MARTA APPLICATION OF FUNDS



FY25 Budget Operating Revenue – \$654.5M

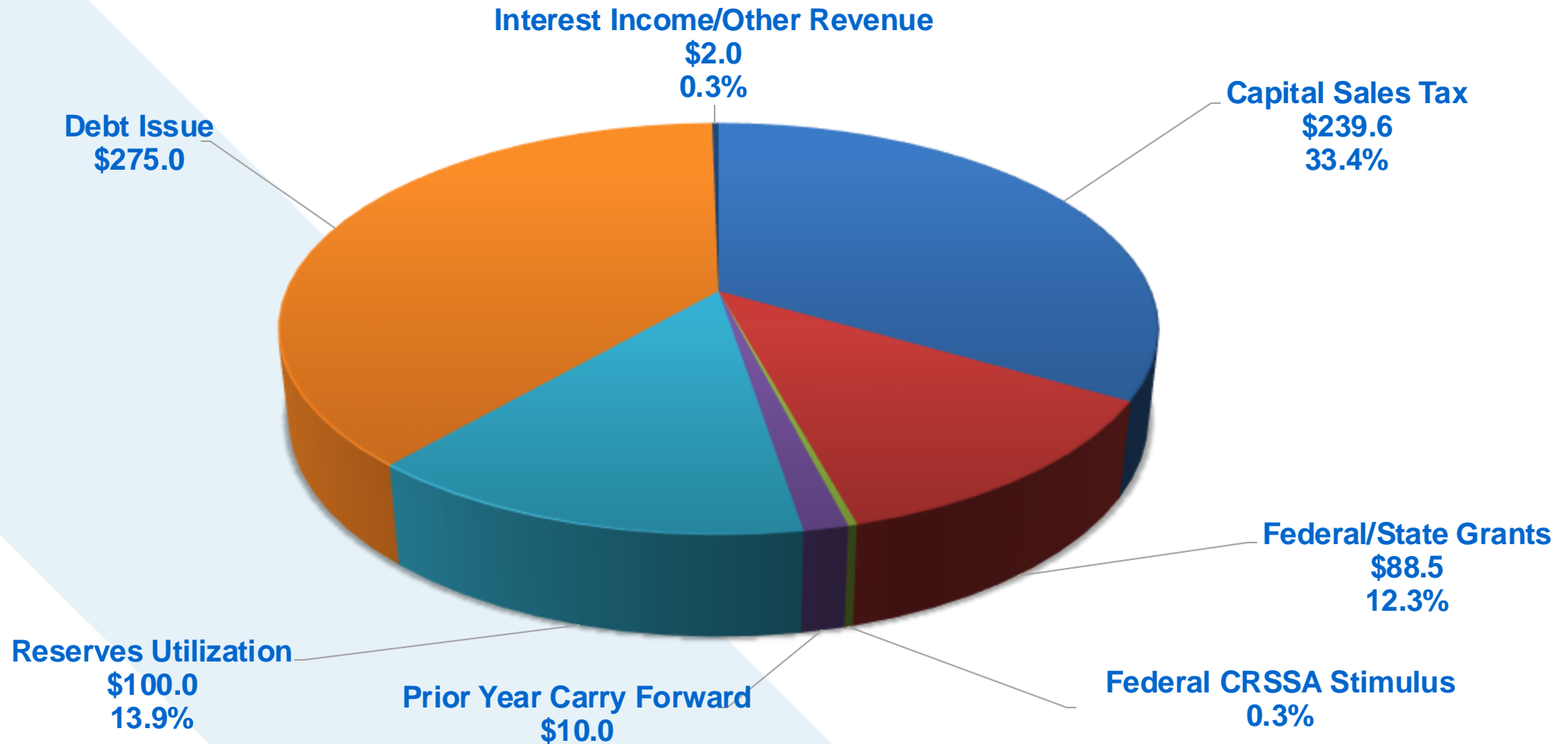


FY25 Budget Operating Expenses - \$654.5M



FY25 Budget Capital Sources – \$717.1M*

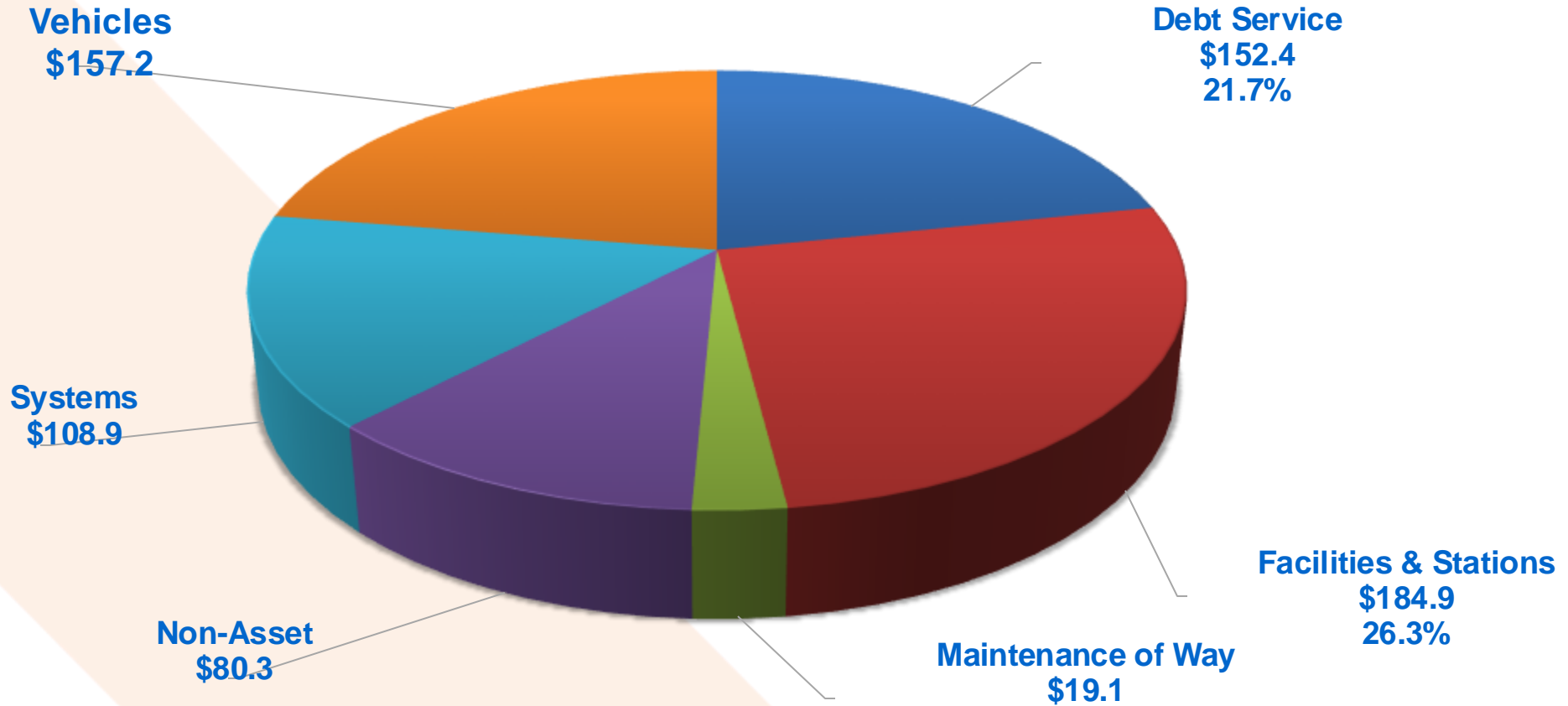
State of Good Repair* (\$M)



*Does not include More MARTA City of Atlanta or Clayton County funding

FY25 Budget Capital Uses - \$702.9M*

State of Good Repair* (\$M)



*Does not include More MARTA City of Atlanta or Clayton County project expenses

Capital Ten Year Plan



Metropolitan Atlanta Rapid Transit Authority
FY25 - FY34 Proposed SGR Capital Program Sources and Uses of Funds
[\$millions]

