










FY26 Board of Trustees Budget Workshop

April 16, 2025

FY26 Board Budget Workshop Agenda

The goal of the Budget Workshop is to provide GoTriangle's Board of Trustees with relevant information to make data-informed decisions GoTriangle's proposed FY26 budget.

WORKSHOP TOPICS & OBJECTIVES

						
Background & Context	Highlights from FY25 Budget	FY26 Headwinds & Opportunities	FY26 Assumptions & Guidance	Strategic Plan Alignment	Capital Projects Highlights	FY26 Proposed Budget
12:10 – 12:20 10 minutes	12:20 – 12:25 5 minutes	12:25 – 12:30 5 minutes	12:30 – 12:40 10 minutes	12:40 – 12:45 5 minutes	12:45 – 1:05 20 minutes	1:20 – 2:30 1 hr 20 min
Set the stage with a refresh of GoTriangle's mission, vision, and strategic pillars as well as funding mechanisms and responsibilities	Provide a summary of YTD budget-to-actuals to provide visibility into FY25 spend patterns	Level set regarding economic and financial headwinds affecting GoTriangle as well as opportunities to take advantage of	Review financial assumptions driving FY26 budget, focusing on largest drivers	Refresh on alignment of the FY26 proposed budget to GoTriangle's 2025-2028 Strategic Plan	Highlight major capital projects GoTriangle is leading in FY26	Review FY26 proposed budget, including forecasted revenues and proposed administrative, operating, and capital expenses
						15 min break

This year's workshop will focus exclusively on GoTriangle's budget, rather than including the Transit Plan budgets as has been done in prior years. Since the Transit Plan budgets will be reviewed separately with the Board in the coming months, we will concentrate this discussion on GoTriangle's budget.

GoTriangle Mission, Vision, and Strategic Plan Pillars

GoTriangle’s 2025-2028 Strategic Plan is the organization’s north star to guide investment decisions and budgeting practices and monitor progress on key initiatives supporting identified success outcomes, allowing GoTriangle to provide the highest possible return on investment.

Our Mission

Connecting people and the region with high quality transit

Our Vision

To be our region’s trusted mobility partner



Future Planning

By rebuilding a foundation of trust and transparency and by fostering a high-functioning collaborative spirit, GoTriangle will be well-positioned to help support the development of a broader unified regional transit vision that will support our region’s growing population.

Customer Connectivity

GoTriangle will focus on delivering high-quality regional and express service that connects our customers to life’s opportunities across the region.

Financial Transparency

GoTriangle will focus on building trust and greater transparency in its budgeting, financial forecasting and reporting processes and systems required to be a trusted mobility partner.

Transit Enhancements






GoTriangle will focus on delivering transit enhancement projects that bring economic benefit to the region.

Employer of Choice

GoTriangle will create a culture where employees are engaged and take ownership in helping GoTriangle achieve its mission and vision.

GoTriangle Revenue Sources

Below are GoTriangle’s dedicated revenue sources. Due to the potential variability with several of the individual revenue sources, each one is critical to our ability to fully fund our budget each fiscal year.

REVENUE SOURCES		DETAILS
	Bus & Paratransit Fares	Fare collection resumed in 2024 after being suspended in 2020
	\$7 DMV Registration Tax	State Legislature approved increasing from \$5 to \$7, first adjustment since approval in 1991
	5% Vehicle Rental Tax	Tax proceeds may be used for any purpose for which the Authority is authorized to use funds; to supplement and not to supplant or replace existing funds or other resources for public transportation systems
	Federal and State Grants	Combination of discretionary and formula grants. Primary federal grantor is the Federal Transit Administration (FTA)
	Transit Plan Contributions	As specified in each Interlocal Agreement (ILA), Transit Plans provide predefined contributions

GoTriangle does not have independent taxing authority. New taxes and rate increases must be pre-authorized by the state legislature

FY25 Budget Highlights

GoTriangle's Budget & Finance Department has been utilizing the recently developed Budget-to-Actuals Analysis Report to review YTD actual spend over the last three months to review spend patterns and inform the FY26 budget.

