



Ann Arbor Area Transportation Authority

Q1 Financial Statement

Income Statement

For the Period Ended December 31, 2025

Revenue and Expense (Budget to Actual)

(\$ in thousands)

BLACK = FAVORABLE
RED = UNFAVORABLE

REVENUES	Actual Quarter 1	Actual Quarter 2	Actual Quarter 3	Actual Quarter 4	Actual YTD	Budgeted YTD	Budget Variance	
							\$	%
Fares and Contracts	\$1,925	\$0	\$0	\$0	\$1,925	\$1,800	\$125	7.0%
Local Property Taxes	10,412	-	-	-	10,412	10,412	0	0.0%
State Operating Assistance	5,224	-	-	-	5,224	4,783	441	9.2%
Federal Operating Assistance	241	-	-	-	241	331	(90)	-27.1%
Other Revenues	899	-	-	-	899	411	488	118.6%
Total Operating Revenues	\$18,701	\$0	\$0	\$0	\$18,701	\$17,736	\$965	5.4%
EXPENSES								
Salaries, Wages, Benefits	\$9,211	\$0	\$0	\$0	\$9,211	\$9,838	\$628	6.4%
Purchased Transportation	3,061	-	-	-	3,061	3,476	414	11.9%
Fuel, Material, Supplies	1,703	-	-	-	1,703	1,767	65	3.7%
Purchased Services	1,470	-	-	-	1,470	1,471	2	0.1%
Other Expenses	980	-	-	-	980	1,184	204	17.2%
Total Operating Expenses	\$16,424	\$0	\$0	\$0	\$16,424	\$17,736	\$1,312	7.4%
Surplus (Deficit)	\$2,277	\$0	\$0	\$0	\$2,277	\$0	\$2,277	
Capital Reserve Transfer	-	-	-	-	-	-	-	
Operating Reserve Transfer	-	-	-	-	-	-	-	
OPERATING BALANCE	\$2,277	\$0	\$0	\$0	\$2,277	\$0		



TheRide has a \$2.3 million favorable net variance, operating actuals to budget, at the end of Quarter 1 in FY2026.



Revenues were \$1.0 million higher than budget. State operating assistance exceeds budget due to the MDOT LBO reimbursement rate being set higher than anticipated during the FY26 budget process. Investment and interest income are also outperforming the conservative assumptions set for the year through the first quarter.



Expenses were \$1.3 million below budget, driven primarily by vacant positions, lower-than-anticipated purchased transportation costs, and lower utility and media expenses compared to budget.

YTD Revenue and Expense By Mode

(\$ in thousands)

	Fixed Route	Demand Response	Other Demand Response	Non-Urban	VanRide	TOTAL
	<i>Fixed Route Bus</i>	<i>A-Ride</i>	<i>FlexRide, GoldRide, NightRide</i>	<i>WAVE, Peoples Express</i>	<i>VanRide, Ride Sharing</i>	
DIRECT REVENUE						
Fare Revenue	\$880	\$41	\$35	\$36	\$0	\$991
Contract Revenues	442	-	20	472	-	933
Advertising, Interest, Other	899	-	-	-	-	899
Federal Operating	-	-	-	185	56	241
State Operating	3,755	553	472	378	65	5,224
Total Direct Revenue	\$5,976	\$594	\$527	\$1,071	\$121	\$8,289
TOTAL EXPENSE						
Salaries, Wages, Benefits	\$8,723	\$377	\$34	\$53	\$25	\$9,211
Purchased Transportation	-	1,251	442	1,098	271	3,061
Fuel, Materials, Supplies	1,503	200	-	-	-	1,703
Contracted Services	1,395	53	-	22	-	1,470
Other Expenses	927	23	12	16	3	980
Total Operating Expense	\$12,547	\$1,903	\$487	\$1,188	\$298	\$16,424
Surplus (Deficit) from OPS	(\$6,572)	(\$1,309)	\$40	(\$117)	(\$177)	(\$8,135)
ALLOCATED REVENUE						
Local Property Taxes	\$8,809	\$1,309	\$0	\$117	\$177	\$10,412
Federal Pandemic Relief Funds	-	-	-	-	-	0
SURPLUS (DEFICIT):	\$2,237	\$0	\$40	\$0	\$0	\$2,277



Ann Arbor Area Transportation Authority

Q1 Financial Statement

Balance Sheet

For the Period Ended December 31, 2025

Balance Sheet and Reserve

\$ in thousands, with Prior Year comparison.

