

CAPITAL AREA TRANSIT SYSTEM

FY 2027 OPERATING & CAPITAL BUDGET



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2027 Budget Adoption Resolution

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CAPITAL AREA TRANSIT SYSTEM

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MESSAGE FROM OUR

CHIEF EXECUTIVE OFFICER

FISCAL YEAR 2027 PROPOSED BUDGET

Fiscal Year 2027 is the year in which the residents of Baton Rouge and Baker will see the results of the work CATS has undertaken, and this budget provides the means to deliver them.

During the past year, CATS completed several major projects. Paratransit ridership grew to more than 10,000 trips per month, more than 90 additional bus stops were upgraded to meet ADA accessibility standards, and more than 50 shelters and benches were installed. The agency continued to provide award-winning LYNX service for the City of Baker, negotiated pay increases for employees covered by the collective bargaining agreement, and reduced an over-budget deficiency.

For 2027, the agency's priorities are clear: expanded service, reduced wait times and an improved experience at every stop. In the first quarter, BRapid, the new rapid bus line connecting Plank Road and Nicholson Drive, will open as Louisiana's first bus rapid transit line. CATS will also provide more fixed-route service than in 2026.

Reduced wait times begin with our workforce. In 2027, CATS will recruit, train and retain more than 120 operators to staff the full schedule and ensure that buses arrive when riders expect them. Twelve full time mechanics, a fleet maintenance plan of approximately \$6 million, \$820,000 for major bus repairs and ten bus engine repairs will increase the number of buses in service. An investment of \$340,000 in training and the apprenticeship program will develop the workforce the agency requires in the years ahead.

Riders will also see improvements at the bus stop, including additional shelters and benches throughout the service area, the reconstruction of 160 bus stops and new signage at 1,060 stops.

The proposed budget is balanced, with operating revenue of approximately \$39.9 million and operating expenses of approximately \$37.9 million. The remaining balance, together with federal grants, funds a \$4.3 million capital program for major bus repairs, bus stop enhancements, building renovations and technology. Property tax revenue of approximately \$27.5 million, nearly seventy percent of operating revenue, and approximately \$11.3 million in federal assistance make this possible. This investment reflects the public's trust, which CATS is committed to earning through performance.

The budget also provides for:

- Continued funding of approximately \$4.9 million for paratransit services
- \$325,000 for new bus cameras and approximately \$180,000 for safety and certification training
- Renovations to the CATS terminal
- The Geaux Pass fare system, LYNX on-demand service and the restored Touchdown Trax Game Service
- \$165,000 for community outreach, a rider survey and public education

CATS remains committed to building a transit system that reflects the growth and promise of Baton Rouge and Baker: a system that is dependable, that connects people to opportunity, and that earns the public trust placed in it. I am proud of the progress the agency has made and respectfully submit the proposed Fiscal Year 2027 budget for the Board's consideration and adoption.

Respectfully submitted,



Theo Richards

FY 2027 PRIORITIES



Objective	Strategic Plan Priority	What the Budget Funds
Safety	Capital Investment	Twelve mechanics and a fleet maintenance plan of approximately \$6 million; \$325,000 for new bus cameras; Approximately \$180,000 for safety and certification training; less overtime for operators.
Asset Management	Capital Investment	About \$4.8 million to keep buses maintained, \$820,000 for major bus repairs, ten buses rebuilt, three shop lifts and 160 bus stops rebuilt; repairs begin at 2250 Florida.
Customer Experience	Community Stewardship	Paratransit services funded at approximately \$4.9 million, reflecting the current level of service; new signs at 1,060 stops; approximately \$165,000 for outreach, a rider survey and public education.
Shorter Wait Times	Mobility & Ridership	CATS will recruit, train and retain more than 120 operators to staff the full schedule and ensure that buses arrive when riders expect them supporting reliable, on-time service for riders.
Technology & Innovation	Mobility & Ridership	Approximately \$200,000 for new computers, network equipment and software, the Geaux Pass fare system, the Avail system, and two support vehicles for BRapid.
Community & Service	Mobility & Ridership	More bus service than in 2026, the Plank–Nicholson BRapid launch, LYNX on-demand rides and the LSU game day express.
Workforce & Stewardship	Management & Financial Sustainability	Approximately \$340,000 for training, certification and the apprenticeship program that builds the next group of operators and mechanics.

