METROPOLITAN ATLANTA RAPID TRANSIT AUTHORITY

Annual Comprehensive Financial Report

For the year ended June 30, 2025
Atlanta, Georgia

marta

Annual Comprehensive Financial Report

For the Year Ended

June 30, 2025

Atlanta, Georgia

Prepared by the Office of Accounting

Kevin Hurley, Chief Financial Officer

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RAPID TRANSIT AUTHORITY

INTRODUCTION

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2424 Piedmont Rd., N.E.
Atlanta, GA 30324-3330
404-848-5000

December 10, 2025

To the Board of Directors, the Residents and Stakeholders
of the Metropolitan Atlanta Rapid Transit Authority-Service Area:

We are pleased to respectfully submit the 32nd Annual Comprehensive Financial Report (ACFR) for the Metropolitan Atlanta Rapid Transit Authority (MARTA) for the fiscal year ended June 30, 2025, to the MARTA Board of Directors, the 2.2 million residents of our partner jurisdictions and all interested in our financial condition. MARTA is a public body corporate and joint public instrumentality of the City of Atlanta and the counties of Fulton, DeKalb, Cobb, Clayton, and Gwinnett by action of the General Assembly of the State of Georgia for the purposes of planning, constructing, financing, and operating a public transportation system. This report is published to fulfill the financial reporting requirements of the MARTA Act.

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to MARTA for its ACFR for the fiscal year ended June 30, 2024. The Certificate of Achievement is a prestigious national award, recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized ACFR, whose contents conform to program standards. Such ACFR must satisfy both generally accepted accounting principles (GAAP) and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA.

This endeavor is our continued commitment to MARTA's Standard of Excellence, and this report consists of management's representations concerning the financial position of MARTA. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, the management of MARTA has established a comprehensive internal control framework that is designed both to protect MARTA's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of MARTA's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, MARTA's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, the financial report is complete and reliable in all material respects. Overall, the ACFR is presented in four sections: introductory, financial, statistical, and single audit.

The goal of an independent audit is to provide reasonable assurance that the financial statements of MARTA for the fiscal year ended June 30, 2025 are free of material misstatement. The independent audit involves examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and any significant estimates made by management; and evaluating the overall financial statement presentation.

The independent auditors concluded, based upon their audit, that there was a reasonable basis for rendering an unmodified opinion and that MARTA's financial statements for the fiscal year ended June 30, 2025, are presented in conformity with GAAP. The independent auditors' report is presented as the first component of the Financial Section of this report.

MARTA is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act and Title 2 U.S. Code of Federal Regulations ("CFR") Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards ("Uniform Guidance"). Information related to this single audit is included in the Single Audit Section of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the financial statements in the form of a Management Discussion and Analysis (MD&A). This letter of transmittal should be read in conjunction with the MD&A which can be found immediately following the report of the independent auditors in the Financial Section of this report.

ORGANIZATION AND MANAGEMENT

The governance of MARTA is vested in a Board of Directors (the Board) composed of 13 voting members and two non-voting members. Three members are appointed by Fulton County, four members by DeKalb County, two members by Clayton County, three members by the City of Atlanta and one member by the Governor. In addition, the Commissioner of the State Department of Transportation, and the Executive Director of the Georgia Regional Transportation (non-voting) Authority serve as ex officio members of the Board.

The administration of MARTA is directed by the General Manager/CEO who is appointed by the Board. A listing of the members of the Board of Directors, General Manager/CEO and Executive Staff is presented in the Introductory Section. An organizational chart is also included.

THE RAPID TRANSIT SYSTEM

The Metropolitan Rapid Transit Plan (the Plan), an engineering report summarizing the Comprehensive Transit Plan for the Atlanta Metropolitan Area, was adopted by the MARTA Board on August 9, 1971, and structured the development of the Rapid Rail System (System). The major components of the System, as presently described in the Plan, are a fixed-rail system and a bus system providing both local and express bus services.

Heavy Rail

MARTA's rail system consists of 47.6 miles of operational double track and 38 fully functioning stations. The fixed heavy rail system, which consists of steel-wheel trains, operates at speeds up to 70 M.P.H. on steel rails using an electrified "third rail" as the power source. The heavy rail transit system has 278 air-conditioned vehicles operating as any combination of two vehicle married pairs, up to a maximum of eight vehicle. The rail system has lines running in east-west and north-south directions. The main lines intersect at the Five Points Station, located in Atlanta's Downtown Business District. Currently, the active fleet consists of 84 CQ312 BREDA vehicles, 112 CQ311 Hitachi vehicles and 82 CQ310 Franco Belge vehicles.

Light Rail

The streetcar system became operational December 30, 2014 under the management and operation of the City of Atlanta. MARTA acquired ownership and operation of the streetcar system July 1, 2018.

The streetcar system is the first regular passenger streetcar service in Atlanta since the original Atlanta streetcars were phased out in 1949.

The current operating route of the system is referred to as the Downtown Loop and is considered Phase 1 of the streetcar project; there are plans to expand the streetcar system onto the Beltline surrounding central Atlanta.

The Downtown Loop runs 2.7 miles east-west, serving 12 stops. The route provides access to MARTA heavy rail lines at one of its major downtown stations, Peachtree Center Station. The streetcar system uses Siemens S70 light rail vehicles (LRVs), which is powered by 750 direct current (DC) from the Overhead Contact System (OCS).

Bus

The Atlanta Transit System, Inc., a privately-owned bus company, was acquired in February 1972, by MARTA to provide extensive bus transportation services throughout Fulton and DeKalb and a small portion of Cobb, Clayton, and Gwinnett Counties. Currently, MARTA operates only in Fulton, Dekalb, Clayton, the city of Atlanta, and one route into Cobb County.

MARTA's bus fleet and facilities consists of 529 diesel and compressed natural gas buses; 6 electric buses; a heavy maintenance facility and three operating garages; several park-and-ride lots and an extensive system of patron bus shelters and stops. MARTA operates 113 different bus routes providing approximately 27 million annual vehicle miles.

Mobility

MARTA Mobility is paratransit services for persons with disabilities who are unable to negotiate the MARTA fixed route system for some or all of their travel. Passengers must be certified as eligible through a two-part application (client and health care provider) and an in-person functional assessment. Trips can be delivered curb-to-curb within ¾ mile of MARTA fixed route service in Clayton, DeKalb, and Fulton counties as well as the City of Atlanta.

Mobility services outside of the MARTA service area will be governed by intergovernmental agreement and adhere to federal guidelines.

MARTA maintains a diversified fleet size of 251 lift-equipped vans and 35 ramp equipped minivans. There are 2 designated operating facilities to provide this service, which is offered during the same hours and days as the regular bus and rail service. This service is managed under contract by two (2) contract service providers: A National and Transdev; MARTA provides oversight.

Budget

MARTA adopts its Operating and Capital Budget in June of each year. Once adopted, total budgeted revenues and/or expenses cannot change. Budgets are allocated to monthly spending levels and a monthly Budget Performance Report is prepared. The monthly Budget Performance Report analyzes expenditures by office relative to monthly and total budgets, and revenues anticipated for the reporting period. For fiscal year 2025, the Authority had an approved budget of $1.6 billion with $732.6 million allocated to operating expenses and $909.2 million allocated to the capital improvement program and debt service expenses.

FINANCIAL RESULTS

In fiscal year 2025, MARTA's total net position was $1.58 billion. Net position decreased by $58 million from the previous fiscal year when net position was $1.64 billion. Details to all financial results can be found in the accompanying Management's Discussion and Analysis, financial statements, and associated notes.

REGIONAL AND STATE OUTLOOK

Throughout fiscal year 2025, MARTA advanced major capital programs that strengthen system safety, cleanliness, and reliability, while preparing for the global spotlight of the 2026 FIFA World Cup.

MARTA achieved significant progress on its new CQ400 railcars, a cornerstone of the Authority's modernization program. The third trainset arrived in Atlanta in late 2025, with dynamic testing under its own power beginning in November. Manufacturer Stadler is expanding its U.S. production facility to support MARTA's delivery schedule, ensuring the CQ400 fleet enhances operational reliability, safety, and comfort for customers.

The Five Points Transformation project entered active deconstruction on the concourse level with pedestrian and elevator access maintained throughout. While the full transformation will extend beyond the World Cup, MARTA will ensure the street level remains open and welcoming for visitors. Concurrently, the station rehabilitation project on the platform levels progressed with floor tile, lighting, and ceiling upgrades, improving safety, accessibility, and aesthetics ahead of completion in 2026.

Implementation of Better Breeze, MARTA's next-generation fare collection system, advanced with faregate installation at Lindbergh, Doraville, and East Point Stations. Designed to improve security, efficiency, and convenience, the system will launch in spring 2026, in coordination with the NextGen Bus Network.

Construction of the *Rapid* A-Line, the region's first Bus Rapid Transit (BRT) line, advanced with 13 of 14 stations under construction and roadway improvements underway along Hank Aaron Drive. Additional *Rapid* corridors, including Southlake, Candler Road, and Campbellton Road, entered the Final Design phase, marking continued progress in MARTA's high-capacity transit expansion program.

In preparation for the 2026 FIFA World Cup, MARTA continues close coordination with federal, state, and local partners to ensure operational readiness and safety, including specialized MARTA police training, enhanced staffing, and pursuit of additional federal funding to support event operations.

These efforts represent the largest system modernization in MARTA's history and reaffirm the Authority's commitment to providing a safe, clean, and reliable transit network that supports regional mobility, economic development, and customer satisfaction

DEBT ADMINISTRATION

As of June 30, 2025, MARTA had a total of $2.3 billion bonds outstanding and issued under one debt indenture. To be in compliance with the bond trust indentures, MARTA's estimated sales tax receipts must be at least twice the total debt service. The debt coverage ratio for fiscal year 2025 was 4.97. MARTA's Board has placed an additional restriction on the debt service coverage requirement, limiting the maximum estimated annual debt service to no more than 45% of the corresponding year's estimated sale tax receipts. The debt service percentage for fiscal year 2025 was 20.1%.

MAJOR INITIATIVES

Fiscal Year 2025 Strategic Priorities
Fiscal year 2025 Strategic Priorities include support for initiatives that will build stronger connections to our communities.

Customer-Focused
The goal of the Authority is to create a delightful customer experience at all touchpoints of MARTA's services.

Elevating the Customer Journey
MARTA has made significant improvements to enhance the overall transit experience by adding 262 bus shelters and amenities, resurfacing five rail station parking lots, and installing brighter platform lighting at four rail stations. The payment systems at four long-term parking decks have been upgraded, while partnerships with three new Breeze Mobile 2.0 partners—Xpress, Ride Gwinnett, and CobbLinc—have been established. Additionally, a new Station Soccer pitch was added at East Lake Station, and technology enhancements are underway to improve real-time bus and rail arrival information, ensuring a more efficient and user-friendly service for all passengers.

Station Soccer Atlanta run by the not-for-profit Soccer in the Streets since 1989, connects communities through transit, soccer, and leadership training, offering free soccer programs for underserved youth in metro Atlanta. Launched in 2016 at Five Points Station, it became the first soccer field project inside a train station globally, with expansion to West End Station in 2018. The initiative will continue to grow through "The League of Stations," where communities compete via the MARTA transit network. Key partners include The Atlanta United Foundation, MARTA, and The City of Atlanta, as Atlanta positions itself as a burgeoning soccer hub benefiting economically from major soccer events and international tournaments.

In 2023, MARTA expanded its **Fresh MARTA Markets** in DeKalb County and launched the Goodr Mobile Grocery Store in Clayton County to enhance food access for underserved communities. Operating from April through December, the MARTA Market features farm stands at seven stations, providing fresh produce from Tuesday to Friday, with each stand open one day a week. This initiative, a collaboration between MARTA, Community Farmers Markets, and partners like Atlanta Community Food Bank and Open Hand, sources locally grown produce while also offering non-local options, allowing customers to shop for fresh food conveniently on their way home. The goal is to ensure that healthy, fresh food reaches local communities with limited access.

MARTA HOPE (Homeless Outreach and Proactive Engagement)
Launched in August 2020, MARTA HOPE is a partnership with HOPE Atlanta designed to assist individuals experiencing homelessness on the transit system, a situation exacerbated by COVID-19 and a lack of affordable housing. Recognizing that transit property can serve as a refuge for those in need, MARTA implemented a humane, service-oriented approach to address safety concerns without criminalizing homelessness. The program aims to maximize direct assistance while minimizing police involvement in non-criminal situations. Outreach teams, consisting of experienced case managers and uniformed protective specialists, engage with individuals across the transit network to offer dignified support. These specialists, trained in de-escalation and crisis intervention, connect individuals to essential services such as shelter, counseling, job opportunities, and family reunification, enhancing the overall transit experience for all customers.

Workforce Development
The goal of this program is to hire, train, and retain a qualified and motivated workforce that meets current and future needs.

Talented Teams
At MARTA, we understand that a skilled and dedicated workforce is essential for delivering exceptional service now and in the future. To ensure we meet today's demands and tomorrow's challenges, we are prioritizing three key areas:

1. Attracting and retaining top talent
2. Fostering engagement, empowerment, and recognition
3. Promoting professional and technical skills growth

By focusing on these priorities, we aim to enhance our service quality and support our team's success.

Additional Employee Initiatives
We're committed to creating productive work environments through innovation, excellence and accountability. This commitment includes our dedication to equal respect for everyone in the workplace regardless of their background. Employees at MARTA receive honors and recognition for their hard work and dedicated service both to our organization and our community. The work we do cannot happen without our employees, and we have built our organization around giving back to those who devote their work to serving the Atlanta community.

The following items are built into the FY25 budget to support MARTA employees:

- 63% of our operating budget covers direct support to employees in salaries, wages, benefits and overtime.
- Included in the benefits is a 6% match for non-represented employees' defined contribution plans, and an 8.09% contribution to the union pension fund.
- We will have enhanced recognition initiatives throughout the Authority.
- We are also spending approximately $200K for training and leadership development, so our team is ready to tackle the challenges ahead.
- We budgeted $1.1 million for commercial drivers' license training to support the rapid deployment of new bus operators.
- We are creating a competency framework and redefining career paths for employees.
- MARTA provides healthcare coverage so the employee share is limited to 17% for represented and 25% for non-represented employees.

Operational Excellence
The primary focus of the Authority is to create a transit experience that is safe, secure, clean, reliable, and frequent.

Safety
MARTA received the American Public Transportation Association (APTA) Bus Safety Gold Award at the 2024 APTA Mobility Conference, for its campaign to incentivize bus operators to identify and report road hazards or unsafe working conditions.

The Department of Safety and Quality Assurance launched a seven-month campaign from fall 2022 to spring 2023, encouraging bus operators to report hazards via a hotline, with the incentive of monetary awards for verified reports. Throughout the initiative, operators identified 49 hazards, such as obstructive tree limbs and road signs, all of which were subsequently addressed.

National Recognition
MARTA was awarded the American Public Transportation Association (APTA) 2024 Outstanding Public Transportation System Award for their dedication to advancing the future of public transportation, creating vital connections between communities and driving innovation. The 2024 APTA Honors Awards recognizes public transport industry members in North America “who have demonstrated significant leadership” and are “outstanding role models of excellence.”

Bus Rapid Transit (BRT)
MARTA recently celebrated groundbreaking on the region’s first BRT line, the Summerhill/Capitol Avenue BRT. The five-mile BRT line will connect downtown Atlanta to Capitol Gateway, Summerhill, Peoplestown, and the Beltline, with connections to MARTA’s heavy rail system at Five Points, Georgia State, and Garnett Stations. The high-capacity transit line will have new electric buses and operate in 85 percent dedicated lanes
Our new AVIS station screens (Audio-Visual Information System station screens) are designed to facilitate better communication between MARTA and our riders. By using digital displays and audio announcements, we can provide real-time updates about service changes, delays, and emergency alerts. This immediate access to information not only keeps passengers informed but also fosters a sense of community trust. Additionally, through our social media channels and mobile app, we encourage two-way communication, allowing customers to share their feedback and experiences directly with us.

Crisis Management
In times of crisis, effective communication and coordination are paramount. Our technology-driven systems, such as the “See & Say 2.0” MARTA Security App, allow for rapid dissemination of information and resource management, enabling MARTA to respond swiftly to emergencies. The MARTA Police Department conducts full-scale exercises that focus on the response to hypothetical active assailant incidents impacting Operations. These exercises provide a no-fault learning environment to evaluate response plans and procedures.

Data-Driven Decision Making: Utilizing data analytics helps public officials make informed decisions. By analyzing trends and patterns, they can allocate resources more effectively and anticipate community needs.

Capital Programs
MARTA utilizes capital programs to provide safe, reliable, and innovative services as the region’s trusted transit authority

Capital Initiatives
The Authority’s Capital Improvement Program (CIP) provides for the replacement, rehabilitation and enhancement of facilities and equipment required to support system safety, transit operations and regulatory requirements. The program ensures the transit system is maintained to enable continual delivery of high-quality service.

The Authority's $717.1M Capital Improvement Program State of Good Repair (SGR) Sources Budget is based on the previous year capital carryover funds, the capital portion of sales tax receipts, federal and state grants, interest earned on capital investments and the issuance of debt, as needed.

The FY2025 capital budget:

- Assumes a 46% sales tax allocation or $329M to the Capital Budget SOGR
- Assumes $159.6M in grant revenue associated with grant awards
- Assumes $275M debt issued to support capital expenditures

The Capital Budget prioritizes State of Good Repair projects based on this criteria:

- Projects necessary to ensure safety for our customers and employees
- Projects associated with new railcars
- Projects associated with new buses and charging infrastructure
- Station rehabilitation construction projects
- New fare collection equipment design
- Prioritizes More MARTA City of Atlanta projects by project schedule
- Prioritizes More MARTA Clayton expansion projects by project schedule

CAPITAL PLAN PRIORITIES AND ISSUES

MARTA continues to invest in capital improvement projects that preserve its capability for high-quality service delivery over a ten-year range. The long-range CIP consists of a portfolio of programs and projects organized by the major asset categories adapted from the Federal Transit Administration's (FTA) asset management guidelines. The categories include vehicles; facilities and stations; maintenance of way; systems; and non-asset.

Each of these categories includes a number of on-going programs and each program may contain one or more projects.

Due to funding and manpower constraints, MARTA focuses on safety critical, operations critical and state of good repair projects. The CIP categories are depicted below, followed by a description of each of the categories.

I. Vehicles

The vehicles category includes the acquisition and enhancement of vehicles and supporting systems required for MARTA operations. The programs within the vehicle's category include:

- Rail vehicle procurement and enhancement
- Bus vehicle procurement and enhancement
- Paratransit vehicles
- Non-revenue vehicles

II. Facilities & Stations

The facilities and stations asset category include program areas which support design, development, preservation, and rehabilitation of various MARTA facilities. Programs in the facilities and stations asset category include:

- Rail facilities and equipment
- Bus facilities and equipment
- Buildings/ offices and equipment

- Parking lots and parking decks
- Paving, structures, and drainage
- Roofing and skylights
- Underground storage tanks

III. Systems

The systems asset category includes the design, development, implementation, and major enhancement of various systems which support MARTA operations. Program areas within the systems asset category include:

- Revenue collection
- Automatic train control
- Normal, emergency, and standby power systems
- Communications
- Lighting
- Security
- Tunnel ventilation
- Traction Power
- Emergency Tr4ip System (ETS)
- Fire protection

IV. Maintenance of Way

The maintenance of way asset category includes the design, development, and rehabilitation of railroad track infrastructure. Program areas within this asset category include:

- Track maintenance and replacement
- Track structures
- Work equipment

V. Other

This investment category pertains to non-asset-based projects and programs that expand, enhance and support MARTA's operation as well as support the Atlanta Region.

- Transit Oriented Development
- Transit Planning
- Research and Analysis
- Safety Management Systems
- Environmental and Hazard Mitigation
- Performance Management
- Customer Service
- Design Criteria/Standards
- CIP Planning & Controls
- Asset Management

AWARD

MARTA received the GFOA Certificate of Achievement for Excellence in Financial Reporting for the Fiscal Year 2024 Annual Comprehensive Financial Report.

ACKNOWLEDGEMENTS

Special thanks go to the Office of Accounting without whom this report could not have been completed, and all MARTA staff who assisted in this endeavor.

Sincerely,

Kevin Hurley	Jonathan Hunt
Chief Financial Officer	Interim General Manager/CEO

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Metropolitan Atlanta Rapid Transit Authority
Georgia

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2024

Christopher P. Morrill

Executive Director/CEO

Board of Directors

Officers

Jennifer Ide
CHAIR

J. Al Pond
VICE CHAIR

Kathryn Powers
IMMEDIATE PAST CHAIR

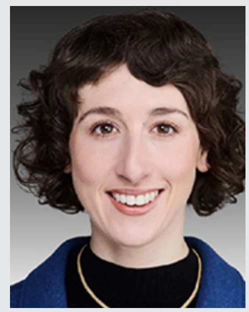
James Durrett
TREASURER

Valencia Williamson
SECRETARY

Directors

W. Thomas Worthy

Roderick Frierson



Shayna Pollock

Freda Hardage

Elizabeth Bolton-Harris

Sagirah Jones

Jacob Tzegaegbe

Rita Scott

Ex-Officio

Russell McMurry

Jannine Miller

AS OF 6/30/2025

Collie J. Greenwood
GENERAL MANAGER/CEO

GM/CEO & Executive Staff

GENERAL MANAGER/CEO
Collie J. Greenwood

CHIEF LEGAL OFFICER
Jonathan Hunt

CHIEF CAPITAL OFFICER
Carrie Rocha

CHIEF OF STAFF AND ADMINISTRATION
Steven Parker

CHIEF FINANCIAL OFFICER
Kevin Hurley

CHIEF CUSTOMER EXPERIENCE OFFICER
Rhonda Allen

CHIEF SAFETY & QUALITY ASSURANCE
Ralph McKinney

CHIEF OPERATING OFFICER
George Wright

DEPUTY CHIEF SAFETY & QUALITY ASSURANCE
Gena Major

DEPUTY CHIEF FINANCIAL OFFICER
Greg Patterson

DEPUTY CHIEF MECHANICAL OFFICER
Daniel Hecht

DEPUTY CHIEF LEGAL COUNSEL
Jonathan Hunt

AGM/CHIEF OF POLICE & EMERGENCY MANAGEMENT
Michael Kreher

AGM LABOR RELATIONS
LaShanda Dawkins

AGM RESEARCH & ANALYSIS
Robert Goodwin

AGM INFRASTRUCTURE
Larry Prescott

AGM INTERNAL AUDIT
Emil Tzanov

AGM CAPITAL PROGRAMS DELIVERY
Tim Brown

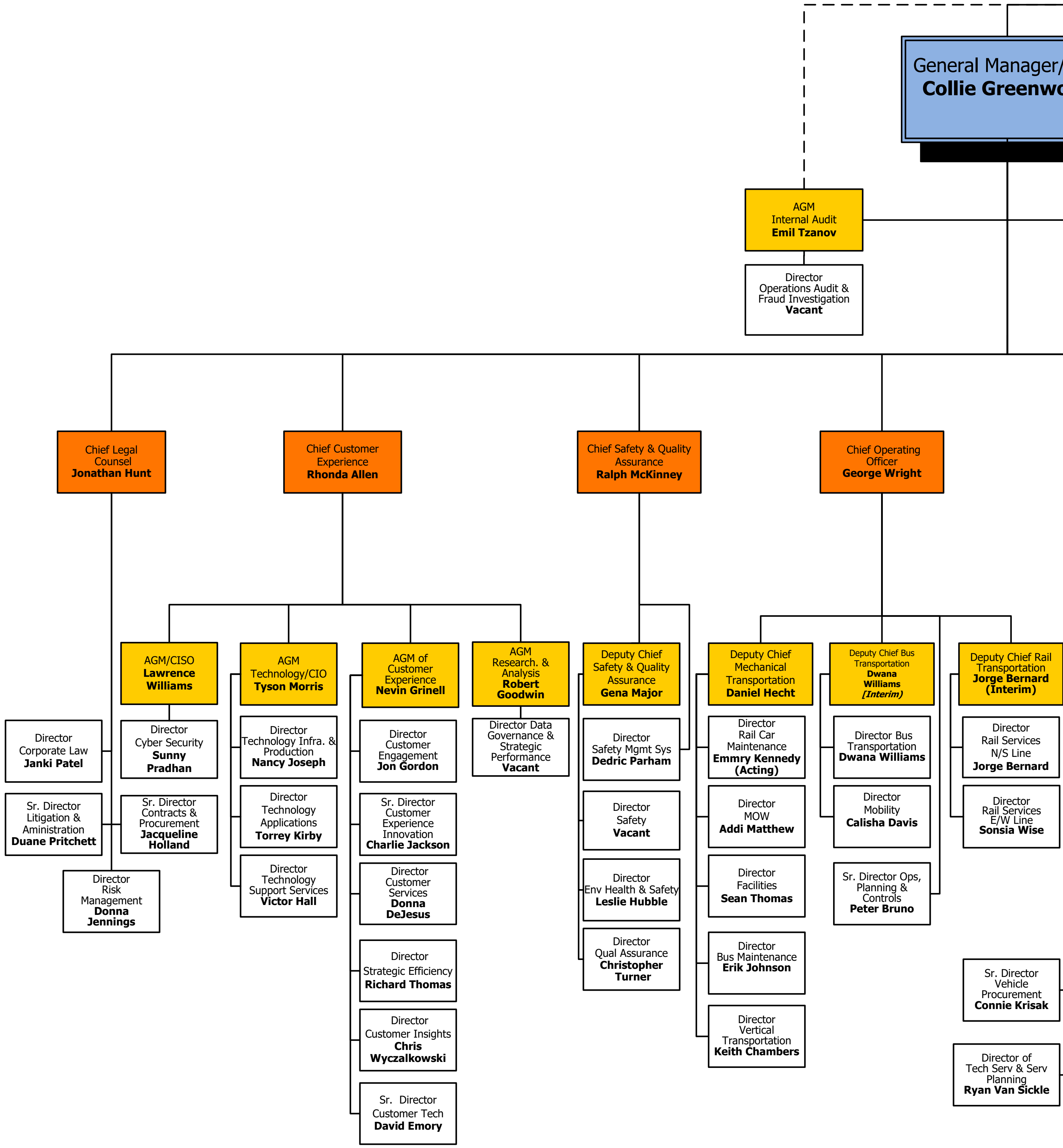
AGM TECHNOLOGY/CIO
Tyson Morris

AGM PLANNING
Shelley Peart

AGM HUMAN RESOURCES
Kesi Dorner

AS OF 6/30/2025

FY2025 ORGANIZATION CHART



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METROPOLITAN ATLANTA RAPID TRANSIT AUTHORITY

- **General Counsel**
- **Board of Directors**
- **COMMITTEES:**
  - *Operations & Safety*
  - *Business Management*
  - *Planning & Capital Programs*
  - *External Relations*
  - *Audit*

- **/CEO** **ood**
  - Director Exec. Office Administration/Assistant Secretary to the Board — **Tyrene Huff**
  - AGM Chief Police & Emerg. Management — **Michael Kreher**
    - Deputy Chief of Police — **Pearlie McKinzie**
    - Deputy Chief of Police — **Willie Davenport, Jr**

- Chief of Operational & Urban Planning — **Paul Lopes**
  - AGM of Real Estate Dev & Asset Mgmt — **John Benton**
    - Director Real Estate — **Robin Boyd**
    - Director TOD — **Vacant**
    - Director Art in Transit — **Katherine Dirga**
  - Local Corridors & Hubs — **Jessica Choi**
  - Director of Technical Training — **Vacant**

- Chief Capital Officer — **Carrie Rocha**
  - CPEI Strategic Projects — **Chris Jackson**
  - AGM Centralized Program Management Office — **Michael Jones (Interim)**
    - Director CIP Budget — **Vacant**
    - Director Project Controls — **Anthony Quick *(Contractor)***
    - Director Spec Serv Prog Mgmt — **Vacant**
    - Director System Activation — **Vacant**
  - AGM of Capital Programs Delivery — **Matthew Pollock (CTR)**
    - Director CPD Support Services — **Kaci Gamble**
    - Director SGR Program Mgmt — **Erik Leach**
    - Director Facilities Program Mgmt — **Keli Davis**
    - Director Expansion Program Mgmt — **Abhay Joshi**
    - Director Systems Program Mgmt — **Vacant**
  - AGM of Infrastructure — **Larry Prescott**
    - Director Systems Engineering Infrastructure — **Melda Hickman**
    - Director Infrastructure SGR — **Vacant**
    - Director Infrastructure Facilities — **Vacant**
    - Director Infrastructure Expansion — **Vacant**
    - Director Infra. Design Stds. & Specs. — **Vacant**
  - AGM of Planning — **Shelley Peart**
    - Director Policy Planning — **Sidney Douse**
    - Community Environment & Innov — **Vacant**
    - Federal Corridors & Hubs — **Marcus Arnold**
  - Director of CPEI Capital Compliance — **Rickey Beasley**

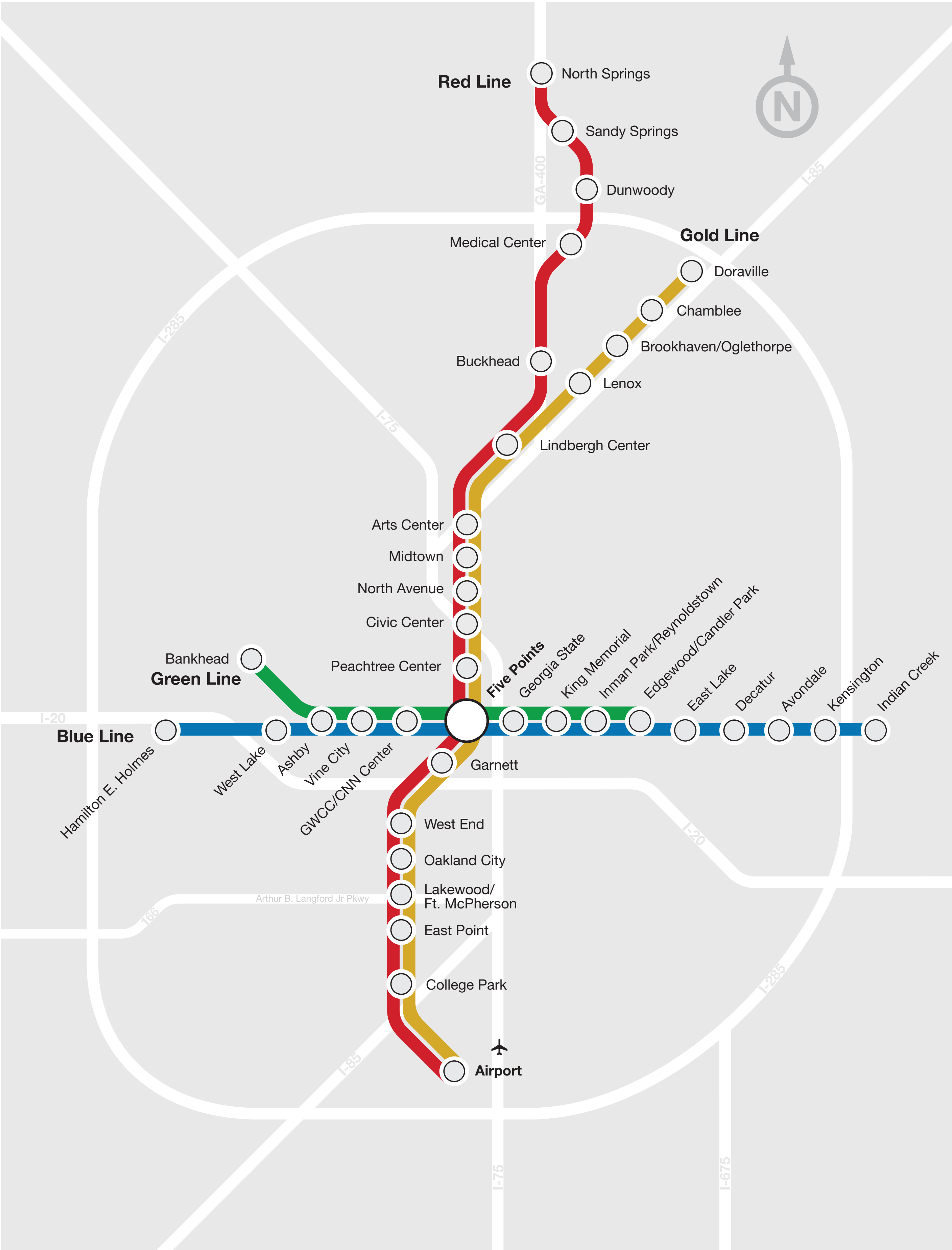
- AGM Diversity & Incl. — **Paula Nash**

- Chief Administrative Officer — **LaShanda Dawkins**
  - AGM of Labor & Employee Rel. — **Vacant**
  - AGM of Human Resources — **Kesi Dorner**
    - Director Human Resources — **Vacant**
    - Director Learning & Dev — **Sherrie Johnson**

- Chief of Staff — **Steven Parker**
  - AGM to External Affairs — **Vacant**
    - Sr. Director Communications — **Stephany Fisher**
    - Sr. Director Govt. & Community Affairs — **Jennifer Larosa**
    - Director Public Engagement — **Vacant**
    - Sr. Director Marketing & Sales — **Chinnette Cannida**

- Chief Financial Officer — **Kevin Hurley**
  - Deputy Chief Finance & Budget — **Greg Patterson**
    - Sr. Director Treasury — **Roydel Stewart**
    - Sr. Director Accounting & Controller — **Cynthia Beasley**
    - Director Rev. Ops. — **Michelle Malone-Thompson**
    - Director APARC — **Bruce Byrd**

06/30/2025


Red Line
North Springs
Sandy Springs
Dunwoody
Medical Center
Buckhead
Lindbergh Center
Arts Center
Midtown
North Avenue
Civic Center
Peachtree Center
Five Points
Garnett
West End
Oakland City
Lakewood/
Ft. McPherson
East Point
College Park
Airport
Gold Line
Doraville
Chamblee
Brookhaven/Oglethorpe
Lenox
Green Line
Bankhead
Blue Line
Hamilton E. Holmes
West Lake
Ashby
Vine City
GWCC/CNN Center
Georgia State
King Memorial
Inman Park/Reynoldstown
Edgewood/Candler Park
East Lake
Decatur
Avondale
Kensington
Indian Creek
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GA-400
I-85
I-285
I-75
I-20
I-675
166
Arthur B. Langford Jr Pkwy

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METROPOLITAN ATLANTA
RAPID TRANSIT AUTHORITY

FINANCIAL

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Crowe LLP
Independent Member Crowe Global

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Metropolitan Atlanta Rapid Transit Authority
Atlanta, Georgia

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the business-type activities and fiduciary activities of Metropolitan Atlanta Rapid Transit Authority (MARTA), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise MARTA’s basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the business-type activities and fiduciary activities of MARTA, as of June 30, 2025, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the MARTA/ATU Local No. 732 Employees Retirement Plan and the MARTA Non-Represented Pension Plan, which represents 53% and 37%, respectively, of the assets and 53% and 36%, respectively, of the net position of the fiduciary activities as of June 30, 2024, and 50% and 34%, respectively, of the revenues of the fiduciary activities for the year then ended. Those statements were audited by other auditors whose reports have been furnished to us, and our opinions, insofar as it relates to the amounts included for the MARTA/ATU Local No. 732 Employees Retirement Plan and the MARTA Non-Represented Pension Plan are based solely on the reports of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards (Government Auditing Standards)*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of MARTA, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions. The financial statements of the MARTA/ATU Local No. 732 Employees Retirement Plan and the MARTA Non-Represented Pension Plan were not audited in accordance with *Government Auditing Standards.*

(Continued)

Emphasis of Matter

As discussed in Note 1, MARTA adopted new accounting guidance, GASB Statement No. 101, C*ompensated Absences*, which resulted in a restatement of the July 1, 2024 net position in the amount of $34,070,000. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about MARTA's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of MARTA's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about MARTA's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Prior-Year Comparative Information

We have previously audited MARTA's fiscal year 2024 financial statements, and we expressed unmodified opinions on the basic financial statements in our report dated December 4, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2024, is consistent, in all material respects, with the audited financial statements from which it has been derived.

