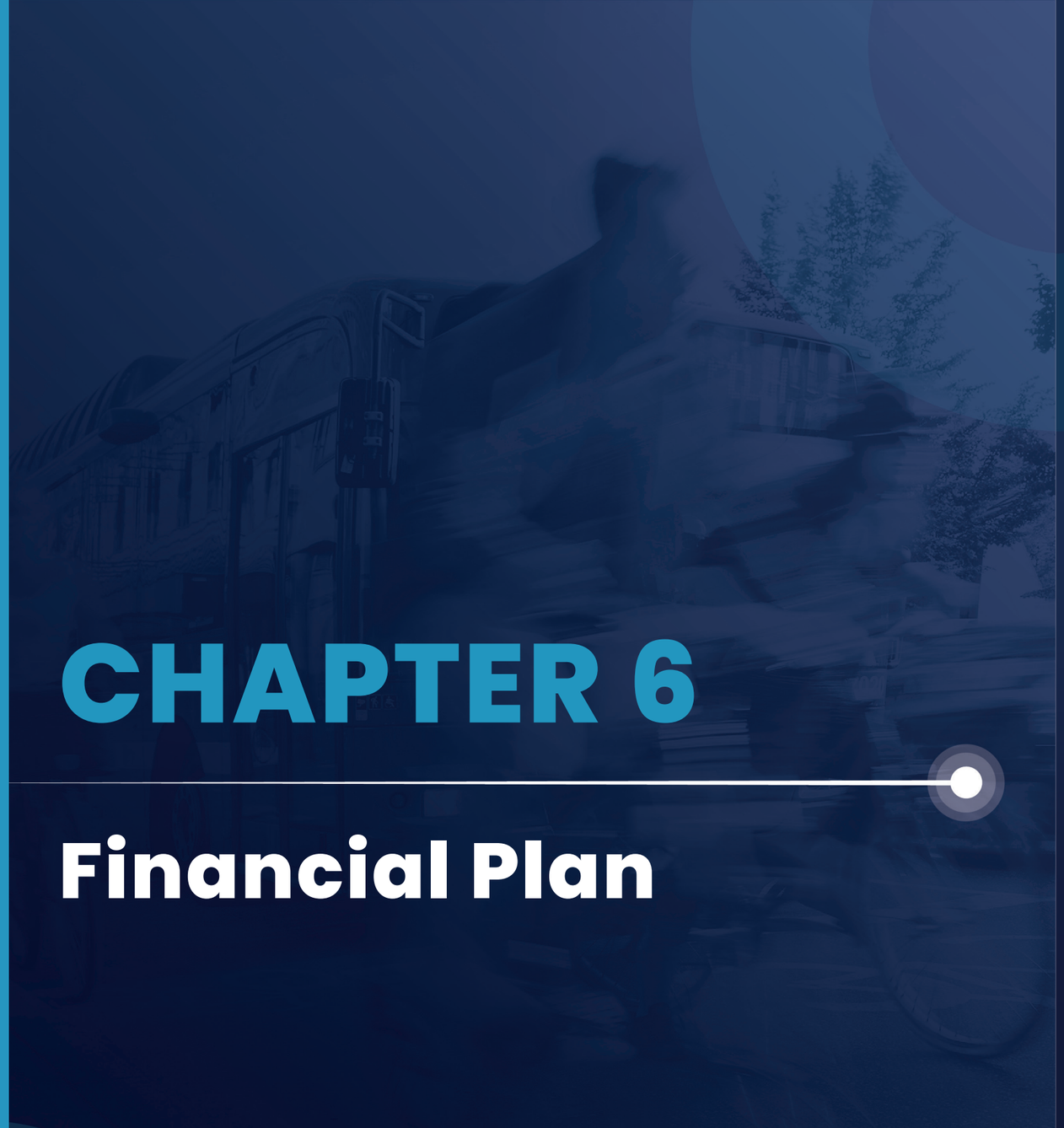
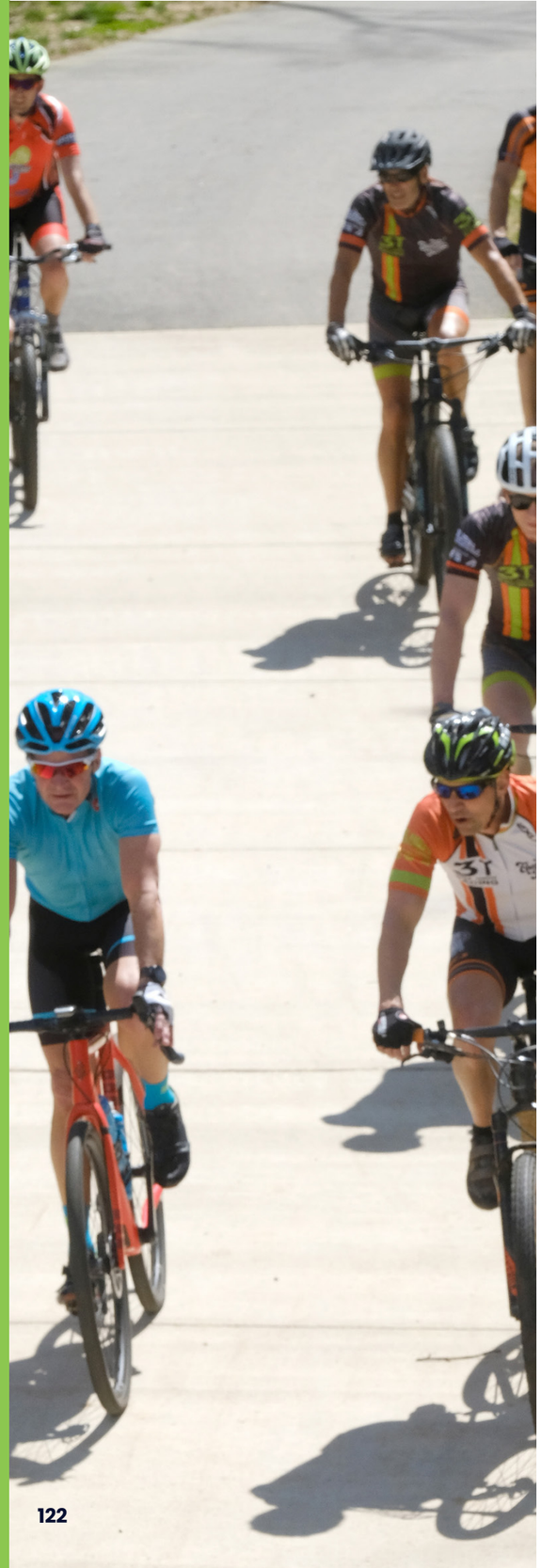