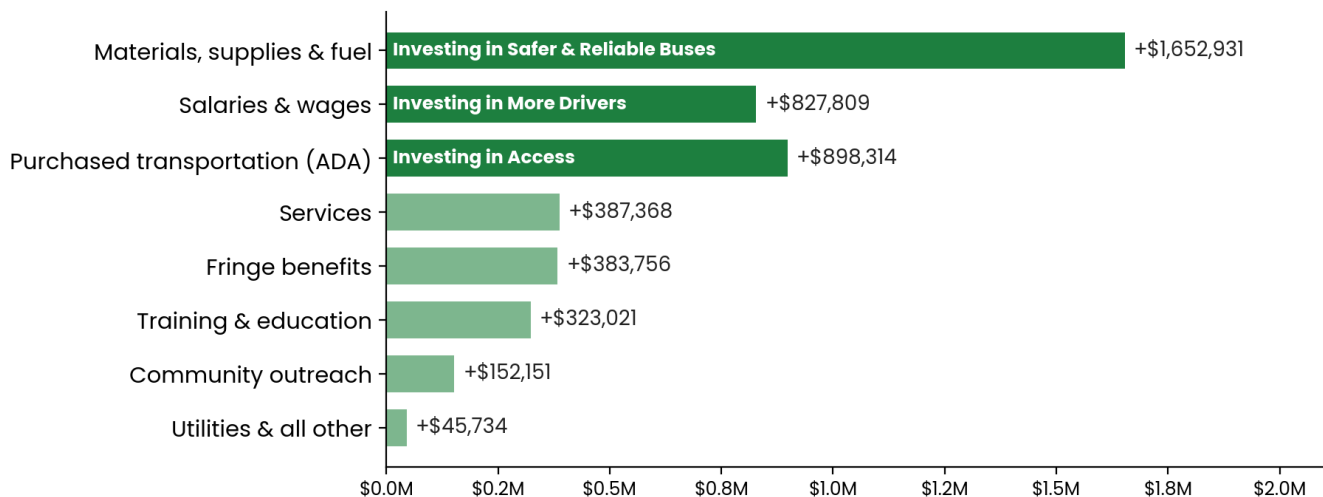
BUDGET AT A GLANCE

For the year beginning January 1, 2027

\$39.9M Revenue	\$37.9M Expenses	\$4.3M Capital Projects
126 Bus operators funded	237 Total jobs funded	41 Buses out at rush hour

SPENDING INCREASES 4.6 MILLION DOLLARS

Here is why



OPERATING REVENUE

for the Year Ending December 31, 2027

Description	2027 Proposed	% of Operating Revenue
Passenger Paid Fares	\$906,513	2.3%
Special Transit Fares (Contract)	\$13,090	0.0%
ADA/Paratransit Revenue	\$124,029	0.3%
Advertising Revenue	\$264,525	0.7%
Interest Income	\$180,817	0.5%
Other Agency Revenue	\$111,744	0.3%
Total CATS Generated	\$1,600,718	4.0%
Non Federal Revenue		
Hotel/Motel Tax	\$1,234,467	3.1%
Parish Transportation Fund	\$550,000	1.4%
Property Tax Revenue	\$27,510,837	69.0%
Total Non Federal	\$29,295,304	73.5%
Federal Operating Subsidies		
FTA Preventive Maintenance	\$3,845,153	9.6%
FTA - Planning	\$132,000	0.3%
FTA - Operating	\$5,000,000	12.5%
Total Federal Operating	\$8,977,153	22.5%
Total Operating Revenue	\$39,873,175	100.0%
FTA - Capital Projects	\$2,331,320	
Total Sources of Revenue	\$42,204,495	