(Continued)

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the Schedule of Changes in the Net Pension Liability and Related Ratios, Schedule of Employer Contributions – Pension, Schedule of Changes in Net OPEB Liability and Related Ratios, and Schedule of Employer Contributions – OPEB, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise MARTA'S basic financial statements. The accompanying Combining Statement of Fiduciary Net Position, Combining Statement of Changes in Fiduciary Net Position, and Supplemental Schedule of Revenues and Expenses – Budget vs. Actual (Budget Basis) are presented for purposes of additional analysis and are not a required part of the basic financial statements. The Combining Statement of Fiduciary Net Position, Combining Statement of Changes in Fiduciary Net Position, and Supplemental Schedule of Revenues and Expenses – Budget vs. Actual (Budget Basis) are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, such information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

(Continued)

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards,* we have also issued our report dated December 4, 2025 on our consideration of MARTA's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of MARTA's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering MARTA's internal control over financial reporting and compliance.

Crowe LLP

Crowe LLP

Atlanta, Georgia
December 4, 2025

As management of the Metropolitan Atlanta Rapid Transit Authority ("MARTA" or the "Authority"), we offer readers of MARTA's basic financial statements this narrative overview and analysis of the financial activities of MARTA for the fiscal years ended June 30, 2025 and 2024. This discussion and analysis is designed to assist the reader in focusing on the significant financial issues and activities and to identify any significant changes in financial position. We encourage readers to consider the information presented here in conjunction with the financial statements as a whole. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

MARTA was formed as a joint public instrumentality of the city of Atlanta and the counties of Fulton, DeKalb, Cobb, Clayton, and Gwinnett by action of the General Assembly of the State of Georgia (the "MARTA Act") to design and implement a rapid transit system for the Atlanta metropolitan area. MARTA operates a bus, light rail and rapid rail transportation system and continues to develop and construct further improvements to its integrated bus/rail transportation system.

Overview of Financial Statements

MARTA's financial statements are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America as promulgated by the Governmental Accounting Standards Board ("GASB"). MARTA is structured as a single enterprise fund with revenues recognized when earned and measurable, not when they are received. Expenses are recognized when they are incurred, not when they are paid. Capital assets are capitalized and (except land) are depreciated over their useful lives. Many cash amounts are restricted for debt service and by state and federal regulations. See the Notes to the Financial Statements for a summary of MARTA's significant accounting policies.

Included in MARTA's financial statements are the Statement of Net Position, the Statement of Revenues, Expenses, and Changes in Net Position, the Statement of Cash Flows, Statement of Fiduciary Net Position, Statement of Changes in Fiduciary Net Position, the related notes and required supplementary schedules.

- The **Statement of Net Position** presents information on all of MARTA's assets, liabilities, deferred outflows, and inflows of resources with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of MARTA is improving or deteriorating.

- The **Statement of Revenues, Expenses, and Changes in Net Position** presents information showing how MARTA's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected sales taxes and earned but unused vacation leave).

- The **Statement of Cash Flows** allows financial statement users to assess MARTA's adequacy or ability to generate sufficient cash flows to meet its obligations in a timely manner. The statement is classified into four categories: 1) cash flows from operating activities, 2) cash flows from non-capital financing activities, 3) cash flows from capital and related financing activities, and 4) cash flows from investing activities.

- The **Notes to the Financial Statements** provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

- **Required Supplementary Information (RSI).** In addition to the basic financial statements and accompanying notes, this report also presents certain RSI concerning the Authority's defined benefit pension plans and other post employment benefit (OPEB) plan to its employees.

- The **Statement of Fiduciary Net Position** presents information on all assets, liabilities, deferred outflows, and inflows of resources, fiduciary net position of pension and other post employments benefits.

- The **Statement of Changes in Fiduciary Net Position** presents information on additions to and deductions from pension and other post employments benefits. The additions include investment earnings, investment costs and net investment earnings.

Financial Position Summary

Over time, net position may serve as a useful indicator of MARTA's financial position. MARTA's assets and deferred outflows of resources exceed liabilities and deferred inflows of resources by $1.58 billion at June 30, 2025, a $58 million decrease from June 30, 2024, when assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $1.64 billion. A more detailed discussion is found under the Financial Operations Highlights of this MD&A.

At June 30, 2025, the largest portion of net position was unrestricted assets representing 46%. Unrestricted assets include leases, current assets, investments; less any related debts used to acquire these assets. At June 30, 2024 the largest portion of net position was net investment in capital assets representing 54%. Net investment in capital assets includes land, rail system, buildings, transportation equipment, and right to use leased assets less any related outstanding debt used to acquire those assets. MARTA uses these capital assets to provide services to its customers; consequently, these assets are not available for future spending.

The second largest portion of MARTA's net position in fiscal years 2025 was net investment in capital assets representing 44%. The second largest portion of MARTA's net position in fiscal year 2024 was unrestricted assets representing 39%.

At the end of the current fiscal year, MARTA was able to report a positive balance in all categories of net position. Fiscal years 2024 and 2023 had positive balances in all categories of net position as well.

(Dollars in Thousands)

The following table presents a condensed summary of net position as of June 30, 2025 and 2024:

	2025	2024
ASSETS:		
Current and Other Assets	$1,523,839	$1,394,363
Capital Assets	3,231,977	3,075,818
Net Pension Asset	56,361	17,568
Total Assets	4,812,177	4,487,749
DEFERRED OUTFLOWS OF RESOURCES		
Hedging	153	79
Pension	24,540	70,917
OPEB	11,648	14,113
Debt Refunding	29,794	33,186
Total Deferred Outflows of Resources	66,135	118,295
Total Assets and Deferred Outflows of Resources	4,878,312	4,606,044
LIABILITIES:		
Long Term Debt	2,357,249	2,102,180
Current and Other Liabilities	485,717	368,031
Derivative Liability	153	79
Net Pension Liability	63,926	94,323
Net OPEB Liability	18,203	28,901
Total Liabilities	2,925,248	2,593,514
DEFERRED INFLOW OF RESOURCES		
Leases	286,197	291,953
Refunding	43,804	25,834
Pension	9,701	6,474
OPEB	34,730	51,873
Total Deferred Inflows of Resources	374,432	376,134
Total Liabilities and Deferred Inflows of Resources	3,299,680	2,969,648
NET POSITION:		
Net Investment in Capital Assets	687,720	889,386
Restricted	167,597	115,328
Unrestricted	723,315	631,682
TOTAL NET POSITION	$ 1,578,632	$ 1,636,396

Current and other assets include cash, cash equivalents, investments, inventory, sales tax receivable, prepayments and restricted investments. Current and other assets increased by $129,477 (9%) in 2025. The increase is due to increase in investments for the year. In 2024, there was an decrease of $137,464 (9%) in this category.

Capital assets include land, rail systems, buildings, transportation equipment, right to use leased assets, and other capital assets. In 2025, there was an increase in this category of $156,159 (5%) due to an increase in construction-in-progress. In 2024, there was an increase in capital assets of $25,896 (1%) which was also due to an increase in construction-in-progress.

Net pension assets increased to $56,361 (221%) in 2025 from $17,568 (100%) in prior year, 2024. In 2024, MARTA's net pension assets increased by $17,568 (100%). Both increases in net pension assets are directly related to the performance of the pension fund investments in accordance with GASB 68.

Deferred outflows of resources pension decreased in 2025 by $46,377 (65%) and decreased by $57,618 (45%) in 2024. Both the decreases in 2025 and 2024, respectively, were due to the net differences between the projected and actual investment earnings for the pension plans.

Long-term debt outstanding holds the long-term portion of outstanding sales tax revenue bonds, lease, financed purchase liability and other long-term liabilities. The outstanding sales tax revenue bonds increased by $255,069 (12%) in 2025 due to the new bonds series 2025A and advance refunding series 2025B for portion of 2020B and 2021D. In 2024, the long-term debt outstanding was decreased by $95,871 (4%) due to defeased bonds and partial refunding of bonds.

Current and other liabilities include accounts payable, employee benefits, self-insurance, accrued interest, short-term maturities of financed purchase liabilities and other current liabilities. The liability increased by $117,686 (32%) in 2025 and increased by $34,076 (10%) in 2024. The increase in 2025 was due to increases in accounts and contracts payable and self insurance. The increase was also due to the addition of a compensated absences liability. This liability is the result of the adoption of GASB 101 a new accounting principle. The increase in 2024 was due to an increase in accounts and contracts payable, salaries and employee benefits and self-insurance reserves.

Net pension liability decreased by $30,397 (32%) in 2025 and decreased by $59,029 (38%) in 2024. Both the decrease in 2025 and 2024, respectively, were directly related to the performance of the pension fund investments in accordance with GASB 68.

Deferred inflow of resources – leases decreased by $5,756 (2%) in 2025 and decreased by $5,677 (2%) in 2024. The decrease in 2025 and 2024 was due to recognition of the lease revenue over the lease term on GASB 87 leases.

Deferred inflow of resources – pension increased by $3,227 (50%) in 2025 and decreased by $3,106 (32%) in 2024. Both the increase in 2025 and decrease in 2024, respectively, were due to the net differences between the projected and actual investment earnings for the pension plans.

(Dollars in Thousands)

Financial Operations Highlights

Basis of Presentation - MARTA Act and Sales & Use Tax - MARTA is a single enterprise fund providing public transportation. MARTA provides direct benefits to its users as well as substantial indirect benefits to the public at large (e.g., decreased traffic congestion, decreased need for road construction and maintenance, decreased need for parking, decreased air pollution levels, and increased availability of transportation for low-income citizens). Therefore, the user charges are intended to finance only a portion of the cost of providing these services with additional proceeds obtained from the collections of sales and use tax under the Rapid Transit Contract and Assistance Agreement (MARTA Act) with the City of Atlanta and the counties of Fulton, DeKalb, and Clayton and from federal subsidies. The sales tax is levied at a rate of 1% for each of the counties and 1.5% for the City of Atlanta until June 30, 2057, and 0.5% thereafter. See Note 4 of the Notes to the Financial Statements.

The MARTA Act places certain requirements on the rates that MARTA can charge for transportation services provided. The rates charged to the public for transportation services must be such that the total transit related revenues are no less than 35% of the operating costs, exclusive of depreciation and amortization, and other costs and charges as provided in the Act, of the preceding or prior fiscal year.

Under provisions of amendments to the MARTA Act, revenues, except the sales and use tax, are included in transit related revenues for purposes of this calculation. Transit related revenues were 47.6% and 45.3% of operating costs of the previous fiscal year, as defined under the MARTA Act, for the years ended June 30, 2025 and 2024, respectively. Additional information on the basis of presentation, sales & use tax and the MARTA Act can be found in Note 1, Note 4 and Note 5, respectively.

Summary of Changes in Net Position - The following table presents the summary of changes in net position as of June 30, 2025 and 2024:

	2025	2024
Operating Revenues	$ 84,484	$ 80,825
Operating Expenses	985,955	885,017
Operating Loss	(901,471)	(804,192)
Non-operating Revenues	794,743	736,928
Capital Grants and Contributions	83,034	47,966
Decrease in Net Position	$ (23,694)	$ (19,298)
Net Position, July 1	1,636,396	1,655,694
Cumulative Effect of Adoption of New Accounting Principle	(34,070)	—
Net Position, July 1 Restated	1,602,326	1,655,694
Net Position, June 30	1,578,632	1,636,396

In 2025, operating revenues increased by $3,659 and operating expenses increased by $100,938. The increase in operating revenue was due to an increase in passenger revenue. The increase in expenses resulted in an overall increase in the operating loss of $97,279 from the previous year. In 2024, operating revenue decreased by $415 and operating expenses increased by $45,428, which resulted in an overall increase in operating loss of $45,843.

Non-operating revenues increased by $57,815 (8%) in 2025 and decreased by $92,214 (11%) in 2024. The 2025 increase was due to additional Ad Valorem Tax collection from Clayton County and 2024 decreases was due to an increase in sales tax revenue, and investment income offset by a decrease in federal revenue.

Capital grant and contributions increased by $35,068 (73%) in 2025 compared to a decrease of $4,414 (8%) in 2024.

(Dollars in Thousands)

The following table presents a summarized breakout of MARTA`s revenues, expenses and changes in net position as of June 30, 2025 and 2024:

Summary of Revenues	**2025**	**2024**
Operating		
Fare Revenues	$ 82,246	$ 74,522
Other Revenues	2,238	6,303
Total Operating Revenues	84,484	80,825
Non-Operating		
Sales and Use Tax	740,525	723,263
Ad Valorem Tax	61,663	33,474
Federal Revenues	91,231	82,942
Investment Income	47,525	58,618
Net Lease Transaction Activity	17	—
Other Revenues	14,314	11,300
Gain/Loss on Sale of Property and Equipment	(642)	(1,164)
Total Non-operating Revenues	954,633	908,433
Total Revenues	1,039,117	989,258
Summary of Expenses		
Operating		
Transportation	332,216	312,395
Maintenance and Garage Operations	212,059	194,033
General and Administrative	173,618	122,411
Depreciation	268,062	256,178
Total Operating Expenses	985,955	885,017
Non-Operating		
Interest Expense	80,224	70,146
Amortization of Financing Related Charges and Income from Derivative Activity	(7,391)	(21,001)
Other Non-operating Expenses	87,057	122,360
Total Non-operating Expenses	159,890	171,505
Total Expenses	1,145,845	1,056,522
Income/(Loss) Before Capital Contributions	(106,728)	(67,264)
Capital Grants and Contributions	83,034	47,966
Decrease in Net Position	(23,694)	(19,298)
Net Position, July 1	1,636,396	1,655,694
Cumulative Effect of Adoption of New Accounting Principle	(34,070)	—
Net Position, July 1 Restated	1,602,326	1,655,694
Net Position, June 30	$ 1,578,632	$ 1,636,396

Net position decreased by $57,764 (4%) in 2025 primarily related due to the adoption of a new accounting principle. In 2024, net position decreased by $19,298 (1%) primarily due to federal COVID-19 funding being fully exhausted in 2023.

Total operating revenues include passenger revenues advertising, and parking fees. Total operating revenues increased by $3,659 (5%) in 2025 compared to a decrease of $415 (1%) in 2024. The increase in 2025 was due to an increase in fare revenues.

Sales and use tax revenue increased by $17,262 (2%) in 2025 compared to an increase of $18,847 (3%) in 2024. The 2025 increase was due to a rise in consumer spending on retail sales and the impact of inflation.

Gain/loss on sale of property and equipment increased by $522 (45%) in 2025 compared to an decrease of $1,693 (320%) in 2024. The 2025 increase was due to the sale of buses, land and parcel easement rights.

Transportation expenses increased by $19,821 (6%) in 2025 compared to an increase of $37,130 (13%) in 2024. The 2025 increase was due to an increase in bus operations costs.

Administrative expenses increased by $51,207 (42%) in 2025 compared to an increase of $4,704 (4%) in 2024. The 2025 increase was due to an increase in claims and legal settlements.

Maintenance and garage operation expenses increased by $18,026 (9%) in 2025 compared to an decrease of $2,434 (1%) in 2024. The 2025 increase was due to increase in vehicle and facility maintenance expenses.

Interest expense increased by $10,078 (14%) in 2025 due to new bonds series 2025A and advance refunding 2025B for portion of 2020B and 2021D. In 2024, there was a decrease of $3,362 (5%) due to defeased and partially refunded bonds.

Amortization of financing related charges decreased by $13,610 (65%) in 2025 compared to a increase of $21,769 (2836%) in 2024.

Other non-operating expenses decreased by $35,303 (29%) in 2025 compared to an increase of $36,920 (43%) in 2024 due to an decrease in local funded planning costs associated with capital projects. The 2024 increase was due to local funded planning costs.

Capital Acquisitions and Construction Activities

In 2025, MARTA acquired $416,877 of capital assets. The expenditures on capital activity were primarily for the replacement, rehabilitation, and enhancement of facilities and equipment required to support transit operations, regulatory requirements, and system safety. The net increase/(decrease) in capital assets, including changes in accumulated depreciation and retirements, was $156,159 and $25,896 during the years ended June 30, 2025 and 2024, respectively. Additional information on MARTA's debt and capital asset activity and commitments can be found in Notes 6 and 7 to the financial statements.

(Dollars in Thousands)

The following table summarizes MARTA's net investment in capital assets as of June 30, 2025 and 2024:

	2025	2024
Capital Assets, net	$ 3,231,977	$ 3,075,818
Capital Debt		
Current Maturities of Bonds and Notes	(62,945)	(69,260)
Non current Maturities of Bonds, Notes and LILO	(2,311,430)	(2,054,673)
Current and non current Financed Purchase Liability	(28,035)	(29,549)
Unspent ESCO Escrow Cash	—	780
Deferred Outflows of Resources - Refunding	29,794	33,186
Deferred Inflow of Resources-Refunding	(43,804)	—
Capital Assets Included in Accounts Payable	(105,904)	(43,127)
Lease Liability and SBITA	(21,933)	(23,789)
Total Capital Related Debt	(2,544,257)	(2,186,432)
Net Investment in Capital Assets	$ 687,720	$ 889,386

Long-Term Debt Administration

MARTA issues Sales and Use Tax Revenue Bonds and Variable Rate Bonds to raise capital funds for construction, expansion, and rehabilitation of the transit system. The bonds and notes are payable from and secured by lien on sales and use tax and title ad valorem tax receipts.

The Fixed and Variable rate Bonds carry debt ratings of Aa2 by Moody's Investors Service, AAA by Standard & Poor's and AA+ from Fitch Rating Service and AAA from Kroll. MARTA's total bond debt outstanding was $2,338,643 and $2,089,893 as of June 30, 2025 and 2024, respectively. In 2025, MARTA issued green bonds Series 2025A in the amount of $327,785 and issued refunding green bonds Series 2025B in the amount of $149,840 to refund portion of Bonds Series 2020B and 2021D . MARTA legally defeased a portion of Bonds Series 2020B and 2021D in the amount of $190,740. Additional information on MARTA's long term debt can be found in Note 7 to the financial statements.

Economic Factors

The US Economy (GDP) decreased by 0.3% in the first quarter and increased by 3% in the second quarter of 2025.

Consumption grew at 1.8% in the first quarter and increased to 1.4% in the second quarter. Investments decreased from 9.8% to 1.9% in the first and second quarters, respectively. The federal funds rate has been declining from its peak, with the Federal Reserve lowering the target range to 4.3% in the first and second quarter of the year.

Nationwide, the unemployment rate averaged 4.1% in the first quarter and increased slightly to 4.2% in the second quarter of 2025. The national cumulative change in (nonfarm) jobs dropped to 1.3% compared to prior years and the Georgia cumulative change in (nonfarm) jobs was slightly lower than national at 1.1% in 2024.

The average unemployment rate for Georgia was 3.5% in 2024 and Atlanta was at 3.4% in 2024.The State of Georgia had a personal income aggregate of approximately $698.1B in 2024 seeing growth of 5.7% over 2023. Atlanta had an aggregate of personal income exceeding $455.5B in 2024 with growth of 6.2% over 2023.

Request for Information

This financial report is designed to provide a general overview of MARTA's finances. Questions concerning any of the information provided in this report or request for additional financial information should be addressed to the Office of Accounting, Metropolitan Atlanta Rapid Transit Authority, 2424 Piedmont Road NE, Atlanta, GA 30324-3330.

METROPOLITAN ATLANTA RAPID TRANSIT AUTHORITY

Statement of Net Position

June 30, 2025

(Dollars in Thousands)

(with summarized financial information as of June 30, 2024)

ASSETS	**2025**	**2024**
Current Assets:		
Cash and Cash Equivalents	$ 11,114	$ 9,745
Investments	836,720	707,994
Material and Supplies Inventories	40,174	40,539
Sales Tax Receivables, Prepayments and Other	121,969	117,724
Total Unrestricted Current Assets	1,009,977	876,002
Restricted Cash and Cash Equivalents	817	780
Restricted Investments	163,520	168,473
Lease and Interest Receivables	17,778	13,164
Total Restricted Current Assets	182,115	182,417
Total Current Assets	1,192,092	1,058,419
Noncurrent Assets:		
Restricted Investment held to pay Leases	35,732	34,040
Lease Receivables	280,456	283,484
Restricted Investment - Railroad Trust	10,000	10,000
Total Restricted Non Current Assets	326,188	327,524
Capital Assets:		
Land, Non-depreciable	607,646	601,879
Construction in Progress, Non-depreciable	741,768	483,420
Total Non-depreciable	1,349,414	1,085,299
Rail System and Buildings	4,370,237	4,321,672
Transportation Equipment	1,556,852	1,555,584
Other - Capital Assets	1,941,037	1,852,384
Total Depreciable /Amortizable	7,868,126	7,729,640
Less Accumulated Depreciation/Amortization	(5,985,563)	(5,739,121)
Capital Assets - Net	3,231,977	3,075,818
Net Pension Asset	56,361	17,568
Other - Noncurrent Assets	5,559	8,420
Total Noncurrent Assets	3,620,085	3,429,330
Total Assets	4,812,177	4,487,749
DEFERRED OUTFLOWS OF RESOURCES		
Hedging	153	79
Pension	24,540	70,917
OPEB	11,648	14,113
Debt Refunding	29,794	33,186
Total Deferred Outflows of Resources	66,135	118,295
Total Assets and Deferred Outflows of Resources	$ 4,878,312	$ 4,606,044

The accompanying Notes to Financial Statements are an integral part of these statements.

METROPOLITAN ATLANTA RAPID TRANSIT AUTHORITY
Statement of Net Position
June 30, 2025
(Dollars in Thousands)
(with summarized financial information as of June 30, 2024)

LIABILITIES	2025	2024
Current Liabilities:		
Payable from NonRestricted Assets:		
Accounts and Contracts Payable	$ 206,760	$ 146,047
Salaries and Employee Benefits	19,288	36,111
Compensated Absences Liability Short-Term	26,029	—
Self-Insurance Accruals	40,438	24,145
Other Current Liabilities	12,810	17,884
Total Current Liabilities Payable from NonRestricted Assets	305,325	224,187
Payable from Restricted Assets:		
Current Maturities of Sales Tax Revenue Bonds	62,945	69,260
Accrued Interest	40,658	29,436
Current Maturities of Financed Purchase	2,052	1,514
Total Current Liabilities Payable from Restricted Assets	105,655	100,210
Total Current Liabilities	410,980	324,397
Noncurrent Liabilities:		
Sales Tax Revenue Bonds, Less Current Maturities, Unamortized Premium and Discount	2,275,698	2,020,533
Notes Payable	—	100
Compensated Absences Liability Long-Term	28,068	—
Noncurrent Self Insurance Accruals	46,669	43,634
Other Long-term Liabilities	55,568	53,512
Financed Purchase	25,983	28,035
Derivative Liability - Commodity Swap	153	79
Net Pension Liability	63,926	94,323
Net OPEB Liability	18,203	28,901
Total Noncurrent Liabilities	2,514,268	2,269,117
Total Liabilities	2,925,248	2,593,514
DEFERRED INFLOWS OF RESOURCES		
Leases	286,197	291,953
Pension	9,701	6,474
OPEB	34,730	51,873
Debt Refunding	43,804	25,834
Total Deferred Inflows of Resources	374,432	376,134
Total Liabilities and Deferred Inflows of Resources	3,299,680	2,969,648
NET POSITION		
Net Investment in Capital Assets	687,720	889,386
Restricted		
Debt Service	100,419	105,328
Capital Projects	10,817	10,000
Net Pension Asset	56,361	—
Unrestricted	723,315	631,682
Total Net Position	1,578,632	1,636,396
Total Liabilities, Deferred Inflows of Resources, and Net Position	$ 4,878,312	$ 4,606,044

The accompanying Notes to Financial Statements are an integral part of these statements.

METROPOLITAN ATLANTA RAPID TRANSIT AUTHORITY
Statement of Revenues, Expenses
And Changes in Net Position
For the Year Ended June 30, 2025
(Dollars in Thousands)
(with summarized financial information for the year ended June 30, 2024)

	2025	2024
Operating Revenues:		
Fare Revenues	$ 82,246	$ 74,522
Other Revenues	2,238	6,303
Total Operating Revenues	84,484	80,825
Operating Expenses:		
Transportation	332,216	312,395
Maintenance and Garage Operations	212,059	194,033
General and Administrative	173,618	122,411
Depreciation and Amortization	268,062	256,178
Total Operating Expenses	985,955	885,017
Operating Loss	(901,471)	(804,192)
Nonoperating Revenues (Expenses):		
Sales and Use Tax	740,525	723,263
Ad Valorem Tax	61,663	33,474
Federal Revenues	91,231	82,942
Investment Income	47,525	58,618
Other Revenues	14,314	11,300
Net Lease Transaction Activity	17	—
Loss on Sale of Property and Equipment	(642)	(1,164)
Interest Expense	(80,224)	(70,146)
Amortization of Financing Related Charges	7,391	21,001
Other NonOperating Expenses	(87,057)	(122,360)
Total Nonoperating Revenues (Expenses)	794,743	736,928
Income/ (Loss) Before Capital Contributions	(106,728)	(67,264)
Capital Grants and Contributions	83,034	47,966
Net Position		
Decrease in Net Position	(23,694)	(19,298)
Net Position, July 1	1,636,396	1,655,694
Cumulative Effect of Adoption of New Accounting Principle	(34,070)	—
Net Position, July 1 Restated	$1,602,326	$1,655,694
Net Position, June 30	$1,578,632	$1,636,396

The accompanying Notes to Financial Statements are an integral part of these statements.

METROPOLITAN ATLANTA RAPID TRANSIT AUTHORITY
Statement of Cash Flows
For the Year Ended June 30, 2025
(Dollars in Thousands)
(with summarized financial information for the year ended June 30, 2024)

	2025	2024
Cash Flows from Operating Activities:		
Cash Received from Providing Services	$ 71,135	$ 75,291
Cash Received from (Paid to) Other Sources	4,350	10,207
Other Non-Capital Receipts	11,832	10,867
Cash Paid to Suppliers	(322,691)	(358,010)
Cash Paid for Benefits on Behalf of Employees	(155,154)	(142,912)
Cash Paid to Employees	(273,891)	(264,002)
Net Cash Used by Operating Activities	(664,419)	(668,559)
Cash Flows From Noncapital Financing Activities:		
Sales and Use Tax Collections	739,201	721,460
Ad Valorem Tax	59,451	33,474
Federal Operating Subsidy	91,231	82,942
Net Cash Provided by Noncapital Financing Activities	889,883	837,876
Cash Flows From Capital and Related Financing Activities:		
Proceeds from Issuance of Notes and Bonds	357,637	129,321
Net Bonds Defeased and Refunded	(2,288)	(134,221)
Principal Paid on Revenue Bonds	(69,260)	(59,480)
Interest Paid on Revenue Bonds	(68,601)	(73,821)
Capital Contributions	79,273	35,046
Acquisition and Construction of Capital Assets	(415,343)	(258,241)
Net Cash Used by Capital and Related Financing Activities	(118,582)	(361,396)
Cash Flows from Investing Activities:		
Purchases of Investments	(2,297,359)	(3,796,916)
Proceeds from Sales and Maturities of Investments	2,175,012	3,910,836
Interest Received on Investments	16,871	16,101
Net Cash Provided (Used) by Investing Activities	(105,476)	130,021
Net Increase (Decrease) in Cash and Cash Equivalents	1,406	(62,058)
Cash and Cash Equivalents, Beginning of Year	10,525	72,583
Cash and Cash Equivalents, End of Year	$ 11,931	$ 10,525
Reconciliation of Operating Loss to Net Cash Used by Operating Activities:		
Operating Loss	$ (901,471)	$ (804,192)
Other Nonoperating Expenses	(82,707)	(112,153)
Adjustments to Reconcile Operating Loss to Net Cash Used by Operating Activities		
Depreciation and Amortization	268,062	256,178
Changes in Assets and Liabilities:		
Materials and Supplies Inventories	364	(615)
Prepayments and Other	(12,025)	(4,313)
Deferred Outflows from Pension	46,377	57,618
Deferred Inflows from Pension	3,227	(3,106)
Accounts Payable and Other Current Liabilities	96,487	25,339
Other Non-Capital receipts	11,832	10,867
Net Pension Asset/Liability	(69,190)	(76,598)
Net Other Post-employment Benefits Liability	(10,698)	(59,367)
Deferred Outflows from OPEB	2,466	8,443
Deferred Inflows from OPEB	(17,143)	33,340
Net Cash Used by Operating Activities	$ (664,419)	$ (668,559)

The accompanying Notes to Financial Statements are an integral part of these statements.