1

Slight Underburn vs. Target

- With three months left in FY25, GoTriangle's YTD actuals are slightly below expected spend on a prorated basis
 - Target: 75%
 - Actual: 65%

2

Largest Spend Categories

- Wages and benefits are the largest drivers of GoTriangle's budget, accounting for 58% of GoTriangle's FY25 budget. Through March, these two spend categories are below spend targets, partially due to vacancies.

3

Fares & GoPass Revenue

- Revenue from fares and GoPass, which resumed in FY25, is above target. GoTriangle plans to continue expanding GoPass program in FY26.

FY26 Headwinds and Opportunities

GoTriangle heads into Fiscal Year 2026 facing some economic headwinds, primarily due to shifting federal policy regarding public transit and federal funding. GoTriangle is focusing on what the organization can control and identifying opportunities to continue improving internal operations.

Headwinds



Potential shifting federal policy priorities away from public transit investment



Potential freeze or cancellation of previously approved federal funding for public transit



Slashing staff at the Federal Transit Administration (FTA) could create logistical challenges



Continued increase in administrative and operating costs; tariffs have the potential to drive costs even higher



Uncertainty regarding impact of the new CEO coming on board

Opportunities



Continue identifying opportunities for increasing operational efficiency and efficacy through transformation efforts



Continue to strengthen core financial operations to support more accurate and impactful budget allocation



Use Strategic Plan success outcomes and priorities to drive budget decisions and programmatic work plans

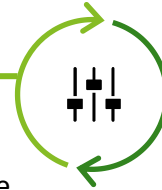


Continue building back trust through successful execution of capital projects and service expansion in FY26

FY26 Budget Assumptions & Guidance

GoTriangle departmental budget owners developed their budgets with the below assumptions and guidance in mind.

BUDGET ASSUMPTIONS



BUDGET GUIDANCE

Slight Increase in FY26 Revenue

GoTriangle revenue is projected to increase slightly in FY26 vs. FY25, therefore the FY26 budget should not increase or decrease significantly.

Service Expansion Revenue & Costs

Service expansion revenue will offset associated cost increases.

Wage Increases & Benefits Cost Increase

Operator wages will increase in FY26 in an effort to increase retention. Overall benefits costs expected to increase by 7% for FY26.

Travel & Training Increases

GoTriangle Leadership has prioritized increasing departmental budgets for training, conferences, and associated travel.

Filling Critical Vacancies

Prioritizing filling critical vacancies across departments will contribute to increased wages and benefits budget line items.

FTA Repayment

GoTriangle is required to remit \$4M repayment to the FTA in FY26, however we anticipate that the sale of land will be complete, and we will remit the entire remaining \$12M balance in FY26.

Business Modernization

Prioritize allocation of resources to improve overall business modernization.

Workforce Implications

Identify mission-critical roles that need to be filled for FY26 and fill priority vacancies, focusing on those that are more than 50 days old.

- Evaluate the aging vacancies to determine if they are critical to each department's mission; if so, work with HR to determine path to filling the vacancy no later than early FY26.

Business Modernization

Identify new or modernized business functions to meet the needs of the organization

- Support and empower GoTriangle's workforce by modernizing business functions such as IT infrastructure and services; policies, processes, and associated procedures.

Program Spend Level Evaluation

Ensure budget requests across spend categories are accurate and in-line with FY26 needs.

- Evaluate previous years' budget requests and actual dollars spent while being intentional and realistic about current business needs to help ensure accuracy for FY26 budget request.

Training & Development

Highlight critical training and development needs across the organization

- Identify training and development opportunities to enhance employees' knowledge, skills, and abilities and foster career development.

FY26 Budget Alignment to 2025-2028 Strategic Plan

Alignment with 2025-2028 Strategic Plan pillars

Customer Connectivity

- Expanded transit ambassador program
- Debut of 15-minute frequent network

Transit Enhancements

- Union Station bus facility grand opening and project closeout
- Continued progress on other enhancement projects including Triangle Mobility Hub

Financial Responsibility

- Continued progress on Deloitte transformation recommendations

Employer of Choice

- Development of employee engagement baseline

Future Planning

- Continuation of the Bus Blueprint study



Significant Service Expansion Plans

FY26 is planned to be a transformative year for regional bus service: GoTriangle is funded to double weekday frequency on routes connecting Chapel Hill, Durham, and Raleigh with support from the county transit plans