OPERATING EXPENSES

for the Year Ending December 31, 2027

Description	2027 Proposed	% of Operating Expenses
Labor (Salaries and Wages)	\$14,866,991	39.2%
Fringe Benefits	\$5,103,726	13.5%
Total Labor and Related	\$19,970,717	52.7%
Casualty and Liability	\$1,202,708	3.2%
Services	\$3,880,268	10.2%
Purchased Transportation	\$5,921,978	15.6%
Materials, Supplies & Fuel	\$4,925,701	13.0%
Training and Education	\$339,790	0.9%
Community Outreach and Engagement	\$164,967	0.4%
Utilities	\$283,863	0.7%
Buildings and Grounds Maintenance	\$540,735	1.4%
Telecommunications	\$203,860	0.5%
Miscellaneous Expenses	\$257,133	0.7%
Leases and Rentals	\$106,102	0.3%
Other Operating Expenses	\$88,156	0.2%
Total Operating Expenses	\$37,885,978	100.0%
Operating Surplus before Depreciation	\$1,987,197	
Capital Project Expenditures	\$4,318,517	
Total Expenses & Capital Expenditures	\$42,204,495	
Net Balance	\$0	
<i>Memo: Depreciation (non-cash; not a budgetary expenditure)</i>	\$4,412,199	

2027 CAPITAL EXPENDITURES (DETAILED)

CATS plans to invest \$4.3 million in long-term capital assets, including buses, bus stops, shop equipment, facilities and technology. Federal grants will cover the majority of these costs, with the remaining balance funded by CATS through local dollars.

FEDERALLY ASSISTED PROJECTS (80% FEDERAL)

Project Item	Amount
Major repairs	\$818,750
Ten engine replacements	\$700,000
New cameras on buses (safety and security)	\$325,000
New signs at 1,060 bus stops	\$310,000
Terminal repairs	\$250,000
Bus stop upgrades	\$230,400
Maintenance shop repairs	\$200,000
Additional support vehicles for the new B Rapid line	\$80,000
Subtotal	\$2,914,150

LOCALLY FUNDED PROJECTS

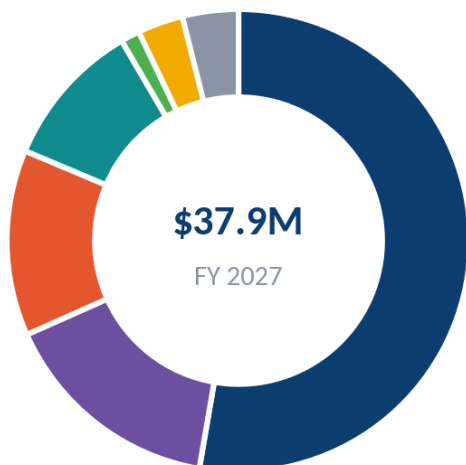
Project Item	Amount
Rebuilding more bus stops	\$691,200
Terminal repairs, local share	\$250,000
Third shop lift and related work	\$257,046
Computers, network and software replacement	\$206,121
Subtotal, locally funded projects	\$1,404,367

How Capital Is Paid For	Amount
Federal grants (80% of federally assisted projects)	\$2,331,320
Local match, funded from the operating surplus	\$582,830
Locally funded projects, funded from the operating surplus	\$1,404,367
Total Capital Expenditures	\$4,318,517

OPERATING REVENUE & EXPENSES



- Ad valorem property tax 69.0%
- Federal operating & PM 22.2%
- Hotel/motel tax 3.1%
- Passenger fares 2.3%
- Parish Transportation Fund 1.4%
- All other 2.1%