METROPOLITAN ATLANTA RAPID TRANSIT AUTHORITY
Statement of Cash Flows
For the Year Ended June 30, 2025
(Dollars in Thousands)
(with summarized financial information for the year ended June 30, 2024)

Supplemental Disclosure of Cash Flow Information	**2025**	**2024**
Noncash Activities:		
Capital Assets Included in Accounts Payable	$ 105,904	$ 43,127
Construction in Progress Financed Purchase	—	7,818
Amortization of Bond Premium, Discount, Bond Insurance and Loss on Debt Refunding	(7,391)	(21,001)
Interest Earnings on Lease	(11,412)	(11,194)
Interest Accrued on Lease	2,249	1,616
Increase(Decrease) in Fair Value of Investments	(1,495)	(9,919)
Proceeds from Bond Refunding to Defease Bonds	168,908	233,163
Amount paid for Defeased Bonds	(190,740)	(247,259)
Interest Expense - ESCO	(2,861)	895
Interest Income - ESCO	(37)	(50)
Lease Liability	486	—
Subscription-Based Technology Arrangements (SBITA) Liability	4,237	—

Summary of cash and cash equivalents reported on the Statement of Net Position:

Cash and cash equivalents	$ 11,114	$ 9,745
Restricted cash and cash equivalents	817	280
Total cash and cash equivalents reported on the Statement of Net Position	$ 11,931	$ 10,025

The accompanying Notes to Financial Statements are an integral part of these statements.

METROPOLITAN ATLANTA RAPID TRANSIT AUTHORITY
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2025
(Dollars in Thousands)
(with summarized financial information for the year ended June 30, 2024)

	2025 Pension and Other Employee Benefits	2024 Pension and Other Employee Benefits
ASSETS		
Receivables:		
Employee Contributions	$ 489	$ 288
Employer Contributions	2,704	566
Other Receivables	22	22
Due from Brokers	1,526	774
Accrued Investment Income	2,270	2,094
Total Receivables	7,011	3,744
Investments at Fair Value:		
Equities	621,562	576,151
Partnerships	6,700	9,392
Mutual Funds	364,054	338,810
Fixed Income	267,720	249,678
Real Estate Funds	20,089	20,788
Derivatives	258	145
Short- term Investments	29,527	30,743
Total Investments	1,309,910	1,225,707
Total Assets	$ 1,316,921	$ 1,229,451
LIABILITIES		
Accounts Payable	$ 721	$ 908
Due to Brokers	7,554	9,200
Total Liabilities	8,275	10,108
NET POSITION		
Restricted for:		
Pensions	1,162,069	1,090,458
Postemployment Benefits other than Pensions	146,577	128,885
Total Net Position	$ 1,308,646	$ 1,219,343
Total Liabilities and Net Position	$ 1,316,921	$ 1,229,451

The accompanying Notes to Financial Statements are an integral part of these statements.

METROPOLITAN ATLANTA RAPID TRANSIT AUTHORITY
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended June 30, 2025
(Dollars in Thousands)
(with summarized financial information for the year ended June 30, 2024)

	2025 Pension and Other Employee Benefits	2024 Pension and Other Employee Benefits
ADDITIONS		
Contributions:		
Employee	$ 9,245	$ 9,008
Employer	39,716	44,370
Total Contributions	48,961	53,378
Investment Income		
Interest and Dividends	20,213	17,955
Net Increase in Fair Value of Investments	115,471	132,895
Real Estate Income	1,018	760
Securities Lending Income	60	63
Total Investment Earnings	136,762	151,673
Less Investment Costs		
Investment Activity Costs	3,586	3,306
Securities Lending Costs	20	20
Net Investment Earnings (Loss)	133,156	148,347
Total Additions	182,117	201,725
DEDUCTIONS		
Benefits Paid to Participants or Beneficiaries	81,065	79,220
Medical, Dental, and Life Insurance for Retirees	10,836	9,172
Administrative Expenses	913	954
Total Deductions	92,814	89,346
Net Increase in Fiduciary Net Position	89,303	112,379
NET POSITION RESTRICTED		
Net Position, July 1	1,219,343	1,106,964
Net Position, June 30	$ 1,308,646	$ 1,219,343

The accompanying Notes to Financial Statements are an integral part of these statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation - The Metropolitan Atlanta Rapid Transit Authority ("MARTA") was formed as a joint public instrumentality of the City of Atlanta and the counties of Fulton, DeKalb, Cobb, Clayton, and Gwinnett by action of the General Assembly of the State of Georgia (the "MARTA Act") to design and implement a rapid transit system for the Atlanta metropolitan area. MARTA operates a bus, light rail, and rapid rail transportation system and continues to develop and construct further improvements to its integrated bus/rail transportation system.

In order to measure the costs of providing mass transportation services, the revenues from those services and required subsidies, MARTA has adopted the accounting principles and methods appropriate for a governmental enterprise fund. This complies with the MARTA Act and Sales Tax Bond Trust Indenture legal requirements that all accounting systems and records, auditing procedures and standards, and financial reporting shall conform to generally accepted principles of governmental accounting.

The following is a summary of the more significant accounting policies of MARTA:

Reporting Entity - MARTA is a municipal corporation governed by a fifteen-member board of directors. As defined by the Governmental Accounting Standards Board ("GASB"), the financial reporting entity is comprised of the primary government and its component units. The primary government includes all departments and operations of MARTA, which are not legally separate organizations. Component units are legally separate organizations, which are fiscally dependent on MARTA or for which MARTA is financially accountable, or which raises and holds economic resources for the direct benefit of MARTA. An organization is fiscally dependent if it must receive MARTA's approval for its budget, levying of taxes, or issuance of debt. MARTA is financially accountable for an organization, most of the organization's board, and either a) could impose its will on the organization or b) there is the potential for the organization to provide a financial benefit to or impose a financial burden on MARTA. The reporting entity of MARTA consists solely of the primary government. MARTA has no component units.

MARTA is a jointly governed organization. Of its fifteen-member board, three members are appointed by Fulton County, four members by DeKalb County, two members by Clayton County, three members by the City of Atlanta, and one member by the Governor. In addition, the Commissioner of the State Department of Transportation and the Executive Director of the Georgia Regional Transportation Authority serve as *ex-officio* members of the Board. None of the participating governments appoint a majority of MARTA's Board and none have an ongoing financial interest or responsibility. None of the participating governments had any significant financial transactions with MARTA during fiscal year ended June 30, 2025.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of Accounting - The accompanying basic financial statements are reported using the *economic resources measurement focus* on the *accrual basis of accounting*, under which revenues are recognized when earned and measurable and expenses are recognized when they are incurred, if measurable.

The financial statements include certain prior year summarized comparative information in total but not at the level of detail required for a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with MARTA's financial statements for the year ended June 30, 2024, from which the summarized information was derived.

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ significantly from those estimates.

Cash and Cash Equivalents - MARTA considers all highly liquid debt securities with an original maturity of no more than three months at date of purchase to be cash equivalents except repurchase agreements and restricted investments, which are classified as investments.

Investments - MARTA's investments are generally reported at fair value based on quoted market prices. Guaranteed investment contracts, which are considered non-participating, are reported at amortized cost. U.S. Treasury and Agency obligations and Prime Banker's Acceptances are reported at amortized cost if MARTA acquires them within one year of maturity. Repurchase agreements, FDIC Public funds, and certificates of deposit are reported at cost.

Investments Held to Pay Leases - To fund certain future obligations under leases resulting from various Lease-in/Lease-out ("LILO") transactions, MARTA has invested funds in government agency bonds and notes, and guaranteed investment contracts. The maturities of these investments have been tied to the payment dates identified in the underlying LILO agreements.

In addition, to fund obligations under the master lease purchase agreement with Pinnacle Public Finance, MARTA established an escrow account with the Bank of New York Mellon Trust Company to make payments for improvements listed in the referenced agreement.

Lease Receivables - MARTA is a lessor of several properties and records the transactions in accordance with GASB Statement No. 87. The associated lease receivables are calculated at the present value of lease payments expected to be received over the term of the leases.

Derivative Financial Instruments - Derivative financial instruments are reported at fair value. A hedging derivative instrument significantly reduces financial risk by substantially offsetting the changes in cash flows or fair values of the item the derivative is associated with. The annual changes in the fair value of a hedging derivative instrument are reported as deferred inflows and deferred outflows on the Statements of Net Position if meeting the requirements of an effective hedge. Derivative instruments not designated as an accounting hedge are classified as an investment derivative.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Changes in fair values of investment derivative instruments, including hedging derivative instruments that are determined to be ineffective, are reported as nonoperating revenues (expenses) on the Statements of Revenues, Expenses, and Changes in Net Position. See Note 9 for further information on these instruments.

Inventories - Materials (principally maintenance parts) and supplies inventories are stated at average cost and accounted for on the consumption method.

Capital Assets - Capital assets are carried at cost and depreciated using the straight-line method based on the estimated useful lives of the related assets. Right-to-use lease and SBITA assets are amortized over the shorter of the term of the agreement or the estimated useful life of the assets. The estimated useful lives for each category are as follows:

Rail system and buildings	5 - 50 years
Transportation equipment	5 - 20 years
Other property and equipment	3 - 20 years
Right-to-use lease for rail system and buildings	5 - 15 years
Right-to-use lease for transportation equipment	5 - 15 years
Right-to-use lease for other property and equipment	5 - 15 years
SBITA (Subscription Based IT Arrangement)	2 - 5 years

MARTA uses a five-thousand dollar capitalization threshold for its capital assets. Donated properties are reported at the estimated acquisition value on the date donated. When assets are sold or retired, the cost of the asset and related accumulated depreciation is removed from the accounts and the resulting gain or loss, if any, is charged to non-operating revenue or expense.

Ordinary maintenance and repairs are charged to expense as incurred, while property additions and betterment are capitalized. MARTA capitalizes, as a cost of its constructed assets, the interest expense based upon the weighted average cost of borrowings of MARTA.

Deferred Outflows and Inflows of Resources - Deferred outflows of resources are a consumption of net assets by MARTA that is applicable to a future period and has a positive effect on net position like an asset.

Deferred inflows of resources are an acquisition of net assets by MARTA that is applicable to a future period and has a negative effect on net position like a liability.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Right to use Assets and Lease Liabilities - MARTA is a lessee on several contracts which under GASB Statement No. 87 results in the reporting of right to use assets and lease liabilities calculated at the present value of lease payments expected over the term of the lease and remeasured for any change in lease payment or lease modification. The lease liabilities are reduced as payments are made and interest expense is recognized for the period.

Right to use SBITA Assets and Lease Liabilities - MARTA has contracts that convey control of the right to use another party's IT software alone or in combination with tangible capital assets, as specified in a contract over a period of time. According to GASB Statement No. 96, the initial liability is measured as the present value of the total subscription payment during the term. The SBITA liabilities are reduced as the payments are made and interest expense is recognized for the given period.

Bond Proceeds, Premiums, Discounts, Issue Costs, Gains and Losses on Refunding - Proceeds from the issuance of Sales Tax Revenue Bonds are initially deposited with the Bond Trustee in a Construction Fund as required by the Trust Indenture between MARTA and the Trustee. MARTA requisitions the funds as needed for construction of the transit system.

Bond premiums and discounts are amortized using the bond outstanding method, which is materially consistent with the effective interest method, over the term of the related debt. Gains and losses on debt refunding are included in deferred inflows and outflows of resources and amortized over the shorter of the life of the refunded debt or the new debt, principally using the bond outstanding method. Debt issuance costs are fully expensed at issuance except for bond insurance costs which are amortized on a straight-line basis over the life of the related bond.

Fare Revenues - Passenger fares are recorded as revenue at the time of sales except for stored cash value, which is recorded at the time services are performed.

Subsidies, Grants and Contributions - MARTA receives grant funds from the Federal Transportation Administration (“FTA”) for a substantial portion of its capital acquisitions. Assets acquired in connection with capital grant funds are included in capital assets. These grants generally require a local funding match by MARTA at a stipulated percentage of total project costs. Capital grant agreements with FTA provide for FTA holding a continuing interest in properties acquired and restricting the use of such properties to providing mass transportation services. MARTA reports donated capital assets as contributions. All donated capital assets along with grants for capital asset acquisition, facility development, and rehabilitation are reported in the Statements of Revenues, Expenses, and Changes in Net Position, after nonoperating revenues and expenses as Capital Grants and Contributions.

MARTA also receives grant funds from the FTA for operating assistance such as preventive maintenance. Grants for operating assistance are reported as Federal Revenues on the Statements of Revenues, Expenses and Changes in Net Position as part of the nonoperating revenues and expenses.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Net Position - Net position presents the difference between assets, liabilities, and deferred outflows/inflows of resources in the Statements of Net Position. Net position pertaining to net investment in capital assets is reduced by the outstanding balances of any borrowing used for the acquisition, construction, or improvement of those assets. Net position components are reported as restricted when there are legal limitations imposed on their use by laws or regulations of other governments or external restrictions by creditors or grantors. Unrestricted net position may be designated for specific purposes at the option of the MARTA Board of Directors. If restricted and unrestricted net positions are available for the same purpose, then the restricted position will be used before the unrestricted position.

Fiduciary Funds - Fiduciary funds are used to account for resources held for the benefit of parties outside of MARTA. Fiduciary funds are not reflected in the primary financial statements because the resources of those funds are not available to support projects or expenses owned or generated by MARTA, rather these funds are accounted for in separate financial statements. The financial statements that contain the fiduciary funds are the Statement of Fiduciary Net Position and the Statement of Changes in Fiduciary Net Position.

The component units and their measurement dates and fiscal year ends included in the fiduciary funds' statements are:

Component Unit	Fiscal Year End
MARTA/ATU Local 732 Employees Retirement Plan	December 31, 2024
Non-Represented Pension Plan	December 31, 2024
Other Post-Employment Benefits (OPEB) Plan	June 30, 2025

Budgetary Controls - An annual operating and capital budget is developed by MARTA's Management. After a public hearing the proposed budget is revised, if necessary, finalized and adopted by MARTA's Board of Directors.

The budget is prepared on the same basis of accounting as the financial statements except that depreciation, interest expense, gains (losses) on sale of property, unrealized gains (losses) on investments and other nonoperating expenses are not budgeted. Management control for the operating budget is maintained at the expenditure category levels. Management has flexibility of reprogramming funds with respect to a cost center and with an approval of budget staff if the total budget authorization is not exceeded. Capital expenditures are controlled at the budget line item.

Cost Allocation - MARTA allocates certain general and administrative expenses to transit operations and capitalizes certain of these expenses in construction in progress based on its cost allocation plan prepared in accordance with FTA guidelines. General and administrative expenses not allocable to either transit operations or construction in progress under FTA guidelines are reflected as nonoperating general and administrative expense in the accompanying Statements of Revenues, Expenses, and Changes in Net Position.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Operating Revenues and Expenses - Fare and parking revenue from transporting passengers, concessions, and advertising are reported as operating revenues. Transactions that are capital, financing, or investing related, or which cannot be attributed to MARTA's transportation focus, are reported as nonoperating revenues. All expenses related to operating the bus and rail system are reported as operating expenses. Interest expenses, financing costs, and planning costs are reported as nonoperating expenses.

Compensated Absences- MARTA employees are granted sick leave, annual paid time off and vacation in varying amounts. A liability is recognized for amounts of accrued annual paid time off and vacation leave and related benefits attributable to services already rendered and for which it is more likely than not that the leave will be used for time off or compensation will be paid. The referenced unused sick leave is not paid upon termination or retirement. Upon retirement, some accumulated sick leave may be counted as credited service for pension benefit calculation purposes under the non-represented defined benefit pension plan.

Adoption of New Accounting Pronouncements Effective for the Fiscal Year Ended June 30, 2025

GASB Statement No.101, *Compensated Absences*, establishes new guidance on the recognition and measurement of compensated absences liabilities for state and local governments. This statement supersedes portions of GASB Statement No. 16 and aims to enhance consistency and comparability in financial reporting.

GASB 101 provides a unified framework for accounting for various types of compensated absences, including:

- Vacation leave
- Paid time off (PTO)
- Holidays
- Parental leave
- Sabbatical leave
- Compensatory time

Under GASB 101, a liability for compensated absences is recognized when all the following criteria are met:

- Leave is attributable to past service.
- The leave accumulates (i.e., it carries over to future periods if unused).
- The leave is more likely than not to be used for time off or otherwise paid.

GASB 101 requires that the cumulative effect of adopting this statement be reflected as an adjustment to beginning net position.

(Dollars in Thousands)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Adoption of New Accounting Pronouncements Effective for Fiscal Year 2025

MARTA adopted GASB Statement 101 in fiscal year 2025. The cumulative effect of adopting this statement is reflected as an adjustment to beginning net position. The cumulative effect of applying this restatement to the beginning net position is summarized below.

Net Position, July 1, 2024 Restatement

Net Position, July 1, 2024	$ 1,636,396
Cumulative Effect of adoption of GASB 101	$ (34,070)
Net Position, July 1, 2024, as Restated	$1,602,326

Impact on Financial Statement Balances as of July 1, 2024

Beginning Unrestricted Net Position	$ (34,070)
Long-Term Liability	27,359
Short-Term Liability	6,711

The prior year summarized comparative information has not been restated for these adjustments.

GASB Statement No.102, Certain Risk Disclosures defines a concentration as a lack of diversity in a significant inflow or outflow of resources. A constraint refers to a restriction placed on a government either by an external party or through formal action taken by the government's is a limitation highest decision-making authority.

The primary objective of this Statement is to enhance the usefulness of government financial statements by disclosing key risks associated with concentration and constraints. These disclosures aim to inform users about potential vulnerabilities that could affect a government's ability to sustain service delivery or meet its financial commitments-especially in cases where such risks might not otherwise be disclosed due to the lack of specific reporting requirements.

MARTA adopted GASB 102 in Fiscal Year 2025. There was no impact as a result of adopting this statement.

2. CASH AND INVESTMENTS

Cash - At June 30, 2025, the carrying amount of MARTA's total cash on hand was $1,267.

As of June 30, 2025, the carrying amount of MARTA's total cash on deposit was $10,664. The bank balance of $11,722 included $868 covered by federal depository insurance and $10,854 collateralized by government securities held by the pledging financial institution's trust department or agent in MARTA's name.

Investments - Georgia statutes authorize MARTA to invest in U.S. Government obligations, U.S. Government agency obligations, obligations of any instrumentality of the U.S. Government, or in repurchase agreements collateralized by any of the aforesaid securities, or in State of Georgia obligations, or in the State of Georgia sponsored investment pool or in other obligations or instruments as allowed by Georgia Law.

Under the terms of MARTA's Sales Tax Revenue Bond Trust Indenture, MARTA may not invest in securities with a remaining term to maturity greater than five years from the purchase date. In addition, MARTA requires that repurchase agreement collateral must have a fair value ranging from 101% to 106% of the cost of the repurchase agreement, depending upon the maturity date and type of security. MARTA's policy states that collateral pledged for repurchase agreements and not delivered to MARTA's safekeeping agent must be held by the pledging bank's trust department in MARTA's name. Investments held and managed by an independent trustee are not subject to these restrictions.

Fair Value Measurements - To the extent available, MARTA's investments are recorded at fair value and the derivatives are recorded at fair value level 2 using quoted prices for similar assets or liabilities in active markets as of June 30, 2025. GASB Statement No. 72 - Fair Value Measurement and Application, defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This statement establishes a hierarchy of valuation inputs based on the extent to which the inputs are observable in the marketplace. Inputs are used in applying the various valuation techniques and consider the assumption that market participants use to make valuation decisions. Inputs may include price information, credit data, interest and yield curve data, and other factors specific to the financial instrument. Observable inputs reflect market data obtained from independent sources. In contrast, unobservable inputs reflect the entity's assumptions about how market participants would value the financial instrument. Valuation techniques should maximize the use of observable inputs to the extent available.

2. CASH AND INVESTMENTS (continued)

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. The following describes the hierarchy of inputs used to measure fair value and the primary valuation methodologies used for financial instruments measured at fair value on a recurring basis:

Level 1 - Investments whose values are based on quoted prices (unadjusted) for identical assets (or liabilities) in active markets that a government can access at the measurement date.

Level 2 - Investments with inputs, other than quoted prices included within Level 1, that are observable for an asset (or liability), either directly or indirectly. Furthermore, if an asset or liability has a specified term to maturity, then to qualify for Level 2 designation, an input must be observable for substantially the full term to maturity of the asset or liability. Level 2 inputs include the following:

a. Quoted prices for similar assets or liabilities in active markets.

b. Quoted prices for identical or similar assets or liabilities in markets that are not active, that is, markets in which there are few transactions for the asset or liability, the prices are not current, or price quotations vary substantially either over time or among market makers (for example, some brokered markets), or in which little information is released publicly (for example, a principal-to-principal market).

c. Inputs other than quoted prices that are observable for the asset or liability (for example, interest rates and yield curves observable at commonly quoted intervals, implied volatilizes, prepayment speeds, loss severities, credit risks, and default rates).

d. Inputs that are derived principally from corroborated by observable market data by correlation or other means (market-corroborated inputs).

(Dollars in Thousands)

2. CASH AND INVESTMENTS (continued)

As of June 30, 2025, MARTA had the following investments and maturities:

		Investment Maturities (in Years)			
Investment Type	**Valuation Measurement Method**	**Value**	**Less than 1**	**1 - 5**	**6 - 10**
Repurchase Agreements	Cost	$ 115,426	$ 115,426	$ —	$ —
U.S. Treasuries	Fair value -Level 1	596,812	531,183	65,629	—
U.S. Agencies	Fair value -Level 2	164,726	29,235	135,491	—
FDIC Public Funds	Cost	21,963	21,963	—	—
Govt Money Market Funds	Cost	7,002	7,002	—	—
Supranational Bonds	Fair value -Level 2	104,311	26,644	77,667	—
Guaranteed Inv Contracts	Amortized Cost	35,732	—	—	35,732
Total		$ 1,045,972	$ 731,453	$278,787	$ 35,732

Interest Rate Risk - The risk that changes in interest rates will adversely affect the fair value of financial instruments or cash flows. As a means of limiting its exposure to this, MARTA's investment policy prohibits investments in U.S. Treasuries and Agencies and State Obligations with maturities greater than five years and six months at the date of purchase.

The policy also limits Repurchase Agreements to three months from the date of purchase. Investments held and managed by an independent trustee are not subject to these restrictions.

(Dollars in Thousands)

2. CASH AND INVESTMENTS (continued)

Credit Quality Risk - The risk that an issuer or other counterparty to an investment will not fulfill its obligations. The exposure of MARTA's debt securities to credit quality risk as of June 30, 2025, is as follows:

Investment Type		Book Value	Credit Rating	Rating Agency
Repurchase Agreements	$	115,426	A1/P1	Moody's/S&P
U.S. Treasuries		596,812	AAA/AA+	Moody's/S&P
U.S. Agencies		164,726	AAA/AA+	Moody's/S&P
FDIC Public Funds		21,963	AAA/AA+ (FDIC)	Moody's/S&P
Govt Money Market Funds		7,002	AA1/NA	Moody's/S&P
Supranational Bonds		104,311	AAA/AAA	Moody`s/S&P
Guaranteed Inv Contracts		35,732	A-2/P-2/A-/Baa1	Moody's/S&P
	$	1,045,972		

Concentration of Credit Risk - The risk of loss that may be attributed to the magnitude of a government's investment in a single issuer. MARTA does not hold more than 5% in any single issuer, other than investments related to the U.S. Government.

Custodial Credit Risk - For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, MARTA will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. At June 30, 2025, included in the investments of $1,045,972 were $10,660 of securities held by a trustee not in the name of MARTA. These investments are the only securities not held in MARTA's name as per the terms of a trust agreement between MARTA and a railroad company.

Foreign Currency Risk - The risk that changes in exchange rates will adversely impact the fair value of an investment. MARTA is not exposed to this risk and its investment policy does not provide for investments in foreign currency denominated securities.

(Dollars in Thousands)

3. RESTRICTED ASSETS

Restricted assets consist of the following for the year ended June 30, 2025:

Restricted Cash and Investments:		**2025**
Sinking Fund	$	105,345
Other-SB 115 10% PY Operating Revenue		58,175
Investment Held to Pay Lease Obligation		35,732
Railroad Trust Fund Agreement		10,000
Pinnacle Escrow Cash		817
Total Restricted Cash and Investments	$	210,069

The amounts held in Sinking Funds are restricted for the payment of bond principal and interest as they become due and to the maintenance of the required reserve amounts (see Note 7).

The Georgia Legislature passed SB115 requiring MARTA to maintain in reserve ten percent of its prior fiscal year's operating revenue. Operating revenue as defined by MARTA Act consists of funds received from federal, state or local sources, farebox revenues and revenues received from rental property owned or operated by the Authority. Said operating budget reserve shall be utilized for ongoing operating expenses only in those circumstances requiring its use due to worsened economic conditions in the Atlanta region, or catastrophic loss such as an act of God or terrorism. The reserve is maintained in the Unified Reserved Portfolio which is comprised of restricted and unrestricted asset. MARTA maintains a floor that is greater than 10% of its prior year operating revenue to comply with the SB115 requirement and the value of the floor equates to the value of the restricted assets within the portfolio. The value of the assets above the floor are considered unrestricted assets in the portfolio.

Investments held to pay lease obligations represent investments held by trustees to be used for lease payments under MARTA's LILO arrangements.

Under the terms of the railroad trust fund agreement between MARTA and a railroad company (the "Railroad"), MARTA has agreed to pay certain costs of purchasing insurance to protect the Railroad against the risk of liability from injury or damage to MARTA's passengers, employees, and property which may result from the Railroad's operations. At June 30, 2025, MARTA had placed certain investments in a special trust fund to guarantee its performance under this agreement. Interest earned on these funds are unrestricted.

An escrow cash account is maintained in MARTA's name as part of the Pinnacle Lease. The funds in the escrow are restricted to pay for the energy savings capital improvements. Interest earned in the escrow account is recorded as non-operating revenue.

4. SALES AND USE TAX

Under the MARTA Act, the Rapid Transit Contract and Assistance Agreement with Fulton and DeKalb Counties and the City of Atlanta and the Rapid Transit Contract with Clayton County, MARTA receives proceeds from the collection of a sale and use tax within Fulton, DeKalb and Clayton Counties and the City of Atlanta. In these jurisdictions, a sales and use tax of 1% is levied for the exclusive use of MARTA. The tax is levied at 1% until 2057 and will be reduced to 0.5% thereafter. Beginning in April 2017, an additional sale and use tax of 0.5% is levied in the City of Atlanta for the purpose of expanding and enhancing MARTA transit service in the City of Atlanta.

In 2015, the Georgia General Assembly permanently eliminated the prior requirement mandating that MARTA spend no more than 50% of the annual sales and use tax proceeds to subsidize the operating costs of the System. Removal of this provision provides MARTA with additional flexibility to manage its resources.

During the year ended June 30, 2025 MARTA used 64% of the sales and use tax proceeds to subsidize the net operating costs.

5. FARE REVENUE

The MARTA Act places certain requirements on the rates that MARTA is to charge for transportation services provided.

The rates charged to the public for transportation services must be such that the total transit related revenues are no less than 35% of the operating costs, exclusive of depreciation and amortization, and other costs and charges as provided in the MARTA Act, of the preceding fiscal year.

Under provisions of amendments to the MARTA Act, all revenues, except the sales and use taxes, are included in transit related revenues for purposes of this calculation.

Transit related revenues for the year ended June 30, 2025 was 47.6% of operating costs of the previous fiscal year (unaudited) as defined under the MARTA Act.

(Dollars in Thousands)

6. CAPITAL ASSETS

Capital asset activities for the year ended June 30, 2025 were as follows:

	Balance June 30, 2024	Additions	Decreases	Balance June 30, 2025
Capital assets, not being depreciated/amortized:				
Land	$ 601,879	$ 5,767	$ —	$ 607,646
Construction in progress	483,420	417,320	(158,972)	741,768
Total capital assets not being depreciated/ amortized	1,085,299	423,087	(158,972)	1,349,414
Capital assets being depreciated/amortized:				
Rail systems & buildings	4,321,672	49,395	(830)	4,370,237
Transportation equipment	1,555,584	8,139	(6,871)	1,556,852
Furniture/fixtures/equipment/vehicles	1,813,741	95,839	(16,177)	1,893,403
Right-to-use equipment	4,478	—	—	4,478
Right-to-use building	22,710	162	—	22,872
SBITA asset	11,455	8,829	—	20,284
Total capital assets being depreciated/amortized	7,729,640	162,364	(23,878)	7,868,126
Less accumulated depreciation/amortization for:				
Rail systems & buildings	(3,015,290)	(115,160)	830	(3,129,620)
Transportation equipment	(1,286,923)	(72,050)	4,955	(1,354,018)
Furniture/fixtures/equipment/vehicles	(1,422,302)	(72,184)	16,124	(1,478,362)
Right-to-use equipment amortization	(2,070)	(639)	—	(2,709)
Right-to-use building amortization	(3,448)	(4,311)	—	(7,759)
SBITA amortization	(9,088)	(4,007)	—	(13,095)
Total accumulated depreciation/amortization	(5,739,121)	(268,351)	21,909	(5,985,563)
Total capital assets being depreciated/amortized, net	1,990,519	(105,987)	(1,969)	1,882,563
Capital assets, net	$ 3,075,818	$ 317,100	$ (160,941)	$ 3,231,977

During the year ended June 30, 2025, new land parcels were listed as assets, but are not being depreciated or amortized. The increase in capital assets exceeds the decrease in construction in progress by $3,392. The variance is due to CIP adjustments to assets of $168 and GASB right-to-use building and SBITA assets not in CIP of $8,991, offset by the addition of new parcels from the Clayton County facility of $5,767.

(Dollars in Thousands)

7. LONG-TERM DEBT

Long-term debt activities for the year ended June 30, 2025 were as follows:

Series	Year Issued	Principal Issued	Years of Maturity	Interest Rates	Balance June 30, 2024	Additions	Principal Retirements	Balance June 30, 2025
Sales Tax Revenue Bonds:								
2015B	2015	$ 88,485	2045	2.00%-5.00%	$ 46,080	$ —	$ (1,280)	$ 44,800
2015C	2015	93,085	2029	5.00%	72,935	—	—	72,935
2016A*	2015	90,260	2029	5.00%	12,995	—	(12,995)	—
2016B	2016	242,985	2029	5.00%	17,885	—	—	17,885
2017A	2017	100,815	2047	3.00%-4.00%	100,815	—	—	100,815
2017C	2018	263,545	2039	3.25%-5.00%	227,630	—	(715)	226,915
2017D	2018	55,845	2030	4.00%-5.00%	54,620	—	(120)	54,500
2018A	2019	165,875	2025	3.00%-4.00%	70,115	—	(33,880)	36,235
2019A	2019	130,790	2047	3.00%-5.00%	130,790	—	—	130,790
2020A	2020	132,330	2047	3.00%-5.00%	132,330	—	—	132,330
2020B	2020	270,145	2040	0.20%-2.68%	209,155	—	(133,065)	76,090
2021A*	2021	117,500	2045	**FRN	117,500	—	—	117,500
2021C	2021	100	2026	**FRN	100	—	—	100
2021D	2021	275,630	2045	0.63%-2.98%	197,745	—	(66,530)	131,215
2021 E-1	2021	60,950	2040	3.00%-5.00%	60,950	—	—	60,950
2021 E-2	2021	32,983	2045	4.00%-5.00%	32,983	—	(25)	32,958
2023A	2023	65,025	2040	5.00%	65,025	—	(1,310)	63,715
2023B	2023	112,505	2032	5.00%	112,505	—	(10,080)	102,425
2024A	2024	110,515	2037	5.00%	110,515	—	—	110,515
2024B	2024	203,350	2045	5.00%	203,350	—	—	203,350
2025A	2025	327,785	2055	5.00%	—	327,785	—	327,785
2025B	2025	149,840	2040	3.25%-5.00%	—	149,840	—	149,840
Subtotal					$ 1,976,023	$ 477,625	$ (260,000)	$ 2,193,648
Less portion due within one year					(69,260)	6,315	—	(62,945)
Plus unamortized premium (discount)					113,870	42,882	(11,757)	144,995
Sales Tax Revenue Bonds total long-term portion					$ 2,020,633	$ 526,822	$ (271,757)	$ 2,275,698

* Bonds from Direct Placements
**FRN - Floating-Rate Note

(Dollars in Thousands)

7. LONG-TERM DEBT (continued)

Changes in Long Term Debt for the year ended June 30, 2025 were as follows:

	Balance June 30, 2024	Increase	Decrease	Balance June 30, 2025	Due within One Year
Revenue Bonds	$ 1,845,428	$ 477,625	$ (247,005)	$ 2,076,048	$ 62,845
Bonds From Direct Placement	130,495	—	(12,995)	117,500	—
Note Payable	100	—	—	100	100
Unamortized Premium (Discount)	113,870	42,882	(11,757)	144,995	—
Total	$ 2,089,893	$ 520,507	$ (271,757)	$ 2,338,643	$ 62,945

Variable rate assumed (4.55%) is based on definition provided in Third Master Trust Indenture: the current 25-year Revenue Bond Index (as of 01/07/25).