CHAPTER 6

Financial Plan

The Financial Plan outlines the process for developing funding projections, available revenue sources, and anticipated expenditures through 2055.



BACKGROUND

One of the CRTPO's primary responsibilities is guiding investment decisions for federal funding allocation through the Metropolitan Transportation Plan (MTP). The MTP identifies funding strategies and programs for projects for all transportation modes—roadway, bicycle, pedestrian, transit, aviation, and rail—over the next 20-plus years. Federal regulations require the MTP to be fiscally constrained, ensuring proposed investments do not exceed projected funding. To achieve this, CRTPO analyzes anticipated funding from various eligible revenue sources and estimates planning-level costs and future needs for all modes.

This financial plan develops funding projections, available revenue sources, and anticipated expenditures through 2055, enabling the MPO and supporting agencies to focus on near-term opportunities and long-term implementation strategies. The projected revenues, cost estimates, and fiscal constraint determination processes were developed in collaboration with the MTP Steering Committee, Advisory Committee, the Roadway Ranking Review Committee, and the Technical Coordinating Committee and the Board.

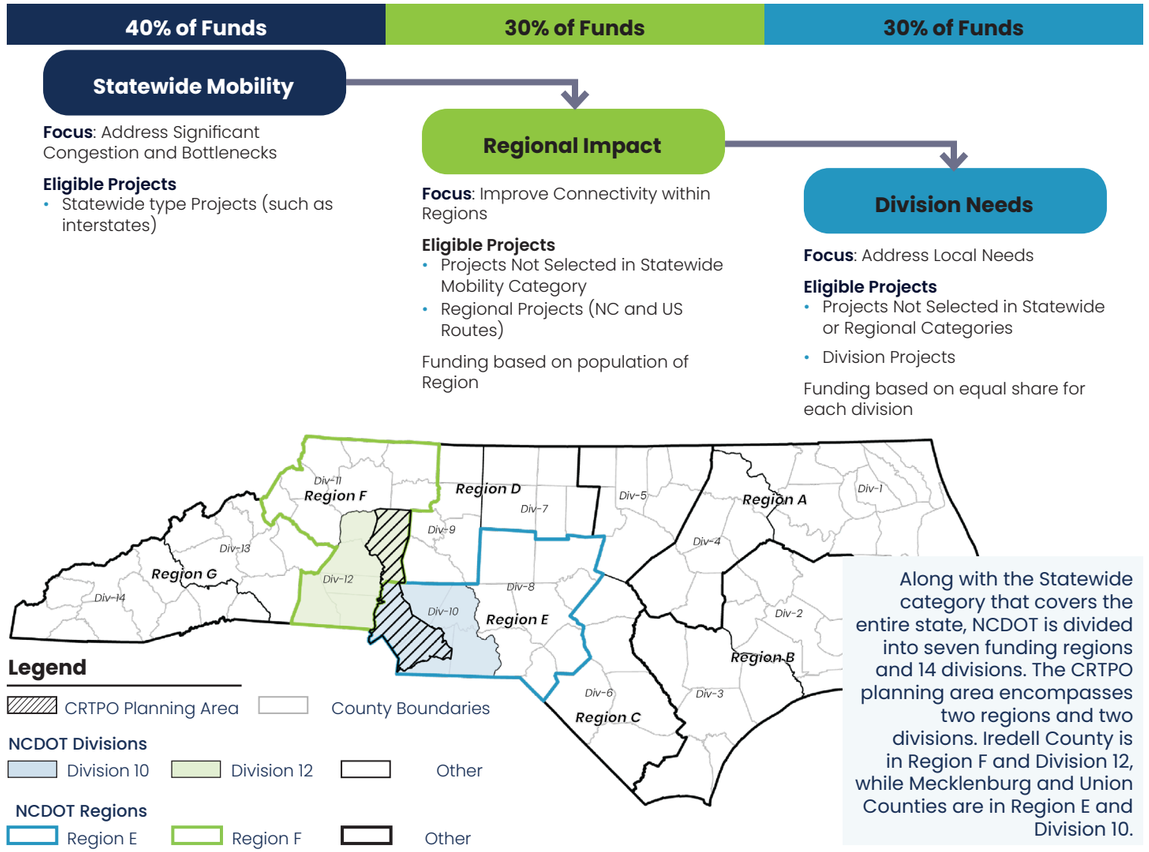
This chapter outlines the CRTPO financial plan by breaking down the funding considerations and revenue sources for the planning area. It provides an overview of available revenue sources, provides an overview of the project cost estimate development process, and explains the fiscal constraint process used to ensure that the cost of the projects included in the fiscally constrained plan does not exceed the projected revenues.

