

BUDGET BOOK

2023



A Message from the CEO

In keeping with the New Orleans Regional Transit Authority Board of Commission and Agency's efforts to provide greater transparency I am pleased to present the 2023 Budget Book. The 2023 budget was formally adopted in December of 2022, and this book is intended to be a summary of the budget.

The approved budget of almost \$190 million is reflective of the agency's 2023 work plan and overall values. We are investing in creating a better experience for our customers by investing in the infrastructure that the riders utilize. We are installing more shelters, initiating the design on the Downtown Transit Center, and the design of the renovation of the Algiers Point Ferry Terminal. We will continue to develop other projects that benefit the riders like upgrading our Fare Technology and designing the neighborhood transit hubs that will allow for safer pedestrian crossing at critical transfer locations throughout our system.

This budget increase in operation cost for 2023 is a result of the implementation of the Network Redesign in the fall of 2022. It also allows for continuous improvements as we continue to monitor the data, post implementation. It also takes into consideration the age of our fleet, the additional maintenance cost required to keep this stock in good working order while we are pursuing the long-term solution and delivery of a modern fleet.

Revenue Outlook and Expenditure Budgets

The sales tax revenue generated in the city during 2022 was healthy. We are using the prediction of the City of New Orleans revenue estimators for 2023 and are closely monitoring the national predictions of a recession. Additionally, this budget is less reliant on Covid 19 relief funding for fixed route expenses with \$6.66 million earmarked to offset the cost of ferry operations.

Operating Budget

The RTA's 2023 Operating Expenditure budget is \$125.2 million which is about 8.13% greater than the previous year's budget. This increase is supportive of the wage adjustment, increased healthcare cost, increased contribution to deferred compensation programs and increased fuel cost, as well as increase in some service contracts, and deferred maintenance of facilities and fleet.

Capital Budget

The RTA has been successful in securing over \$65 million in competitive Federal grants since 2020 and we are moving these projects forward. The Capital Budget is \$46.12 million in 2023, includes investments in transit infrastructure like the Downtown Transit Center, Transit Hubs and Bus Shelters, State of Good Repair, Fleet Replacement, and design of Bus Rapid Transit.

Debt Service

On September 9, 2020, The RTA refinanced through 2035, four existing bond issues, including the 1991, 2000, 2000A, 2010 issues and the Debt Service Assistance Fund Loan. These were consolidated to two bond issues which are the 2020A Sales Tax Revenue Refunding Bonds with an interest rate of approximately 5% on current interest term bonds and face value of \$62,815,000, and the 2020B Sales Tax Revenue Refunding Bonds with interest rates between .55% and 1.05% on current interest term bonds. On July 29, 2020, Moody's Investor Service reviewed and assigned a rating of Aa3 to the New Orleans Regional Transit Authority Sales Tax Revenue Refunding Bonds. This rating has been extended as of July 2022. In September of 2022, S&P Global Ratings upgraded the RTA's bond rating from A+ Stable to A+ Positive.

No new debt was issued in the 2022 fiscal year, and we don't anticipate any unusual bond activity outside of the normal principal and interest payments based on bond amortization. Summarily, we have budgeted \$8 Million in CY2023 to meet our annual Debt Service requirements.

Acknowledgement

While there is some prediction of a 2023 recession and economic downturn, this budget is a critical foundation for the role that public transportation has in driving the region's economic recovery. Our main challenge is to build upon the recent network redesign, by improving the critical infrastructure that our community deserves. We thank our riders, employees, and stakeholders for their patience, critical feedback, and collaboration as we strive to improve our service.

The preparation of this budget is a collaboration of the Senior Leadership and Budget Teams. RTA Staff acknowledges and appreciates the guidance and leadership of RTA Board of Directors.



Lona Edwards Hankins
Chief Executive Officer

REGIONAL TRANSIT AUTHORITY
Approved 2023 Budget
Statement of Revenues and Expenses

Operating Revenues	CY2021 Actuals	CY2022 Unaudited Actuals	Approved CY2022 Budget	Approved CY2023 Budget	Approved CY22 Bgt. vs Approved CY23 Bgt.	
					Amt. Var.	%age Var.
Passenger Fares	7,110,242	9,531,457	9,581,381	11,323,764	1,742,383	18.19%
Charter	28,000	95,000	27,000	95,000	68,000	251.85%
Advertising	1,102,384	1,898,957	1,020,000	1,898,957	878,957	86.17%
General Use Sales Tax	71,873,719	86,898,270	73,939,458	90,923,859	16,984,401	22.97%
Hotel/Motel Sales Tax	5,239,854	7,666,352	5,380,176	9,855,868	4,475,692	83.19%
State Motor Vehicle Sales Tax	6,056,330	8,921,386	5,806,420	8,336,593	2,530,173	43.58%
Other Operating Revenue	636,853	1,014,603	559,070	570,251	11,181	2.00%
Total Operating Revenues	92,047,382	116,026,024	96,313,505	123,004,292	26,690,787	27.71%

Operating Expenses	CY2021 Actuals	CY2022 Unaudited Actuals	Approved CY2022 Budget	Approved CY2023 Budget	Approved CY22 Bgt. vs Approved CY23 Bgt.	
					Amt. Var.	%age Var.
Labor	53,390,297	55,267,000	58,071,805	63,944,578	5,872,773	10.11%
Fringe Benefits	15,459,648	13,995,565	19,843,771	18,265,992	(1,577,779)	(7.95%)
Services	10,261,203	10,122,025	13,250,706	16,392,717	3,142,011	23.71%
Materials and Supplies	4,307,822	11,155,573	13,309,650	14,551,277	1,241,627	9.33%
Utilities	1,392,786	1,738,826	1,854,193	1,827,009	(27,184)	(1.47%)
Casualty and Liability	7,655,532	8,260,226	8,268,000	8,807,500	539,500	6.53%
Taxes	39,680	390,219	438,803	493,455	54,652	12.45%
Miscellaneous	10,517,996	1,290,404	584,930	765,699	180,769	30.90%
Leases and Rentals	213,773	161,987	248,000	240,100	(7,900)	(3.19%)
Total Operating Expenses	103,238,738	102,381,826	115,869,858	125,288,327	9,418,469	8.13%