Sales Tax Revenue Bonds - Principal on all the Sales Tax Revenue Bonds (the "Bonds") is payable in an annual installment on July 1; interest is payable semi-annually on January 1 and July 1 on all Bonds in the preceding Long-Term table except the Series 2021A Bond and the Note Payable Series 2021C, in which interest is payable on the first day of each month for the previous month.

All the Bonds in the preceding Long-Term Debt tables are payable from and secured by the third lien on sales and use tax and title ad valorem tax receipts.

Currently 75.7% of the outstanding Bonds are redeemable at the discretion of MARTA within the next ten years at a price equal to par.

(Dollars in Thousands)

7. LONG-TERM DEBT (continued)

Annual debt service analysis of Principal and Interest for the year ended June 30, 2025 were as follows:

	Bonds / Notes		Bonds from Direct Placements	
Year Ending June 30	**Principal**	**Interest**	**Principal**	**Interest**
2026	$ 62,945	$ 79,905	$ —	$ 5,111
2027	62,875	83,823	—	5,111
2028	67,395	80,700	—	5,111
2029	69,445	77,526	—	5,111
2030	71,955	74,246	—	5,111
2031-2035	410,175	316,483	—	25,556
2036-2040	526,015	213,859	—	25,556
2041-2045	406,640	126,697	117,500	15,779
2046-2050	237,738	59,372	—	—
2051-2055	130,750	24,571	—	—
2056	30,215	755	—	—
	$ 2,076,148	$ 1,137,937	$ 117,500	$ 92,446

Amount due within one year on long-term debt for the year ended June 30, 2025 were as follows:

Series	Principal
2015B	$ 1,330
2017C	745
2017D	125
2018A	36,235
2019A	3,420
2020A	3,630
2021C	100
2021D	3,365
2023A	2,690
2023B	10,615
2024B	690
	$ 62,945

MARTA's Board established a debt limit for the Sales Tax Revenue Bonds. The total annual debt service on such bonds is limited to no more than 45% of projected sales tax receipts for each year.

7. LONG-TERM DEBT (continued)

MARTA has pledged future sales tax and title ad valorem tax revenues to repay $3,424,031 in sales tax revenue bonds issued in calendar years 2015, 2016, 2017, 2018, 2019, 2021, 2023, 2024 and 2025 of which $3,276,070 is considered long-term debt. Proceeds from the bonds were used for the rehabilitation or expansion of MARTA's rail and bus systems. Principal and interest on the bonds are payable through FY2056, from the sales tax and title ad valorem tax revenues. Annual principal and interest on the bonds are expected to require no more than 45% of such net revenues. Principal and interest paid for in the year ended June 30, 2025 was $149,082.

MARTA issued its Sales Tax Revenue Green Bonds, Series 2025A in the aggregate principal amount of $327,785 plus an original issue premium of $23,814 on February 25, 2025. The Series 2025A Bonds were issued for the purpose of financing various capital projects including upgrade of automated fare collection system, control program and smart restroom. The Authority in addition used portion of the proceeds to pay costs of issuing the Series 2025A Bonds.

On February 25, 2025, MARTA issued refunding green bonds Series 2025B in the amount of $149,840, plus an original issue premium of $19,068, to refund portion of Bonds Series 2020B and 2021D. As a result, a total of $180,740 and an additional $10,000 redemption are considered defeased, and a portion of liability for these bonds and their related assets in the trust accounts have been removed from MARTA`s Statement of Net Position. MARTA recognized a decrease in debt service of $11,832 and economic gain of $8,206. There are a variety of operational and financial covenants associated with the Bonds. Management believes that MARTA follows all such covenants.

In prior years, MARTA has defeased various bond issued by creating separate irrevocable trust funds. New debt has been issued and the proceeds have been used to purchase U.S. Government securities that were placed in trust funds. The investments and fixed earnings from the investments are enough to fully service the defeased debt until the debt is called or matures. For financial reporting purposes, the debt has been considered defeased and, therefore, removed as a liability from MARTA's financial statements. As of June 30, 2025, there were $437,868 of escrow funds associated with these defeased bonds that remain outstanding.

MARTA's outstanding Sales Tax Revenue Bonds (the "Bonds") contain provisions that upon the occurrence of (1) failure to make payment of principal or interest when due, (2) failure to perform any covenant contained in the Bond indenture if such failure continues for 30 days after receipt by MARTA of written notice specifying such default, (3) if MARTA institutes bankruptcy proceedings, (4) any sum payable to MARTA under the terms of its Contract with the taxing jurisdictions is taken in custody under any court process, or (5) any of the taxing jurisdictions shall default in making any payments owed under the Contract or shall materially fail to comply with any provisions of the Contract, then the Trustee may, and upon the written request of the owners of more than 25% in aggregate principal amount of the Bonds shall, declare the principal of all Bonds outstanding and the interest accrued thereon immediately due and payable. All publicly traded and direct placement bonds are subject to the same default provisions under the Bond Indenture. The notice and cure period apply and the private placement bondholders have the same remedies as the other holders.

(Dollars in Thousands)

7. LONG-TERM DEBT (continued)

Sales and use tax revenues are initially deposited into a Sinking Fund held by the bond trustee as required by the Bond Trust Indentures. At June 30, 2025, amounts held in the Sinking Funds exceeded the amounts required to be held pursuant to the Bond Trust Indentures. All such amounts are classified as restricted cash and investments in the Statements of Net Position.

Following is a summary of activity in the Sinking Funds for the year ended June 30, 2025:

	2025
Balance, Beginning of the Year	$ 100,724
Sales and Use Tax Proceeds	141,413
Investment Income	2,299
Principal and Interest Payments on Bonds	(149,082)
Debt Refunding	(190,740)
Excess of Sales Tax Withheld	200,599
Trustee Fees	132
Balance, End of the Year	$ 105,345

(Dollars in Thousands)

7. LONG-TERM DEBT (continued)

At June 30, 2025, MARTA reported $29,794 in deferred outflow of resources related to debt refunding cost for unamortized deferred loss on bonds refunding as follows:

	Deferred Outflows of Resources Debt Refunding
	2025
Unamortized Deferred Loss Bond Refunding	$ 33,186
Current Year Amortization	(3,392)
Addition to Deferred Loss - Debt Refunding	—
Total Deferred Outflow of Resources - Debt Refunding	$ 29,794

At June 30, 2025, MARTA reported $43,804 in deferred inflows of resources related to debt refunding cost for unamortized deferred gain on bonds refunding as follows:

	Deferred Inflows of Resources Debt Refunding
	2025
Unamortized Deferred Gain Bond Refunding	$(25,834)
Current Year Amortization	2,109
Addition to Deferred Gain - Debt Refunding	(20,079)
Total Deferred Inflow of Resources - Debt Refunding	$(43,804)

(Dollars in Thousands)

8. LONG-TERM LIABILITIES

Changes in Long-term Liabilities related to self-insurance reserves, other liabilities, financed purchase, derivative liability, and compensated absences liability for the year ended June 30, 2025 were as follow:

	Balance June 30, 2024 as restated	Increase	Decrease	Balance June 30, 2025	Due within One Year
Self-Insurance Reserves	$ 67,779	$ 84,801	$ (65,473)	$ 87,107	$ 40,438
Other Liabilities	71,396	2,056	(5,074)	68,378	12,810
Financed Purchase	29,549	—	(1,514)	28,035	2,052
Derivative Liability	79	74	—	153	—
*Compensated Absences Liability	52,862	1,235	—	54,097	26,029
Total	$ 221,666	$ 88,166	$ (72,061)	$ 237,770	$ 81,329

MARTA administers and maintains self-insured reserves for workers' compensation claims, automobile liability claims, public liability and property damage claims. MARTA carries excess insurance coverage for amounts exceeding the self-insured retentions.

Other liabilities include future minimum lease payments under Lease-in Lease-out (LILO) arrangements. These agreements provide for the lease of certain Authority's rail capital assets to a financial party lessee and the sublease of such capital assets back to MARTA for a specified term. Other liabilities also include lease payables, SBITA payables, and the related accrued interest payables for each.

MARTA holds a financed purchase agreement with Pinnacle Public Finance to finance multiple comprehensive energy savings capital projects.

The Authority maintains two hedging derivative instruments which must meet annual effectiveness tests.

MARTA recognizes a liability for accumulated unused sick leave for sick leave that is attributable to past services, accumulates, and is more likely than not to be used for time off or otherwise paid.

*The change in compensated absences liability of $1,235 is a net change for the year.

(Dollars in Thousands)

9. DERIVATIVE FINANCIAL INSTRUMENTS

The fair value balances and notional amounts of hedging and investment derivative instruments outstanding and the corresponding changes in fair value of such derivative instruments for the year ended June 30, 2025, were as follows:

		Changes in Fair Value		
	Fiscal Year Classification	Change Amount	Year End Amount	Fair Value Notional
Hedging derivatives:				
Natural Gas Commodity Swaps	Deferred Inflow of resources	$ 99	$ 48	$ 480
Diesel Commodity Swaps	Deferred Outflow of resources	(173)	(201)	5,424
Total		$ (74)	$ (153)	$ 5,904

Hedging derivative instruments must meet annual effectiveness tests. MARTA assessed whether the hedging derivatives were highly effective in offsetting changes in fair value or cash flows of hedged items.

A derivative is effective if changes in a hedgeable item divided by changes in derivative is within a range of 80% to 125% in absolute terms. The test is also met if changes in derivative divided by changes in hedgeable item falls within range of 80% to 125%. The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges are reported as deferred inflows and outflows in the Statements of Net Position. The gain or loss of the ineffective portion is recognized immediately in the Statements of Revenues, Expenses, and Changes in Net Position.

This risk could require MARTA to make a termination payment. MARTA mitigated the credit risk associated with its swaps by having entered into transactions with highly rated counterparties. MARTA also mitigated its concentration of credit risk by having diversified its swap transactions across two different counterparties.

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Commodity Swap Agreements - In order to help plan its diesel and natural gas costs for the fiscal year and to protect itself against price volatility in the market prices of the commodities, MARTA has entered into commodity swap agreements to hedge low sulfur diesel and natural gas costs. This would reduce the value of the contract and MARTA could sell the contract at a loss, or likewise if the index prices are higher, the value of the contracts would increase, and MARTA could sell the contracts at a profit. It is possible that the index prices may be lower than the price at which MARTA committed to in the contracts. If MARTA continues to hold the contract until maturity, MARTA may make or receive termination payments to or from the counterparty to settle the obligation under the contract.

(Dollars in Thousands)

9. DERIVATIVE FINANCIAL INSTRUMENTS (continued)

MARTA has assessed whether the hedging derivatives were highly effective in offsetting changes in fair value or cash flows of hedged items. Based on the annual assessment, the commodity swap agreements met the effectiveness conditions of the dollar-offset method.

MARTA is exposed to the failure of the counterparty to fulfill the fuel contracts. The terms of the contracts include provisions for recovering the cost in excess of the guaranteed price from the counterparty should MARTA have to procure low sulfur diesel and natural gas on the open market.

Three contracts were terminated on June 30, 2025. A summary of agreements is as follows:

Execution Dates	Effective Dates	Termination Dates	Fixed Price	Counter Party		Net Settlement in FY 2025
Natural Gas:						
3/08/2024	3/08/2024	6/30/2025	3.074 per MMBtu	Fifth Third	$	(7)
4/05/2023	4/05/2023	6/30/2025	3.550 per MMBtu	JP Morgan	$	(64)
4/08/2025	1/27/2023	6/30/2027	3.957 per MMBtu	JP Morgan	$	—
Diesel:						
12/19/2023	12/19/2023	6/30/2025	2.4225 per gallon	Fifth Third	$	(173)
12/19/2023	12/19/2023	6/30/2026	2.4225 per gallon	Fifth Third	$	(173)
4/08/2025	4/08/2025	6/30/2027	1.9500 per gallon	JP Morgan	$	—

MARTA assesses the effectiveness of the commodity swaps transactions and whether these derivatives were highly effective in offsetting fluctuations in fair value of cash flows of hedged commodities. Based on the annual assessment, the commodity swap agreements met the effectiveness conditions of the dollar-offset method.

(Dollars in Thousands)

10. FINANCED PURCHASE OBLIGATIONS

Pinnacle Financed Purchase

MARTA entered into a master lease purchase agreement with Pinnacle Public Finance to finance the design construction, implementation, monitoring and maintenance of comprehensive energy savings capital projects. These projects will improve the energy efficiency of certain MARTA facilities and are expected to result in energy cost savings.

The net present value of the future payments has been recorded as financed purchase obligations.

The following is a schedule by year of the future minimum payments under the Pinnacle agreement as of June 30, 2025:

Fiscal Years	
2026	$ 2,052
2027	2,369
2028	1,371
2029	1,820
2030	2,734
2031-2035	15,254
2036-2037	2,435
Present value of net minimum payments	28,035
Less: current principal maturities	(2,052)
Obligations under Financed Purchase - long term	$ 25,983

The liability of these obligation changed in 2025 and 2024 as follows:

Outstanding - June 30, 2024	$ 29,549
Net change in obligation	(1,514)
Outstanding - June 30, 2025	$ 28,035

As part of this project, MARTA also entered into a performance assurance support services agreement with the contractor, Schneider Electric Buildings Americas, Inc. that provides an energy savings guarantee of $55,357 over the course of 17 years. The energy services project guarantees an annual savings of $2,535. The project was completed in May 2023.

11. LONG TERM LEASES AND SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITAs)

Lessor

During the year ended June 30, 2001, MARTA began a Transit Oriented Development Program whereby MARTA executed long-term ground leases for office, retail, and residential development. The AT&T Towers and related parking and retail space were completed at Lindbergh City Center in October 2002. Ground lease agreements for these initial TOD projects provide for various payments to be made to MARTA over several years. In 2013, MARTA began pursuing new opportunities for joint development and identified development partners at four rail stations: King Memorial, Edgewood/Candler Park, Avondale, and Chamblee. The development will take place at other stations throughout the system as more development partnerships are formed.

MARTA is a lessor for non-cancellable leases of land. Leases over 5 years may contain Options to Extend or can be amended to extend in exchange for an upfront payment to MARTA equal to the value of the extension but cannot be renewed.

Upon entering into an agreement, MARTA recognizes lease receivable and deferred inflow of resources in the Statement of Net Position. Lease receivable is initially measured at the present value of payments expected to be received over the life of the leases using incremental borrowing rates. Subsequently, the lease receivable is reduced by the principal portion of the lease payments received. Deferred inflows of resources are reduced as MARTA recognizes leases revenue over the term of the lease.

MARTA recognized $9,720 in lease-related interest revenue and $6,741 in lease revenue associated with the lessor leases in fiscal year 2025.

11. LONG TERM LEASES AND SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITAs) (continued)

Future Lease and Interest Receivables (in thousands) are scheduled to be received as follows:

Fiscal Years	Principal	Interest	Total
2026	$ 3,269	$ 9,784	$ 13,053
2027	805	9,867	10,672
2028	816	9,980	10,796
2029	832	10,037	10,869
2030	541	10,123	10,664
2031-2034	2,391	52,048	54,439
2035-2039	2,972	54,301	57,273
2040-2044	3,578	56,168	59,746
2045-2049	4,237	57,280	61,517
2050-2054	5,563	57,410	62,973
2055-2059	5,902	56,357	62,259
2060-2064	7,006	53,619	60,625
2065-2069	8,517	48,518	57,035
2070-2074	38,711	40,262	78,973
2075-2079	88,944	28,128	117,072
2080-2084	54,097	13,927	68,024
2085-2089	11,685	10,562	22,247
2090-2094	13,209	8,325	21,534
2095-2099	13,887	5,697	19,584
2100-2104	5,603	3,607	9,210
2105-2109	2,307	2,370	4,677
2110-2114	7,728	972	8,700
2115-2119	1,125	23	1,148
Total	**$ 283,725**	**$ 599,365**	**$ 883,090**

11. LONG TERM LEASES AND SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITAs) (continued)

Deferred Inflow of Resources Related to Leases

The deferred inflow of resources is initially measured as the initial amount of the lease receivable. It is recognized as revenue over the life of the lease term on a straight-line basis. As of June 30, 2025, the deferred inflow of resources has a balance of $286,197.

Lindbergh Partnership Parking Agreement

In 2004, MARTA entered into a lease agreement with Carter & Associates, L.L.C. MARTA is the owner of the Leased Property, and the Leased Property is a portion of the project known as the Lindbergh City Center Project. This Lease Agreement reflects a period of ninety-nine (99) Lease years, a long-term utilization of 195 Residential parking Spaces in support of the Project Improvements pursuant to the Parking Agreement. Lessee's cost per parking space equal $7.50, totaling $1,463.

Capital Event Participation Rent / Uptown Square Apartments

Assignment/transfer of Uptown Square Apartments to AVR Uptown Square L.L.C, an affiliate of Alvero Acquisition Corp. and AVR Realty Company LLC occurred in 2013. This transaction resulted in Capital Event Participation Rent due MARTA in 2013. The original lease amount was $4,679 for 98 years.

Capital Event Participation Rent / AC Property - Arts Center Rail Station Lease

Assignment of ground lease dated as of July 14, 2006 and further assigned as of October 3, 2016, now this ground lease known as AC property-Arts Center rail station is amended and extended between MARTA and AC Property Owners, L.P. a Delaware limited partnership. The previous expiration date of August 31, 2083 was extended to a new expiration date of August 1, 2117, resulting in additional compensation paid to MARTA in the amount of $6,500.

Capital Event Participation Rent / Avondale Station Project

MARTA and Development Authority of the City of Decatur entered into a lease Agreement to develop the lease property as a Transit Oriented development in 2016. It was amended in November 2018, which extended the lease to 99 years from November 2018 and Lessee paid MARTA $525.

Capital Event Participation Rent / Edgewood-Candler Park Station Project

MARTA (Landlord) acknowledged a sublease agreement amendment made between Edgewood TOD Master, LLC ("Sublessor") and Moving In the Spirit, Inc. ("Sublessee") in September, 2018. Landlord, Sublessor, and Sublessee have now determined that the allocation of value with respect to the Base Premises (Edgewood-Candler Park Station Project), as reflected in the Terms, was an incorrect allocation of the overall appraised value reflected in the 2014 Appraisal. Sublessor and Landlord have made corresponding corrections to the Base Lease. The parties agree Sublessee shall deliver a portion of the Sublease payment equal to $525 to Landlord (MARTA).

(Dollars in Thousands)

11. LONG TERM LEASES AND SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITAs) (continued)

Resurgens Plaza South Inc. Lease

MARTA and Resurgens Plaza South Inc. entered into a Lease Agreement for Johnsontown South Site dated May 29, 1984. It was amended in 2017, which extended the lease to 99 years. Upon completion of the transaction, the Resurgens Plaza South Inc. paid MARTA $4,250 on July 17, 2017.

Lessee

MARTA is a lessee for non-cancellable series of leases that include radio antenna sites, office space, insertion equipment, copiers, and WAN connectivity for remote sites. MARTA uses the borrowing rates established by PFM Financial Advisors, LLC.

MARTA reduces the lease liability as payments are made and recognized an outflow of resources for interest on the liability. The right-to-use lease assets are also amortized over shorter of the lease agreement or the useful life of the leased assets. The lease liability is reported as part of other liabilities on the statement of net position.

MARTA recognized $4,458 in net liability reductions and $567 in interest payments associated with the leases in fiscal year 2025.

Future lease payments and interest are scheduled to be paid under non-cancellable leases as follows:

Fiscal Years	Principal Payments	Interest Payments	Total
2026	$ 4,967	$ 439	$ 5,406
2027	4,992	303	5,295
2028	5,087	166	5,253
2029	2,352	42	2,394
2030	231	22	253
2031-2035	712	42	754
2036-2040	15	—	15
Total	$ 18,356	$ 1,014	$ 19,370

(Dollars in Thousands)

11. LONG TERM LEASES AND SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITAs) (continued)

Changes in Long Term Liability for the year ended June 30, 2025 is as follows:

	Balance June 30, 2024	Increases	Decreases	Balance June 30, 2025
Lease Liability LT	$ 22,814	$ 486	$ (4,944)	$ 18,356
Total	$ 22,814	$ 486	$ (4,944)	$ 18,356

The liability is included in Other Long-term liabilities on the statement of Net Position

LILO Lease

MARTA entered into various LILO arrangements related to the leasing and subleasing of MARTA's rail cars, rail lines, and a rail maintenance facility. These agreements provide for the lease of certain Authority's rail capital assets to a financial party lessee and the sublease of such capital assets back to MARTA for a specified term.

The net present value of the future sublease payments has been recorded as lease obligations. The funds invested in U.S. Agency Bonds and Notes and Guaranteed Investment Contracts to fund these future lease obligations as they come due have been recorded as Investments Held to Pay Capital Obligations. Unrealized and realized gains and losses on these investments are recorded as non-operating revenues and expenses in the Statement of Revenues, Expenses, and Changes in Net Position.

The following table summarizes MARTA's outstanding lease/leaseback transactions as of the respective transaction dates:

Lease Date	Property	Fair Value At Closing Date	Prepayment Received on Head Lease from the Equity	Amount Invested to Satisfy Sublease Obligation	Cash Benefit Net of Fees	Repurchase Option Date	Sublease Termination Date
9/29/2005	30 Breda CQ 312 Rail Cars	$ 93,300	$ 16,274	$ 11,376	$ 3,839	1/2/2034	12/15/2034
9/29/2005	10 Breda CQ 312 Rail Cars	$ 31,500	$ 5,488	$ 3,793	$ 1,333	1/2/2034	12/15/2034

(Dollars in Thousands)

11. LONG TERM LEASES AND SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITAs) (continued)

The following table shows the net book value of the rail cars under the lease/leaseback transactions as of June 30, 2025:

Lease Date	Property	Net Book Value
9/29/2005	40 Breda CQ 312 Rail Cars	$ 15,994

American Insurance Group ("AIG") and Ambac were participants in most of these structured lease transactions. The downgrade of AIG and Ambac ratings triggered, at the option of the counterparties, the replacement of the Payment Undertaking Agreements and the surety bonds for 18 of the 19 transactions.

Of the 18 transactions that fell below the threshold, replacement was requested for 16. None of MARTA's counterparties in these transactions declared a default.

The lease arrangements include various buyout option dates. Beginning in January 2018 and ending in January 2034, MARTA must execute its intent to buy out the head lease to terminate the LILO agreements. Management has created a schedule of the various buyout option dates and has coordination activities in place to monitor the execution of these options.

There is no scheduled payment for the remaining LILO arrangement until January 2033.

The following is a schedule by year of the future minimum lease payments under these LILO arrangements as of June 30, 2025.

Fiscal Years	
2033	$ 759
2034	9,167
2035	25,806
Present value of net minimum lease payments	$ 35,732
Less: current principal maturities	—
Obligations under lease - long term	$ 35,732

The liability of these leases changed in 2025 and 2024 as follows:

Outstanding - June 30, 2024	$ 34,040
Net change in obligation	1,692
Outstanding - June 30, 2025	$ 35,732

11. LONG TERM LEASES AND SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITAs) (continued)

Deferred Inflow Related to LILO Lease

From the years ended June 30, 2001 to 2007, MARTA entered into several agreements to lease several of its rail cars; the Avondale Rail Maintenance Facility, the East Rail Line (from Five Points station to Indian Creek station), and the South Rail Line (from Five Points station to Airport station). MARTA then leased these same assets back from the third-party investors as a capital sublease. The effect of the transaction was to transfer the tax benefits of ownership to the investors; in exchange, MARTA received cash consideration equal to the difference between the lease and sublease payments. The total consideration net of expenses as of June 30, 2007 was $105,300. Since that time, a number of these arrangements have been terminated. MARTA is required to maintain the rail cars and stations at an operating level over the life of the sublease as specified in the terms of the lease agreements. Because of the ongoing maintenance and renovation expenditures required to meet this operating level, the net proceeds were recorded as unearned and are being amortized over the life of the respective leases (approximately 18.5 years to 32 years) on a straight-line basis.

The deferred tax benefit sold amount is recorded as deferred inflow of resources over the life of the lease. The deferred inflow as of June 30, 2025 is $1,224.

Subscription-Based Information Technology Arrangements

MARTA has Subscription-Based Information Technology Arrangements (SBITAs) contracts with various vendors. These contractual agreements convey control of the right to use a third-party's information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a minimum contractual period of greater than one year, in exchange or exchange-like transaction. MARTA uses various SBITA assets that it contracts through cloud computing arrangements, such as software as a service and platform as a service. The related obligations are presented in the amounts equal to the present value of subscription payments, payable during the remaining SBITA term. Subsequently, a SBITA liability is reduced by the principal portion of the SBITA payments. In addition, an outflow of resources for interest on the liability is also recognized.

Upon entering an agreement, MARTA recognizes a right-to-use SBITA asset and a liability. The SBITA liability is initially measured at the present value of payments expected to be paid over the life of the SBITAs using incremental borrowing rates. Subsequently, a SBITA liability is reduced by the principal portion of the SBITA payments. The SBITA liability is reported as part of other liabilities in the statement of net position. In addition, an outflow of resources for interest on the liability is also recognized.

SBITA assets are amortized over the shorter of the estimated useful life of the asset or the contract term.

In fiscal year 2025, MARTA recognized $2,604 in net increase to the SBITA liability and $250 in interest payments.

(Dollars in Thousands)

11. LONG TERM LEASES AND SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITAs) (continued)

Future payments and interest are scheduled to be paid under non-cancellable leases as follows:

Fiscal Years	Principal Payments	Interest Payments	Total
2026	$ 1,482	$ 104	$ 1,586
2027	1,177	58	1,235
2028	609	21	630
2029	311	4	315
Total	$ 3,579	$ 187	$ 3,766

Changes in Long Term Liability for the year ended June 30, 2025 is as follows:

	Balance June 30, 2024	Increases	Decreases	Balance June 30, 2025
SBITA Long Term Liability	$ 975	$ 4,237	$ (1,633)	$ 3,579
Total	$ 975	$ 4,237	$ (1,633)	$ 3,579

The liability is included in Other Long-term liabilities on the statement of Net Position.

12. PENSION PLANS

Defined Benefits Pension Plan

Plan Description - MARTA maintains two defined benefit pension plans, one Non-Represented Pension Plan (the “Non-Rep Plan”) and one MARTA/ATU Local 732 Employees Retirement Plan, (the “Union Plan”). All plans are single employer plans.

The Non-Rep Plan covers all non-union employees hired before January 1, 2005 and Transit Police employees hired before January 1, 2015 and transfers from the Union Plan prior to January 1, 2018. The Non-Rep Plan has been subsequently closed to all employees and non-union new hires are covered in a defined contribution plan.

The Union Plan provides pension for all members of Division No. 732 of the Amalgamated Transit Union (ATU) and nonmembers who are represented by the Union for bargaining purposes. Union employees are eligible to participate in the Union Plan upon the completion of 60 days of full-time employment.

The funding methods and determination of benefits for the defined benefit plans were established by the MARTA Act creating such plans and, in general, provide that pension funds are to be accumulated from employee contributions, MARTA contributions, and income from the investment of accumulated funds.

12. PENSION PLANS (continued)

The fiduciary net position, as well as additions to and deductions from the fiduciary net position, of the pension plans have been determined on the same basis as they are reported by the plans. The financial statements of the plans were prepared using the accrual basis of accounting.

Member and employer contributions are recognized when due, pursuant to formal commitments and statutory requirements. Benefits and refunds of employee contribution are recognized when due and payable in accordance with the statues governing the plans. Expenses are recognized when the liability is incurred, regardless of when payment is made. Investments are reported at fair value on a trade-date basis. The fiduciary net position of each of the Union and Non-Rep plans are reflected in the measurement of the plans' net pension liability, net pension assets, deferred outflows and inflows of resources related to pension, and pension expense. Both the Union and the Non-Rep Plans measurement dates and fiscal year ends are December 31, 2024.

Each plan is administered by a pension retirement committee. Each plan issues a publicly available financial report that includes financial information for that plan. The reports may be obtained by writing the plans at the addresses below:

Non-Represented Pension Plan
2424 Piedmont Road NE
Atlanta, GA 30324
(404) 848-4143

MARTA/ATU Local 732
Employees Retirement Plan
Administered by:
Zenith American Solutions
100 Crescent Centre Parkway
Tucker, GA 30084
(678) 221-5012

Benefits Provided - The MARTA plans provide the retirement, disability, and death/survivor benefits. The retirement benefits are calculated under a step-rate benefit formula based on final average compensation and multiplied by factors related to length of continuous service. All modifications to the pension plans must be supported by actuarial analysis and receive approval from MARTA's Board of Directors and the pension retirement committees.

Normal retirement under the Union Plan occurs when a participant reaches age 65 with ten years of credit service. For the Non-Rep Plan, the participant must complete five years of credited service and attain age 62. Disability retirement benefits are determined in the same manner as retirement benefits. The continuation of retirement benefits to the participant's designated beneficiary is also provided by both plans. An employee who leaves MARTA may withdraw his or her contributions, plus any accumulated interest.

(Dollars in Thousands)

12. PENSION PLANS (continued)

Plan Membership - Below are the total employees and retirees covered under the Union Plan and the Non-Rep Plan for the plan as:

	December 31, 2024		
	Union Plan	Non-Rep Plan	Combined
Inactive plan members or beneficiaries currently receiving benefits	2,347	1,480	3,827
Inactive plan members entitled to but not yet receiving benefits	487	131	618
Active plan members	2,473	205	2,678
Total	5,307	1,816	7,123

Contributions - MARTA is required to contribute an actuarially determined amount annually to the pension plans. The required contribution amount is determined by an actuary using actuarial methods and assumptions approved by the pension/retirement committee, and an additional amount to fund the unfunded accrued liability.

For the year ended June 30, 2025, MARTA contributed $18,286 and plan participants contributed $1,454 to the Non-Rep Plan. For the year ended June 30, 2025, MARTA contributed $12,395 and plan participants contributed $6,710 to the Union Plan.

Net Pension Liability (Asset) - The net pension liability (asset) at June 30, 2025, was measured as of December 31, 2024, for both the Union Plan and Non-Rep Plan. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2025, for the Non-Rep Plan and as of January 1, 2024, rolled forward to December 31, 2024 for the Union Plan. The reporting date for both plans is June 30, 2025. At June 30, 2025, MARTA reported a net pension liability of $63,926 for the Non-Rep Plan and net pension asset of $(56,361) for the Union Plan.

Actuarial Assumptions - Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. As results are compared to past expectations and new estimates are made about the future, actuarial determinations better reflect current and future conditions. Actuarial calculations consider a long-term perspective. Calculations for June 30, 2025, reflect the substantive plan in effect as of year ended December 31, 2024, and the current sharing pattern of costs between employer and employee.

(Dollars in Thousands)

12. PENSION PLANS (continued)

	Union	Non-Rep
Pension Expense	$8,453	$3,130
Actuarial Valuation Date	1/1/24, rolled forward to 12/31/24	1/1/25
Actuarial Cost Method	Entry Age Normal Cost Method	Individual Entry Age
Amortization Method	Level Percentage of Pay, Closed	Fixed Dollar, Closed
Remaining Amortization Period	15 Years, Closed	9 years
Asset Valuation Method	Market Value	Market Value
Actuarial Assumptions:		
Investment Rate of Return	7.00%	5.50%
Inflation	2.50%	2.50%
Projected Salary Increases:		
Plan Members	4.50%	5.50%
Transit Police	4.50%	5.50%
Cost of Living	None	None
Merit or Seniority	1.00% per year	1.00% per year
Post retirement Benefit Increases	None	None
Mortality Assumption:		
Healthy	RP-2014 Blue Collar Mortality for Healthy Lives with fully generational using 1/2 of Scale MP-2016 set forward by 1 year	RP-2014 Healthy Annuitant Mortality Tables separated by sex, Projection Scale MP-2021, fully generational.
Disabled	RP-2014 Mortality Table for Disabled Lives with fully generational using 1/2 of Scale MP-2016	None. No future mortality improvement was projected.

The assumptions listed above were based on the results of an actuarial experience study for January 1, 2024, for the Union Plan and the five years ending January 1, 2024, for the Non-Rep Plan. Assumptions were updated on January 1, 2024.

Changes in Assumptions and Benefit Terms Since the Prior Measurement Date – In the Non-Rep Plan and in the Union Plan, there were no changes.

Changes in Assumptions and Benefit Terms Since the Measurement Date – There were no changes in assumptions or benefit terms between the measurement date and June 30, 2025.

Discount Rate - The discount rate used to measure the total pension liability at June 30, 2025, was 7.00% for the Union Plan and 5.50% for the Non-Rep Plan. This is the long-term expected return on pension plan investments. The projection of cash flows assumes employer and plan member contributions will continue at the current rates. The fiduciary net position is projected to cover all future benefit payments of current plan members based on a complete closed group cash flow analysis.