ROADWAY FUNDING CONSIDERATIONS

Federal and state sources are the primary funding mechanisms for transportation investments in the CRTPO planning area. In North Carolina, the Strategic Transportation Investments (STI) law determines how a significant portion of these funds are allocated to priority projects. Because of STI's significant impact on funding distribution, the CRTPO uses the STI categories as the basis for its funding projections. The STI defines three funding categories, each of which represents a defined geography, with a set percentage of total funding assigned to each.

The figure below provides an overview of the STI categories, and displays the corresponding geographic boundaries. The financial plan is organized by which roadway facilities are eligible for each STI tier. While all MTP fiscally constrained projects are eligible for federal and state funding, policies from NCDOT and the CRTPO guide how funds are spent. For instance, STI regulations distinguish between roadway and non-roadway projects, with different eligibility requirements for each category.

Figure 6-1



Along with the Statewide category that covers the entire state, NCDOT is divided into seven funding regions and 14 divisions. The CRTPO planning area encompasses two regions and two divisions. Iredell County is in Region F and Division 12, while Mecklenburg and Union Counties are in Region E and Division 10.

MTP Horizon Years

The MTP is federally required to organize the fiscally constrained projects and available revenues into reasonable time bands, known as horizon years. Each horizon year must not be more than 10 years long. Projects are programmed in a designated horizon year (rather than specific years within these time bands) based on when they are anticipated to be completed and open to traffic, which complies with air quality conformity analysis regulations.

2055 MTP HORIZON YEARS

- **2025**
- **2026-2035**
- **2036-2045**
- **2046-2055**

REVENUE SOURCES AND FINANCIAL PROJECTIONS

Revenue available for the CRTPO planning area is considered within five categories:

- Roadway capital funding
- Discretionary funding (subset of roadway capital funding)
- Roadway maintenance funding
- Public transportation funding
- Other funding sources

Each of these categories is described below, along with assumptions surrounding the revenues estimated for each.

Roadway Capital Funding

The total roadway capital revenue available for the 2055 MTP is calculated by reflecting the project funding identified in the 2026–2035 State Transportation Improvement Program (STIP) and including projected revenues for the years 2036–2055. This projection relies on assumptions provided by the NCDOT STIP Unit, which recommend using population as the most reliable indicator for estimating future revenues. Funds are allocated according to the population share within five STI-related geographic areas, and a 2% annual escalation rate is applied for the years 2036 through 2055. Certain funding sources, such as one-time revenues and federal non-DOT funds, are excluded from these projections. The estimated population share, based on NC Office of State Budget and Management (OSBM) Certified Population figures, determines the percentage of available funding distributed to each STIP funding geography.

Table 6-1 2055 CRTPO STI Funding Shares

STI Funding Geography	2055 MTP STI Funding Shares
State of NC	14.9%
Region E	61.4%
Region F	8.7%
Division 10	81.1%
Division 12	23.9%

Estimated roadway capital revenues are distributed by STI tier for each of the MTP horizon years. The following shows the total roadway capital funding across all of the STI geographies. Roadway capital revenue estimates are represented in year of expenditure dollars.