	<u>Today</u>	<u>FY26 Budget</u>
August 2025: Durham/Chapel Hill Corridor		
Routes 400/405: Durham to Chapel Hill	Around 40 weekday round trips	Around 60 weekday round trips
March 2026: Durham/Raleigh Corridor		
Route 100: Raleigh to RTP	Around 30 weekday round trips	Around 60 weekday round trips
Route 700: Durham to RTP	Around 30 weekday round trips	Around 60 weekday round trips
Route DRX	About 20 daily round trips	

Continued Progress on Key Capital Projects

- Bus Stop Improvement Program – ongoing development and delivery
- Raleigh Union Station Bus Facility – August 2025
- BOMF Modernization and Expansion – planned 2028 delivery
- Triangle Mobility Hub – planned 2029 delivery



FY26 Proposed Budget: Overview

Below is a summary of all GoTriangle revenues and expenses for FY26

	FY26 GoTriangle Proposed Budget	FY2025 GoTriangle Actual Budget	FY26 vs. FY25
Total Administrative Revenues	\$35,964,418	\$36,653,623	\$(689,205)
Total Administrative Expenditures	\$24,653,431	\$28,828,628	\$(4,125,197)
Total Operating Revenues	\$21,628,335	\$16,610,751	\$5,017,584
Total Operating Expenditures	\$36,418,233	\$29,580,067	\$6,838,166
Total Capital Revenues	\$67,534,688	\$68,229,194	\$(694,506)
Total Capital Expenditures	\$59,492,088	\$70,171,786	\$(10,679,698)
Capital Reserve	\$4,500,000	-	\$4,500,000

	FY26 GoTriangle Proposed Budget	FY2025 GoTriangle Adopted Budget	FY26 vs. FY25
GRAND TOTAL REVENUES	\$125,127,441	\$121,493,568	\$3,633,873
GRAND TOTAL EXPENSES	\$125,063,752	\$128,580,483	\$(3,516,731)
NET (DEFICIT) SURPLUS	\$63,689	\$(7,086,915)	\$7,150,604

FY26 Proposed Budget: Capital Expenses Overview

For the Twelve Months Ending Tuesday, June 30, 2026

CAPITAL REVENUES	FY26 GoTriangle Proposed Budget	FY2025 GoTriangle Actual Budget	FY26 vs. FY25
Federal Grant Revenues	\$9,217,573	\$30,428,676	\$(21,211,103)
State Grant Revenues	\$120,000	\$49,320	\$70,680
Reimbursement from Others		\$42,700	\$(42,700)
Sale of Land	\$20,700,000		\$20,700,000
Transit Plan - Capital Expense Reimbursement	\$37,497,115	\$37,708,498	\$(211,383)
Total Capital Revenues	\$67,534,688	\$68,229,194	\$(694,506)

CAPITAL EXPENDITURES	FY26 GoTriangle Proposed Budget	FY2025 GoTriangle Actual Budget	FY26 vs. FY25
Acquisition-Land	\$12,000,000		\$12,000,000
Regional Capital Projects	\$47,492,088	\$70,171,786	\$(22,679,698)
Total Capital Expenditures	\$59,492,088	\$70,171,786	\$(10,679,698)

	FY26 GoTriangle Proposed Budget	FY2025 GoTriangle Actual Budget	FY26 vs. FY25
TOTAL CAPITAL REVENUES	\$67,534,688	\$68,229,194	\$(694,506)
TOTAL CAPITAL EXPENDITURES	\$59,492,088	\$70,171,786	\$(10,679,698)
NET (DEFICIT) SURPLUS	\$8,042,600	\$(1,942,592)	\$9,985,192