(Dollars in Thousands)

12. PENSION PLANS (continued)

Sensitivity of Net Pension Liability to Changes in the Discount Rate - The following presents the net pension liability of the plans at June 30, 2025, calculated using the discount rate of 7.00% for the Union Plan and 5.50% for the Non-Rep Plan, as well as what the individual plans' net pension (asset)/liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease Discount Rate	Current Discount Rate	1% Increase Discount Rate
Union Plan Discount Rate	6.00%	7.00%	8.00%
Plan Net Pension Liability/(Asset)	$8,419	$(56,361)	$(111,629)
Non-Rep Plan Discount Rate	4.50%	5.50%	6.50%
Plan Net Pension Liability	$124,000	$63,926	$14,000

(Dollars in Thousands)

12. PENSION PLANS (continued)

Long-Term Expected Rate of Return - The long-term expected rate of return on the Union and Non-Rep Plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return are developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the plans' target asset allocation as of June 30, 2025 are:

	Union		Non-Rep	
Asset Class	Target Allocation	Expected Rate of Return	Target Allocation	Expected Rate of Return
Domestic Large Cap Equity	20.0%	4.60%	24.00%	4.75%
Domestic Mid Cap Equity	10.0%	5.00%	n/a	n/a
Domestic Small Cap Equity	10.0%	5.50%	9.00%	4.95%
International Equity	25.0%	4.90%	24.00%	4.95%
Domestic Fixed income	30.0%	2.50%	33.00%	2.25%
Real Estate	n/a	n/a	5.00%	3.75%
Alternatives/Convertibles	5.0%	7.50%	5.00%	4.44%

(Dollars in Thousands)

12. PENSION PLANS (continued)

Changes in Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
	(a)	(b)	(a) - (b)
UNION PLAN			
Balance 12/31/2023	$ 632,646	$ 650,214	$ (17,568)
Service Cost	17,117	—	17,117
Interest	43,945	—	43,945
Difference Between Expected & Actual Experience	(8,461)	—	(8,461)
Contributions - Employer	—	12,120	(12,120)
Contributions - Employee	—	6,568	(6,568)
Net Investment Income (Loss)	—	72,706	(72,706)
Benefit Payments	(44,094)	(44,094)	—
Administrative Expenses	(623)	(623)	—
Changes in Assumptions	—	—	—
Changes in Benefit Terms	—	—	—
Other	—	—	—
Member Buybacks	—	—	—
Net Changes	7,884	46,677	(38,793)
Balance 12/31/2024	$ 640,530	$ 696,891	$ (56,361)
NON-REP PLAN			
Balance at 12/31/2023	$ 534,567	$ 440,245	$ 94,322
Service Cost	3,351		3,351
Interest	28,582	—	28,582
Difference Between Expected & Actual Experience	(3,352)	—	(3,352)
Contributions - Employer	—	16,069	(16,069)
Contributions - Employee	—	1,351	(1,351)
Net Investment Income (Loss)	—	44,754	(44,754)
Benefit Payments	(36,971)	(36,971)	—
Administrative Expenses	—	(290)	290
Changes in Assumptions	—	—	—
Changes in Benefit Terms	2,927	—	2,927
Other	—	3	(3)
Member Buybacks	—	17	(17)
Net Changes	(5,463)	24,933	(30,396)
Balance 12/31/2024	$ 529,104	$ 465,178	$ 63,926

(Dollars in Thousands)

12. PENSION PLANS (continued)

Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension -

For the year ended June 30, 2025, MARTA recognized pension expense of $11,583.

At June 30, 2025, MARTA reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources		
	Union Plan	**Non-Rep Plan**	**Combined**
Net difference between projected and actual earnings on investments	$ 815	$ 1,474	$ 2,289
Changes in benefits terms	—	—	—
Difference between expected and actual experience	3,907	—	3,907
Changes of assumptions	—	—	—
Contribution made subsequent to the measurement date	8,316	10,028	18,344
Total	$ 13,038	$ 11,502	$ 24,540

	Deferred Inflows of Resources		
	Union Plan	**Non-Rep Plan**	**Combined**
Net difference between projected and actual earnings on investments	$ —	$ —	$ —
Changes in benefits terms	—	—	—
Difference between expected and actual experience	(8,078)	—	(8,078)
Changes of assumptions	(1,623)	—	(1,623)
Total	$ (9,701)	$ —	$ (9,701)

(Dollars in Thousands)

12. PENSION PLANS (continued)

Deferred outflows of resources of $18,344 related to pensions resulting from contributions made subsequent to the December 31, 2024 measurement date will be recognized as a reduction of the net pension liability in the subsequent future reporting period. Other amounts reported as collective deferred outflows and deferred inflows of resources to be recognized in pension expense as follows:

	Deferred Outflows (Inflows) of Resources		
Year Ending June 30	Union Plan	Non-Rep Plan	Combined
2026	$ 2,256	$ 4,170	$ 6,426
2027	14,753	10,446	25,199
2028	(16,370)	(9,170)	(25,540)
2029	(5,618)	(3,972)	(9,590)
Total	$ (4,979)	$ 1,474	$ (3,505)

DEFINED CONTRIBUTION PENSION PLAN

Plan Description - MARTA maintains one defined contribution pension plan, the MARTA Non-Represented Defined Contribution Plan and Trust (the "DC Plan"). The DC Plan provides pension benefits for all full-time non-represented employees of MARTA who were hired on or after January 1, 2005, Transit Police hired on or after January 1, 2015, and to those members of the Non-Rep Plan who elected to transfer to this plan. Covered employees were eligible to participate on the first date of employment. The plan provisions and contribution requirements are established and may be amended by the pension retirement committee after approval by resolution of the MARTA Board of Directors. The plan is administered by a pension retirement committee, and Nationwide is the trustee. The DC Plan does not issue stand-alone financial statements.

Benefits Provided - The MARTA DC Plan was established to provide retirement, disability, and death/survivor benefits. Normal retirement under the DC Plan occurs when a participant reaches the age of 65. If the participant terminated on or after their normal retirement date, they will receive 100% of the account. If the participant terminated before their normal retirement date, they shall be entitled to receive the vested percentage of the account based on years of service. Notwithstanding the retirement rules above, the participant's employer contribution account shall become 100% vested and not subject to forfeiture upon the occurrence of any of the following events: reaching normal retirement age, death, or becomes disabled.

Contributions - For the year ended June 30, 2025, MARTA contributed $6,905 and plan participants contributed $7,197 to the DC Plan.

13. EMPLOYEE BENEFITS

DEFERRED COMPENSATION PLAN

MARTA has adopted a deferred compensation plan in accordance with Section 457 of the Internal Revenue Code (the "457 Plan").

The 457 Plan allows any employee to voluntarily defer receipt of up to 25% of gross compensation, not to exceed $19.5 per year or if age 50 and over, not to exceed $26 per year. All administration costs of the 457 Plan are deducted from the participant's account. The deferred amounts may be distributed to the employee upon retirement or other termination of employment, disability, death, or financial hardship (as defined). The 457 Plan's assets are held and administered by insurance providers. MARTA has no fiduciary relationship with the trust. Accordingly, the 457 Plan assets are not included in MARTA's Statement of Net Position.

OTHER POST EMPLOYMENT BENEFITS (OPEB)

Plan Description - In addition to providing pension benefits, MARTA provides certain health care benefits for retirees who meet retirement requirements, provide an employee share of premiums for health coverage and retired under one of the defined benefits pension plans. The union retiree benefits are collectively bargained. The Non-Represented retiree benefits are not contractually guaranteed. The MARTA OPEB Trust Plan (OPEB Trust or OPEB Plan) is a single-employer plan. The plan is administered by the OPEB Committee. The four MARTA positions that are members of the OPEB Committee are: Chief Financial Officer, Assistant General Manager of Human Resources, Chief Counsel and Controller. There is not a separate GAAP-based audited set of financial statements for the OPEB Plan.

Healthcare benefits are available to normal, early or disability retirees from retirement up to age 65. Spouses are eligible for coverage only while the participant is covered. Eligibility requirements for healthcare coverage for Union participants retiring with a reduced pension is 75 points. Healthcare coverage for Non-Represented participants, including Police Officers, is only available for those hired prior to July 1, 2004, and they must have at least 10 years of service upon retirement.

The fiduciary net position of the OPEB plan is reflected in the measurement of the plan's net OPEB liability, deferred outflows, deferred inflows and OPEB expense. The OPEB Plan actuarial valuation date is June 30, 2023, carried forward to June 30, 2024 and the measurement date is June 30, 2024.

Benefits Provided – OPEB benefits include medical, vision, dental and pharmaceutical coverage along with basic life and critical illness insurance, retiree transit pass and long-term disability benefits for Non-Represented retiree.

Life insurance and retiree transit pass benefits continue for life. Retirees may select from several health plans and pay a portion of the cost of benefits. Critical Illness benefits are provided based on the type of health plan.

(Dollars in Thousands)

13. EMPLOYEE BENEFITS (continued)

Plan Membership - Below are the total employees and retirees covered under the OPEB Plan for the actuarial plan year ended June 30, 2024:

	Union		Non-Rep		Combined	
	Healthcare	Life Insurance	Healthcare	Life Insurance	Healthcare	Life Insurance
Inactive Plan Members or Beneficiaries	257	2,396	227	1,334	484	3,730
Active Plan Members	2,317	2,461	152	239	2,469	2,700
	2,574	4,857	379	1,573	2,953	6,430

Contributions – The normal annual costs of the plan are funded by employer and retiree contributions that are pay as you go. MARTA maintains a trust for future OPEB funding above the pay as you go. However, no benefits have been paid from the OPEB Trust. MARTA contributed $11,514 to the OPEB Trust for the fiscal year ending June 30, 2025.

Net OPEB Liability - The liability of employers and contributing entities to employees for post employment benefits other than pensions (other post-employment benefits or OPEB) provided under the MARTA OPEB Plan. It is the difference between the Total OPEB Liability and the Plan Fiduciary Net Position. At June 30, 2024, MARTA reported a net OPEB liability of $18,203.

Discount Rate - The discount rate used to measure the Total OPEB Liability for the Plan Year ending June 30, 2024, is 6.5%. This rate is based on the long-term expected yield rate on current and expected future assets. A separate cash flow projection, if employer contributions will continue at the current rates, shows the OPEB Plan's projected Fiduciary Net Position being greater than the benefit payments projected for each future period assuming this pattern continues. Therefore, the long-term expected rate of return on Plan Investments was applied to all periods of projected benefit payments to determine the Total OPEB Liability.

Actuarial Assumptions - Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. Actuarial calculations consider a long-term perspective. Calculations reflect the substantive plan in effect as of year ending June 30, 2024, and the current sharing pattern of costs between employer and employee. As results are compared to past expectations and new estimates are made about the future, actuarial determinations better reflect current and future conditions.

(Dollars in Thousands)

13. EMPLOYEE BENEFITS (continued)

Changes in Assumptions and Benefit Terms Since the Prior Measurement Date - The inflation rate remained at 2.50% and the healthcare cost trend rate remained 7.25%. Additionally, withdrawal rates have been updated for the Non-Represented (Police) group to be in accordance with the pension plan.

The following assumptions are for the OPEB plan and were based on the results of an actuarial experience study for the period ending June 30, 2024.

Discount Rate:	6.5%
Investment Rate of Return:	6.5%
Inflation Rate:	2.50%
Healthcare Cost Trend:	7.25% for 2023-24 PY and decreases to an ultimate rate of 5.0% by PY 2032-33
Election on Health Care Coverage	100% of eligible active employees will elect coverage and 10% of eligible retirees who previously opted out will elect coverage
Dependents Coverage	Non-spouse dependent coverage was assumed by blending an additional load into monthly claims
New Entrant Assumption	An open group projection has been employed for developing expected liabilities and benefit payouts
Age of Participants with Unrecorded Dates of Birth	Average age of Participants with recorded dates of birth and the same vested status

Healthcare Trend Rates

Year	Trend	Year	Trend
2023-24	7.25%	2029-30	5.75%
2024-25	7.00%	2030-31	5.50%
2025-26	6.75%	2031-32	5.25%
2026-27	6.50%	2032 and after	5.00%
2027-28	6.25%		
2028-29	6.00%		

Health Care Age Based Cost Adjustment

Age	Claims Graduation
Less than 55	3.3%
55 - 59	3.6%
60 - 64	4.2%

Long Term Disability	75% of qualifying participants will be permanently disabled and 25% will experience 4 years of disability.
Retiree Transit Pass Election Rate	63% of retirees will apply for the Retiree Pass
Retiree Transit Pass Usage	2 rides per month with 36% usage

(Dollars in Thousands)

13. EMPLOYEE BENEFITS (continued)

UNION PLAN

Mortality Rates

Pre and Post-Retirement:	RP-2014 Blue Collar Mortality Table with fully generational projection using ½ of Scale MP-2016 set forward by 1 year
Post-Disablement:	RP-2014 Disabled Mortality Table with fully generational projection using ½ of Scale MP-2016, Fully Generational
Salary Scale:	4.5% compounded annually for Police, 3.0% for all others

Withdrawal Rates - Sample Rates as Shown

	Service		
Age	< 2 Years	2 - 4 Years	4 + Years
20	16.19%	10.86%	0.00%
30	16.75%	10.39%	6.42%
40	14.32%	7.92%	4.60%
50	14.04%	6.81%	4.07%
60	12.27%	6.00%	1.62%

Retirement Ages - Rates as Shown

Age	5-10 YOS	10-15 YOS	15+ YOS
52-57	4.2%	3%	3%
58-61	4.2%	3%	15%
62-64	4.2%	9%	24%
65-71	15%	24%	24%
72+	100%	100%	100%

Healthcare Claims Cost

Age	Cost
50	$1,020
55	$1,200
60	$1,441
64	$1,698

(Dollars in Thousands)

13. EMPLOYEE BENEFITS (continued)

NON-REPRESENTED PLAN

Mortality Rates

Pre and Post-Retirement:	RP-2014 Employee and Healthy Annuitant Mortality Tables, separate by sex, Projection Scale MP-2021 from 2007, Fully Generational
Post-Disablement:	RP-2014 Disabled Annuitant Mortality Tables, separate by sex, Projection Scale MP-2021 from 2007, Fully Generational
Salary Scale:	5.5% compounded annually for Police, 3.0% for all others

Withdrawal Ages - Sample Rates as Shown

		Transit Police	
Age	Non-Police	Under 5 YOS	5 YOS or more
30	9.26%	50.0%	50.0%
35	6.14%	50.0%	50.0%
40	3.38%	7.9%	2.7%
45	2.63%	6.1%	2.1%

Retirement Ages - Rates as Shown

	Rate	
Age	Non-Police	Police
40-49	5%	
50	10%	30%
51-54	10%	20%
55	12%	50%
56-61	20%	20%
62	60%	100%
63-64	30%	
65	40%	
66	100%	

Healthcare Claims Cost (Monthly)

Age	Cost
50	$1,047
55	$1,231
60	$1,478
64	$1,742

(Dollars in Thousands)

13. EMPLOYEE BENEFITS (continued)

Sensitivity of Net OPEB Liability to Changes in the Discount Rate - The following presents the net OPEB liability of the plan, calculated using the discount rate of 6.5%, as well as what the individual plans' net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
	5.5%	6.5%	7.5%
Total OPEB Liability (TOL)	$ 156,533	$ 147,088	$ 137,561
Plan Fiduciary Net Position	128,885	128,885	128,885
Plan Net OPEB Liability	$ 27,648	$ 18,203	$ 8,676
Plan Fiduciary Net Position as a Percentage of the TOL	82.3%	87.6%	93.7%

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates - The following presents the net OPEB liability of the Plan, calculated assuming the current healthcare cost trend rates is 1-percentage-pointlower (6.25% decreasing to 4.0%) or 1-percentage-point higher (8.25% decreasing to 6.0%) than the current rate:

	1% Decrease	Current Healthcare Cost Trend Rates	1% Increase
	6.25% decreasing to 4.0%	7.25% decreasing to 5.0%	8.25% decreasing to 6.0%
Total OPEB Liability (TOL)	$ 138,766	$ 147,088	$ 156,463
Plan Fiduciary Net Position	128,885	128,885	128,885
Plan Net OPEB Liability	$ 9,881	$ 18,203	$ 27,578
Plan Fiduciary Net Position as a Percentage of the TOL	92.9%	87.6%	82.4%

(Dollars in Thousands)

13. EMPLOYEE BENEFITS (continued)

Long-Term Expected Rate of Return – The building-block method determines the long-term expected rate of return on OPEB plan investments. The method weights best estimate of expected future real rates of return for each major asset class. Multiplying the weights by the target asset allocation percentage and adding expected inflation produces the long-term expected rate of return. The discount rate used to measure the total OPEB liability was 6.5%. Best estimates of arithmetic real rates of return for each major asset class included in the plans' target asset allocation as of June 30, 2024, are:

Asset Class	Target Allocation Percentage	Long-term Expected Real Rate of Return
Domestic Equity - Large Cap	37%	7.25%
Domestic Equity - Small/Mid Cap	8%	7.45%
International Equity	30%	7.45%
Domestic Fixed income	25%	4.25%
	100%	

(Dollars in Thousands)

13. EMPLOYEE BENEFITS (continued)

Changes in Net OPEB Liability

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balances at June 30, 2023	$ 142,043	$ 113,142	$ 28,901
Changes for the year:			
Service Cost	6,162	—	6,162
Interest on TOL, Service Cost and Benefit Payments	9,633	—	9,633
Difference between Expected and Actual Experience	(3,263)	—	(3,263)
Employer Contributions	—	9,666	(9,666)
Active Employee Contributions *	—	—	—
Net Investment Income	—	13,743	(13,743)
Benefit Payments	(7,666)	(7,666)	—
Administrative Expenses	—	—	—
Changes in Plan Assumptions	179	—	179
Changes in Plan Benefits	—	—	—
Other Changes	—	—	—
Net Changes	5,045	15,743	(10,698)
Balances at June 30, 2024	$ 147,088	$ 128,885	$ 18,203

*Active employees do not contribute to the OPEB plan.

(Dollars in Thousands)

13. EMPLOYEE BENEFITS (continued)

OPEB Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB –

For the year ended June 30, 2025, MARTA recognized OPEB expense of $13,861.

At June 30, 2025, MARTA reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Balance of Deferred Outflows and Inflows Due to:		
Difference between expected and actual experience	$ —	$ (29,609)
Net difference between projected and actual earnings on investments	—	(1,830)
Changes of assumptions	134	(3,291)
Employer contribution subsequent to the measure date	11,514	—
Total	$ 11,648	$ (34,730)

Deferred outflows of resources of $11,514 related to OPEB resulting from contributions made subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the subsequent future reporting period. Other amounts reported as collective deferred outflows and deferred inflows of resources to be recognized in OPEB expense as follows:

Year Ending June 30:	Deferred Outflows (Inflows) of Resources
2025	$ (16,677)
2026	(11,967)
2027	(4,674)
2028	(1,278)
Total	$ (34,596)

Changes in Assumptions and Benefit Terms Since the Measurement Date – There were no changes in assumptions or benefit terms between the measurement date and June 30, 2025.

(Dollars in Thousands)

13. EMPLOYEE BENEFITS (continued)

Detailed information about the OPEB Plan fiduciary net position is listed below:

Investments	Valuation Measurement Method		2024
US Equities	Fair Value - Level 1	$	76,429
International Equities	Fair Value - Level 1		35,607
Domestic Bonds	Fair Value - Level 2		14,315
Short-Term Investments	Fair Value - Level 1		2,594
Total Assets			128,945
Liabilities			60
Net Asset Available for Benefits		$	128,885

Annual Money-Weighted Rate of Return	**12.10%**

Concentration of Credit Risk - The risk of loss that may be attributed to the magnitude of a government's investment in a single issuer. The OPEB Plan Investment Policy establishes a long-term strategic asset allocation that mitigates overall expected portfolio risk (volatility) and maximizes expected return. The plan does not limit the percentage of involvement in any single issuer.

Custodial Credit Risk - For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the OPEB Plan will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. Of the OPEB Plan's investments at June 30, 2025, all the securities are held by a trustee and are in the name of the OPEB Plan.

Foreign Currency Risk - The risk that changes in exchange rates will adversely impact the fair value of an investment. The OPEB Plan holds $35,607 of investments that are exposed to this risk.

Interest Rate Risk - Is the risk that changes in interest rates will adversely affect the fair value of an investment. OPEB Trust adopted a long-term investment horizon such that the chances and duration of investment losses are carefully weighed against the long-term potential for appreciation of assets. The plan currently maintains the interest rate risk and consistent with its long-term investment horizon.

Credit Risk - Investments are subject to credit risk, which is the chance that an issuer will fail to pay principal or interest in a timely manner, or that negative perceptions of the issuer's ability to make these payments will cause price to decline. The tables above summarize the fair value of investments that are included in the restricted and unrestricted cash and investments and the related credit ratings. OPEB Plan maintains policies to manage credit risks, which include requiring minimum credit ratings issued by nationally recognized statistical rating organizations and maintaining diversified investments using target asset allocation ranges encompassing a long-term perspective.

(Dollars in Thousands)

14. FIDUCIARY - OTHER POST EMPLOYMENT BENEFITS (OPEB)

	Other Post Employment Benefits
ASSETS	
Investments at Fair Value:	
Equities	$ 127,661
Fixed Income	16,815
Short-term Investments	2,217
Total Investments	146,693
Total Assets	$ 146,693
LIABILITIES	
Due to Brokers	$ 116
Total Liabilities	116
NET POSITION	
Restricted for:	
Post Employment Benefits other than Pensions	146,577
Total Net Position	146,577
Total Liabilities and Net Position	$ 146,693

(Dollars in Thousands)

14. FIDUCIARY - OTHER POST EMPLOYMENT BENEFITS (OPEB) (continued)

	Other Post Employment Benefits
ADDITIONS	
Contributions:	
Employee	$ 1,310
Employer	11,526
Total Contributions	12,836
Investment Income	
Interest and Dividends	2,362
Net Increase in Fair Value of Investments	13,446
Total Investment Earnings	15,808
Less Investment Costs	
Investment Activity Costs	116
Net Investment Earnings	15,692
Total Additions	28,528
DEDUCTIONS	
Medical, Dental, and Life Insurance for Retirees	10,836
Total Deductions	10,836
Net increase in Fiduciary Net Position	17,692
NET POSITION RESTRICTED	
Net Position, July 1	128,885
Net Position, June 30	$ 146,577

(Dollars in Thousands)

15. RISK MANAGEMENT

MARTA is exposed to various risks of loss related to torts, theft of, damage to, or destruction of assets; errors or omissions; injuries to employees; or acts of God. MARTA is self-insured for workers' compensation claims up to $5,000 per occurrence; automobile liability claims, and public liability and property damage claims up to $10,000 per occurrence. MARTA carries excess insurance coverage for amounts exceeding the self-insured retentions. For property insurance the limits over the self-insured retention of $ 5,000 are $ 350,000 and for casualty insurance, the limits over the self-insured retention are $150,000.

There have been no significant reductions in insurance coverage during the year ended June 30, 2025 and the amount of claims settlements did not exceed insurance coverage in any of the past three years.

The changes in the liabilities for self-insurance for the year ended June 30, 2025 were as follows:

	Workers' Compensation	Public Liability and Property	Total
Balance, June 30, 2023	$ 24,506	$ 34,338	$ 58,844
Incurred claims, net of any changes in estimates	17,605	25,938	43,543
Payments	(12,556)	(22,052)	(34,608)
Balance, June 30, 2024	29,555	38,224	67,779
Incurred claims, net of any changes in estimates	16,894	67,907	84,801
Payments	(15,110)	(50,363)	(65,473)
Balance, June 30, 2025	$ 31,339	$ 55,768	$ 87,107
Due within one year	$ 13,247	$ 27,191	$ 40,438

Liabilities are reported when it is probable that a loss has occurred, and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported and incremental claims adjustment expenses.

Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of payouts, and other economic and social factors.

MARTA also provides employee health insurance which includes medical, vision, pharmacy drugs, dental, critical illness, and life insurance. All the medical plans have both specific and aggregate stop loss insurance coverage.

16. COMMITMENTS AND CONTINGENCIES

Commitments - MARTA's long-range plan provides for the planning, construction, financing, and operation of a rapid transit system in multiple phases, consisting of approximately 60 miles of double track and 45 stations, of which 47.6 miles and 38 stations were in service June 30, 2025. At June 30, 2025, MARTA was committed to future capital expenditures for various other projects including expansion efforts.

The Federal Transit Administration (FTA) provided $2,026,307 in federal funds to support the construction of the current rail system. Four grants totaling $1,232,400 in federal funds were used for the construction of Phase A (13.7 miles) and Phase B (9.7 miles). Meanwhile, $290,318 in federal funds were used for Phase C (10.6 miles), $133,400 for Phase D (10.3 miles), and $370,189 for Phase E (3.0 miles). The remaining costs of the system have been financed through sales and use tax revenues, sales tax revenue bonds, and investment income

FTA has also authorized other grant funds for the construction of a bus rapid transit (BRT) system, bus transit facilities, buses, replacement and rehabilitation of transit operating equipment, development work for construction support techniques, upgrading the fire protection system, renovation of the track system, and other purposes not directly related to the rail construction program.

MARTA plans to fund its committed projects through the unencumbered capital portion of its sales tax, future new bond proceeds, issuance of short-term variable rate debt, and federal and state capital grants.

Federal funding may vary per awarding agency and award type. However, most current grant awards are shared with 80% federal funding and a 20% local match.

MARTA also has lease and interest revenue and capital reserves available to supplement its needs.

Contingencies - MARTA is a defendant in several lawsuits relating to alleged personal injuries and alleged damages to property and business as a result of its operations. Claims have also been filed with MARTA that relate to disputes between MARTA and various contractors under contracts that MARTA had entered prior to fiscal year 2025. Claims that are measurable and probable have been reflected in the financial statements.

In addition, FTA periodically audits costs relating to the federal grants. Any costs that are ultimately determined to be non-allowable under the provisions of a federal capital grant will require funding from local funds. The outcome of the above matters is not presently determinable; however, management believes the ultimate resolution of these matters will not materially affect the financial statements of MARTA.

17. POLLUTION REMEDIATION OBLIGATION

GASB Statement No.49, Accounting and Financial Reporting for Pollution Remediation Obligations, details the circumstances under which the estimated liability for remediation of the detrimental effects of existing pollution should be recorded in the financial statements.

MARTA has one active remediation system at one bus maintenance facility (Hamilton Boulevard). In the 1990's there were multiple releases from underground storage tank systems at the site. MARTA is currently using a dual phase extraction (DPE) system to treat groundwater and soil vapor, as required by the Georgia Environmental Protection Division (EDP). System operation, monitoring, maintenance, and sampling requirements cost around $250 per year.

MARTA estimates that $900 is its obligation to remediate the sites at the bus and maintenance facilities as of June 30, 2025 which is included in accounts and contracts payable on the Statement of Net Position.

18. SUBSEQUENT EVENTS

MARTA has natural gas and diesel fuel hedge contracts in place to hedge fuel for the fiscal year 2026 budget periods. MARTA may execute additional fuel hedge contracts to further hedge for the fiscal years 2026 and 2027.

On November 18, 2021, MARTA closed on its Commercial Paper Notes, Series 2021B, and Variable Rate Notes, Series 2021C in an aggregate principal amount not to exceed $300 million. This four-year program consists of two agreements: (1) a Revolving Credit Agreement to support the issuance of Commercial Paper Notes, Series 2021B to the public through a dealer, and (2) a Note Purchase Agreement providing for the direct sale of Variable Rate Notes, Series 2021C to JPMorgan Chase Bank. This original agreement will be amended in October 2025.

On October 9, 2025, the MARTA Board of Directors approved modifications to MARTA's existing Commercial Paper agreements. The modifications reduce the maximum principal permitted to be outstanding from $300 million to $200 million and extend the program's expiration date by three years from November 17, 2025, to November 17, 2028. These amendments align the program’s capacity and duration with current operational needs while ensuring continued access to cost-effective, short-term financing. These notes remain on a subordinate lien basis relative to MARTA's existing sales tax revenue bonds.

METROPOLITAN ATLANTA RAPID TRANSIT AUTHORITY
Required Supplementary Information
Schedule of Changes in the Net Pension Liability and Related Ratios
Year Ended June 30, 2025
(Dollars in Thousands)

UNION

Total Pension Liability:	**2024**	**2023**	**2022**	**2021**	**2020**
Service Cost	$ 17,117	$17,355	$ 15,788	$15,528	$14,792
Interest	43,945	42,268	41,881	40,016	40,154
Change in Benefit Terms	—	—	—	—	—
Difference between Expected and Actual Experience	(8,461)	7,490	(6,208)	(951)	1,657
Change in Assumptions	—	—	(5,765)	13,517	—
Benefit Payments	(44,094)	(40,568)	(41,706)	(40,572)	(37,334)
Administrative Expense	(623)	(603)	(586)	(611)	(566)
Net Change in Total Pension Liability	$ 7,884	$25,942	$ 3,404	$26,927	$18,704
Total Pension Liability					
Beginning of the Year	632,646	606,704	603,300	576,373	557,669
Net Increase (Decrease)	7,884	25,942	3,404	26,927	18,704
Total Pension Liability End of the Year	$640,530	$632,646	$ 606,704	$603,300	$576,373
Plan Fiduciary Net Position:					
Employee Contributions	$ 12,120	$ 5,986	$ 5,846	$ 6,010	$ 5,837
Employer Contributions	6,568	10,956	10,718	11,018	10,674
Members Buybacks	—	—	—	—	—
Net Investment Income (Loss)	72,706	85,417	(101,792)	95,020	76,215
Benefits Payments	(44,094)	(40,568)	(41,706)	(40,572)	(37,334)
Administrative Expense	(623)	(603)	(586)	(611)	(566)
Other	—	—	—	—	—
Net Change in Plan Fiduciary Net Position	$ 46,677	$ 61,188	$(127,520)	$70,865	$54,825
Total Fiduciary Net Position					
Beginning of the Year	650,214	589,026	716,545	645,680	590,855
Net Increase (Decrease)	46,677	61,188	(127,520)	70,865	54,825
Total Plan Fiduciary Net Position End of the Year	$696,891	$650,214	$ 589,026	$716,545	$645,680
Plan's Net Position Liability/(Asset)	$(56,361)	$(17,568)	$ 17,678	$(113,245)	$(69,307)
Plan Fiduciary Net Position as % of TPL	108.8%	102.8%	97.1%	118.8%	112.0%
Covered Payroll	$149,819	$135,426	$ 132,490	$136,197	$131,937
Plan's NPL as % of Covered Payroll	-37.6%	-13.0%	13.3%	-83.2%	-52.5%

* The years in the column headers represent the measurement period ending December 31.

METROPOLITAN ATLANTA RAPID TRANSIT AUTHORITY
Required Supplementary Information
Schedule of Changes in the Net Pension Liability and Related Ratios
Year Ended June 30, 2025
(Dollars in Thousands)

UNION

Total Pension Liability:	**2019**	**2018**	**2017**	**2016**	**2015**
Service Cost	$13,319	$13,036	$12,199	$11,677	$11,476
Interest	39,340	38,706	37,614	38,448	35,684
Change in Benefit Terms	—	—	—	(1,180)	323
Difference between Expected and Actual Experience	(4,694)	(10,361)	2,670	(4,055)	(1,763)
Change in Assumptions	—	5,898	1,051	—	29,188
Benefit Payments	(37,933)	(38,499)	(38,807)	(38,031)	(36,727)
Administrative Expense	(596)	(589)	(705)	(928)	(851)
Net Change in Total Pension Liability	$ 9,436	$ 8,191	$14,022	$ 5,931	$37,330
Total Pension Liability					
Beginning of the Year	548,233	540,042	526,020	520,089	482,759
Net Increase (Decrease)	9,436	8,191	14,022	5,931	37,330
Total Pension Liability End of the Year	$557,669	$548,233	$540,042	$526,020	$520,089
Plan Fiduciary Net Position:					
Employee Contributions	$ 5,699	$ 5,137	$ 4,947	$ 4,828	$ 4,719
Employer Contributions	10,404	9,129	9,041	8,807	8,630
Members Buybacks	—	—	—	—	—
Net Investment Income	101,948	(26,423)	68,793	41,493	(7,548)
Benefits Payments	(37,933)	(38,499)	(38,807)	(38,031)	(36,727)
Administrative Expense	(596)	(589)	(705)	(928)	(851)
Other	—	—	—	—	—
Net Change in Plan Fiduciary Net Position	$79,521	$(51,245)	$43,269	$16,169	$(31,776)
Total Fiduciary Net Position					
Beginning of the Year	511,334	562,578	519,309	503,140	534,916
Net Increase (Decrease)	79,521	(51,245)	43,269	16,169	(31,776)
Total Plan Fiduciary Net Position End of the Year	$590,855	$511,334	$562,578	$519,309	$503,140
Plan's Net Position Liability (Asset)	$(33,186)	$36,899	$(22,536)	$ 6,711	$16,949
Plan Fiduciary Net Position as % of TPL	106.0%	93.3%	104.2%	98.7%	96.7%
Covered Payroll	$128,600	$112,843	$111,751	$108,865	$106,678
Plan's NPL as % of Covered Payroll	-25.8%	32.7%	-20.2%	6.2%	15.9%

* The years in the column headers represent the measurement period ending December 31.