TMSEL Legacy Costs	CY2021 Actuals	CY2022 Unaudited Actuals	Approved CY2022 Budget	Approved CY2023 Budget	Approved CY22 Bgt. vs Approved CY23 Bgt.	
					Amt. Var.	%age Var.
Retirement Plan / Pension Costs	0	0	0	0	0	0.00%
Health Benefits Costs	1,082,267	1,228,739	1,398,600	1,398,600	0	0.00%
Workers' Compensation Costs	1,257,515	1,346,432	216,000	1,081,716	865,716	400.79%
Other Costs (TPA, legal, C&L, etc.)	393,527	480,437	510,000	389,627	(120,373)	(23.60%)
Total TMSEL Legacy Costs	2,733,310	3,055,608	2,124,600	2,869,943	745,343	35.08%

Maritime Operations	CY2021 Actuals	CY2022 Unaudited Actuals	Approved CY2022 Budget	Approved CY2023 Budget	Approved CY22 Bgt. vs Approved CY23 Bgt.	
					Amt. Var.	%age Var.
Passenger Fares	651,232	1,019,330	1,241,890	1,062,178	(179,712)	(14.47%)
Labor and Fringe Benefits	(156,938)	(326,940)	(462,684)	(473,149)	(10,465)	2.26%
Services	(6,799,766)	(9,487,081)	(9,887,843)	(1,647,500)	8,240,343	(83.34%)
Materials and Supplies	(120,259)	(589,852)	(731,011)	(624,716)	106,295	(14.54%)
Taxes	0	(41,085)	0	(28,140)	(28,140)	0.00%
Purchased Transportation	0	0	0	(10,720,915)	(10,720,915)	100.00%
Other Operating Expenses	(4,464)	(11,333)	(30,535)	(54,100)	(23,565)	77.17%
Preventive Maintenance	435,784	0	499,800	582,000	82,200	16.45%
State Subsidy/Other Subsidy	8,756,719	5,140,000	5,140,000	5,242,800	102,800	2.00%
Total Funding Surplus/(Deficit) for Maritime	2,762,308	(4,296,960)	(4,230,383)	(6,661,542)	(2,431,159)	285.19%

REGIONAL TRANSIT AUTHORITY
Approved 2023 Budget
Statement of Revenues and Expenses

Surplus / (Deficit) / (Before Govt. Operating Assistance)	(11,162,357)	6,291,631	(25,911,336)	(11,815,520)	(2,246,159)	8.67%
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Government Assistance	CY2021 Actuals	CY2022 Unaudited Actuals	Approved CY2022 Budget	Approved CY2023 Budget	Approved CY22 Bgt. vs Approved CY23 Bgt.	
					Amt. Var.	%age Var.
Preventive Maintenance	9,136,108	13,355,835	13,175,975	13,439,495	263,520	2.00%
State Parish Transportation Fund	1,465,182	1,849,955	1,782,493	1,800,318	17,825	1.00%
COVID Funding	8,309,343	11,552,219	18,792,964	18,946,038	153,074	0.81%
Total Government Assistance	18,910,633	26,758,009	33,751,432	34,185,851	434,419	1.29%

Net Operating Revenue (Expense)	7,748,276	33,049,639	7,840,096	22,370,331	(1,811,740)	(23.11%)
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Non-Operating Revenue (Expense)	CY2021 Actuals	CY2022 Unaudited Actuals	Approved CY2022 Budget	Approved CY2023 Budget	Approved CY22 Bgt. vs Approved CY23 Bgt.	
					Amt. Var.	%age Var.
Total Federal Sources (RTA)	9,496,310	8,516,901	19,416,339	22,511,334	3,094,995	15.94%
Other Local Sources/Restricted Capital Res.	2,442,176	3,728,852	9,830,282	2,191,783	(7,638,499)	(77.70%)
Capital Expenditures (RTA)	(11,938,486)	(12,245,753)	(29,246,621)	(38,823,074)	(9,576,453)	32.74%
Capital Expenditures (Ferry)	(6,029,893)	6,765,820	(18,817,687)	(7,297,000)	11,520,687	(61.22%)
Capital Funding (Ferry)	3,179,182	(13,422,279)	14,675,998	7,037,000	(7,638,998)	(52.05%)
FEMA Funded Project Worksheets	99,383	0	984,562	0	(984,562)	(100.00%)
FEMA Project Worksheets Expenditures	(99,383)	0	(984,562)	0	984,562	(100.00%)
Loss on Valuation of Assets	(453,530)	0	0	0	0	0.00%
Interest Income - Capital (bonds)	37,041	0	24,480	74,960	50,480	206.21%
Total Non-Operating Revenue (Expense)	(3,267,200)	(6,656,458)	(4,117,209)	(14,304,997)	(10,187,788)	247.44%

Net Revenue (Expense) After Operating and Capital Expenses before Debt Services	4,481,077	26,393,181	3,722,887	8,065,334	(11,999,528)	(322.32%)
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Debt Service	CY2021 Actuals	CY2022 Unaudited Actuals	Approved CY2022 Budget	Approved CY2023 Budget	Approved CY22 Bgt. vs Approved CY23 Bgt.	
					Amt. Var.	%age Var.
Bond Interest Expense	(5,948,841)	(6,483,941)	(8,061,240)	(8,065,334)	(4,094)	0.05%
Total Debt Service	(5,948,841)	(6,483,941)	(8,061,240)	(8,065,334)	(4,094)	0.05%

Net Revenue (Expense) After Operating and Capital Expenses and Debt Service	(1,467,765)	19,909,240	(4,338,353)	0	4,338,353	-100.00%
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Operating Reserve	1,467,765	(19,909,240)	4,338,353	0	(4,338,353)	-100.00%
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Regional Transit Authority Goals