State of Good Repair (SGR)	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33	FY34	Totals
Prior Year Carry Forward	10.0	14.2	17.4	13.2	15.8	16.6	15.9	15.1	17.6	18.4	10.0
Sources											
Capital Sales Tax	239.6	275.5	289.4	301.4	315.2	331.0	346.7	363.7	381.9	398.4	3,242.7
Federal Funds	90.5	81.3	70.1	37.3	39.3	30.0	30.0	30.0	30.0	30.0	468.5
Reserves Utilization - UNIRES	100.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	100.0
Interest Income/Other Revenue	2.0	2.0	2.1	2.1	2.2	2.2	2.3	2.3	2.3	2.4	21.9
Debt Issue	275.0	395.0	410.0	440.0	385.0	310.0	285.0	240.0	220.0	145.0	3,105.0
Total Sources	717.1	768.0	789.0	794.0	757.5	689.8	679.8	651.1	651.8	594.2	6,948.1
Expenditures											
SGR Capital Program	550.5	579.7	585.6	566.5	511.6	429.9	406.4	363.4	352.4	289.9	4,636.0
Debt Service	152.4	170.9	190.1	211.7	229.3	244.0	258.3	270.1	281.0	287.9	2,295.7
Total Uses	702.9	750.6	775.7	778.2	740.9	673.9	664.7	633.5	633.4	577.8	6,931.7

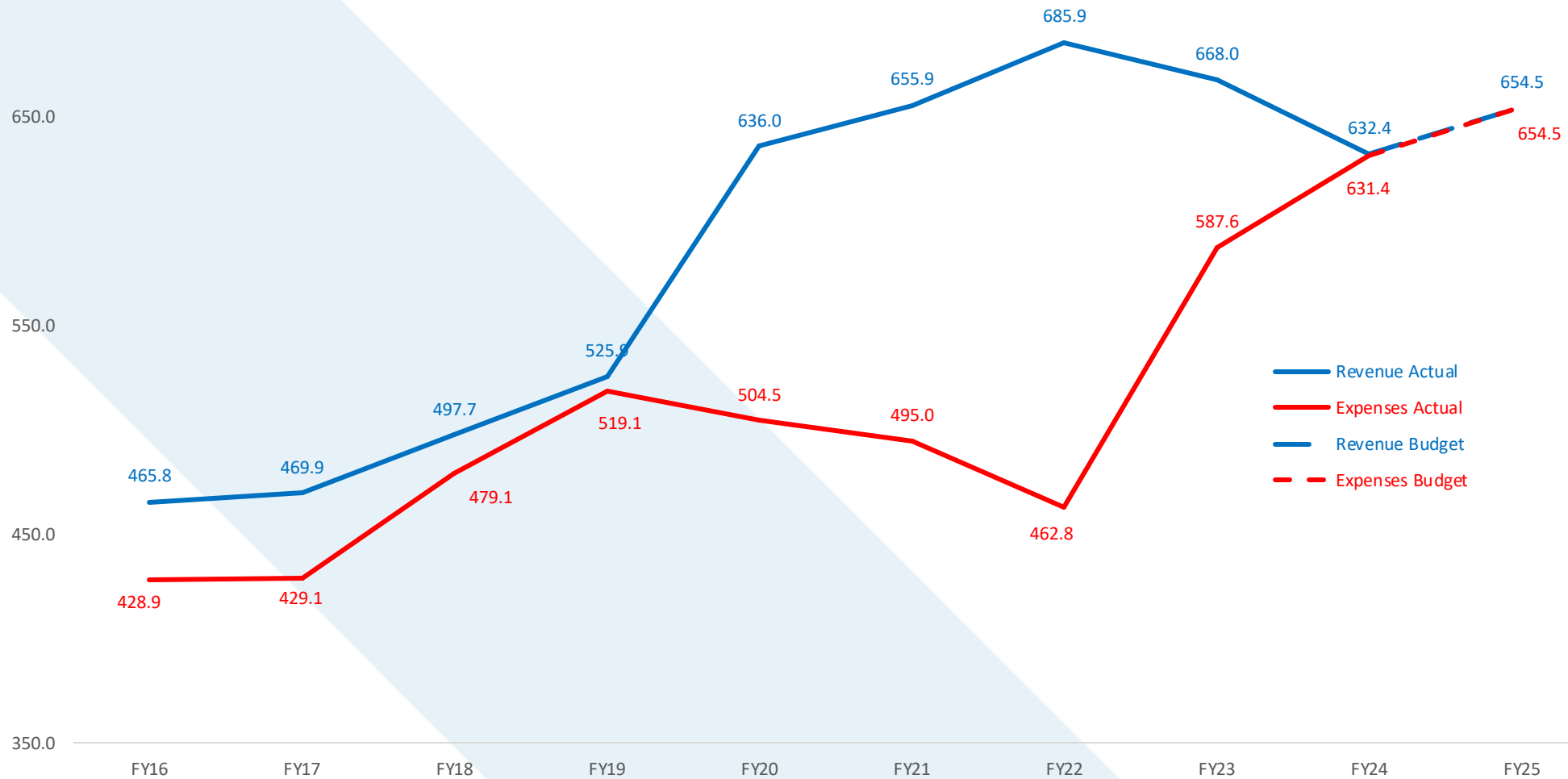
A vibrant, colorful mural on a wall, depicting a stylized landscape with rolling green hills, a blue sky, and various flowers. The mural is composed of many small, square tiles. In the foreground, there are large, stylized flowers in shades of blue and yellow. The overall style is reminiscent of mid-century modern or folk art.