Table 6-2 Roadway Capital Funding Projections

STI Tier	2025 Funding	2026-2035 Funding	2036-2045 Funding	2046-2055 Funding	Total
Statewide	$ 819,861,000	$ 5,271,409,000	$ 1,930,956,193	$ 2,353,824,825	**$ 10,376,051,018**
Region E	$ 9,655,000	$ 1,736,620,000	$ 1,264,472,414	$ 1,541,384,817	**$ 4,552,132,231**
Region F	$ 5,160,000	$ 406,522,000	$ 94,458,828	$ 115,144,784	**$ 621,285,612**
Division 10	$ 33,624,000	$ 624,929,000	$ 1,268,213,566	$ 1,545,945,260	**$ 3,472,711,826**
Division 12	$ 0	$ 325,299,000	$ 180,003,579	$ 219,423,358	**$ 724,725,937**
Total	**$ 868,300,000**	**$ 8,364,779,000**	**$ 4,738,104,580**	**$ 5,775,723,044**	**$ 19,746,906,624**

Federal Discretionary Funding

The CRTPO discretionary policy is the mechanism to allocate funds to member jurisdictions on a competitive basis. The CRTPO receives federal direct attributable funds, also known as discretionary grants, to be allocated to member jurisdictions for specific projects on a competitive basis. These discretionary funding sources consist of the following:

- Surface Transportation Block Grant – Direct Attributable (STBG-DA)
- Transportation Alternatives Program (TAP)
- Carbon Reduction Program Funds (CRP)
- Congestion Mitigation Air Quality (CMAQ)

Both roadway and non-roadway projects are eligible under these discretionary grant programs. Each year, the CRTPO solicits project applications through an annual call for projects conducted between August and October.

Discretionary revenues are contained within the overall state and federal roadway capital funds shown in Table 6-2. These revenues are incorporated into the financial plan to ensure all available funding programs are considered within the fiscally constrained plan. Estimates for discretionary revenues were derived from the TIP. STBG-DA and TAP funds were projected with a 2% annual inflation rate beyond the TIP period. CMAQ funds were excluded for 2036–2055 due to uncertainty about their continuation. Similarly, CRP funds, established under the federal IIJA legislation, were not extended beyond the 2026–2035 TIP because the legislation is set to expire during that timeframe. All discretionary revenue estimates are expressed in year of expenditure dollars.

Table 6-3 Discretionary Funding Projections

Horizon Year	STBG-DA	TAP	CMAQ	CRP	Total
2025	$ 19,003,000	$ 16,596,000	$ 19,270,000	$ 2,697,000	**$ 57,566,000**
2026-2035	$ 239,363,000	$ 127,910,000	$ 21,209,000	$ 4,447,000	**$ 329,929,000**
2036-2045	$ 251,290,000	$ 143,734,000	$ 0	$ 0	**$ 395,024,000**
2046-2055	$ 306,323,000	$ 175,209,000	$ 0	$ 0	**$ 481,532,000**

Roadway Maintenance Funding

The MTP includes both capital and anticipated roadway maintenance funding within the planning area. Historic maintenance funding levels were obtained from NCDOT on a county-by-county basis. Values from 2018 through 2023 were averaged, and this average was applied without inflation for 2025. For the period 2026–2055, the average was inflated at an annual rate of 2%. A proportional share of maintenance revenues was calculated by comparing the percentage of state-maintained roadway miles within the CRTPO portion of Union County to the total county mileage. All roadway maintenance revenue estimates are expressed in year of expenditure dollars.

Table 6-4 Roadway Maintenance Funding Projections

Horizon Year	Iredell	Mecklenberg	Union (CRTPO Portion)	Total
2025	$ 21,875,776	$ 27,393,682	$ 20,111,820	$ 69,381,277
2026-2035	$ 244,325,000	$ 305,953,000	$ 168,466,500	$ 718,744,500
2036-2045	$ 297,831,000	$ 372,955,000	$ 205,361,250	$ 876,147,250
2046-2055	$ 363,053,000	$ 454,629,000	$ 250,333,500	$ 1,068,015,500

Public Transportation Funding

As outlined in Chapter 3, the CRTPO planning area includes four public transportation providers: Charlotte Area Transit System (CATS), Iredell County Area Transit System (ICATS), Mecklenburg Transportation System (MTS), and Union County Transportation (UCT). Revenue estimates were developed for each provider, covering both transit capital and operations and maintenance (O&M). To obtain this information, meetings were held with the Transit Providers Work Group (TPWG), both collectively and individually. These meetings were intended to gather data from the providers, review the revenue estimation methodology, and share the resulting outcomes

Based on this coordination, a common methodology was developed for MTS, ICATS, and UCT. This methodology began with establishing baseline revenue assumptions using the National Transit Database (NTD). Each public transportation provider is required to submit information to this database, resulting in a standardized data format. NTD financial data was referenced to determine average annual capital and O&M revenue levels for each provider. Once this average baseline revenue was established, revenues were inflated at 2% annually through 2055. All operating and capital revenues are shown by horizon year and are represented in year of expenditure dollars.