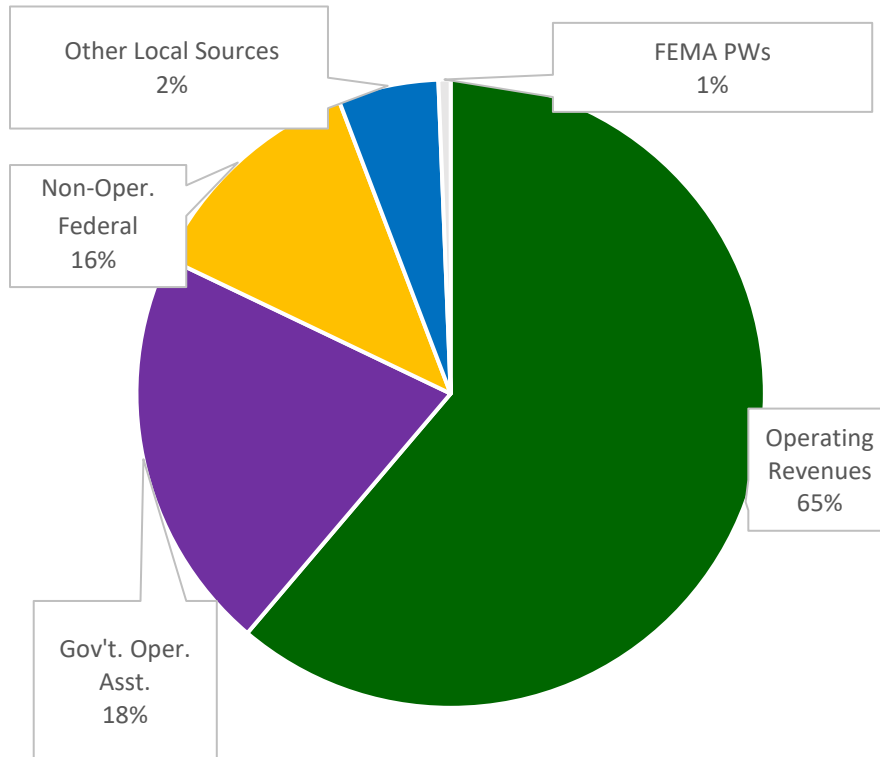
CY2023 Goals and Capital Initiatives

Investing in the Customer Experience

- Expand Number of Bus Shelters
- Design Permanent Downtown Transit Center
- Monitor Changes of New Bus Design Network
- Implementation of Prioritized New Links Recommendations
- Continue Bus Rapid Transit (BRT) Planning Efforts

RTA Proposed 2023 Budget

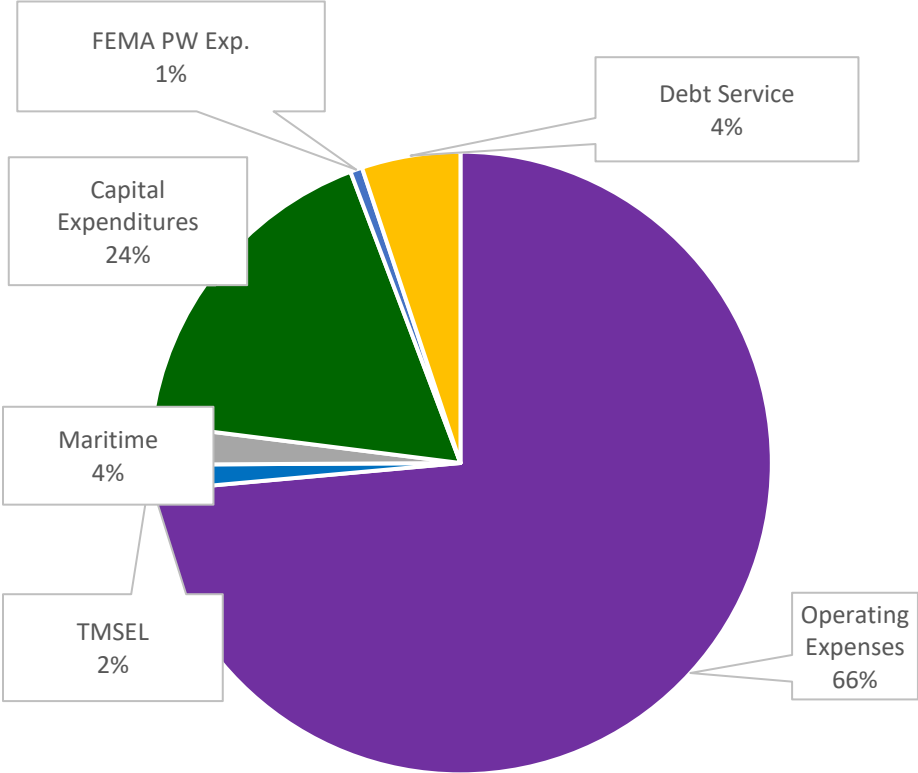
Sources



Operating Revenues	123,004,292
Government Operating Assistance	34,185,851
Non-Operating Federal Sources	29,548,334
Other Local Sources	2,266,743
<u>FEMA Funded Project Worksheets</u>	<u>984,562</u>
Total Sources	\$ 189,989,782

RTA Approved 2023 Budget

Uses



Operating Expenses	125,288,327
TMSEL Legacy Costs	2,869,943
Maritime Expenses (unfunded)	6,661,542
Capital Expenditures	46,120,074
FEMA Funded Project Worksheets	984,562
Debt Service	8,065,334
Total Uses	\$ 189,989,782

Approved CY2023 RTA Budget
Operating Revenue and Operating Expense Account Explanations

\$11,323,764	PASSENGER FARES (10,994,855 total projected ridership)
\$2,915,200	Streetcar fares based on projected ridership of 4,346,152 and a projected 67.075¢ average fare (based on YTD August 2022 actual average fare).
\$4,260,145	Bus fares based on projected ridership of 6,455,798 and a projected 65.989¢ average fare (based on YTD August 2022 actual average fare).
\$3,832,056	All Pass Sales including 1-day Regional Ride Pilot (\$171,000); Ticket Vending Machine (\$1,000); TransPass (\$1,053,056); 1-way ride (\$630,000); 1-day Intergrated (\$93,000); Employee Subsidy Pass (\$252,000); 1-day Visitour (\$540,000); 3-day Visitour (\$552,000); and 5-7 day Visitour(\$540,000).
\$316,363	Paratransit fares based on projected ridership of 192,905 and a projected \$1.54 average fare (prior years actual average fare and trends).