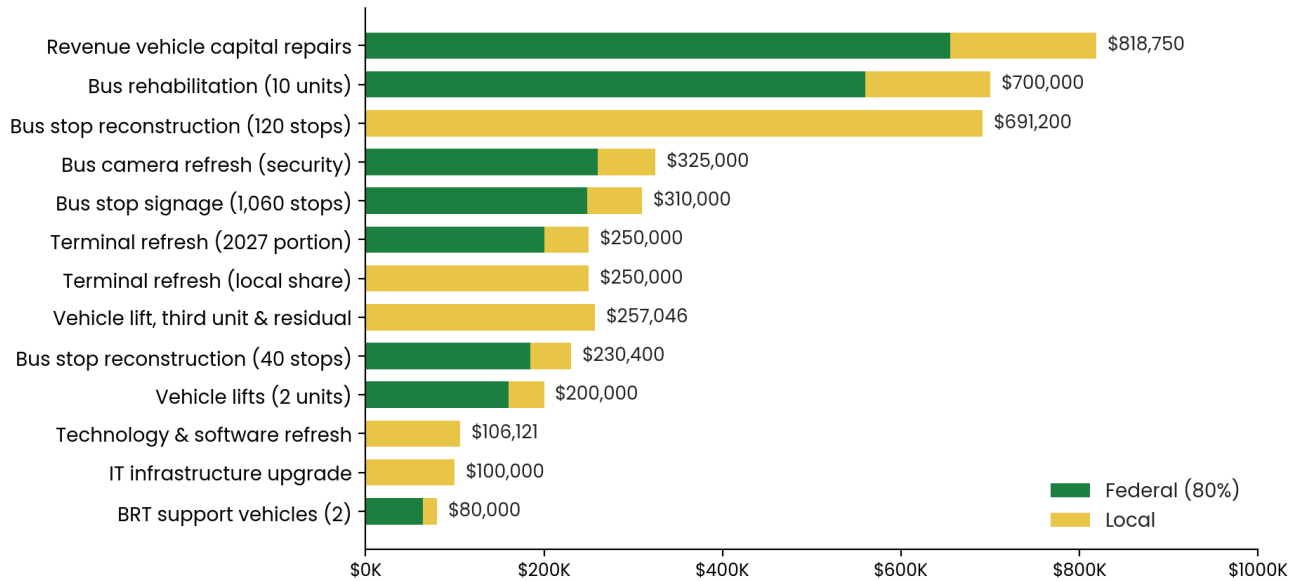


- Salaries, wages & fringe 52.7%
- Purchased transportation (ADA) 15.6%
- Materials, supplies & fuel 13.0%
- Services 10.2%
- Training, outreach & engagement 1.3%
- Casualty & liability 3.2%
- Utilities, facilities & other 3.9%

FEDERAL ASSISTANCE & CAPITAL PROGRAM

What the Federal Grant Pays For	Federal Share
Day-to-day operating costs	\$5,000,000
Buses (preventive maintenance)	\$3,845,153
Buses, stops and buildings	\$2,331,320
Planning studies	\$132,000
Total Federal Money	\$11,308,473

FY 2027 CAPITAL PROGRAM — \$4.32 MILLION



RESOLUTION OF CATS BOARD OF COMMISSIONERS APPROVING 2027 BUDGET

BE IT RESOLVED by the Board of Commissioners of Capital Area Transit System that the attached document setting forth the 2027 budget for the Capital Area Transit System, which has been made available for public inspection and presented to the Board, is hereby approved.

BE IT FURTHER RESOLVED that the agency's Chief Executive Officer shall have the authority to make changes to the line item amounts of the operating budget without the approval of the Board of Commissioners if the change does not exceed 5% in either direction. If the change exceeds a 5% variance in either direction, the agency's Chief Executive Officer shall have to return to the Board of Commissioners for approval. In no event may the amounts for total revenues or total expenditures be changed without the approval of the Board of Commissioners.