Table 6-5 Estimated Iredell County Area Transit System Revenues

Horizon Year	Operating	Capital	Total
2025	$ 2,331,000	$ 348,000	**$ 2,679,000**
2026-2035	$ 26,558,000	$ 21,806,000	**$ 48,364,000**
2036-2045	$ 32,374,000	$ 31,628,000	**$ 64,002,000**
2046-2055	$ 39,463,000	$ 38,555,000	**$ 78,018,000**

Table 6-6 Estimated Mecklenburg County Area Transit System Revenues

Horizon Year	Operating	Capital	Total
2025	$ 11,004,000	$ 137,000	**$ 11,141,000**
2026-2035	$ 122,897,000	$ 1,530,000	**$ 124,427,000**
2036-2045	$ 149,811,000	$ 1,865,000	**$ 151,676,000**
2046-2055	$ 182,619,000	$ 2,274,000	**$ 184,893,000**

Table 6-7 Estimated Union County Area Transit System Revenues

Horizon Year	Operating	Capital	Total
2025	$ 2,013,000	$ 266,000	**$ 2,279,000**
2026-2035	$ 22,485,000	$ 2,975,000	**$ 25,460,000**
2036-2045	$ 27,409,000	$ 3,626,000	**$ 31,035,000**
2046-2055	$ 33,411,000	$ 4,420,000	**$ 37,831,000**

The approach for determining CATS revenues for the MTP was different. In July 2025, the Metropolitan Transit Commission approved an updated Transit System Plan (TSP) in anticipation of a 1 cent sales tax referendum that was passed on November 4th, 2025 for transportation in Mecklenburg County. The modal breakdown for this referendum is 40% for roadway projects, 40% for fixed guideway transit and 20% for bus. Roadway revenues go directly to the jurisdictions so they are not included below. This TSP, together with the CATS annual budget, was used to establish capital and O&M revenue projections for the CATS system utilizing existing funding sources.

Table 6-8 Estimated Charlotte Area Transit System Revenues - Existing Sources

Horizon Year	Operating	Capital	Total
2025	$ 268,250,000	$ 130,000,000	**$ 398,250,000**
2026-2035	$ 3,253,600,000	$ 717,500,000	**$ 3,971,100,000**
2036-2045	$ 5,007,200,000	$ 295,000,000	**$ 5,302,200,000**
2046-2055	$ 8,214,100,000	$ 357,500,000	**$ 8,571,600,000**

The TSP also was referenced to determine the anticipated revenue associated with the fiscally constrained transit projects. Although these values were originally reported in 2025 dollars in the Transit System Plan, they are also presented here in year of expenditure dollars to satisfy federal MTP reporting requirements. The transit projects that are being funded with these projected revenues are shown in Chapter 7.

Table 6-9 Estimated Fiscally Constrained Transit Project Revenues

Horizon Year	Capital (2025 $)	Capital (YOE $)
2025	$ 0	$ 0
2026-2035	$ 1,400,000,000	$ 1,800,000,000
2036-2045	$ 3,800,000,000	$ 6,100,000,000
2046-2055	$ 1,200,000,000	$ 2,900,000,000

Other Revenue Sources

LOCAL REVENUES

Member jurisdictions within the CRTPO play an important role in funding transportation projects. When federal discretionary funds are awarded, a minimum local match of 20% is required. In addition, local contributions may exceed the required amounts for STI-funded projects, and funding also may come from voter-approved transportation bond referenda. Roadway revenues from the recently approved 1-cent sales tax in Mecklenburg County are intended for use exclusively for local projects and not as a local contribution for a STI project. Although local revenues support projects included in the MTP, exact amounts are not specified due to their variability and the difficulty in projecting them over the long-term.

PRIVATE REVENUES

Public-private partnerships (PPPs) represent collaborative agreements between public agencies and private entities, designed to lessen dependence on traditional federal and state funding sources while also offering opportunities to expedite project delivery. PPPs have been used in the planning area by NCDOT in the past. The levels and applications of private funds are unpredictable. As a result, estimates for anticipated private investment are not included in the 2055 MTP.

TOLL REVENUES

Currently, there are three tolled facilities in the CRTPO planning area: the Monroe Expressway, the I-485 Express Lanes (I-77 to US-74) anticipated to open in February 2026, and the I-77 Express Lanes from Uptown Charlotte to Mooresville. While the Monroe Expressway uses a fixed, flat toll, the I-77 Express Lanes use a dynamic pricing model. The expansion of tolling in the planning area also is being proposed by NCDOT through the extension of the I-77 South Express Lanes to the South Carolina state line. Other toll facilities under construction include facilities along I-485 and US 74. The North Carolina Turnpike Authority (NCTA) is tasked with planning and operating toll facilities throughout the state. As potential toll projects are identified in its planning area, the CRTPO coordinates with the NCTA to evaluate potential revenues. For future MTP updates, these revenues will continue to be analyzed and considered when developing the financial plan.