\$95,000	CHARTER
\$95,000	95 streetcar charters at \$1,000 per charter.

\$1,898,957	ADVERTISING
\$1,898,957	Laurel Outdoor Advertising projections for buses, streetcars and shelters.

\$109,116,320	SALES TAX
\$90,923,859	General Use Sales Tax - based on CNO's 2022 budget projections and historical trends.
\$9,855,868	Hotel/Motel Sales Tax - same methodology as General Use.
\$8,336,593	State Motor Vehicle Sales Tax - same methodology as General Use and Hotel/Motel.

\$570,251	OTHER OPERATING REVENUE
\$570,251	Other Revenue - Includes budget for Kenner subsidy (\$200,000), capital investment income (\$80,000), operating investment income (\$8,000), revenues from filming (\$100,000), scrap metal (\$5,000), IDs (\$20,000) and other (reimbursements for service disruptions, etc.) (\$310,000).

**Approved CY2023 RTA Budget
Operating Revenue and Operating Expense Account Explanations**

\$82,210,570	
LABOR AND FRINGE BENEFITS	
\$63,944,578	Labor for all RTA positions. ATU-543 contract positions (operators and contract support staff) \$35,698,012; IBEW- 167 contract positions (mechanics, et al and contract support staff) \$11,253,446; and Administrative-184 positions \$16,993,120. Budgeted increases include 2.75% for ATU effective 7/1; 4.0% for IBEW effective 7/1; and 6% for Administrative effective 1/1.
\$18,265,992	Fringe Benefits for all RTA positions - payroll taxes - \$4,978,135, retirement plans - \$3,423,748, health benefits - \$9,020,680 workers compensation \$588,981 uniform and tool allowances \$233,640 and other fringes \$20,808.

\$16,392,717	
SERVICES	
\$243,000	Legal Fees for board representation.
\$1,410,000	Legal fees and expenses for outside law firms representing the RTA.
\$224,100	Auditing and Accounting - general insurance audit(s) (\$43,200); RTA annual financial audit(s) (\$140,400); and the AUP, and other Statewide audit(s) (\$40,500).
\$3,523,100	Consultants - \$22,500 for system security; \$112,500 for website development and social media promotion; \$27,000 for YouTube video production for fixed route and paratransit riders; \$147,600 for safety and security consultants for training, certifications, etc.; \$198,000 for a third-party administrator to handle the claims and litigation activities (CRI); \$13,500 for a rail safety consultant; \$135,000 for employee development and for an intensive compensation study/analysis; \$132,000 for insurance broker to assist with insurance coverages; \$360,000 for IT consultants; \$45,000 for an Accounting consultant; \$60,000 for consultant to train Budget Analysts, assist with monitoring the CY2023 Budget, to cost out IBEW contract negotiations, revise payroll and other coding pertaining to the Oracle conversion and to aid in the development and preparation of the CY2024 Budget; \$13,500 for the Board; Infrastructure - \$855,000 for transit-related planning studies and market analyses, \$180,000 for rail consultants and \$135,000 for study of high capacity routes; \$300,000 for the Board's financial, legal and contract monitoring consultant services; \$450,000 for the CEO; \$13,500 for the Office of Diversity, Equity and; \$75,000 for an ADA consultant to ensure compliance with ADA eligibility requirements; \$203,000 for federal representation; \$45,000 for DBE consultant to aid with the DBE program.
\$374,850	Training consultants for ATU, IBEW and Ops administrative staff development (\$105,300), Safety and Emergency Management (\$218,250), Law Enforcement and Physical Security (\$18,000), Chief Financial Officer (\$10,800) and DBE Compliance (\$22,500).
\$157,500	Medical Exams - employee physicals for pre-employment physicals and drug screening and DOT-required testing for safety-sensitive employees.
\$22,500	Credit and Employment Verification for the screening process.
\$13,500	Lubricant Analysis of coolants, diesel fuel, engine oils, hydraulic fluid, etc.
\$1,158,467	Data Processing Services for the entire agency including services for the Board, Clever, the ADP payroll system, the help desk, the AS400, VPN and many others.
\$513,585	Other Outside Services - \$297,000 for Marketing; \$18,000 for Human Resources; facility inspections and repair assessments (\$67,500); bio-hazard pickup and disposal (\$2,700); payroll-related electronic withdrawals (\$75,285); labor contract negotiations and arbitrations (\$45,000); miscellaneous outside services for the Board (\$8,100).
\$78,300	Environmental Services - disposable of contaminants and hazardous material and substances.
\$40,500	Temporary Help for the entire agency.
\$2,533,531	Contract Maintenance Services for transmissions and engines (\$785,488), A/C units (\$9,000) and accident and glass repairs for revenue vehicles (\$168,188); fire protection system inspections (\$31,500); money counting room machines (\$12,200); fare collection system (\$10,000); outside repairs and maintenance of facilities, grounds, and shop equipment (\$1,474,862), support vehicles (\$7,313), and office machines and equipment (\$24,980).
\$1,164,654	Other Contract Maintenance Services - pest control for revenue vehicles (\$23,166); cleaning and disinfecting of buses and streetcars at Duncan Plaza and Carrollton/Claiborne (\$810,000); pest control services for all facilities (\$18,370); towing services (\$22,500); fire suppression service (\$40,500); outside repairs on paratransit vehicles (\$2,250); outside radio repairs and maintenance of other mobile communication equipment (\$80,000); cleaning and maintaining DDD bus and streetcar shelters (\$53,838); maintenance of transit hub lights (\$18,000); inspection and maintenance of rail substations (\$90,000); mop and mat service for all facilities (\$4,500); and lavatory facilities for track crew (\$1,530).
\$1,150,000	Custodial Services for the entire agency.
\$3,463,467	Security Services - \$1,200,000 for Interagency Agreement with the CNO; \$67,604 for the Transit Police Unit: ((1) unit commander and (3) patrol officers; police detail for added patrols of the system (\$341,640); private security for the Canal/Algiers ferry terminals (\$438,000); private security services for all RTA facilities (\$1,251,640); protective services and alarm systems (\$155,583); cost to repair access control system (\$9,000).
\$1,080	Express mail services for the agency.
\$296,280	Other Services - bank charges; public ads, notices and hearings; services for the Mobile Command Center; and the printing of RTA stationary, envelopes, and business cards.
\$13,500	Outgoing freight charges.
\$10,800	Vendor commissions for the Pass Sales Program.