METROPOLITAN ATLANTA RAPID TRANSIT AUTHORITY
Required Supplementary Information
Schedule of Changes in the Net Pension Liability and Related Ratios
Year Ended June 30, 2025
(Dollars in Thousands)

NON-REP

Total Pension Liability:	**2024**	**2023**	**2022**	**2021**	**2020**
Service Cost	$ 3,351	$ 3,496	$ 3,608	$ 3,708	$ 4,240
Interest	28,582	28,866	29,088	28,706	28,372
Change in Benefit Terms	2,927	—	—	10,400	—
Difference between Expected and Actual Experience	(3,352)	442	1,500	2,000	(2,105)
Change in Assumptions	—	—	827	—	12,234
Benefit Payments	(36,971)	(38,653)	(39,211)	(36,377)	(35,903)
Administrative Expense	—	—	—	—	—
Net Change in Total Pension Liability	$ (5,463)	$(5,849)	$(4,188)	$ 8,437	$ 6,838
Total Pension Liability					
Beginning of the Year	534,567	540,416	536,167	536,167	529,329
Net Increase (Decrease)	(5,463)	(5,849)	(4,188)	8,437	6,838
Total Pension Liability End of the Year	$529,104	$534,567	$540,416	$544,604	$536,167
Plan Fiduciary Net Position:					
Employee Contributions	$ 1,351	$ 1,496	$ 1,608	$ 1,708	$ 1,990
Employer Contributions	16,069	23,749	10,508	15,629	15,146
Members Buybacks	17	21	36	88	17
Net Investment Income (Loss)	44,754	49,234	(73,051)	56,215	55,668
Benefits Payments	(36,971)	(38,653)	(39,211)	(36,377)	(35,903)
Administrative Expense	(290)	(350)	(645)	(266)	(378)
Other	3	6	1	1	—
Net Change in Plan Fiduciary Net Position	$ 24,933	$ 35,503	$(100,754	$36,996	$36,540
Total Fiduciary Net Position					
Beginning of the Year	440,245	404,742	505,496	468,500	431,960
Net Increase (Decrease)	24,933	35,503	(100,754)	36,996	36,540
Total Plan Fiduciary Net Position End of the Year	$465,178	$440,245	$404,742	$505,496	$468,500
Plan's Net Position Liability (NPL)	$ 63,926	$94,322	$135,674	$39,108	$67,667
Plan Fiduciary Net Position as % of TPL	87.9%	82.4%	74.9%	92.8%	87.4%
Covered Payroll	$ 19,054	$20,109	$21,066	$22,563	$25,303
Plan's NPL as % of Covered Payroll	335.5%	469.0%	644.0%	173.3%	267.4%

* The years in the column headers represent the measurement period ending December 31.

METROPOLITAN ATLANTA RAPID TRANSIT AUTHORITY
Required Supplementary Information
Schedule of Changes in the Net Pension Liability and Related Ratios
Year Ended June 30, 2025
(Dollars in Thousands)

NON-REP

Total Pension Liability:	**2019**	**2018**	**2017**	**2016**	**2015**
Service Cost	$ 4,471	$ 5,136	$ 4,747	$ 5,656	$ 6,051
Interest	28,832	29,002	30,292	32,430	31,569
Change in Benefit Terms	—	1,000	2,800	(37,000)	—
Difference between Expected and Actual Experience	2,785	(118)	4,409	1,987	9,181
Change in Assumptions	36,094	—	26,064	15,000	—
Benefit Payments	(37,291)	(37,643)	(36,647)	(33,470)	(34,383)
Administrative Expense	—	—	—	—	—
Net Change in Total Pension Liability	$ 34,891	$ (2,623)	$ 31,665	$(15,397)	$ 12,418
Total Pension Liability					
Beginning of the Year	494,438	497,061	465,396	480,793	468,375
Net Increase (Decrease)	34,891	(2,622)	31,665	(15,397)	12,418
Total Pension Liability End of the Year	$529,329	$494,438	$497,061	$465,396	$480,793
Plan Fiduciary Net Position:					
Employee Contributions	$ 2,250	$ 2,424	$ 2,533	$ 2,626	$ 2,818
Employer Contributions	19,493	19,434	13,540	26,339	20,114
Members Buybacks	29	20	48	55	82
Net Investment Income	68,425	(22,247)	63,383	22,568	(2,994)
Benefits Payments	(37,291)	(37,643)	(36,647)	(33,470)	(34,383)
Administrative Expense	(361)	(263)	(275)	(231)	(245)
Other	1	9	1	133	9
Net Change in Plan Fiduciary Net Position	$ 52,546	$(38,265)	$ 42,583	$ 18,020	$(14,598)
Total Fiduciary Net Position					
Beginning of the Year	379,414	417,679	375,096	357,076	371,675
Net Increase (Decrease)	52,546	(38,265)	42,583	18,020	(14,598)
Total Plan Fiduciary Net Position End of the Year	$431,960	$379,414	$417,679	$375,096	$357,076
Plan's Net Position Liability (NPL)	$97,369	$115,025	$79,382	$90,300	$123,717
Plan Fiduciary Net Position as % of TPL	81.6%	76.7%	84.0%	80.6%	70.3%
Covered Payroll	$28,998	$31,145	$34,571	$38,966	$42,301
Plan's NPL as % of Covered Payroll	335.8%	369.3%	229.6%	231.7%	338.0%

* The years in the column headers represent the measurement period ending December 31.

METROPOLITAN ATLANTA RAPID TRANSIT AUTHORITY
Required Supplementary Information
Schedule of Changes in the Net Pension Liability and Related Ratios
Year Ended June 30, 2025
(Dollars in Thousands)

UNION

	2024	2023	2022
Actuarial Assumptions:			
Investment Rate of Return	7.00%	7.00%	7.00%
Inflation	2.50%	2.50%	2.50%
Projected Salary Increases:			
Cost of Living	None	None	None
Merit or Seniority	1.00% per year	1.00% per year	1.00% per year
Mortality Assumptions:			
Healthy	RP-2014 Blue Collar Mortality for Healthy Lives with fully generational using 1/2 of Scale MP-2016 set forward by 1 year	RP-2014 Blue Collar Mortality for Healthy Lives with fully generational using 1/2 of Scale MP-2016 set forward by 1 year	RP-2014 Mortality for Healthy Lives with fully generational using 1/2 of Scale MP-2016 set forward by 1 year
Disabled	RP-2014 Mortality for Disabled Lives with fully generational using 1/2 of Scale MP-2016	RP-2014 Mortality for Disabled Lives with fully generational using 1/2 of Scale MP-2016	RP-2014 Mortality for Disabled Lives with fully generational using 1/2 of Scale MP-2016

NON-REP

	2024	2023	2022
Actuarial Assumptions:			
Investment Rate of Return	5.50%	5.50%	5.50%
Inflation	2.50%	2.50%	2.25%
Mortality Assumptions:			
Healthy	RP-2014 Mortality for Healthy Annuitant Mortality Tables separated by sex, Projection Scale MP-2021, fully generational	RP-2014 Mortality for Healthy Annuitant Mortality Tables separated by sex, Projection Scale MP-2021, fully generational	RP-2014 Mortality for Healthy Annuitant Mortality Tables separated by sex, Projection Scale MP-2019, fully generational
Disabled	None. No future mortality improvement was projected	None. No future mortality improvement was projected	None. No future mortality improvement was projected

METROPOLITAN ATLANTA RAPID TRANSIT AUTHORITY
Required Supplementary Information
Schedule of Changes in the Net Pension Liability and Related Ratios
Year Ended June 30, 2025
(Dollars in Thousands)

UNION

	2021	2020	2019
Actuarial Assumptions:			
Investment Rate of Return	7.25%	7.25%	7.25%
Inflation	2.50%	2.50%	2.50%
Projected Salary Increases:			
Cost of Living	None	None	None
Merit or Seniority	1.00% per year	1.00% per year	1.00% per year
Mortality Assumptions:			
Healthy	RP-2014 Mortality for Healthy Lives with fully generational using 1/2 of Scale MP-2016 set forward by 1 year	RP-2014 Mortality for Healthy Lives with fully generational using 1/2 of Scale MP-2016 set forward by 1 year	RP-2014 Mortality for Healthy Lives with fully generational using 1/2 of Scale MP 2016 set forward by 1 year
Disabled	RP-2014 Mortality for Disabled Lives with fully generational using 1/2 of Scale MP-2016	RP-2014 Mortality for Disabled Lives with fully generational using 1/2 of Scale MP-2016	RP-2014 Mortality for Disabled Lives with fully generational using 1/2 of Scale MP-2016

NON-REP

	2021	2020	2019
Actuarial Assumptions:			
Investment Rate of Return	5.50%	5.50%	6.00%
Inflation	2.00%	2.25%	2.50%
Mortality Assumptions:			
Healthy	RP-2014 Mortality for Healthy Annuitant Mortality Tables separated by sex, Projection Scale MP-2019, fully generational	RP-2014 Employee and Healthy Annuitant Mortality Tables separated by sex, Projection Scale MP-2019, fully generational	RP-2014 Employee and Healthy Annuitant Mortality Tables separated by sex, Projection Scale MP-2016, fully generational
Disabled	None. No future mortality improvement was projected	None. No future mortality improvement was projected	RP-2014 Employee and Healthy Annuitant Mortality Tables separated by Sex, Projection Scale BB to valuation date

METROPOLITAN ATLANTA RAPID TRANSIT AUTHORITY
Required Supplementary Information
Schedule of Changes in the Net Pension Liability and Related Ratios
Year Ended June 30, 2025
(Dollars in Thousands)

UNION

	2018	2017	2016
Actuarial Assumptions:			
Investment Rate of Return	7.25%	7.50%	n/a
Inflation	2.10%	2.80%	n/a
Projected Salary Increases:			
Cost of Living	None	3.00%	n/a
Merit or Seniority	1.00% per year	1.00% per year	n/a
Mortality Assumptions:			
Healthy	RP-2000 Combined Health Mortality Tables separated by Sex, Project Scale BB to valuation date	RP-2014 Mortality Blue Collar Mortality Table using 1/2 of Scale MP-2014	n/a
Disabled	RP-2014 Blue Collar Mortality Table using 1/2 of Scale MP-2016	RP-2014 Blue Collar Mortality Table using 1/2 of Scale MP-2014	n/a

NON-REP

	2018	2017	2016
Actuarial Assumptions:			
Investment Rate of Return	6.00%	6.70%	n/a
Inflation	2.50%	2.50%	n/a
Mortality Assumptions:			
Healthy	RP-2000 Combined Health Mortality Tables separated by sex, Project Scale BB to valuation date	RP-2000 Combined Health Mortality Tables separated by sex, Project Scale BB to valuation date	n/a
Disabled	RP-2014 Employee and Healthy Annuitant Mortality Tables separated by Sex, Projection Scale BB to valuation date	RP-2000 Combined Health Mortality Tables separated by sex, Project Scale BB to valuation date	n/a

METROPOLITAN ATLANTA RAPID TRANSIT AUTHORITY
Required Supplementary Information
Schedule of Changes in the Net Pension Liability and Related Ratios
Year Ended June 30, 2025
(Dollars in Thousands)

UNION

	2015
Actuarial Assumptions:	
Investment Rate of Return	n/a
Inflation	n/a
Projected Salary Increases:	
Cost of Living	n/a
Merit or Seniority	n/a
Mortality Assumptions:	
Healthy	n/a
Disabled	n/a

NON-REP

	2015
Actuarial Assumptions:	
Investment Rate of Return	n/a
Inflation	n/a
Mortality Assumptions:	
Healthy	n/a
Disabled	n/a

METROPOLITAN ATLANTA RAPID TRANSIT AUTHORITY
Required Supplementary Information
Schedule of Employer Contributions - Pension
Year Ended June 30, 2025
(Dollars in Thousands)

UNION

FISCAL YEAR ENDED JUNE 30	2025	2024	2023	2022	2021
Contributions					
Actuarially Determined Contribution	$ 12,395	$ 11,757	$ 10,535	$ 10,764	$ 11,189
Actual Employer Contributions	12,395	11,757	10,535	10,764	11,189
Contribution Deficiency (Excess)	—	—	—	—	—
Covered Payroll	$153,209	$145,328	$130,225	$133,059	$138,306
Actual Contributions as % of Covered Payroll	8.09%	8.09%	8.09%	8.09%	8.09%

NON-REP

FISCAL YEAR ENDED JUNE 30	2025	2024	2023	2022	2021
Contributions					
Actuarially Determined Contribution	$ 13,048	$ 16,240	$ 12,626	$ 9,147	$ 12,853
Actual Employer Contributions	18,286	18,186	21,451	11,266	17,711
Contribution Deficiency (Excess)	(5,238)	(1,946)	(8,825)	(2,119)	(4,858)
Covered Payroll	$ 19,185	$ 18,950	$ 21,350	$ 22,339	$ 25,124
Actual Contributions as % of Covered Payroll	95.31%	95.97%	100.47%	50.43%	70.49%

*Based on a blend of the overlapping Calendar Year results. The 6/30/2019 through 6/30/2025 results are based on the unaudited cash statements for the preceding 12 months and the applicable contribution rate.

METROPOLITAN ATLANTA RAPID TRANSIT AUTHORITY
Required Supplementary Information
Schedule of Employer Contributions - Pension
Year Ended June 30, 2025
(Dollars in Thousands)

UNION

FISCAL YEAR ENDED JUNE 30	2020	2019	2018	2017	2016
Contributions					
Actuarially Determined Contribution	$10,257	$ 9,812	$ 9,278	$ 8,924	$ 8,719
Actual Employer Contributions	10,257	9,812	9,278	8,924	8,719
Contribution Deficiency (Excess)	—	—	—	—	—
Covered Payroll	$126,792	$121,284	$114,680	$110,308	$107,772
Actual Contributions as % of Covered Payroll	8.09%	8.09%	8.09%	8.09%	8.09%

NON-REP

FISCAL YEAR ENDED JUNE 30	2020	2019	2018	2017	2016
Contributions					
Actuarially Determined Contribution	$15,741	$14,664	$13,181	$19,787	$23,211
Actual Employer Contributions	16,899	17,647	17,158	24,346	19,787
Contribution Deficiency (Excess)	$(1,158)	(2,983)	(3,977)	(4,559)	3,424
Covered Payroll	$ 28,673	$ 31,425	$ 34,157	$ 38,231	$ 43,402
Actual Contributions as % of Covered Payroll	58.94%	56.16%	50.23%	63.68%	45.59%

*Based on a blend of the overlapping Calendar Year results. The 6/30/2019 through 6/30/2025 results are based on the unaudited cash statements for the preceding 12 months and the applicable contribution rate.

METROPOLITAN ATLANTA RAPID TRANSIT AUTHORITY
Required Supplementary Information
Schedule of Changes in Net OPEB Liability and Related Ratios
Year Ended June 30, 2025
(Dollars in Thousands)

	2024	2023	2022	2021	2020
Total OPEB Liability:					
Service Cost (BOY)	$ 6,162	$ 7,161	$ 6,900	$ 7,005	$ 7,150
Interest	9,633	12,627	12,313	14,532	14,137
Change in Benefit Terms	—	—	—	—	—
Difference between Expected and Actual Experience	(3,263)	(50,209)	(3,201)	(18,372)	(3,975)
Change in Assumptions	179	(5,944)	—	(9,211)	—
Benefit Payments	(7,666)	(8,692)	(11,461)	(11,997)	(11,526)
Administrative Expense	—	—	—	—	—
Net Change in Total OPEB Liability	$ 5,045	$ (45,055)	$ 4,551	$ (18,043)	$ 5,786
Total OPEB Liability					
Beginning of the Year	142,043	187,098	182,547	200,589	194,803
Net Increase (Decrease)	5,045	(45,055)	4,551	(18,043)	5,786
End of the Year	$ 147,088	$ 142,043	$ 187,098	$ 182,546	$ 200,589
Plan Fiduciary Net Position:					
Employer Contributions	$ 9,666	$ 10,692	$ 13,461	$ 14,997	$ 14,526
Active Employee Contributions *	—	—	—	—	—
Net Investment Income	13,743	12,312	(18,070)	23,212	2,632
Benefit Payments	(7,666)	(8,692)	(11,461)	(11,997)	(11,526)
Administrative Expense	—	—	—	—	—
Net Change in Plan Fiduciary Net Position	$ 15,743	$ 14,312	$ (16,070)	$ 26,212	$ 5,632
Total Fiduciary Net Position					
Beginning of the Year	113,142	98,830	114,900	88,688	83,056
Net Increase (Decrease)	15,743	14,312	(16,070)	26,212	5,632
End of the Year	$ 128,885	$ 113,142	$ 98,830	$ 114,900	$ 88,688
Plan's Net OPEB Liability (NOL)	$ 18,203	$ 28,901	$ 88,268	$ 67,646	$ 111,901
Plan Fiduciary Net Position as % of TOL	87.6%	79.7%	52.8%	62.9%	44.2%

METROPOLITAN ATLANTA RAPID TRANSIT AUTHORITY
Required Supplementary Information
Schedule of Changes in Net OPEB Liability and Related Ratios
Year Ended June 30, 2025
(Dollars in Thousands)

	2019	2018	2017	2016	2015
Total OPEB Liability:					
Service Cost (BOY)	$ 6,915	$ 6,751	$ 6,521	$ 7,511	$ 7,249
Interest	14,396	14,133	15,259	15,222	14,976
Change in Benefit Terms	5,114	—	—	—	—
Difference between Expected and Actual Experience	(19,310)	(265)	(7,362)	(12,763)	(2,388)
Change in Assumptions	3,956	—	(15,402)	7,705	—
Benefit Payments	(15,009)	(17,020)	(15,335)	(16,158)	(16,593)
Administrative Expense	—	—	—	—	—
Net Change in Total OPEB Liability	$ (3,938)	$ 3,599	$ (16,319)	$ 1,517	$ 3,244
Total OPEB Liability					
Beginning of the Year	198,741	195,143	211,461	209,944	206,701
Net Increase (Decrease)	(3,938)	3,599	(16,319)	1,517	3,244
End of the Year	$ 194,803	$ 198,741	$ 195,142	$ 211,461	$ 209,945
Plan Fiduciary Net Position:					
Employer Contributions	$ 18,009	$ 20,020	$ 20,772	$ 21,573	$ 21,962
Active Employee Contributions *	—	—	—	—	—
Net Investment Income	4,103	5,265	6,867	(377)	796
Benefit Payments	(15,009)	(17,020)	(15,335)	(16,158)	(16,593)
Administrative Expense	—	—	—	—	—
Net Change in Plan Fiduciary Net Position	$ 7,103	$ 8,265	$ 12,304	$ 5,038	$ 6,165
Total Fiduciary Net Position					
Beginning of the Year	75,953	67,688	55,384	50,345	44,180
Net Increase (Decrease)	7,103	8,265	12,304	5,038	6,165
End of the Year	$ 83,056	$ 75,953	$ 67,688	$ 55,383	$ 50,345
Plan's Net OPEB Liability (NOL)	$ 111,747	$ 122,788	$ 127,454	$ 156,078	$ 159,600
Plan Fiduciary Net Position as % of TOL	42.6%	38.2%	34.7%	26.2%	24.0%

*Active employees do not contribute to the OPEB Plan.
**The year in the column header represents the measurement period ending June 30th.

Notes to Schedule – Changes in benefits and assumptions: In FY25, the discount rate used to calculate liabilities has remained the same 6.5%. The inflation rate remained 2.50%. The health care trend rate starting point remained 7.25%. Withdrawal rates have been updated for the Non-Represented (Police) group to be in accordance with the pension plan.

METROPOLITAN ATLANTA RAPID TRANSIT AUTHORITY
Required Supplementary Information
Schedule of Employer Contributions - OPEB
Year Ended June 30, 2025
(Dollars in Thousands)

FISCAL YEAR ENDING	2025	2024	2023	2022	2021	2020	2019	2018
Contributions								
Actuarially Determined Contributions	$11,514	$9,666	$10,692	$ 13,461	$ 14,997	$14,526	$18,009	$20,020
Employer Contributions (ERC)	11,514	9,666	10,692	13,461	14,997	14,526	18,009	20,020
Contributions (Excess)/ Deficiency	—	—	—	—	—	—	—	—
Covered Employee Payroll	N/A	$238,683	$240,201	$204,696	$199,039	$219,089	$211,603	$196,714
ERC as % of Covered Employee Payroll	N/A	4.05%	4.45%	6.58%	7.53%	6.63%	8.51%	10.18%

**This is a 10-year schedule. Information for additional years will be displayed as it becomes available.

Notes to Schedule:

Valuation Date:	June 30, 2024
Discount Rate:	6.5%
Investment Rate of Return:	6.5%
Inflation Rate:	2.50%
Healthcare Cost Trend:	7.25% for PY 2023-24 and decreases to an ultimate rate of 5.0% by PY 2032-33.

METROPOLITAN ATLANTA RAPID TRANSIT AUTHORITY
Other Supplemental Information
Combining Statement of Fiduciary Net Position
June 30, 2025
(Dollars in Thousands)

	Total	Defined Benefit Pension Rep	Defined Benefit Pension Non-Rep	Other Post Employee Benefits
ASSETS				
Receivables:				
Employee Contributions	$ 489	$ 307	$ 182	$ —
Employer Contributions	2,704	565	2,139	—
Other Receivables	22	—	22	—
Due from Brokers	1,526	712	814	—
Accrued Investment Income	2,270	897	1,373	—
Total Receivables	7,011	2,481	4,530	—
Investments at Fair Value:				
Equities	621,562	222,318	271,582	127,661
Partnerships	6,700	6,700	—	—
Mutual Funds	364,054	364,054	—	—
Fixed Income	267,720	91,299	159,607	16,815
Real Estate Funds	20,089	—	20,089	—
Derivatives	258	—	258	—
Short - term Investments	29,527	11,073	16,237	2,217
Total Investments	1,309,910	695,444	467,773	146,693
Total Assets	$ 1,316,921	$ 697,925	$ 472,303	$ 146,693
LIABILITIES				
Accounts Payable	$ 721	$ 425	$ 296	$ —
Due to Brokers	7,554	609	6,829	116
Total Liabilities	8,275	1,034	7,125	116
NET POSITION				
Restricted for:				
Pensions	1,162,069	696,891	465,178	—
Post Employment Benefits other than Pensions	146,577	—	—	146,577
Total Net Position	1,308,646	696,891	465,178	146,577
Total Liabilities and Net Position	$ 1,316,921	$ 697,925	$ 472,303	$ 146,693

METROPOLITAN ATLANTA RAPID TRANSIT AUTHORITY
Other Supplemental Information
Combining Statement of Changes in Fiduciary Net Position
Year Ended June 30, 2025
(Dollars in Thousands)

	Total	Defined Benefit Pension Rep	Defined Benefit Pension Non-Rep	Other Post Employee Benefits
ADDITIONS				
Contributions:				
Employee	$ 9,245	$ 6,567	$ 1,368	$ 1,310
Employer	39,716	12,121	16,069	11,526
Total Contributions	48,961	18,688	17,437	12,836
Investment Income				
Interest and Dividends	20,213	10,498	7,353	2,362
Net Increase in Fair Value of Investments	115,471	64,626	37,399	13,446
Real Estate Income	1,018	—	1,018	—
Securities Lending Income	60	—	60	—
Total Investment Earnings	136,762	75,124	45,830	15,808
Less Investment Costs				
Investment Activity Costs	3,586	2,418	1,052	116
Securities Lending Costs	20	—	20	—
Net Investment Earnings	133,156	72,706	44,758	15,692
Total Additions	182,117	91,394	62,195	28,528
DEDUCTIONS				
Benefits Paid to Participants or Beneficiaries	81,065	44,094	36,971	—
Medical, Dental, and Life Insurance for Retirees	10,836	—	—	10,836
Administrative Expenses	913	623	290	—
Total Deductions	92,814	44,717	37,261	10,836
Net Increase in Fiduciary Net Position	89,303	46,677	24,934	17,692
NET POSITION RESTRICTED				
Net Position, July 1	1,219,343	650,214	440,244	128,885
Net Position, June 30	$ 1,308,646	$ 696,891	$ 465,178	$ 146,577

METROPOLITAN ATLANTA RAPID TRANSIT AUTHORITY
Supplemental Schedule of Revenues and Expenses
Budget vs. Actual (Budget Basis)
Year Ended June 30, 2025
(Dollars in Thousands)

	Budget	Actual (Budget Basis)	Variance Favorable/ (Unfavorable)
Operating Revenues			
Fare Revenue	$ 82,764	$ 82,246	$ (518)
Other Revenue	6,132	2,238	(3,894)
Total Operating Revenues	88,896	84,484	(4,412)
Operating Expenses			
Transportation	311,087	332,216	(21,129)
Maintenance & Garage Operations	201,762	212,059	(10,297)
General and Administrative	141,618	173,618	(32,000)
Total Operating Expenses	654,467	717,893	(63,426)
Operating Loss	(565,571)	(633,409)	(67,838)
Nonoperating Revenues			
Sales and Use Tax	715,699	740,525	24,826
Federal Operating Revenue	80,000	91,231	11,231
Investment Income	12,821	47,525	34,704
Other Revenues	45,164	75,977	30,813
	853,684	955,258	101,574
Increase in Net Position- Budget Basis	$ 288,113	$ 321,849	$ 33,736
Basis Differences			
Depreciation		(268,062)	
Gain on Sales of Property and Equipment		(642)	
Interest Expense		(80,224)	
Amortization of Financing Related Charges		7,391	
Other - Nonoperating Expense		(87,057)	
Capital Grants and Contributions		83,034	
Net Lease Transaction Activity		17	
Decrease in Net Position - GAAP Basis		$ (23,694)	

See notes to supplemental schedule

1. BUDGETARY HIGHLIGHTS

MARTA adopts its Operating and Capital Budget in June of each year. Once adopted, total budgeted revenues and/or expenses cannot change. Operating revenue performed unfavorable to the budget, ending the year ($4,412) (4.96%) less than budget due to the decrease in ridership after the prolonged adverse impact of COVID-19. Nonoperating revenues were $101,574 (11.90%) favorable to the budget. The largest favorable variances were Investment Income and Other Revenues which were $34,704 and $30,813, respectively, more than budgeted. MARTA continued a number of cost containment measures in fiscal year 2025 by focusing on increasing productivity and efficiencies. The fiscal year 2025 total operating expenses were $717,893 which excludes depreciation. This was $63,426 (9.69%) more than the fiscal year 2025 budget, which was $2,562 (0.41%) less than the previous year's budget. In fiscal year 2025, MARTA incurred an increase in legal claims and settlements which contributed to the increase in operating expenses.

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RAPID TRANSIT AUTHORITY

STATISTICAL

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STATISTICAL SECTION - Unaudited

This section of the Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information say about the Authority's overall financial health.

	Schedules
FINANCIAL TRENDS	
These schedules contain trend information to help the reader understand how the Authority's financial performance and well-being have changed over time.	**101-107**
REVENUE CAPACITY	
These schedules contain information to help the reader assess the Authority's sources of revenue especially the most significant revenue source, the sales and use tax.	**111-113**
DEBT CAPACITY	
These schedules present information to help the reader assess the affordability of the Authority's current levels of outstanding debt and the Authority's ability to issue additional debt in the future.	**117-121**
DEMOGRAPHIC & ECONOMIC INFORMATION	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the Authority's financial activities take place.	**125-129**
OPERATING INFORMATION	
These schedules contain service and infrastructure data to help the reader understand how the information in the Authority's financial report relates to the services the Authority provides and the activities it performs.	**133-139**

SOURCES

Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

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METROPOLITAN ATLANTA
RAPID TRANSIT AUTHORITY

FINANCIAL TRENDS

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Condensed Summary of Net Position

Last Ten Fiscal Years
(Dollars in Millions)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
ASSETS:										
Current and Other Assets	$ 1,524	$ 1,394	$ 1,532	$ 1,456	$ 1,386	$ 1,336	$ 1,061	$ 955	$ 1,253	$ 1,086
Capital Assets	3,232	3,076	3,050	3,084	3,059	3,057	3,004	2,883	2,871	2,966
Net Pension Assets	56	18	—	117	69	33	—	23	—	—
Derivative Assets	—	—	—	—	1	—	—	—	—	—
Total Assets	4,812	4,488	4,582	4,657	4,515	4,426	4,065	3,861	4,124	4,052
DEFERRED OUTFLOWS OF RESOURCES										
Hedging	—	—	1	—	—	1	—	—	—	—
Pension	25	71	129	24	23	44	—	89	110	128
OPEB	12	14	23	14	20	22	18	20	—	—
Debt Refunding	30	33	22	39	32	26	29	31	21	25
Total Deferred Outflows of Resources	67	118	175	77	93	148	140	131	153	53
Total Assets and Deferred Outflows of Resources	4,879	4,606	4,757	4,734	4,590	4,519	4,213	4,001	4,255	4,205
LIABILITIES:										
Long-term Debt Outstanding	2,357	2,102	2,198	2,287	2,657	2,732	2,444	2,361	2,345	2,176
Current and Other Liabilities	486	368	334	310	351	341	334	294	532	536
Derivative Liability	—	—	2	—	—	1	—	—	—	—
Net Pension Liability	64	94	153	39	68	97	152	79	97	141
Net OPEB Liability	18	29	88	68	112	112	123	128	1	1
Total Liabilities	2,925	2,594	2,775	2,704	3,188	3,283	3,053	2,862	2,975	2,854
DEFERRED INFLOWS OF RESOURCES										
Hedging	—	—	—	—	1	—	—	333	—	—
Lease	286	292	298	325	12	13	15	16	—	—
Refunding	44	—	—	—	—	—	—	—	—	—
Pension	10	6	9	132	94	59	9	50	9	3
OPEB	35	52	19	40	15	23	15	20	—	—
Total Deferred Inflows of Resources	375	376	326	497	122	95	39	419	9	3
Total Liabilities and Deferred Inflows of Resources	3,300	2,970	3,101	3,201	3,310	3,378	3,092	3,281	2,984	2,857
NET POSITION:										
Net Investment in Capital Assets	688	889	773	778	673	623	810	774	222	503
Restricted	168	115	102	77	74	66	62	54	936	857
Unrestricted	723	632	781	678	533	452	249	224	113	(12)
TOTAL NET POSITION	$ 1,579	$ 1,637	$ 1,656	$ 1,533	$ 1,280	$ 1,141	$ 1,121	$ 1,052	$ 1,271	$ 1,348

Summary of Revenues, Expenses and Changes in Net Position

Last Ten Fiscal Years
(Dollars in Millions)

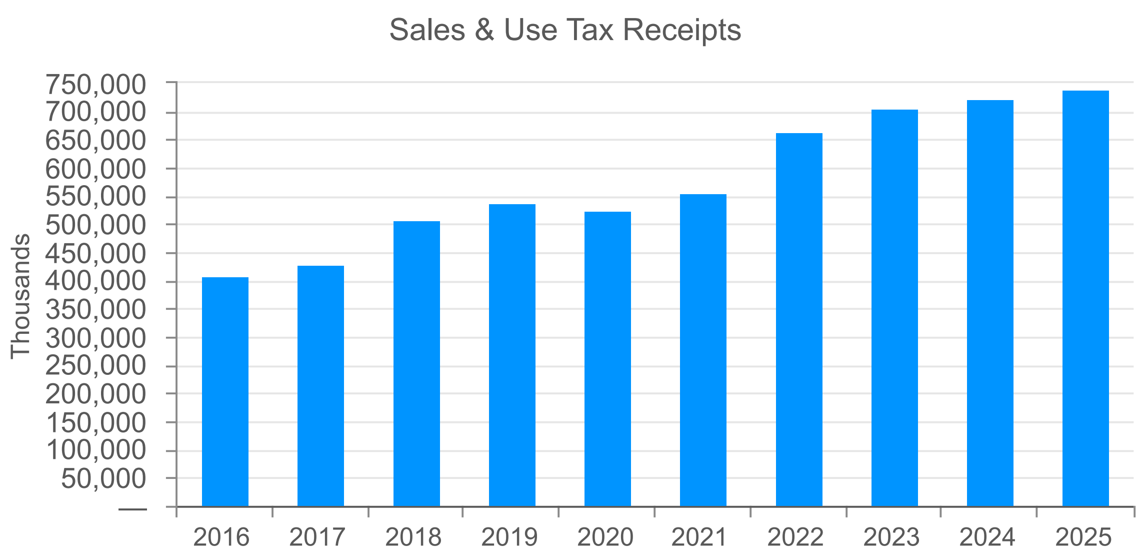
	2025	2024[1]	2023[2]	2022[2]	2021[2]	2020	2019	2018	2017	2016
Operating										
Fare Revenues	$82	$75	$74	$65	$52	$102	$133	$138	$138	$141
Other Revenues	2	6	7	7	5	8	8	10	10	11
Total Operating Revenues	84	81	81	72	57	110	141	148	148	152
Non-Operating Revenues										
Sales and Use Tax	741	723	704	669	570	522	540	507	439	410
Federal Revenues	91	83	216	250	281	235	87	76	85	76
Investment Income	48	59	22	12	4	12	12	3	2	2
Net Leases Transaction Activity	17	—	—	—	—	(2)	(1)	(71)	(27)	32
Other Revenues	76	44	46	56	53	44	43	42	50	42
Gain (Loss) on Sale of Property and Equip.	(1)	(1)	1	—	7	—	—	—	—	—
Total Non-operating Revenues	955	908	989	985	908	814	688	558	552	562
Total Revenues	1,039	989	1,070	1,057	965	924	829	706	700	715
Summary of Expenses Operating:										
Transportation	332	312	275	228	230	241	247	227	220	206
Maintenance and Garage Operations	212	194	196	173	178	174	175	152	140	144
General and Administrative	174	123	118	72	94	94	100	103	73	83
Depreciation	268	256	250	252	249	246	241	234	236	243
Total Operating Expenses	986	885	839	725	751	755	763	716	669	676
Non-Operating Expenses										
Interest Expenses	80	70	74	77	84	87	84	78	84	83
Amortization of Financing Related Charges and Income from Derivative Activity	(7)	(21)	1	(5)	(7)	(7)	(9)	(5)	(7)	(5)
(Gain) Loss on Investment Derivatives	—	—	—	—	—	—	—	(1)	—	—
Other Non-operating Expenses	87	122	85	72	62	50	45	33	45	39
Total Non-operating Expenses	160	171	160	144	139	129	119	106	123	117
Total Expenses	1,146	1,056	999	869	890	884	882	822	792	793
Income/(Loss) Before Capital Contributions	(107)	(67)	71	188	75	40	(53)	(114)	(92)	(78)
Capital Grants and Contributions	83	48	52	63	65	62	122	30	15	32
Increase (Decrease) in Net Position	(24)	(19)	123	251	140	102	69	(84)	(78)	(45)
Net Position, July 1	1,637	1,656	1,533	1,280	1,140	1,039	1,052	1,136	1,348	1,393
Cumulative Effect of Adoption of New Accounting Principle	(34)	—	2	—	—	—	—	—	—	—
Net Position , July 1	1,603	1,656	1,533	1,282	1,140	1,039	1,052	1,136	1,348	1,393
Net Position, June 30	$1,579	$1,637	$1,656	$1,533	$1,280	$1,141	$1,121	$1,052	$1,271	$1,348

[1] Fare Revenue is impacted by the lingering effect of COVID-19 on ridership.
[2] Sales and Use Tax, Fare Revenue and Operating Expenses were impacted by COVID-19. Federal Revenues include COVID Stimulus funds.