FINANCIAL STEWARDSHIP

Financial Stewardship



Operating Performance (\$M)

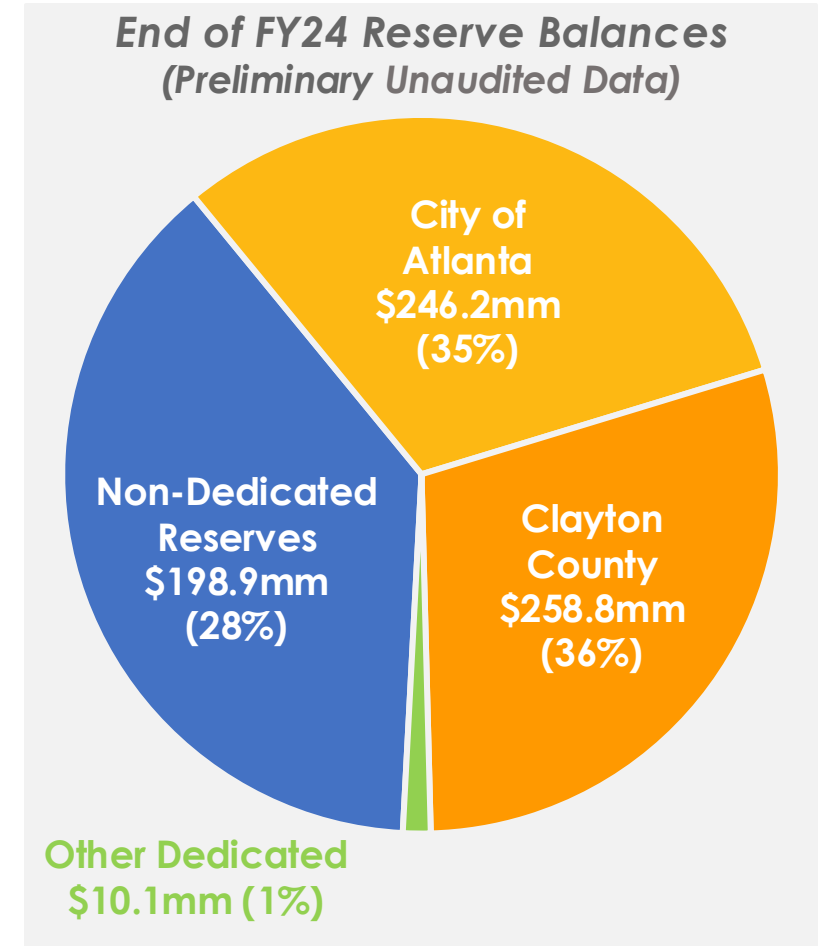
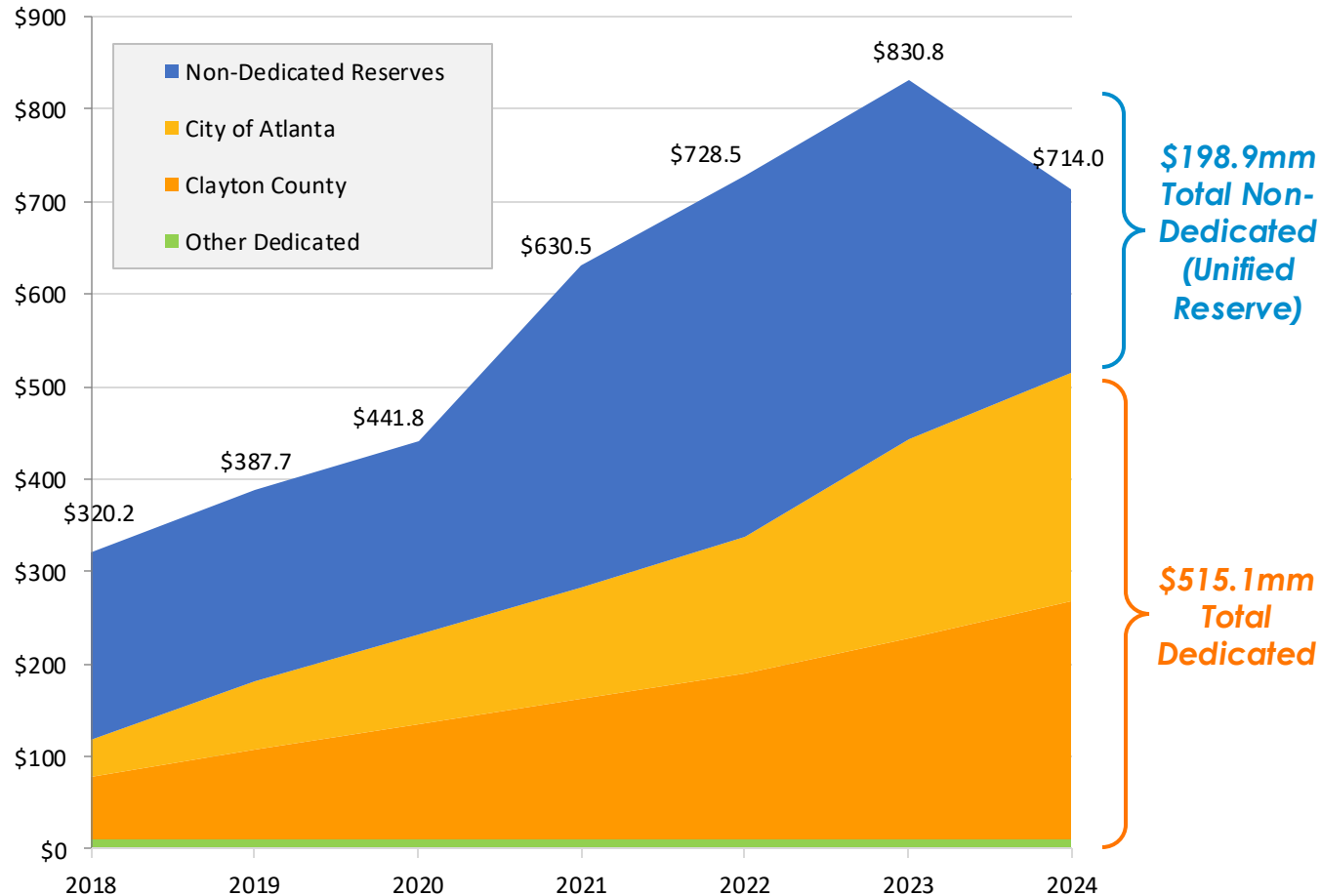


RESERVE BALANCES



MARTA's reserve positions have exhibited significant recent growth

(\$mm; FY)



*Dedicated reserves are governed by Board Policy & Intergovernmental Agreements except other dedicated \$10.1mm CSX reserve for mitigation risk in case of rail accidents.

Financial Stewardship



MARTA Credit Highlights

- ✓ Bondholders have 1st Lien parity on pledged tax receipts
- ✓ Healthy reserves to address unanticipated needs
- ✓ Strong debt coverage ratios
- ✓ Strong Local Economy
- ✓ S&P AAA and Kroll AAA



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QUESTIONS