**Approved CY2023 RTA Budget
Operating Revenue and Operating Expense Account Explanations**

\$14,551,277	MATERIALS AND SUPPLIES
\$7,475,509	Fuel and Lubricants: Bio-diesel Fuel: Fixed Route Bus - \$6,419,147 (\$3.40/gal., 3.9 mpg and 6.9 million gallons to be consumed. (Note: The average price per gallon for bio-diesel through September 2022 was \$3.66/gal. (pre-tax)). Gasoline: Paratransit - \$781,763 (\$3.10/gal., 6.25 mpg and 252,182 gallons to be consumed; Service Vehicles - \$274,599 (\$3.10/gal., 7.85 mpg and 7,474 gallons to be consumed). (Note: The average price per gallon for gasoline through September 2022 was \$2.77/gal. (pre-tax)).
\$306,923	Other Lubricants - bus (\$261,923); rail (\$31,500); and paratransit and support vehicles (\$13,500).
\$731,666	Leased and Purchased Tires - bus (\$559,422), paratransit (\$123,750) and support vehicles (\$48,494).
\$2,980,619	Revenue Vehicle Parts - bus (\$1,804,000); streetcar (\$511,619); paratransit (\$270,000); fleet technology and fare collection/electronic systems for all modes including Ferry (\$295,000); bus and streetcar farebox repairs (\$100,000).
\$204,300	Training Materials and Supplies for all employees - HR (\$202,500); Safety (\$1,800).
\$108,000	Transfers
\$37,800	Marketing and Public Outreach
\$70,560	Office Equipment and Supplies for all employees.
\$805,352	Data Processing Supplies for the entire agency.
\$8,000	Office Postage
\$4,500	Photo and Reproduction Supplies
\$20,250	Roadway Paving
\$575,100	Buildings/Fixtures/Grounds - materials and supplies for general repairs at all facilities.
\$63,000	Automobiles (\$54,000) and Automobile Damages (\$9,000) - materials and parts for repair of support vehicles.
\$898,028	Other Materials and Supplies include materials and supplies used to repair and maintain revenue and support vehicles (\$278,048) and facilities (\$135,000); catenary parts for the streetcar lines (\$135,000); track maintenance (\$130,500); safety-related materials, campaigns, etc. (\$117,000); and various miscellaneous materials and supplies used agency-wide (\$96,480) .
\$31,500	Soaps for use in maintenance of revenue vehicles.
\$27,000	Freight charges for incoming shipments.
\$203,170	Equipment and Furniture - includes radios and accessories for new and existing revenue vehicles (\$148,000) and other equipment used agency-wide (\$55,170).

\$1,827,009	UTILITIES
\$535,569	Propulsion Power - St. Charles (\$275,732/\$0.54/mi.), UPT (\$165,447/\$0.54/mi.), and Canal (\$94,390/\$0.54/mi.).
\$1,291,440	Other Than Propulsion Power - Electricity, Gas, Water & Sewer, office & cell phone service, and internet service for all facilities; and communication systems for the Mobile Command Center.

\$8,807,500	CASUALTY AND LIABILITY
\$5,807,500	Premiums - based on the most recent renewal rates as approved by the Board - Excess Liability, Excess Physical Damage, Directors/Officers Liability, Flood Insurance, Property Damage, 3-D Crime, Annual LWCC premiums, and Bond Insurance.
\$3,000,000	Legal reserves.

\$493,455	TAXES
\$25,417	Vehicle Licensing and Registration Fees - Cost of vehicle brake tags, licenses and registration fees for buses (\$8,033), paratransit vehicles (\$3,398) and service vehicles (\$13,986).
\$468,038	Fuel and Lubricant Taxes - Bio-diesel fuel and gasoline taxes (\$0.21/gal.).

\$765,699	MISCELLANEOUS EXPENSES
\$106,152	Dues and Subscriptions - membership in APTA, SWTA, LPTA, LABD, UITP; membership for staff attorney in legal organization; IT-related entities; and procurement related dues, AutoCAD, Revit, Community Streetcar Coalition dues; and the OPIS subscription.
\$408,312	Travel and Meetings - auto reimbursement, local and out-of-town travel for the Board and RTA employees, per diems for the Board, refreshments and other amenities for Board meetings.
\$45,900	Advertising/Promotion/Media for distribution material at ADA events and for RTA and the Board.
\$15,300	Educational Expenses for staff.
\$190,035	Other Miscellaneous - an Employee Recognition Program and various expenses for the CEO, the Board and RTA programs.

Approved CY2023 RTA Budget
Operating Revenue and Operating Expense Account Explanations

\$240,100	LEASES AND RENTALS
\$135,700	Revenue Vehicle Movement Control Facility for the antenna lease.
\$104,400	Equipment Rental for the printers and the postage machine.

\$2,869,943	TMSEL CARRYOVER COSTS
\$1,398,600	Health Costs - long term disability payments, hospital/medical costs, prescription benefits, administrative fees, dental plan, and life insurance for TMSEL inactive.
\$1,081,716	Workers' Compensation for TMSEL inactive.
\$389,627	Other Costs - outside legal fees, fees for the TMSEL program administrator, the Workers' Compensation Second Injury Fund and the state's yearly workers' compensation assessment.