Sales Tax Collection and Usage

Last Ten Fiscal Years
(Dollars in Thousands)

			Usage				
					Sales Tax for Operations		
Fiscal Year	Sales Tax[1]	Percent Change	Sinking Fund Withheld	Capital Construction	Subsidy	Percent Used	Overage/ (Shortage)
2016	$409,846	10.1%	$150,834	$62,530	$159,470	39%	$37,012
2017	429,886	4.9	130,570	95,550	170,207	40	33,559
2018	507,264	18.0	123,806	149,509	213,046	40	20,903
2019	538,966	6.2	135,623	148,707	248,868	46	5,768
2020[2]	524,832	(2.6)	141,682	135,429	193,176	37	54,545
2021[3]	557,093	6.2	147,570	146,575	108,050	19	154,898
2022[3]	664,645	19.3	143,861	207,072	92,594	14	221,118
2023[3]	705,828	6.2	143,549	230,540	241,685	34	90,054
2024[3]	721,460	2.2	141,851	218,879	406,611	56	(45,881)
2025[3]	739,201	2.4	141,413	198,619	471,275	64	(72,106)



[1] Sales Tax collection is stated on cash basis.
[2] Sales Tax was negatively impacted by COVID-19.
[3] Increase in Sales Tax collection was due to the increase in consumer spending.

Revenues and Operating Assistance Comparison to Industry Trend Data

Last Ten Fiscal Years
(As a Percentage of Total)

	Fiscal Year	Operating and Other Miscellaneous Revenue: Fares	Other[2]	Total	Operating Assistance: Sales & Use Tax	Federal	Total	Total Revenue
Transportation Industry[1]								
	2016	31.3%	5.0%	36.3%	55.6%	8.0%	63.7%	100%
	2017	31.3	5.0	36.3	55.2	8.5	63.7	100
	2018	30.7	5.4	36.1	55.3	8.6	63.9	100
	2019	29.5	4.5	34.0	58.1	7.9	66.0	100
	2020	16.6	4.1	20.7	52.8	26.5	79.3	100
	2021	11.9	3.6	15.5	47.5	37.0	84.5	100
	2022	15.5	3.5	19.0	42.5	38.5	81.0	100
	2023*	*	*	*	*	*	*	*
	2024*	*	*	*	*	*	*	*
	2025*	*	*	*	*	*	*	*
MARTA								
	2016	19.8%	12.2%	32.0%	57.3%	10.7%	68.0%	100%
	2017	19.7	5.5	25.2	62.7	12.1	74.8	100
	2018	19.6	-2.2	17.4	71.8	10.8	82.6	100
	2019	16.1	8.3	24.4	65.1	10.5	75.6	100
	2020[3]	11.1	7.0	18.1	56.5	25.4	81.9	100
	2021[3]	5.4	6.5	11.9	59.0	29.1	88.1	100
	2022[3]	6.2	6.9	13.1	63.3	23.6	86.9	100
	2023[3]	6.9	7.1	14.0	65.8	20.2	86.0	100
	2024[4]	7.5	11.0	18.5	73.1	8.4	81.5	100
	2025	7.9	12.0	19.9	71.3	8.8	80.1	100

* Not Available

(1) Source: The American Public Transportation Association, APTA 2024 Fact Book, Appendix A Historical Table 87.

(2) Other Revenue includes interest, auxiliary, and other non-operating income.

(3) Fares, Sales & Use Tax, and Federal Revenues were impacted by COVID-19.

(4) Fares Revenues were impacted as a result of the continuing stagnation of ridership related to the prolonged impact of COVID-19.

Total Expenses by Function

Last Ten Fiscal Years

(Dollars in Thousands)

Fiscal Year	Transportation	Maintenance	General and Administrative	Depreciation	Total Operating Expenses	Interest	Other	Total
2016	$206,252	$143,576	$83,271	$242,536	$675,635	$83,177	$33,644	$792,456
2017	219,867	140,341	72,747	235,608	668,563	84,124	38,984	791,671
2018	226,791	151,800	103,540	233,549	715,680	77,611	26,781	820,072
2019	247,245	175,466	99,531	240,540	762,782	83,617	35,310	881,709
2020	241,307	173,680	94,017	245,619	754,623	86,918	42,222	883,763
2021[1]	230,367	177,536	93,803	249,455	751,161	83,946	55,197	890,304
2022[1]	227,844	172,956	72,126	251,704	724,630	77,362	67,245	869,237
2023[1]	275,265	196,467	117,707	250,150	839,589	73,508	86,208	999,305
2024	312,395	194,033	122,411	256,178	885,017	70,146	101,359	1,056,522
2025	332,216	212,059	173,618	268,062	985,955	80,224	79,666	1,145,845

[1] Impacted by COVID-19

Total Operating Expenses by Object

Last Ten Fiscal Years
(Dollars in Thousands)

Fiscal Year	Labor and Benefits	Services	Material and Supplies	Utilities	Casualty/ Liability Costs	Purchased Transportation	Depreciation	Other [2]	Total Operating Expenses
2016	$329,462	$34,170	$41,682	$13,854	$5,321	$4,108	$242,536	$4,502	$675,635
2017	304,955	35,890	38,607	12,857	9,701	26,682	235,608	4,263	668,563
2018	331,416	38,536	43,039	15,289	22,128	24,696	233,549	7,027	715,680
2019	366,938	41,578	39,842	14,929	17,903	30,002	240,540	11,050	762,782
2020[1]	360,009	38,770	38,601	13,885	15,770	31,758	245,619	10,211	754,623
2021[1]	352,158	45,543	30,484	14,818	25,867	29,809	249,455	3,027	751,161
2022[1]	354,049	50,013	45,553	14,660	17,771	34,191	251,704	(43,311)	724,630
2023[1]	375,039	62,090	54,042	14,737	39,137	44,558	250,150	(164)	839,589
2024	421,397	66,370	57,640	16,982	33,584	58,628	256,178	(25,762)	885,017
2025	477,763	61,130	62,283	19,943	74,435	62,053	268,062	(39,714)	985,955

[1] Impacted by COVID-19

[2] Includes GASB 68 and GASB 75 adjustments

Operating Expenses Comparison to Industry Trend Data

Last Ten Fiscal Years
(As a Percentage of Total)

	Fiscal Year	Labor and Benefits	Services	Material and Supplies	Utilities	Casualty Liability Costs	Purchased Transportation	Other [4]	Total Operating Expenses [1]
Transportation Industry[2]									
	2016	62.0%	8.0%	9.0%	3.0%	3.0%	14.0%	1.0%	100.0%
	2017	62.0	8.0	9.0	3.0	3.0	14.0	1.0	100.0
	2018	61.0	8.0	9.0	3.0	3.0	14.0	2.0	100.0
	2019	61.0	9.0	8.0	3.0	3.0	15.0	1.0	100.0
	2020	62.0	9.0	8.0	3.0	2.0	15.0	1.0	100.0
	2021	62.0	10.0	7.0	3.0	3.0	14.0	1.0	100.0
	2022	60.0	10.0	8.0	3.0	3.0	15.0	1.0	100.0
	2023	59.0	10.0	9.0	3.0	3.0	15.0	1.0	100.0
	2024	*	*	*	*	*	*	*	*
	2025	*	*	*	*	*	*	*	*
MARTA									
	2016	76.1%	7.9%	9.6%	3.2%	1.2%	0.9%	1.1%	100.0%
	2017	70.4	8.3	8.9	3.0	2.2	6.2	1.0	100.0
	2018	68.7	8.0	8.9	3.2	4.6	5.1	1.5	100.0
	2019	70.3	8.0	7.6	2.9	3.4	5.7	2.1	100.0
	2020[3]	71.2	7.7	7.6	2.7	3.1	6.3	1.4	100.0
	2021[3]	70.2	9.0	6.1	3.0	5.2	5.9	0.6	100.0
	2022[3]	74.9	10.6	9.6	3.1	3.8	7.2	-9.2	100.0
	2023[3]	63.6	10.5	9.2	2.5	6.6	7.6	0.0	100.0
	2024	67.0	10.6	9.2	2.7	5.3	9.3	-4.1	100.0
	2025	66.5	8.5	8.7	2.8	10.4	8.6	-5.5	100.0

* Not Available

(1) Excludes Depreciation Expense

(2) Source: The American Public Transportation Association, APTA 2024 Public Transportation Fact Book

(3) Impacted by COVID-19

(4) Includes GASB 68 and GASB 75 adjustments

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METROPOLITAN ATLANTA
RAPID TRANSIT AUTHORITY

REVENUE CAPACITY

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Revenues by Source

Last Ten Fiscal Years

(Dollars in Thousands)

Fiscal Year	Fare Revenues	Federal Operating Revenues[2]	Sales & Use Tax [3]	Auxiliary Transportation	Investment Income	Non-Transportation[4]	Total
2016	$141,360	$76,288	$409,718	$11,052	$1,568	$74,635	$714,621
2017	137,914	84,976	439,039	10,577	2,225	25,505	700,236
2018	138,254	76,094	507,146	10,226	3,386	(28,883)	706,223
2019	133,186	87,283	540,310	7,977	11,848	48,602	829,206
2020	102,420	234,634	521,898	7,651	12,108	44,817	923,528
2021[1&2]	51,642	280,504	569,682	5,365	3,613	54,058	964,864
2022[1&2]	64,951	249,769	669,133	7,009	12,168	53,873	1,056,903
2023[1&2]	74,057	215,904	704,416	7,183	22,415	46,123	1,070,098
2024[1&2]	74,522	82,942	723,263	6,303	58,618	43,610	989,258
2025[2]	82,246	91,231	740,525	2,238	47,525	75,352	1,039,117

[1] Fare Revenues increased as a result of a slight increase in ridership after the prolonged effect of COVID-19. Fare Revenues increased by $7,724 (10.4%) compared to 2024 a s a result of an increase in ridership from reopening of the economy after the prolonged impact of COVID-19.

[2] Federal Operating Revenues are not generated by MARTA; thus, they are not own-source revenues. Federal Operating Revenues are greater in 2020, 2021, 2022, and 2023 compared to previous years. The increases were the result of additional funding from the FTA in the form of Federal Cares Act and ARP grant awards which has been exhausted.

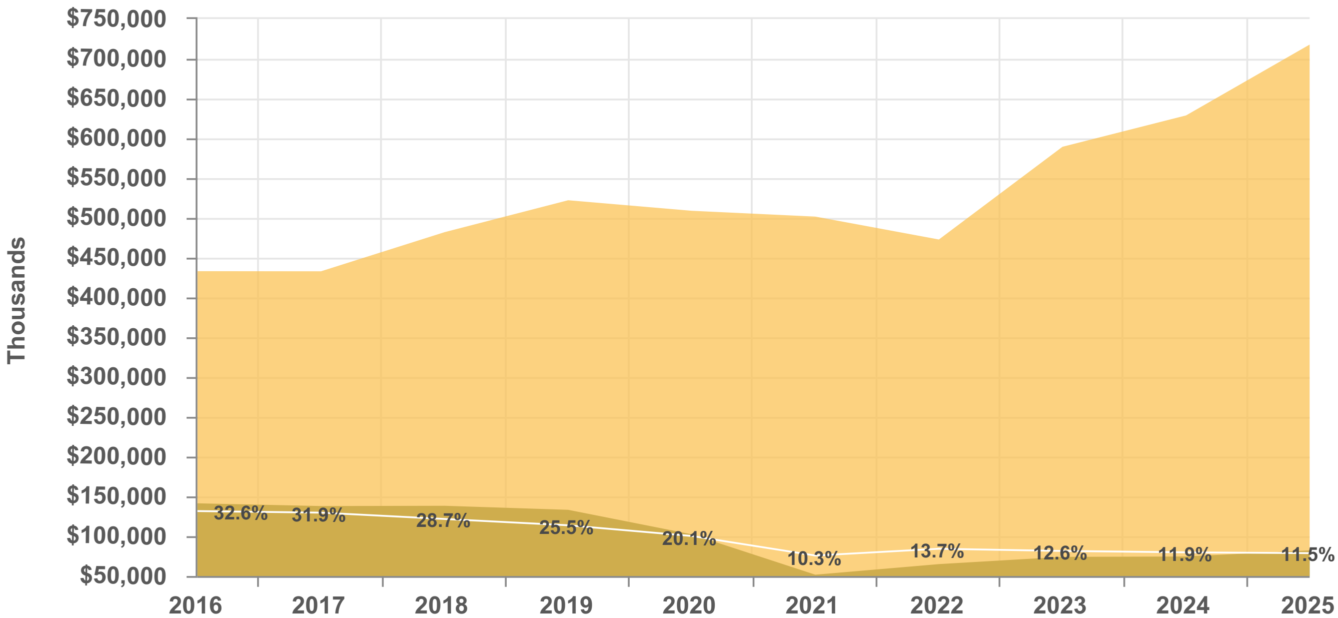
[3] MARTA is a public corporate body created as joint public instrumentality and does not have the power to impose any tax on any subject of taxation. MARTA receives 1% sales tax from Fulton County, Dekalb County and Clayton County and 1.5% form the City of Atlanta levied on its behalf by the aforementioned jurisdiction.

[4] Non-Transportation includes Ad Valorem Tax, Other Non-Operating Revenues and the Gain/(Loss) on Sale of Property and Equipment.

Farebox Recovery Percentage

Last Ten Fiscal Years
(Dollars in Thousands)

Fiscal Year	Farebox Revenue	Percent Change	Operating Expenses (2)	Percent Change	Farebox Recovery
2016	$141,360	(3.5)%	$433,099	8.2%	32.6%
2017	137,914	(2.4)	432,955	—	31.9
2018	138,254	0.2	482,132	11.4	28.7
2019	133,186	(3.7)	522,242	8.3	25.5
2020(3)	102,420	(23.1)	509,004	(2.5)	20.1
2021(3)	51,642	(49.6)	501,706	(1.4)	10.3
2022(3)	64,951	25.8	472,926	(5.7)	13.7
2023(1&3)	74,057	14.0	589,439	24.6	12.6
2024(1&4)	74,522	0.6	628,839	6.7	11.9
2025(5)	82,246	10.4	717,893	14.2	11.5



(1) Farebox Revenue increased slightly from the prolonged impact of COVID-19

(2) Excludes Depreciation Expense

(3) Operating Expenses were impacted by COVID-19

(4) The majority of the increases were related to all operating expenses categories except maintenance and garage operation

(5) The majority of the increases were related to all operating expenses categories

Sales & Use Tax Rates Direct and Overlapping Governments

Last Ten Fiscal Years

Year	State of Georgia (1)	MARTA (2)	DeKalb County (3 & 8)	Fulton County (4 & 8)	Clayton County (5)	Cobb County (6)	Gwinnett County (7)
2016	4%	1%	2%	2%	3%	2%	2%
2017	4	1	2	3	3	2	2
2018	4	1	4	4	3	2	2
2019	4	1	4	4	3	2	2
2020	4	1	4	4	3	2	2
2021	4	1	3.9	3.9	3	2	2
2022	4	1	3.5	3.5	3	2	2
2023	4	1	3.9	3.9	3	2	2
2024	4	1	3.9	3.9	3	2	2
2025	4	1	3.9	3.9	3	2	2

(1) Charged in all counties.

(2) Charged in counties in the MARTA district which have a service contract with MARTA, currently Fulton, DeKalb and Clayton counties.

(3) Education tax and homestead tax effective July 1, 1997.

(4) Local option tax effective April 1, 1983. Education tax effective July 1, 1997.

(5) Local option tax effective April 1, 1994. Education tax effective July 1, 1997. Special purpose tax effective July 1, 1998.

(6) Education tax effective April 1, 1999.

(7) Special purpose tax effective April 1, 1992. Education tax effective July 1, 1997.

(8) Local other purpose tax levied only within the City of Atlanta effective October 1, 2004.

Source: Georgia Department of Revenue

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METROPOLITAN ATLANTA
RAPID TRANSIT AUTHORITY

DEBT CAPACITY

6

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Sales and Use Tax Revenue Bond Debt Coverage

Last Ten Fiscal Years
(Dollars in Thousands)

Fiscal Year	Sales & Use Tax	Debt Service Requirements			Debt Service Coverage [1]
		Principal	Interest	Total	
2016	$409,718	$59,425	$86,018	$145,443	2.82%
2017	439,039	24,660	84,132	108,792	4.04
2018	507,146	38,520	75,498	114,018	4.45
2019	540,310	44,160	82,297	126,457	4.27
2020[2]	521,898	51,825	84,979	136,804	3.81
2021[2]	569,682	55,240	83,945	139,185	4.09
2022[3]	669,133	62,215	77,362	139,577	4.79
2023[3]	704,416	67,050	73,311	140,361	5.02
2024[3]	723,263	59,480	69,329	128,809	5.62
2025[3]	740,525	69,260	79,822	149,082	4.97

(1) Bond indebtedness is limited by the Trust Indenture and the Trustee in each bond year to the extent that estimated amounts of sales and use tax received are at least equal to two (2) times the aggregate amount of total debt service.

(2) Sales and Use Tax was impacted by COVID-19.

(3) Sales and Use Tax increased as a result of a rise in consumer spending on retail sales and the impact of inflation.

Sales & Use Tax Revenue Bond Debt Service Limit

June 30, 2025
(Dollars in Thousands)

Sales & Use Tax	$	740,525
Debt Service Limitation [1]		45%
Debt Service Limit		333,236
Required for Debt Service [2]		149,082
Excess	$	184,154

[1] The MARTA Board established a limit for the annual debt service to be paid for by sales and use tax revenue bonds to no more than 45% of the estimated sales tax receipts for the year.

[2] From page 119 - Sales & Use Tax Revenue Bond Debt Service Limit.

Sales & Use Tax Revenue Bond Debt Service Limit

Last Ten Fiscal Years
(Dollars in Thousands)

Fiscal Year	Sales & Use Tax	Required for Debt Service	Ratio of Debt Service [(1)]
2016	$409,718	$145,443	35.5%
2017	439,039	108,792	24.8
2018	507,146	114,018	22.5
2019	540,310	126,457	23.4
2020[(2)]	521,898	136,804	26.2
2021[(2)]	569,682	139,185	24.4
2022[(3)]	669,133	139,577	20.9
2023[(3)]	704,416	140,361	19.9
2024[(3)]	723,263	128,809	17.8
2025[(3)]	740,525	149,082	20.1

[(1)] The MARTA Board established a limit for the annual debt service to be paid for by sales and use tax revenue bonds to no more than 45% of the estimated sales tax receipts for the year.

[(2)] Sales and Use Tax was impacted by COVID-19.

[(3)] Sales and Use Tax increased as a result of a rise in consumer spending on retail sales and the impact of inflation.

Sales & Use Tax Revenue Bond Debt Ratios

Last Ten Fiscal Years
(Dollars in Thousands)

Fiscal Year	Net Outstanding Sales Tax Revenue Bond (1)	Lessee (6)	Total Debt Outstanding	Total Unlinked Passenger Count (2)	Per Capita (3)	As a Share of Personal Income (4)
2016	$2,176,583	$311,633	$2,488,216	132,724	$19	2.09
2017	2,345,485	324,663	2,670,148	125,741	21	2.09
2018	2,125,742	300,571	2,426,313	119,442	20	1.79
2019	2,186,670	320,559	2,507,229	116,665	21	1.70
2020(5)	2,405,142	394,415	2,799,557	93,669	30	0.02
2021(5)	2,349,165	374,625	2,723,790	45,873	59	1.64
2022(5)	2,287,542	—	2,287,542	50,754	45	1.38
2023(5)	2,191,163	—	2,191,163	61,275	36	1.24
2024	2,089,893	—	2,089,893	64,194	33	*
2025	2,338,643	85,699	2,424,342	65,087	37	*

* Not available
(1) From MARTA Financial Statements 2016 to 2025
(2) See “Unlinked Passenger Changes” on Page 135
(3) Outstanding Debt per Unlinked Passenger Count on Page 135
(4) Outstanding Debt per Total Service District Personal Income, revised in FY 2025: see Trends in Personal Income on page 125
(5) Total Unlinked Passenger Count was impacted by COVID-19
(6) Total Financed Purchase, Lessee, LILO, and SBITA Liabilities

Computation of Overlapping Debt

(Dollars in Thousands)

Jurisdiction:	Amount Outstanding	Percentage Applicable to MARTA	Amount Applicable to MARTA
Fulton County Library Bonds[1]	$209,490	100	$209,490
Fulton County Urban Redevelopment Agency[1]	103,107	100	103,107
Fulton County - Lease and other subscription arrangement	311,010	100	311,010
DeKalb County[2]	170,659	100	170,659
Atlanta - Financed Purchases	111,718	100	111,718
Atlanta - Subscription Based Information Technology Arrangements (SBITA)	5,754	100	5,754
Atlanta Liability	21,644	100	21,644
Municipalities:			
Atlanta[2]	630,246	94	594,385
Alpharetta[1]	99,986	100	99,986
Hapeville[1]	6,675	100	6,675
Fairburn[1]	5,475	100	5,475
Johns Creek[1]	35,962	100	35,962
Union City[1]	7,040	100	7,040
Milton[1]	41,253	100	41,253
Roswell[1]	85,435	100	85,435
Fulton-DeKalb Hospital Authority Series 2012[2]	27,935	100	27,935
Atlanta-Fulton County Recreation Authority - Zoo 2007[2]	149,547	100	149,547
South Fulton Regional Jail Authority (Fulton Project)[1]	8,570	100	8,570
East Point Building Authority[1]	27,924	100	27,924
Total Overlapping Debt	$2,059,430		$2,023,569

This schedule depicts the debt obligations imposed by other governments that are, either wholly or in part, within the geographic boundaries of MARTA, and the percent of property within MARTA's boundaries.
MARTA has no obligation to the other governments for their debt.

[1] Source: Year Ended December 31, 2024 ACFR for Fulton County

[2] Source: Year Ended December 31, 2024 ACFR for the City of Atlanta and Dekalb County

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METROPOLITAN ATLANTA
RAPID TRANSIT AUTHORITY

DEMOGRAPHIC & ECONOMIC INFORMATION

7

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Trends in Personal Income

Last Ten Fiscal Years
(Dollars in Thousands)

	Total Personal Income							PER CAPITA*** Personal Income		
Calendar Year	Clayton County	Fulton County	DeKalb County	Total Service District(1)	% Change Clayton County	% Change Fulton County	% Change DeKalb County	Clayton County	Fulton County	DeKalb County
2016	$7,466,751	$77,713,366	$34,026,710	$119,206,827	4.7%	9.9%	8.1%	$26,702	$78,794	$45,522
2017	7,698,857	83,820,696	36,519,269	128,038,822	3.1	7.9	7.3	27,058	80,683	48,557
2018	7,933,521	91,897,602	38,765,531	138,596,654	3.0	9.6	6.2	27,430	87,395	51,310
2019	8,283,608	99,005,158	40,238,177	147,526,943	4.4	7.7	3.8	28,329	92,961	52,950
2020	9,649,947	102,439,388	43,637,126	155,726,461	16.5	3.5	8.4	32,446	95,825	57,129
2021	10,712,179	108,742,651	46,873,308	166,328,138	11.0	6.2	7.4	36,056	102,074	61,861
2022*	9,736,416	108,123,538	47,777,254	165,637,208	-9.1	-0.6	1.9	32,831	100,614	62,632
2023*	10,401,956	114,526,256	51,739,230	176,667,442	6.8	5.9	8.3	34,871	106,131	67,811
2024**	**	**	**	**	**	**	**	**	**	**
2025**	**	**	**	**	**	**	**	**	**	**

* Revised per latest update from US Department of Commerce BEA dated February 20, 2025

** Not available

*** Actual dollar amounts

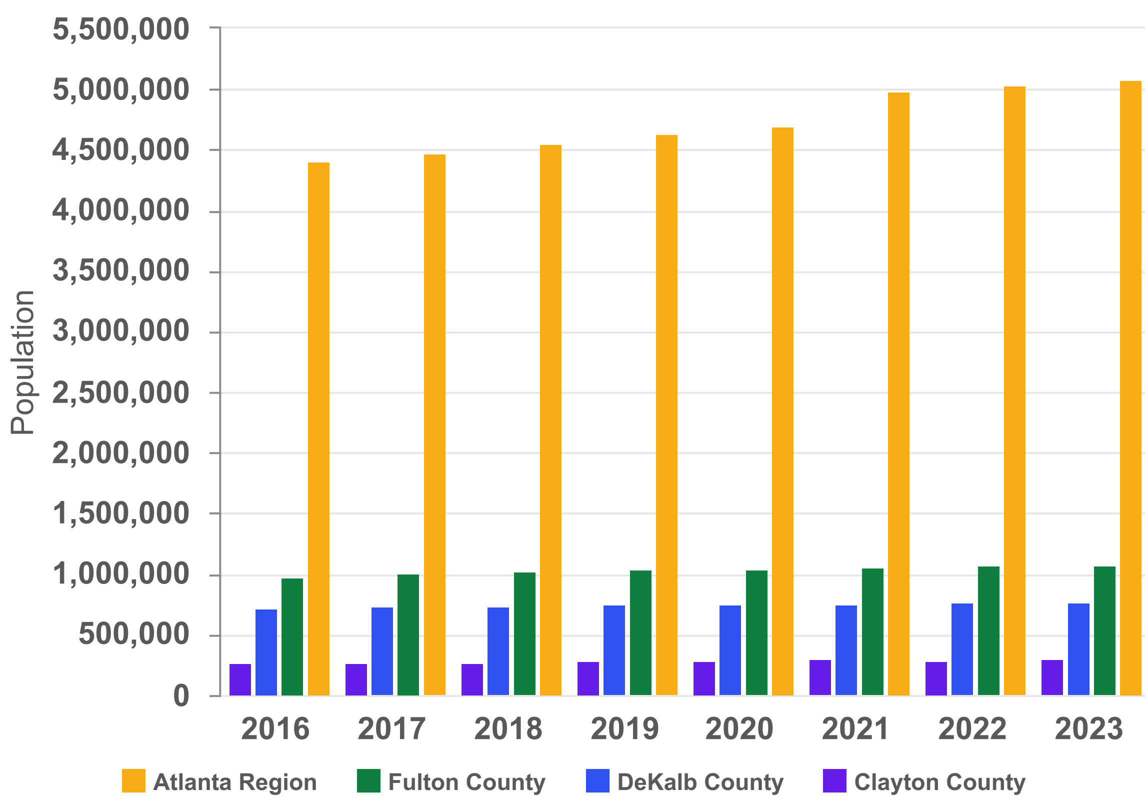
(1) Represents Total Personal Income

Population

Last Ten Fiscal Years

Population Growth Since 2016

Year	Clayton County	Fulton County	DeKalb County	Atlanta Region
2016	270,600	985,700	725,000	4,401,800
2017	275,300	1,002,800	733,900	4,480,100
2018	279,400	1,020,370	744,530	4,555,900
2019	283,900	1,037,070	753,030	4,628,400
2020	297,417	1,069,023	763,831	4,974,480
2021	297,100	1,065,334	757,718	4,992,026
2022	296,564	1,074,634	762,820	5,042,532
2023**	298,300	1,079,105	762,992	5,083,266
2024*	*	*	*	*
2025*	*	*	*	*

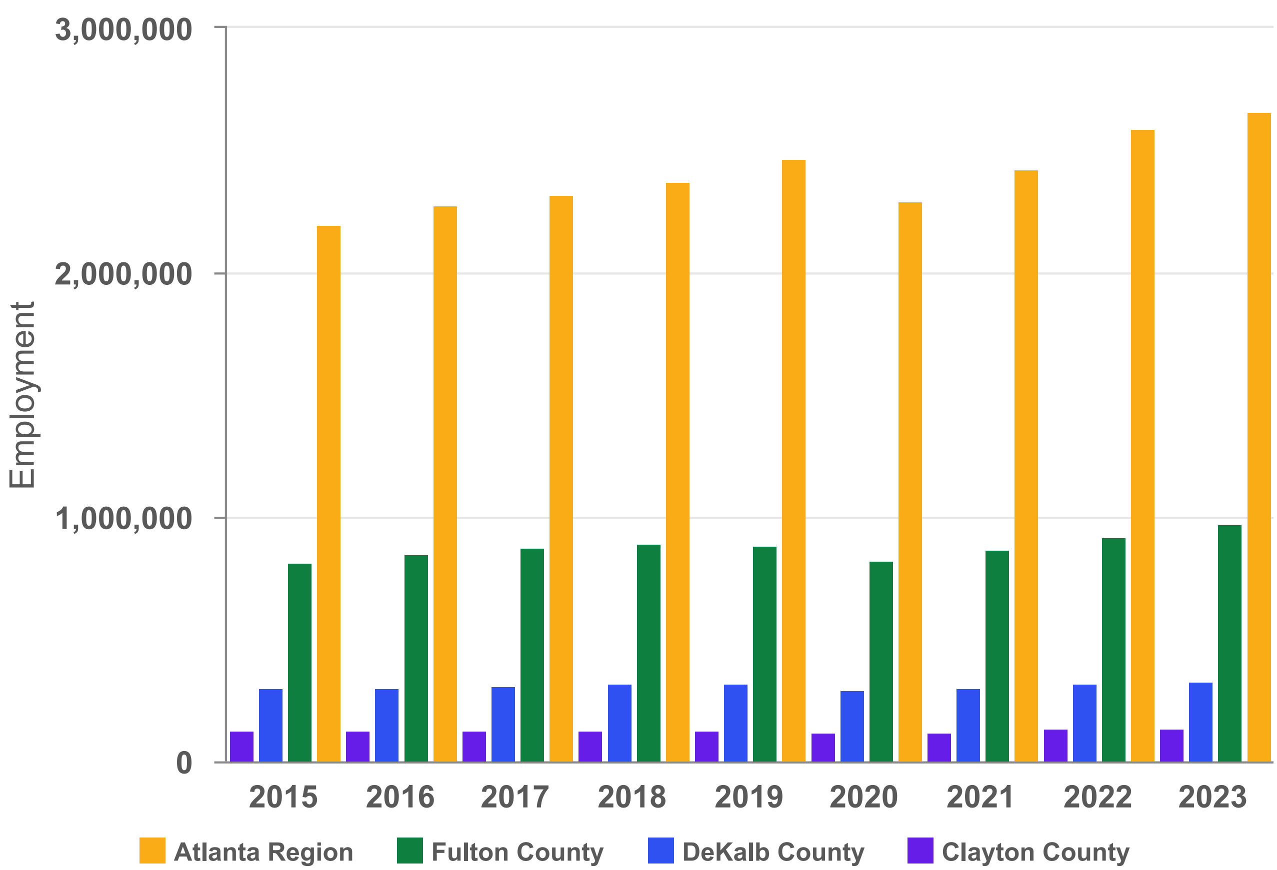


*Not available
**Revised
Source: Atlanta Regional Commission

Employment

Employment Growth Since 2015

Year	Clayton County	Fulton County	DeKalb County	Atlanta Region
2015	130,143	818,902	301,880	2,198,411
2016	128,599	856,499	307,448	2,277,889
2017	130,233	878,099	312,424	2,320,307
2018	129,834	885,725	319,250	2,426,455
2019	133,790	890,730	319,335	2,473,164
2020	121,918	822,407	295,484	2,294,209
2021	124,749	866,466	308,528	2,429,825
2022	136,983	924,956	322,992	2,594,034
2023	139,913	971,643	329,285	2,665,144
2024*	*	*	*	*
2025*	*	*	*	*