	Q4 2025 9/30/2025	Q1 2025 12/31/2024	Q1 2026 12/31/2025
ASSETS			
Cash	\$63,217	\$52,985	\$59,193
Investments	19,758	19,091	20,023
Other Current Assets	12,646	20,645	17,576
Capital Assets	48,758	39,748	48,354
Total Assets	144,379	132,469	145,146
LIABILITIES			
	9,366	11,852	8,305
TOTAL NET POSITION	\$135,013	120,617	\$136,841
RESERVES:			
	Balances		
Capital	\$33,260	\$33,260	\$33,260
Vehicle Damage	\$0	\$0	\$1,000
Insurance	\$500	\$500	\$500
Operating	\$12,905	\$12,905	\$12,905
Months in Operating Reserve	2.2	2.3	2.4



Statement of Cash Flows (\$ in thousands)

Historical Cash Flows	FY 2023			FY 2024				FY 2025				FY 2026
	Quarter 2	Quarter 3	Quarter 4	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Quarter 1
Beginning Balance:	\$34,082	\$41,961	\$41,537	\$54,630	\$51,875	\$50,527	\$50,527	\$77,559	\$72,076	\$64,393	\$52,683	\$82,975
Cash Flow from Operations	3,153	(205)	12,832	(3,045)	(2,402)	(2,444)	24,474	(1,512)	(11,465)	(10,972)	27,217	(8,058)
Cash Flow from Capital	4,349	(166)	55	53	870	182	2,193	(4,109)	3,605	(1,002)	2,900	4,034
Cash Flow from Investments	377	(53)	206	237	184	171	364	138	178	264	175	265
Cash Flow:	\$7,879	(\$424)	\$13,093	(\$2,755)	(\$1,348)	(\$2,090)	\$27,032	(\$5,483)	(\$7,682)	(\$11,710)	\$30,292	(\$3,759)
Ending Balance:	\$41,961	\$41,537	\$54,630	\$51,875	\$50,527	\$48,437	\$77,559	\$72,076	\$64,393	\$52,683	\$82,975	\$79,216

Q3 cash flow was negative at \$3.8 million

The Statement of Cash Flows summarizes the amount of cash and cash equivalents entering and leaving AAATA during the reporting period. It measures how AAATA generates cash to fund its operating, capital, and investing needs. Typically negative cash flow is normal for all quarters except the 4th quarter, when property tax receipts generate positive cash flow.

Investments Summary

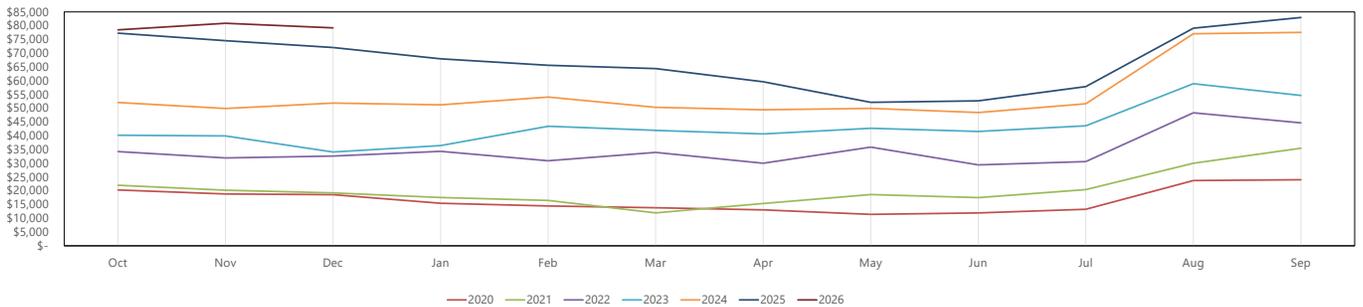
(\$ in thousands)

Investment Instrument	Date of Maturity	Interest Rate	Value on 9/30/2025		Value on 12/31/2025	
			Transactions		Transactions	
U.S. Agency Bond	1/22/2026	4.13%	750	0	750	0
U.S. Agency Bond	3/13/2026	4.38%	1,000	0	1,000	0
U.S. Treasury Notes	3/31/2026	2.25%	2,500	0	2,500	0
U.S. Agency Bond	4/24/2026	2.13%	1,000	0	1,000	0
U.S. Agency Bond	2/3/2027	1.63%	250	0	250	0
U.S. Treasury Notes	5/15/2027	4.50%	1,000	0	1,000	0
U.S. Treasury Notes	10/31/2027	4.13%	750	0	750	0
U.S. Agency Bond	11/1/2027	4.00%	2,500	0	2,500	0
U.S. Treasury Notes	11/15/2027	2.25%	2,200	0	2,200	0
U.S. Agency Bond	12/27/2027	4.25%	2,200	0	2,200	0
U.S. Treasury Notes	1/31/2028	3.50%	1,500	0	1,500	0
U.S. Agency Bond	2/24/2028	4.25%	1,400	0	1,400	0
U.S. Agency Bond	6/9/2028	4.00%	2,300	0	2,300	0
Money Market Funds	N/A	4.22%	405	0	405	0
Mark-to-Market Adjustment			3	265	269	
Total Investments:			\$19,758	\$265	\$20,023	

FY2026 YTD Investment Gain (\$ in thousands): \$265

U.S. Treasury Bills, Notes, & Agency Bonds are short term bonds (several months to 10 years) backed by the Treasury Department of the U.S. Government. The rates shown for the current investments represent the gross yield-to-maturity rates (before the annual fee of .28%). An FDIC-insured cash sweep account or accounts that have balances above the FDIC insurance threshold are used for day-to-day working capital.

Cash and Investments History



Property tax revenues are posted in Q4 resulting in a peak in cash/investments.