	MARITIME
\$1,062,178	PASSENGER FARES (FERRY)
\$1,062,178	Passenger Fares increased by 20% from 2022 fares based on historical trends.
\$473,149	LABOR AND FRINGE BENEFITS (FERRY)
\$392,320	Labor for all Ferry positions (3 administrative employees), \$392,320.
\$80,829	Fringe Benefits for all Ferry positions: Payroll taxes (\$30,204), Retirement plans (\$13,559), Health benefits (\$32,594), Workers compensation (\$4,472).
\$1,647,500	SERVICES (FERRY)
\$75,000	Consultants for naval architecture/marine engineering, security or safety.
\$10,000	Funding for job-related training.
\$1,407,500	Other Outside Services: Cost of miscellaneous professional/technical services not covered by the O & M agreement for marine operations and maintenance, including RTA's other expenses reimbursed to ferry operator (\$400,000). Extra/surge service plan (see "New Operating Expense Request" [\$750,000 (extra car ferry) + \$82,500 (Mardi Gras) + \$35,000 (French Quarter Fest) + \$30,000 (Gretna Fest) + \$10,000 (other surge services) but does not include facility operations nor facility improvements]. Inventory of all marine/ferry assets, parts and equipment (\$100,000).
\$130,000	Contract Maintenance Services: Inspection (\$75,000), Fare Collection System (\$50,000), Other Contract Maintenance Services (\$5,000).
\$25,000	Other Services: Cost of Finance Charges
\$627,216	MATERIALS AND SUPPLIES (FERRY)
\$577,216	Fuel and Lubricants: Based on a projected cost of \$3.60/gal. and fuel consumption of 159,643 gallons.
\$27,500	Other Materials and Supplies: Office supplies (\$2,500), Data processing supplies (\$2,500), Security supplies (\$7,500), Cost of promotional materials for ferry operations (\$7,500), Cost of safety vests and other safety supplies (\$5,000), Cost of uniforms for Marine Operations staff (\$2,500).
\$22,500	Furniture & Equipment: Cost of fare collection equipment (\$20,000), Cost of security equipment (\$2,500).
\$28,140	TAXES (FERRY)
\$1,000	Vehicle Licensing & Registration Fees for service vehicles
\$27,140	Fuel and Lubricant Taxes: Based on a projected cost of \$.17/gal. and fuel consumption of 159,643 gallons.
\$10,720,915	PURCHASED TRANSPORTATION (FERRY)
\$10,720,915	Purchased Transportation: Labmar Contract - Management Fee (\$1,078,901), Vehicle Operations (\$3,994,732), Vehicle Maintenance (\$2,461,772), Service Vehicle Maintenance (\$28,586), Facility Maintenance (\$318,661), Promotion (\$19,038), Safety (\$31,881), Personnel Administration (\$67,981), General Legal Services (\$35,351), General Insurance (\$747,515), Data Processing (\$31,918), Finance & Accounting (\$19,832), Office Management (\$11,688), General Management (\$1,094,186), General Function (\$778,871).
\$54,100	MISCELLANEOUS (FERRY)
\$3,500	Dues and Subscriptions: Cost of Passenger Vessel Association membership (\$1,641) + other memberships or dues.
\$20,000	Travel and Meetings: Travel and expenses for conferences, seminars and expos, etc (2 trips per quarter at \$2,500 each).
\$5,000	Advertising and Promotion Media: Cost of ferry event supplies.
\$25,000	Educational Expense: Tuition reimbursement for Marine Operations staff.
\$600	Other Miscellaneous: Cost of transportation work ID card (\$125 per person).

CY2023 BUDGET OVERVIEW AND HIGHLIGHTS

NON-OPERATING REVENUES AND EXPENSES

TMSEL Legacy Costs

- Most of the \$745,000 increase in TMSEL Legacy Costs is attributable to Workers' Compensation Costs based on projected CY2022 year-end actuals.

Government Assistance

- Next year's projection for Preventive Maintenance funding represents a 2% increase over the CY2022 Budget.

Non-Operating Revenue (Expenses)

- A total of \$38.8 million in capital projects will be undertaken/continued in 2023, with the utilization of \$24.7 million in Federal and other funding sources and \$14.1 million in local subsidy.

Debt Service

- Bond Interest Expense is expected to remain at the CY2022 budgeted level (\$8.1 million).

COVID Funding

- The impact of RTA and Maritime projected operating and non-operating revenues and expenses will translate into the use of an estimated \$18.9 million in COVID funding and no utilization of Operating Reserve.

CY2023 BUDGET OVERVIEW AND HIGHLIGHTS

OPERATING REVENUES AND EXPENSES

Service Plan

- The service plan for fixed route and paratransit operations for CY2023 represents a 13.25% (or 116,023 hour) increase from the current year's budget. Provisions include a full year of New Links service, an additional 14,000 hours of regular paratransit service as well as 6,875 hours for RTA flex and 13,750 hours for Micro Transit, two new paratransit initiatives slated for August 2023.

Operating Revenues

- Passenger Fares are expected to be \$11.3 million, based on projected ridership of 9.6 million. This reflects a \$1.7 million increase from the 2022 annualized actuals as of 8/31/22.
- Pass Sales reflect a \$1.4 million increase from the 2022 budget. They are budgeted at \$587k above the 2022 annualized actuals.
- There is an increase of \$68k to Charters from the 2022 budget. The 2023 budget of \$95k reflects a \$2k increase from the 2022 annualized actuals.
- Advertising Revenue reflects an increase of \$879k, which is \$186k above the 2022 annualized actuals.
- Sales Tax is projected to increase by \$5,901,714 from the 2022 annualized actuals.
 - The General Use Sales Tax budget is increased by 5.3% based on historical data and the City's annual growth projection.
 - The Hotel/Motel Tax budget is increased by 8.9% based on historical data and the City's annual growth projection.
 - The Hotel/Motel Tax budget is increased by 6.65% based on historical data and the City's annual growth projection.
- Other Operating Revenue is expected to be \$138k under the 2022 annualized actuals, mainly due to a decrease of \$232k in the Kenner subsidy. Revenues from filming are projected to increase by \$70k from the 2022 budget, due to the 2022 annualized actuals being \$168k over the 2022 budget.