ALTERNATIVE FUNDING

The funding identified in the financial plan of the 2055 MTP comes primarily from federal and state revenue sources. However, it is important to continue exploring alternative funding sources within the planning area to advance or accelerate transportation projects. A goal of the CRTPO Strategic Plan is to expand regional transportation funding. As part of the 2050 MTP development process, an alternative funding analysis was completed. This analysis served as an initial step to gather data, evaluate potential revenue sources, and provide that information to decision makers as next steps are assessed. There are numerous initiatives underway in the Charlotte region, such as Beyond 77 and CONNECT Beyond, for which alternative funding is a consideration. Newly introduced alternative funding sources, such as the one-cent sales tax in Mecklenburg County, will bring new transportation funding to the planning area. Going forward, the MTP should continue to track the planning and implementation of these alternative funding sources and may want to consider exploring additional options for the planning area.

COST ESTIMATES

Including accurate project cost estimates is essential to demonstrate fiscal constraint. This ensures that the total cost of projects in the MTP remains within the anticipated funding projections established for the plan.

For the 2055 MTP, cost estimates were developed for the year 2025 for all candidate roadway projects submitted by member jurisdictions. For the projects derived from the 2026-2035 TIP, the project costs shown in the MTP exactly reflect those shown in the TIP. For projects that are considered for fiscal constraint between 2036-2055, planning-level cost estimates were prepared based on NCDOT's unit cost values.

From this starting point, cost estimates for each corridor, interchange, and intersection project were differentiated based on the right-of-way context in which they appeared. Additional coordination with NCDOT was conducted to review recently funded and obligated projects, allowing the estimates to be adjusted to better reflect current project cost values. Following the finalization of each project's cost estimate, an annual inflation factor of 4% was applied to the midpoint of each respective horizon year in which a project is programmed. For example, cost estimates would be adjusted to the year 2040 for the 2036-2045 horizon year. Projects that were not able to be fiscally constrained had their project cost inflated to 2056.

Bicycle and pedestrian projects included in the MTP already have funding committed through the TIP; therefore, cost estimates were not developed for these project modes.

Transit projects also have cost estimates provided within the MTP. The transit projects that are being fiscally constrained as part of the 2055 MTP have their project costs taken from the 2025 CATS TSP. These project costs were originally prepared in 2025 dollars but were then inflated to year of expenditure dollars to reflect the midpoint of the horizon year in which the projects were programmed.

DEMONSTRATING FISCAL CONSTRAINT

The MTP is required to be fiscally constrained. To do this, the identified projects within the MTP must be compared against the estimated available revenues to determine which projects can be funded within the life of the plan.

For roadway projects, all corridor, intersection, and interchange projects have progressed through the fiscal constraint determination process. This process included the following considerations:

The 2024-2033 STIP was used to assign projects to the 2025 horizon year. The 2026-2035 STIP was used to assign projects to the 2026-2035 horizon year. The projects within these horizon years are fiscally constrained because their estimated costs exactly match the stated available revenues from the STIP.

With partnership from the MTP committees, projects were assigned to the 2036-2045 and 2046-2055 horizon years. Project costs were compared against available funds to ensure that financial constraint was maintained within each horizon year period and within each STI geography. Remaining unfunded projects were placed in the "Unfunded Vision".

Efforts were made to fund as many projects as possible with available revenue. In some instances, this meant advancing more lower-cost projects that fit within a horizon band when remaining funds were close to being expended within a particular geography.

Once all projects were allocated to the 2036-2045 horizon year, the remaining revenue in that horizon year was carried over for use in the 2046-2055 horizon year.

Additional information on the fiscally constrained projects and unfunded vision projects can be found in Chapter 7.