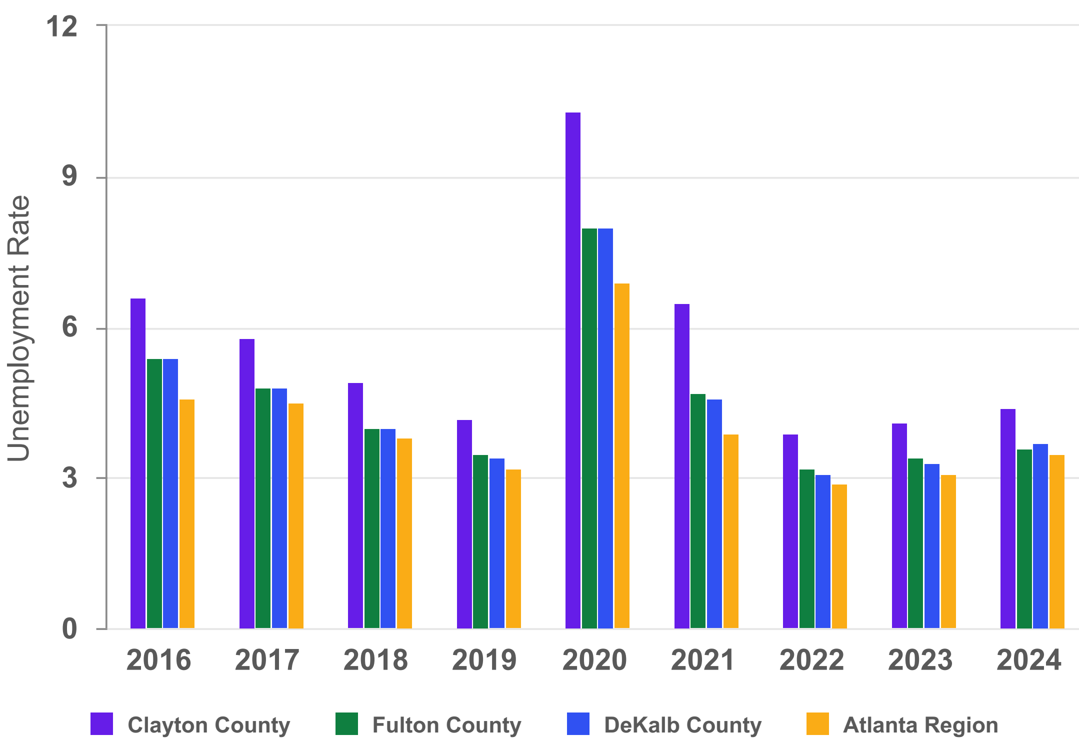
*Not available
Source: Atlanta Regional Commission

Unemployment Rates

Last Ten Fiscal Years

Unemployment Rates Since 2016

Year	Clayton County	Fulton County	DeKalb County	Atlanta Region
2016	6.6	5.4	5.4	4.6
2017	5.8	4.8	4.8	4.5
2018	4.9	4.0	4.0	3.8
2019	4.2	3.5	3.4	3.2
2020	10.3	8.0	8.0	6.9
2021	6.5	4.7	4.6	3.9
2022	3.9	3.2	3.1	2.9
2023	4.1	3.4	3.3	3.1
2024	4.4	3.6	3.7	3.5
2025**	**	**	**	**



** Not Available

Source: U.S. Department of Labor-Bureau of Labor Statistics

Top Ten Corporate Employers in the Atlanta Region

Current Year and Nine Years Ago

Company	2025 Number of Full Time Employees	2025 Rank	2025 Percentage of Total Employment	2016 Number of Full Time Employees	2016 Rank	2016 Percentage of Total Employment
Delta Air Lines, Inc.	42,090	1	1.58%	31,699	1	1.14%
Northside Hospital	32,000	2	1.20	14,577	7	0.52
Piedmont Healthcare	29,646	3	1.11	12,906	8	0.46
Publix Super Markets, Inc	23,660	4	0.89	9,755	10	0.35
Wellstar Health System	21,020	5	0.79	20,000	4	0.72
The Home Depot	19,576	6	0.73	25,000	3	0.90
United Parcel Service Inc.	17,037	7	0.64	16,231	6	0.58
Emory University	13,500	8	0.51	26,026	2	0.93
Children’s Healthcare of Atlanta	10,027	9	0.38			
UPS Supply Chain Solutions	10,121	10	0.38			
AT&T				17,000	5	0.61
Marriott International				12,000	9	0.43
	218,677		8.21	185,194		6.64

SOURCES: Metro Atlanta Chamber of Commerce, 2025

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METROPOLITAN ATLANTA
RAPID TRANSIT AUTHORITY

OPERATING INFORMATION

8

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Transit Service Effort & Accomplishments Per Mile

Last Ten Fiscal Years
(Vehicle Miles In Thousands)

Fiscal Year	Revenue Vehicle Miles (1) Bus	Rail	Total	% Change	Operating Expense (2) Per Mile	Operating Expense (2) Per Passenger Mile (1) (3)	Unlinked Passenger Trips Per Mile (1) (3)
2016	25,181	22,268	47,449	5%	$9.13	$0.59	2.8
2017	26,239	22,334	48,573	2	8.91	0.60	2.6
2018	27,163	22,373	49,536	2	9.73	0.70	2.4
2019	28,122	22,511	50,633	2	10.31	0.75	2.3
2020(4)	28,303	20,431	48,734	(4)	10.44	0.97	1.9
2021(4)	26,018	17,253	43,271	(11)	11.59	2.05	1.1
2022(4)	23,919	17,937	41,856	(3)	11.29	1.60	1.2
2023(4)	23,905	17,970	41,875	—	14.08	1.72	1.5
2024(4)	23,938	18,883	42,821	2	14.69	1.72	1.5
2025	24,213	20,795	45,008	5	15.95	1.96	1.4

(1) Does not include demand response.

(2) Operating expense excludes depreciation.

(3) Unlinked Passenger figures count passengers each time that person boards a transit vehicle from the initial point of origin until he or she reaches a final destination.

(4) Impacted by COVID-19.

Transit Service Effort and Accomplishments Per Hour

Last Ten Fiscal Years
(Vehicle Hours In Thousands)

Fiscal Year	Revenue Vehicle Hours (1) Bus	Rail	Total	% Change	Operating Expense(2) Per Hour	Operating Expense (2) Per Passenger Trip (1) (3)	Unlinked Passenger Trips Per Revenue Vehicle Hour (1) (3)
2016	2,043	838	2,881	5%	$150.33	$3.27	46.1
2017	2,114	840	2,954	3	146.57	3.44	42.6
2018	2,205	841	3,046	3	158.29	4.04	39.2
2019	2,279	845	3,124	3	167.17	4.48	37.3
2020(4)	2,323	771	3,094	(1)	164.51	5.43	30.3
2021(4)	2,103	651	2,754	(11)	182.20	10.94	16.7
2022(4)	1,886	675	2,561	(7)	184.69	9.32	19.8
2023(4)	1,886	676	2,562	—	229.98	9.62	23.9
2024(4)	1,883	707	2,590	1	242.79	9.80	24.8
2025	1,907	780	2,687	4	267.12	11.03	24.2

(1) Does not include demand response.

(2) Operating expense excludes depreciation.

(3) Unlinked Passenger figures count passengers each time that person boards a transit vehicle from the initial point of origin until he or she reaches a final destination.

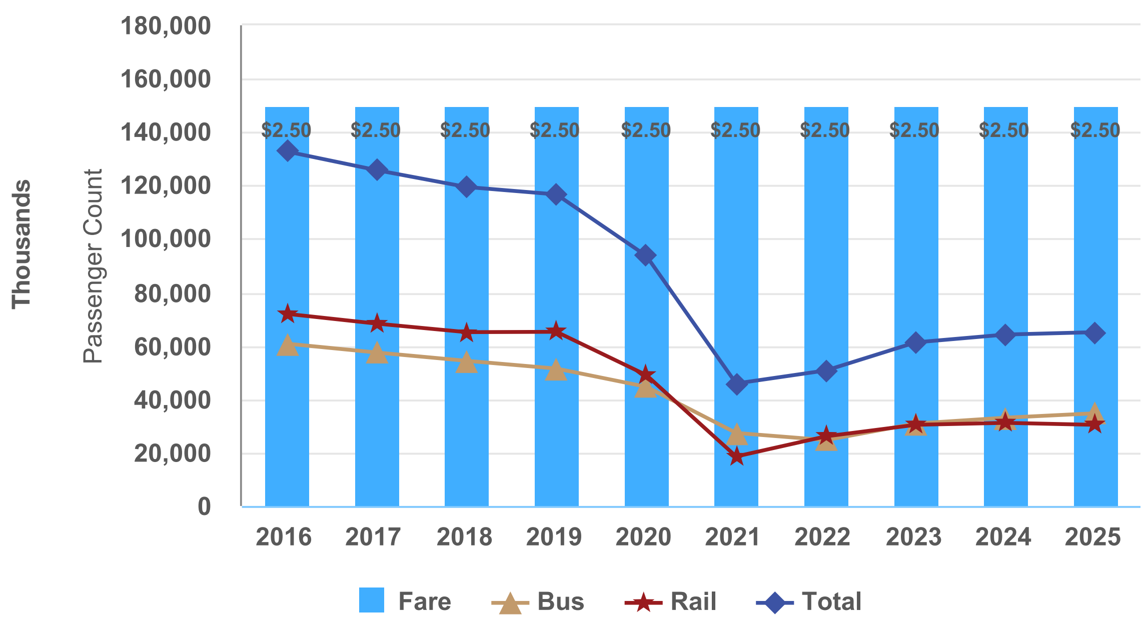
(4) Impacted by COVID-19.

Unlinked Passenger Changes

Last Ten Fiscal Years
(In Thousands)
Unlinked Passenger Count [1]

Fiscal Year	Bus[1]	% Change	Rail[1]	% Change	Total[1]	% Change
2016	$60,779	(3.3)%	$71,945	(0.8)%	$132,724	(2.0)%
2017	57,460	(5.5)	68,281	(5.1)	125,741	(5.3)
2018	54,355	(5.4)	65,087	(4.7)	119,442	(5.0)
2019	51,448	(5.3)	65,217	0.2	116,665	(2.3)
2020[2]	44,638	(13.2)	49,031	(24.8)	93,669	(19.7)
2021[2]	27,339	(38.8)	18,533	(62.2)	45,872	(51.0)
2022[2]	24,674	(9.7)	26,080	40.7	50,754	10.6
2023[2]	30,879	25.1	30,396	16.5	61,275	20.7
2024[2]	33,067	7.1	31,127	2.4	64,194	4.8
2025	34,713	5.0	30,374	(2.4)	65,087	1.4

Relationship of Fare Changes to Linked Passenger Counts



[1] Unlinked passenger count is any transit vehicle passenger boarding, whether it is the first boarding of an origin-to-destination journey or a subsequent transfer.

[2] Impacted by COVID-19.

Fare Structure

For the Fiscal Year Ended June 30, 2025

Regular Fare		
Single Trip (stored on Breeze Card or Breeze Ticket)		**$2.50**
Round Trip-including transfers(stored on Breeze Card or Breeze Ticket)		**$5.00**
Ten(10) single trips(10 trips on Breeze Card or Breeze Ticket)		**$25.00**
Discounted Fare		
Twenty (20) single trips (20 trips stored on one Breeze Card or Breeze Ticket)		**$42.50**
30 day pass (unlimited travel for 30 consecutive days, all regular service)		**$95.00**
7 day pass (unlimited travel for 7 consecutive days, all regular service)		**$23.75**
Day passes (unlimited travel for consecutive days, all regular service). Price per day:	1 day:	**$9.00**
	2 day:	**$14.00**
	3 day:	**$16.00**
	4 day:	**$19.00**

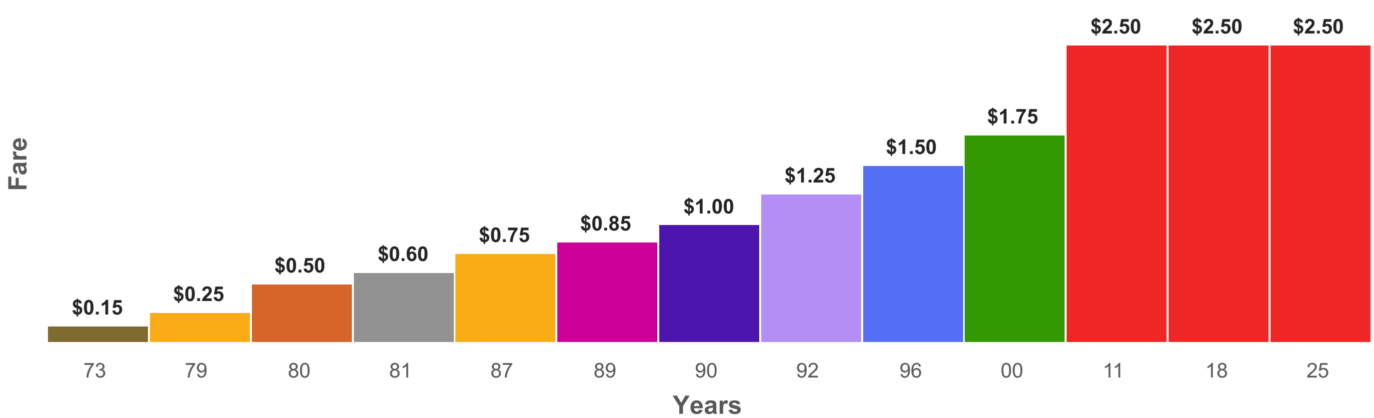
Atlanta Streetcar	
One Way Trip (ADULT)	**$1.00**
Child (Up to 2 children, 46" & under w/paid adult)*	
One Day Pass	**$3.00**
and older and disabled customers using regular service)	**$1.00**
Mobility Service (Demand response for certified customers)	**$4.00**
Personal care attendant may ride free (if required)	
Discounted Mobility Service (20 single trips)	**$68.00**

Discounted Mobility Service (unlimited travel for 30 days on Breeze Card)	**$128.00**
Mobility on Fixed Route (For Mobility certified customers riding fixed route with Mobility Breeze Card)	**No charge**

Student Programs	
K-12 Program (Grade School and High School students K-12, Monday through Friday	
Ten(10) trip pass (to/from school), all regular school	**$14.40**

University Pass (U-Pass) Program		
Monthly discount program for college or university students and staff	Students:	**$68.50**
	Faculty/ Staff:	**$83.80**

Convention and Visitors Pass		
For groups of 15 or more, ordered a minimum of 20 days in advance. Price per day:	1 day:	**$9.00**
	2 day:	**$14.00**
	3 day:	**$16.00**
	4 day:	**$19.00**
	7 day:	**$23.75**
	30 day:	**$95.00**



Vehicles Operated in Maximum Service

Last Ten Fiscal Years

Fiscal Year	Bus	Rail	Total[1]
2016	453	180	633
2017	466	206	672
2018	465	196	661
2019	448	178	626
2020	425	178	603
2021	442	128	570
2022	407	210	617
2023	443	160	603
2024	384	152	536
2025	376	178	554

[1]Does not include demand response.

Number of Employees

Last Ten Fiscal Years

Fiscal Year	Full-Time	Part-Time	Total
2016	4,356	288	4,644
2017	4,249	264	4,513
2018	3,940	212	4,152
2019	4,319	118	4,437
2020	4,238	251	4,489
2021	4,523	198	4,721
2022	4,375	143	4,518
2023	4,670	122	4,792
2024	4,406	101	4,507
2025	4,718	102	4,820

Note: A full-time employee is scheduled to work 260 days per year (365 minus two days off per week).
At eight hours per day, 2,080 hours are scheduled per year (including Paid Time Off).
Full-Time equivalent employment is calculated by dividing total labor hours by 2,080.

Miscellaneous Statistical Data

Last Ten Fiscal Years

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Population served	1,765,658	1,765,500	1,742,072	1,720,800	1,646,800	1,626,211	1,618,865	2,079,829	1,967,468	2,019,388
Size of area served (in square miles)	613	613	605	614	597	597	592	567	567	567
Number of Bus Routes	113	113	113	113	111	44	110	108	100	100
Annual Bus Passenger Miles (in millions) (Excludes Paratransit/Demand Response)	148.7	144.7	129.9	117.4	120.1	196.1	243.6	245.6	251.2	258.6
Miles of Bus Route	1814	1785	1831	1811	1796	1805	1775	1741	1600	1659
-Average On Time Performance	78.0 %	77.2 %	77.4 %	80.8 %	82.0 %	77.1 %	77.1 %	78.6 %	78.5 %	78.8 %
Miles of Rail Route	48	48	48	48	48	48	48	50.7	48	48
-Average On Time Performance	93.8 %	96.0 %	96.8 %	96.8 %	97.6 %	97.8 %	96.8 %	97.1 %	98.0 %	96.6 %
Annual Rail Passenger Miles (in millions)	218.3	221.3	213.5	180.8	125.0	330.2	449.0	449.9	468.8	477.3
Number of Rail Stations	38	38	38	38	38	38	38	38	38	38
Number of Bus Stop Locations	8703	8922	8887	8971	8949	9035	9088	9193	9136	9210
Number of Bus Park And Ride Facilities	8	8	8	8	8	8	8	7	7	7
Number of Bus Shelters	1231	1228	1126	1013	896	790	698	681	652	754
Bus Passenger Parking Capacity	2836	2836	2770	2801	2981	2981	2981	3053	2843	2807
Rail Passenger Parking Capacity	19602	18478	18970	19730	22057	22057	20947	20300	21200	21645
No. of Buses in Active Fleet	535	548	567	583	539	538	594	555	550	569
-Average Vehicle Age (in years)	8.4	7.5	6.4	6.4	5.4	4	5.4	5.4	6.4	5.4
No. of Mobility Vehicles in Active Fleet	240	240	237	239	240	242	208	211	210	211
-Average Vehicle Age (in years)	5.6	4.5	4.5	3.5	2.5	2.0	2.6	3.8	2.9	1.9
No. of Rapid Rail Vehicles in Active Fleet	262	270	274	258	262	250	290	306	316	336
-Average Vehicle Age (in years)	36.6	35.6	34.6	32.6	32.6	31.0	29.6	28.6	27.6	27.6
No. of Streetcars(1) in Active Fleet	3	4	3	4	4	4	4	—	—	—
-Average Vehicle Age (in years)	10.1	9.1	8.1	7.1	6.1	5	4.1	—	—	—
Annual Mobility Vehicle Miles (in millions)	10.1	9.4	8.9	8.1	5.0	8.7	10.4	10	9.3	8.5
Investment In Property and Equipment (in billions)	$9,218	$8,814	$8.636	$8.444	$8.181	$7,955	$7,685	$7,397	$7,166	$7,030

(1) In FY 2019 MARTA assumed the ownership and operation of the streetcars.

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METROPOLITAN ATLANTA
RAPID TRANSIT AUTHORITY

SINGLE AUDIT

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Board of Directors
Metropolitan Atlanta Rapid Transit Authority
Atlanta, Georgia

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities and fiduciary activities of Metropolitan Atlanta Rapid Transit Authority (MARTA) as of and for the year ended June 30, 2025 and related notes to the financial statements, which collectively comprise MARTA's basic financial statements, and have issued our report thereon dated December 4, 2025. Our report includes a reference to other auditors who audited the financial statements of the MARTA/ATU Local No. 732 Employees Retirement Plan and the MARTA Non-Represented Pension Plan, as described in our report on MARTA's financial statements. The financial statements of the MARTA/ATU Local No. 732 Employees Retirement Plan and the MARTA Non-Represented Pension Plan were not audited in accordance with *Government Auditing Standards.*

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered MARTA's internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of MARTA's internal control. Accordingly, we do not express an opinion on the effectiveness of MARTA's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify a deficiency in internal control, described in the accompanying schedule of findings and questioned costs as Finding 2025-001, that we consider to be a significant deficiency.

(Continued)

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether MARTA's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

MARTA's Response to the Finding

Government Auditing Standards requires the auditor to perform limited procedures on MARTA's response to the finding identified in our audit and described in the accompanying schedule of findings and questioned costs. MARTA's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Crowe LLP

Crowe LLP

Atlanta, Georgia
December 4, 2025

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE

Board of Directors
Metropolitan Atlanta Rapid Transit Authority
Atlanta, Georgia

Report on Compliance for Each Major Federal Program

Opinion on Major Federal Program

We have audited Metropolitan Atlanta Rapid Transit Authority's (MARTA's) compliance with the types of compliance requirements identified as subject to audit in the OMB Compliance Supplement that could have a direct and material effect on each of MARTA's major federal programs for the year ended June 30, 2025. MARTA's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, MARTA complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal programs for the year ended June 30, 2025.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of MARTA and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of MARTA's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to MARTA's federal programs.

(Continued)

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on MARTA's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about MARTA's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding MARTA's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of MARTA's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of MARTA's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

(Continued)

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the business-type activities and the fiduciary activities of MARTA as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise MARTA's basic financial statements. We issued our report thereon dated December 4, 2025, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Crowe LLP

Crowe LLP

Atlanta, Georgia
December 4, 2025

Program Description	Assistance Listing Number	Grant Number	(Unaudited) Total Program Award	Federal Expenditures	Passed Through to Subrecipients
U.S. Department of Transportation					
Federal Transit Cluster:					
General capital assistance					
Federal transit capital improvement grants					
Capital improvement	20.500	GA-2016-007	$ 2,000,000	$ 55,800	$ -
Capital improvement	20.500	GA-04-0031	66,539,000	384,736	-
Capital improvement	20.500	GA-2022-018	1,212,500	126,028	-
Capital improvement	20.500	GA-2024-002	10,168,250	5,545,948	-
Capital improvement	20.500	GA-2024-003	10,168,250	3,563,114	-
Subtotal ALN 20.500 - capital			90,088,000	9,675,626	-
Federal transit formula grants (urbanized area formula program)					
Capital assistance	20.507	GA-95-X013	12,375,000	5,736,980	-
Capital assistance	20.507	GA-90-X234	1,758,200	923,151	-
Capital assistance	20.507	GA-2018-022	16,564,560	2,785,002	301,340
Capital assistance	20.507	GA-2019-015	7,804,719	237,754	237,754
COVID-19 – Capital assistance	20.507	GA-2022-004	33,524,951	3,096,609	-
Capital assistance	20.507	GA-2023-016	3,125,000	693,279	-
Capital assistance	20.507	GA-2023-017	6,250,000	301,755	-
Capital assistance	20.507	GA-2023-018	12,000,000	16,128	-
Capital assistance	20.507	GA-2025-008	32,433,125	12,057,939	-
Subtotal ALN 20.507 - capital			125,835,555	25,848,597	539,034
General operating assistance					
Operating (Formula grant)	20.507	GA-2017-021	65,224,624	933,343	-
Operating (Formula grant)	20.507	GA-2018-017	35,903,804	80,467	-
Operating (Formula grant)	20.507	GA-2020-014	112,706,360	7,250	-
Operating (Formula grant)	20.507	GA-2021-016	62,654,278	414,054	-
Operating (Formula grant)	20.507	GA-2022-030	44,467,563	119,410	-
Operating (Formula grant)	20.507	GA-2023-029	44,674,915	4,165,062	-
Operating (Formula grant)	20.507	GA-2024-021	37,081,881	27,817,658	-
Subtotal ALN 20.507 - operating			402,713,425	33,537,244	-
Subtotal ALN 20.507			528,548,980	59,385,841	539,034
State of Good Repair Grants Program					
Operating (Formula grant)	20.525	GA-2022-030	99,496,784	11,347,006	-
Operating (Formula grant)	20.525	GA-2023-029	99,037,773	2,682,045	-
Operating (Formula grant)	20.525	GA-2024-021	90,750,085	65,939,132	-
Subtotal ALN 20.525 – operating			289,284,642	79,968,183	-
Capital assistance	20.526	GA-2021-013	8,875,246	139,454	-
Capital assistance	20.526	GA-2022-019	18,750,000	1,954,936	-
Capital assistance	20.526	GA-2023-025	29,149,139	4,010,450	-
Capital assistance	20.526	GA-2023-029	3,040,253	2,432,202	-
Capital assistance	20.526	GA-2024-021	1,642,589	1,314,071	-
Subtotal ALN 20.526 - capital			61,457,227	9,851,113	-
Total Federal Transit Cluster			969,378,849	158,880,763	539,034

(Continued)

METROPOLITAN ATLANTA RAPID TRANSIT AUTHORITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Year Ended June 30, 2025

Program Description	Assistance Listing Number	Grant Number	Total Program Award	Federal Expenditures	Passed Through to Subrecipients
U.S. Department of Transportation (Continued)					
Technical Assistance and Workforce Development	20.514	GA-2016-025	$ 5,543,745	$ 456,163	$ -
National Infrastructure Inv.	20.933	GA-2020-022	56,826,000	8,121,817	-
National Infrastructure Inv.	20.933	GA-2025-001	155,404,512	3,736,790	-
Subtotal ALN 20.933			212,230,512	11,858,607	-
Community Project Funding	20.534	GA-2024-006	11,316,020	11,022,816	-
TIFIA Credit	20.223	693JJ32450038	2,766	2,766	-
Total U.S. Department of Transportation			1,198,471,892	182,221,115	539,034
U.S. Department of Homeland Security:					
Rail and Transit Security:					
Capital assistance	97.075	EMW2021RA00024	1,950,000	535,722	-
Capital assistance	97.075	EMW2022RA00010	3,293,826	391,354	-
Subtotal ALN 97.075			5,243,826	927,076	-
Homeland Security Grant Program:					
Capital assistance	97.067	UA24096	250,000	250,000	-
Total U.S. Department of Homeland Security Grants			5,493,826	1,177,076	-
Office of Planning and Budget:					
COVID – 19 Public Safety Community Violence Reduction Grant	21.027	S-2022-OPB	1,402,976	731,385	-
Total Federal Awards			$1,205,368,694	$184,129,576	$ 539,034

See accompanying notes to the schedule of expenditures of federal awards.

NOTE 1 - REPORTING ENTITY

The Schedule of Expenditure of Federal Awards (the Schedule) includes expenditures of federal awards for the Metropolitan Atlanta Rapid Transit Authority (MARTA) as disclosed in the notes to the basic financial statements for the year ended June 30, 2025. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of MARTA, it is not intended to and does not present the financial position, changes in net position, or cash flows of MARTA.

NOTE 2 - BASIS OF ACCOUNTING

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements, regardless of the measurement focus applied. All proprietary funds are accounted for using the accrual basis of accounting. Expenditures of Federal Awards reported on the Schedule are recognized when incurred.

MARTA has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

Such expenditures are recognized following, as applicable, either the cost principles in OMB Circular A-87, *Cost Principles for State, Local, and Indian Tribal Governments* or the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 3 – MATCHING FUNDS

MARTA enters into grant agreements with federal agencies to fund various projects. Many of these agreements require MARTA to match a portion of the federal funding with non-federal funds, such as the local funds, which comes from the dedicated 1% local MARTA retail sales and use tax funds collected in DeKalb, Fulton and Clayton counties and the City of Atlanta, and also from the sale of associated sales tax revenue bonds, as required.

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued on whether the financial statements audited were prepared in accordance with GAAP:	Unmodified	
Internal control over financial reporting:		
Material weakness(es) identified?	_______ Yes	___X___ No
Significant deficiency(ies) identified?	___X___ Yes	_______ None reported
Noncompliance material to financial statements noted?	_______ Yes	___X___ No

Federal Awards

Internal control over major programs:		
Material weakness(es) identified?	_______ Yes	___X___ No
Significant deficiency(ies) identified?	_______ Yes	___X___ None reported
Type of auditors' report issued on compliance for major programs:	Unmodified	
Any audit findings disclosed that are required to be Reported in accordance with 2 CFR 200.516(a)?	_______ Yes	___X___ No

Identification of major programs:

Assistance Listing Number	Name of Federal Program of Cluster
20.500 / 20.507 / 20.525 / 20.526	Federal Transit Cluster
20.534	Community Project Funding

Dollar threshold used to distinguish between type A and type B programs:	$ 3,000,000	
Auditee qualified as low-risk auditee?	___X___ Yes	_______ No

(Continued)

SECTION II - FINANCIAL STATEMENT FINDINGS

Finding 2025-001 – Federal Grant Revenue Recognition – Significant Deficiency

Criteria: Federal expenditures related to cost-reimbursement grants that have been incurred but not yet reimbursed must be recorded as Federal revenues and related receivables in accordance with accrual-basis accounting and GASB standards. Accurate recognition of Federal expenditures and revenues is essential to ensure complete and accurate reporting of the financial statements and in the Schedule of Expenditures of Federal Awards (SEFA).

Condition: During the reconciliation of the SEFA to the Authority's trial balance and Federal grant revenue, it was identified that management did not record all Federal expenditures incurred but not yet drawn as Federal grant revenues and related receivables. As a result, revenue associated with certain Federal grants was not fully accrued at year-end and will instead be recognized as revenue next fiscal year. Crowe's reconciliation identified that Federal grant revenues and the corresponding grant receivable were understated by approximately $17.0 million.

Context: During our testing, it was noted that for some grants, expenditures incurred during the fiscal year had not been accrued as grant revenue and receivables because they had not yet submitted for reimbursement from the Federal granting agency. Instead, revenue was generally recorded when cash was drawn from the grantor.

Our procedures included reconciling Federal expenditures recorded in the Authority's accounting system to Federal grant revenue and evaluating cutoff and completeness. Through this process, we identified significant unrecorded Federal expenditures that should have been recognized as revenue and receivables in the current period in accordance with accrual accounting requirements.

Effect: Management has waived this audit adjustment, so as a result fiscal year 2025 revenue and change in net position is understated by approximately $17.0 million, and fiscal year 2026 revenue and change in net position will be overstated by the same amount.

Cause: There was no grant receivable or grant revenue to SEFA reconciliation process to review unbilled or unreimbursed expenditures prior to year-end and ensure they were properly accrued for.

Identification of a Repeat Finding: N/A

Recommendation: We recommend that the Authority strengthen its year-end grant accounting procedures to ensure that all Federal expenditures incurred prior to year-end are identified, accrued, and recorded as Federal grant revenue and receivables in the appropriate period. This should include implementing a formal reconciliation process that compares current year Federal expenditure activity to drawdown activity, identifies unreimbursed costs, and ensures proper accruals are recorded in accordance with GASB requirements.

View of Responsible Officials and Planned Corrective Actions: Management agrees with the finding. The Authority is strengthening its written procedures and developing a formal training on the Federal Revenue Recognition process. Management is also adding additional resources and oversight. These action items will mitigate the opportunities of having a repeat of this problem in the future.

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None noted.

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