CY2023 BUDGET OVERVIEW AND HIGHLIGHTS (CONT.) OPERATING REVENUES AND EXPENSES

Labor

- There is a total of 894 positions proposed for 2023, an increase of 3 from the CY2022 Budget.
- Salary/Wage adjustments included are as follows:
 - ATU – 2.5% effective 7/1/23 (per contract)
 - IBEW – 4.0% effective 7/1/23 (in anticipation of increases due to new contract)
 - Administrative (incl. ULU) – 6% (4% COLA and 2% merit)

Fringe Benefits

- Fringe Benefits reflect a \$1.6 million reduction from the CY2022 Budget, but an increase of \$3 million from annualized actuals as of 8/31/22. Increases in retirement benefits and medical costs account for much of the \$3 million variance.

Services

- There is an increase of \$680,000 in Consultants for transit-related planning studies and market analyses to strengthen the RTA's competitive posture for the award of non-formula grant funding.
- An investment total of \$400,000 in IT-related consultant services was included for the independent validation and verification of the Oracle ERP Project (\$200,000) and for the assessment and strategic plan for all IT systems (\$200,000).
- The new custodial contract for all facilities increased the CY2023 Budget by \$910,000 from 2022.
- Security services for the new bus hub in East New Orleans and the Canal/Algiers ferry terminals added \$193,000 and \$438,000, respectively to the CY2023 Budget.
- \$75,000 was budgeted in 2023 for an ADA consultant to ensure compliance with ADA eligibility requirements.

CY2023 BUDGET OVERVIEW AND HIGHLIGHTS (CONT.)

OPERATING REVENUES AND EXPENSES

Materials and Supplies

- Contributors to the \$1.2 million increase in Materials and Supplies are the continuation of high fuel costs in the upcoming year coupled with increased fuel consumption due to the expansion in transit service. Diesel fuel is estimated to average \$3.40/gal.(pre-tax) in 2023. The diesel fuel price as of September 2022 was \$3.66/gal. (pre-tax).

Utilities

- Utilities reflect a \$27,000 reduction from the CY2022 Budget, but an increase of \$264,000 from annualized actuals as of 8/31/22. High fuel costs account for much of this increase.

Casualty and Liability

- A modest increase in Casualty and Liability is expected in 2023.

Taxes

- Due do the expected rise in fuel consumption, fuel taxes will correspondingly increase.

Miscellaneous

- The CY2022 annualized actuals for Miscellaneous includes \$900,000 in bad debt expenses. Bad debt expenses in 2023 are expected to be less - at around \$200,000. Added travel expenses account for the remaining portion of the \$381,000 bump in this expense.

Leases and Rentals

- Leases and Rentals reflect a \$7,900 reduction from the CY2022 Budget, but an increase of \$95,000 from annualized actuals as of 8/31/22. The renewal of the antenna lease in 2023 accounts for this increase.

CY2023 BUDGET OVERVIEW AND HIGHLIGHTS

MARITIME OPERATIONS

Service Plan

- The service plan for ferry operations for CY2023 provides for 11,832 hours, representing a 3.88% decrease from the current year's budget. This reduction is primarily associated with extra service hours.

Operating Revenues

- The lackluster performance of Passenger Fares so far this year led to a \$180,000 reduction in next year's projection (from \$1.24 million in 2022 to \$1.06 million in 2023).

Labor

- There is a total of 3 RTA staff positions proposed for 2023, no change from the 2022 Budget.
- A 6% (4% COLA and 2% merit) salary adjustment is included.

Fringe Benefits

- Company-wide, Fringe Benefits reflect a reduction from the CY2022 Budget, but an increase of from annualized actuals as of 8/31/22. Increases in retirement benefits and medical costs account for much of the variance.

Services

- LabMar contract-related expenses were reclassified from Management Service Fees to Purchased Transportation according to NTD reporting requirements.
- Services now reflect all RTA-borne expenses or expenses to be reimbursed to LabMar (e.g., extra service).

CY2023 BUDGET OVERVIEW AND HIGHLIGHTS (CONT.)

MARITIME OPERATIONS

Materials and Supplies

- High fuel costs are expected to hang around in the upcoming year. Diesel fuel is estimated to average \$3.60/gal.(pre-tax) in 2023. The diesel fuel price as of September 2022 was \$3.60/gal. (pre-tax).

Taxes

- For 2023, diesel fuel taxes for ferries are budgeted at \$.17/gal., equivalent to 2022.

Purchased Transportation

- In compliance with NTR reporting requirements, all LabMar contract-related expenses are budgeted in Purchased Transportation (\$10.7 million).

Other Operating Expenses

- Other Operating Expenses include dues and subscriptions, travel, promotional materials, tuition reimbursement and transportation work ID cards.

Capital Expenditures/Funding

- A total of \$7.3 million in ferry capital projects will be undertaken/continued in 2023, with the utilization of \$7.0 million in Federal and other funding sources and \$260,000 in local subsidy.

Preventive Maintenance

- PM funding for CY2023 is anticipated to mirror receipts for CY2022 at \$582,000.

State Subsidy

- A 2% increase in State Subsidy is projected for CY2023 for a total of \$5.2 million.