The Path to Fiscal Constraint

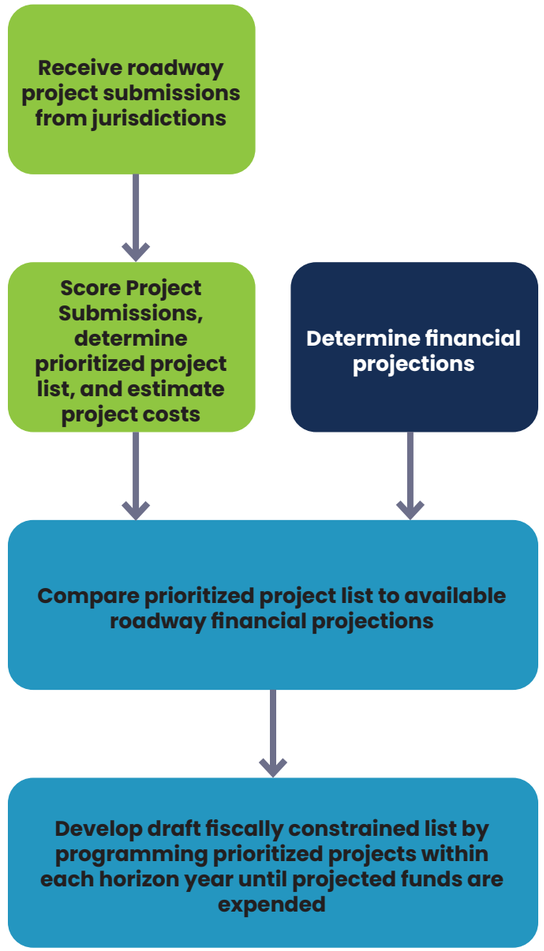


Table 6-10 Roadway Capital Project Summary

STI Category	Horizon Year	Total Project Cost	# of Projects
Statewide	2025	$ 819,861,000	3
	2026-2035	$ 1,663,842,000	15
	2036-2045	$ 1,883,211,000	11
	2046-2055	$ 2,394,478,000	7
	Subtotal	**$ 6,761,392,000**	**51**
Region E	2025	$ 9,655,000	2
	2026-2035	$ 1,423,270,000	17
	2036-2045	$ 1,564,322,000	17
	2046-2055	$ 1,543,378,000	7
	Subtotal	**$ 4,540,625,000**	**59**
Region F	2025	$ 5,160,000	2
	2026-2035	$ 406,522,000	6
	2036-2045	$ 17,866,000	2
	2046-2055	$ 159,497,000	1
	Subtotal	**$589,045,000**	**25**
10 Division	2025	$ 33,624,000	8
	2026-2035	$ 730,091,000	30
	2036-2045	$ 1,257,743,000	20
	2046-2055	$ 1,518,246,000	9
	Subtotal	**$ 3,539,704,000**	**134**
12 Division	2025	$ 0	0
	2026-2035	$ 325,299,000	9
	2036-2045	$ 116,413,000	2
	2046-2055	$ 210,068,000	1
	Subtotal	**$651,780,000**	**22**

Based on this fiscal constraint determination exercise, the available revenues exceed the total costs allocated to roadway projects contained within the fiscally constrained project list. Fiscal constraint has been determined across all horizon years and across all STI geographies.

There are transit projects being fiscally constrained within the 2055 MTP. These are regionally significant Capital Fixed Guideway Projects that were identified in the CATS Transit System Plan. Since the costs estimated for these projects are directly tied to the revenue available, the plan assumes these projects are fiscally constrained to support successful implementation of the transit program. Additional detail on these projects is contained Chapter 7.

For bicycle and pedestrian modes, only projects that have committed funding within the 2026-2035 STIP are included within the MTP, ensuring the total cost of these projects will not exceed the available funding.

Table 6-11 Roadway Unfunded Vision Summary

STI Category	Total Project Cost	# of Projects
Statewide	$ 11,656,595,000	15
Region E	$ 2,880,726,000	16
Region F	$ 3,362,574,000	14
Division 10	$ 14,980,914,000	67
Division 12	$ 1,893,238,000	10