FY26 Proposed Budget: Capital Expenses

Below is a summary of FY26 requested funding and FY25 carryover

Project Name	Project Totals		
	Total FY25 Funding Carryover	Total FY26 Funding	Total FY26 Project Budget
4x4 Support Vehicle	\$ -	\$ 45,000.00	\$ 45,000.00
BOMF Electrification	\$ 150,000.00	\$ -	\$ 150,000.00
BOMF Garage Bay Door Replacement	\$ -	\$ 90,000.00	\$ 90,000.00
Downtown Apex Transfer Point	\$ 251,068.00	\$ -	\$ 251,068.00
Durham Bus Stop Improvement Program	\$ 6,417,062.00	\$ 2,482,938.00	\$ 8,900,000.00
Durham Priority Transit Access and Safety Improvements	\$ 1,074,974.00	\$ -	\$ 1,074,974.00
Fordham Blvd Transit Access Improvements	\$ -	\$ 500,000.00	\$ 500,000.00
Gillig Diesel Replacement Bus Purchase	\$ -	\$ 6,800,000.00	\$ 6,800,000.00
GoDurham Bus Stop Improvements on Route 2 in Brier Creek	\$ 483,315.00	\$ -	\$ 483,315.00
GoTriangle 805 Corridor Accessibility Stop Improvements	\$ 695,200.00	\$ -	\$ 695,200.00
GoTriangle Orange Bus Stop Improvements	\$ 68,954.00	\$ 50,000.00	\$ 118,954.00
GoTriangle Regional Rapid Bus and BRT Plan	\$ 297,000.00	\$ -	\$ 297,000.00
Hillsborough Park and Ride	\$ -	\$ 1,720,000.00	\$ 1,720,000.00
Light Transit Vehicle Purchase	\$ 66,000.00	\$ 534,000.00	\$ 600,000.00
Orange Priority Transit Access Improvements	\$ 396,640.00	\$ 452,500.00	\$ 849,140.00
Patterson Place	\$ 368,549.00	\$ -	\$ 368,549.00
Plaza Controls and HVAC Repairs	\$ -	\$ 103,000.00	\$ 103,000.00
RFFS Implementation - BOMF Expansion	\$ 3,632,374.00	\$ -	\$ 3,632,374.00
RUSBUS	\$ 4,837,461.00	\$ -	\$ 4,837,461.00
RUSBUS Electrification	\$ 1,155,000.00	\$ -	\$ 1,155,000.00
Service Support Vehicles	\$ -	\$ 110,000.00	\$ 110,000.00
Triangle Mobility Hub	\$ 7,847,217.00	\$ 600,000.00	\$ 8,447,217.00
Wake Bus Stop Improvements	\$ 2,666,374.00	\$ -	\$ 2,666,374.00
Wake Long Term I-440 Park and Ride	\$ 2,643,118.00	\$ -	\$ 2,643,118.00
Wake Transit Access and Safety Improvements	\$ 954,344.00	\$ -	\$ 954,344.00
Total Capital Expenses	\$ 34,004,650.00	\$ 13,487,438.00	\$ 47,492,088.00

Requested amount for FY26

FY26 Headcount Summary

Below is a summary of GoTriangle's headcount in FY26

ADMINISTRATIVE HEADCOUNT	TOTAL FY26	TOTAL FY25	FY26 vs. FY25
Comm. & Public Affairs	9	10	-1
Executive Office	3	3	0
Information Technology	9	7	2
Human Capital & Compliance	7	6	1
Capital Development	12	12	0
Legal	7	6	1
Real Estate & Facilities	6	6	0
Equal Opportunity & Compliance	3	3	0
Budget and Finance	11	11	0
Procurement	4	5	-1
Tax District Administration	5	5	0
Planning & Engagement	12	13	-1
Regional Information Center	12	10	2
Sustainable Travel Services	5	5	0
Total Administrative	105	102	3

OPERATIONS HEADCOUNT	TOTAL FY26	TOTAL FY25	FY26 vs. FY25
Transit Administration & Supervision	26	20	6
Safety and Security	12	9	3
Transit Operations	139	106	33
Fleet Maintenance	34	34	0
Paratransit	32	35	-3
Vanpool	1	1	0
Total Transit Operations	244	205	39

	TOTAL FY26	TOTAL FY25	FY26 vs. FY25
Total Administrative and Operations	349	307	42

Glossary of Terms

Below are acronyms used frequently throughout the GoTriangle budget cycle.

Acronym	Definition
CIP	Capital Improvement Plan
DMV	Department of Motor Vehicles
ELT	Executive Leadership Team
FY	Fiscal Year
SMAP	State Maintenance Assistance Program
TDM	Transportation Demand Management
TAM	Transit Asset Management Plan