CY2023 TOTAL POSITION COUNT	
	APPROVED CY2023
ATU	482.0
ATU ADMIN.	61.0
IBEW	167.0
NON-CONTRACT ADMIN.	177.0
ULU	4.0
SUBTOTAL	891.0

FERRIES	3.0
TOTAL	894.0

RTA 2023 Budget: By Department

Department	RTA Board of Commissioners
Services	\$1,051,680.00
Materials	\$5,400.00
Miscellaneous	\$200,409.00
Total	\$1,257,489.00
FTE	0

Department	Secretary to the Board
Services	\$1,080.00
Materials	\$8,000.00
Miscellaneous	\$2,700.00
Total	\$11,780.00
FTE	2

Department	Chief Executive Officer
Services	\$450,000.00
Materials	\$0.00
Miscellaneous	\$49,500.00
Total	\$499,500.00
FTE	3

Department	Ferry
Services	\$10,720,913.00
Materials	\$627,216.00
Purchased Transportation	\$1,647,500.00
Miscellaneous	\$82,240.00
Total	\$13,077,869.00
FTE	3

Department	Deputy CEO Finance and HR
Services	\$13,500.00
Materials	\$4,860.00
Miscellaneous	\$28,080.00
Total	\$46,440.00
FTE	1

Department	Human Resources
Services	\$396,000.00
Materials	\$202,500.00
Miscellaneous	\$171,000.00
Total	\$769,500.00
FTE	14

RTA 2023 Budget: By Department

Department	Chief Financial Officer	
Services		\$0.00
Materials		\$72,000.00
Miscellaneous		\$105,072.00
Total		\$177,072.00
FTE		2

Department	Accounting	
Services		\$128,385.00
Materials		\$0.00
Miscellaneous		\$0.00
Total		\$128,385.00
FTE		8

Department	Budget	
Services		\$60,000.00
Materials		\$0.00
Miscellaneous		\$0.00
Total		\$60,000.00
FTE		3

Department	DBE Compliance/Civil Rights	
Services		\$45,000.00
Materials		\$0.00
Miscellaneous		\$0.00
Total		\$45,000.00
FTE		2

Department	Grants Administration	
Services		\$0.00
Materials		\$0.00
Miscellaneous		\$0.00
Total		\$0.00
FTE		3

Department	Procurement	
Services		\$0.00
Materials		\$0.00
Miscellaneous		\$0.00
Total		\$0.00
FTE		4

RTA 2023 Budget: By Department

Department	Audit
Services	\$0.00
Materials	\$0.00
Miscellaneous	\$0.00
Total	\$0.00
FTE	4

Department	Revenue Collection
Services	\$43,800.00
Materials	\$16,800.00
Miscellaneous	\$0.00
Total	\$60,600.00
FTE	4

Department	Infrastructure
Services	\$0.00
Materials	\$0.00
Miscellaneous	\$43,200.00
Total	\$43,200.00
FTE	9

Department	Facilities Maintenance
Services	\$3,675,919.00
Materials	\$731,700.00
Miscellaneous	\$27,000.00
Total	\$4,434,619.00
FTE	3

Department	Information Technology
Services	\$1,173,447.00
Materials	\$805,352.00
Miscellaneous	\$72,000.00
Total	\$2,050,799.00
FTE	10

Department	Fleet Technology
Services	\$100,000.00
Materials	\$564,000.00
Miscellaneous	\$0.00
Total	\$664,000.00
FTE	3

RTA 2023 Budget: By Department

Department	Law Enforcement & Physical Security
Services	\$1,779,640.00
Materials	\$20,250.00
Miscellaneous	\$18,000.00
Total	\$1,817,890.00
FTE	6

Department	Transit Police
Services	\$409,244.00
Materials	\$0.00
Miscellaneous	\$0.00
Total	\$409,244.00
FTE	0

Department	Chief Operations Officer
Services	\$150,300.00
Materials	\$0.00
Miscellaneous	\$22,050.00
Total	\$172,350.00
FTE	5

Department	Scheduling and Planning
Services	\$0.00
Materials	\$0.00
Miscellaneous	\$0.00
Total	\$0.00
FTE	6

Department	Maintenance
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Department	Bus Maintenance
Services	\$999,900.00
Materials	\$9,163,275.00
Miscellaneous	\$411,708.00
Total	\$10,574,883.00

Department	Rail and MOW Maintenance
Services	\$204,030.00
Materials	\$1,010,469.00
Miscellaneous	\$535,569.00
Total	\$1,750,068.00

RTA 2023 Budget: By Department

Department	Paratransit Maintenance	
Services		\$46,026.00
Materials		\$1,212,413.00
Miscellaneous		\$56,357.00
Total		\$1,314,796.00

Department	Support Vehicle Maintenance	
Services		\$7,313.00
Materials		\$395,058.00
Miscellaneous		\$32,590.00
Total		\$434,961.00
Maintenance FTE		23

Department	Transportation: Bus and Rail Operations	
Services		\$0.00
Materials		\$145,800.00
Miscellaneous		\$135,700.00
Total		\$281,500.00
FTE		28

Department	Transportation: Paratransit	
Services		\$0.00
Materials		\$0.00
Miscellaneous		\$0.00
Total		\$0.00
FTE		9

Department	Chief of Staff	
Services		\$0.00
Materials		\$0.00
Miscellaneous		\$95,850.00
Total		\$95,850.00
FTE		4

Department	ADA Compliance	
Services		\$75,000.00
Materials		\$7,200.00
Miscellaneous		\$23,000.00
Total		\$105,200.00
FTE		2

RTA 2023 Budget: By Department

Department	Public Affairs/Intergovernmental Relations
Services	\$203,000.00
Materials	\$0.00
Miscellaneous	\$0.00
Total	\$203,000.00
FTE	1

Department	Marketing
Services	\$447,300.00
Materials	\$60,300.00
Miscellaneous	\$10,800.00
Total	\$518,400.00
FTE	6

Department	Risk Management
Services	\$2,530,000.00
Materials	\$0.00
Miscellaneous	\$6,635,000.00
Total	\$9,165,000.00
FTE	1

Department	Office of Diversity, Equity & Inclusion
Services	\$13,500.00
Materials	\$4,860.00
Miscellaneous	\$28,080.00
Total	\$46,440.00
FTE	3

Department	Safety and Emergency Management
Services	\$416,250.00
Materials	\$115,650.00
Miscellaneous	\$56,700.00
Total	\$588,600.00
FTE	11

Department	ENO Facilities
Services	\$0.00
Materials	\$0.00
Miscellaneous	\$0.00
Total	\$0.00
FTE	1