Table 6-11 Continued

Table 6-12 Roadway Capital Fiscal Constraint

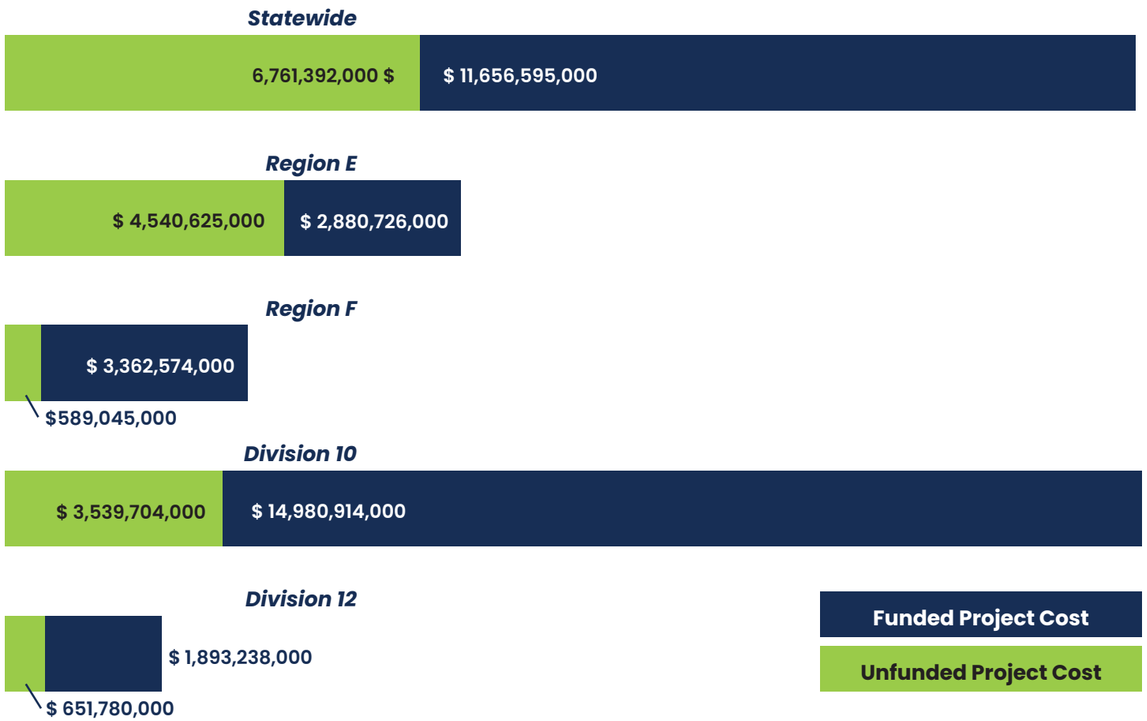
Horizon Year	Available Revenue	Total Cost	Remaining Balance
Statewide			
2025	$ 819,861,000	$ 819,861,000	$ 0
2026-2035	$ 1,663,842,000	$ 1,663,842,000	$ 0
2036-2045	$ 1,930,956,193	$ 1,883,211,000	$ 47,745,193
2046-2055	$ 2,401,570,018	$ 2,394,478,000	$ 7,092,018
Unfunded Vision		$ 11,656,595,000	
Subtotal	**$ 6,816,229,211**	**$ 18,417,987,000**	**$ 7,092,018**
Fiscally Constrained?	Yes		
Region E			
2025	$ 9,655,000	$ 9,655,000	$ 0
2026-2035	$ 1,736,620,000	$ 1,423,270,000	$ 313,350,000
2036-2045	$ 1,577,822,414	$ 1,564,322,000	$13,500,414
2046-2055	$ 1,554,885,231	$ 1,543,378,000	$11,507,231
Unfunded Vision		$ 2,880,726,000	
Subtotal	**$ 4,878,982,645**	**$ 7,421,351,000**	**$11,507,231**
Fiscally Constrained?	Yes		
Region F			
2025	$ 5,160,000	$ 5,160,000	$ 0
2026-2035	$ 406,522,000	$ 406,522,000	$ 0
2036-2045	$ 94,458,828	$ 17,866,000	$76,592,828
2046-2055	$ 191,737,612	$ 159,497,000	$ 32,240,612
Unfunded Vision		$ 3,362,574,000	
Subtotal	**$ 697,878,440**	**$ 3,951,619,000**	**$ 32,240,612**
Fiscally Constrained?	Yes		
Division 12			
2025	$ 33,624,000	$ 33,624,000	$ 0
2026-2035	$ 730,091,000	$ 730,091,000	$ 0
2036-2045	$ 1,268,213,566	$ 1,257,743,000	$10,470,566
2046-2055	$ 1,556,415,826	$ 1,518,246,000	$38,169,826
Unfunded Vision		$ 14,980,914,000	
Subtotal	**$ 3,588,344,392**	**$ 18,520,618,000**	**$ 38,169,826**
Fiscally Constrained?	Yes		

Table 6-12 Continued

Horizon Year	Available Revenue	Total Cost	Remaining Balance
Division 12			
2025	$ 0	$ 0	$ 0
2026-2035	$ 325,299,000	$ 325,299,000	$ 0
2036-2045	$ 180,003,579	$ 116,413,000	$ 63,590,579
2046-2055	$ 283,013,937	$ 210,068,000	$ 72,945,937
Unfunded Vision		$ 11,656,595,000	
Subtotal	**$ 788,316,516**	**$ 2,545,018,000**	**$ 72,945,937**
Fiscally Constrained?	Yes		

Through the fiscal constraint process, 291 projects are projected to have funding available. 51 Statewide, 59 Region E, 25 Region F, 134 Division 10, and 22 Division 12 projects have been identified to receive the projected available funds. While many projects are receiving funding, there are still projects within each STI category that remain unfunded. 122 projects remain unfunded after the fiscal constraint process. Those unfunded projects consist of 15 Statewide, 16 Region E, 14 Region F, 67 Division 10, and 10 Division 12 projects. The amount of funding required to make up this gap in projects can be seen in **Figure 6-2** below. The total amount of funded projects is equal to $34,774,047,000.

Figure 6-2: Funded and Unfunded Project Costs



CONCLUSION

The determination of fiscal constraint is a key outcome of the MTP. Estimated revenues were developed for roadway capital, roadway maintenance, and public transportation, providing a comprehensive view of anticipated funding within the planning area. Project cost estimates for roadways and regionally significant transit projects were based on available planning tools and served as the foundation for creating a fiscally constrained plan. The fiscal constraint analysis confirmed that the costs of projects included in the constrained plan do not exceed the estimated available revenues. Accordingly, the 2055 MTP is fiscally constrained.