

Annual Comprehensive Financial Report

Fiscal year ended December 31, 2024 and 2023





***REGIONAL TRANSPORTATION DISTRICT
DENVER, COLORADO***

ANNUAL COMPREHENSIVE FINANCIAL REPORT

Fiscal Year Ended December 31, 2024 and 2023

Prepared by

Finance Department

THIS PAGE LEFT BLANK INTENTIONALLY

TABLE OF CONTENTS

INTRODUCTORY SECTION	Page
Transmittal Letter	6
2025 Board of Directors	13
District Service Area Map	14
Organization Chart	15
Agency Officials	15
GFOA Certificate of Achievement	16
FINANCIAL SECTION	
Report of Independent Certified Public Accountants	19
Management's Discussion and Analysis	23
Basic Financial Statements:	
Statements of Net Position	39
Statements of Revenues, Expenses and Changes in Net Position	41
Statements of Cash Flow	42
Statements of Net Position – Fiduciary Funds	44
Statements of Changes in Net Position – Fiduciary Funds	45
Notes to Financial Statements	46
Required Supplementary Information	
ATU 1001 Pension Plan Schedule of Contributions Multiyear	99
ATU 1001 Pension Plan Schedule of Changes in the Plan's Net Pension Liability and Related Ratios - Multiyear	100
RTD Salaried Pension Plan Schedule of Contributions Multiyear	102
RTD Salaried Pension Plan Schedule of Changes in the Plan's Net Pension Liability and Related Ratios - Multiyear	104
Supplementary Information	
Schedule of Expense and Revenue - Budget and Actual - Budgetary Basis	107
Fiduciary Financial Statements	108

TABLE OF CONTENTS
(CONTINUED)

Statistical Section

Net Position by Component	111
Summary of Statements of Revenues, Expenses and Changes in Net Position	112
Operating and Other Expenses and Capital Outlays	113
Revenue by Source	114
Debt Coverage Ratios	115
Demographic and Operating Data	117
Debt Disclosure Tables	118
Mid-term Financial Plan	119
Statement of Debt	120
Annual Ridership and Fare Revenue	121
Advertising and Ancillary Revenues	121
Grant Receipts and Local Contributions	121
Five-Year Summary of Statements of Revenues, Expenses and Changes in Net Position	122
Five-Year Schedule of Expenses and Revenues - Budget and Actual - Budgetary Basis	123
Fiscal Year 2023 and 2024 Budget Summary	124
Trip Fares	125
RTD Net Taxable Retail Sales	125

THIS PAGE LEFT BLANK INTENTIONALLY

May 27, 2025

Chair Bouquet, members of the Board and service area residents,

State law requires that all general-purpose local governments publish within seven months of the close of each fiscal year a complete set of financial statements presented in conformance with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, the Annual Comprehensive Financial Report of the Regional Transportation District (RTD) for the fiscal year ended December 31, 2024, is hereby issued.

This report consists of management's representations concerning RTD's finances. Consequently, management assumes full responsibility for the completeness and reliability of all information presented in this report. To provide a reasonable basis for making these representations, management has established a comprehensive internal control framework that is designed both to protect the agency's assets from loss, theft, or misuse and to compile sufficient, reliable information for the preparation of RTD's financial statements in conformity with GAAP. The cost of internal controls should not outweigh the benefits, and RTD'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 the agency's General Manager and CEO (GM/CEO), I assert that, to the best of my knowledge and belief, this financial report is complete and reliable in all material respects.

RTD's financial statements have been audited by Plante Moran, PLLC, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that RTD's financial statements for the fiscal year ended December 31, 2024, are free of material misstatement. The independent audit involved examining on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that RTD's financial statements for the fiscal year ended December 31, 2024, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of this report in the *Financial Section*.

The independent audit of RTD's financial statements was part of a broader, federally mandated "Single Audit" designed to meet the requirements of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are in RTD's separately issued Single Audit Report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in

conjunction with it. RTD's MD&A can be found immediately following the report of the independent auditors.

RTD provides public transportation services to the Denver metropolitan area. In 1969, the Colorado General Assembly (Assembly) found that public transit was a necessary part of the growing Denver metropolitan region. The Assembly found that public sector involvement was the best method to ensure the continuation of this vital service. Thus, RTD was created as a political subdivision of the State effective July 1969 "to develop, maintain, and operate a public mass transportation system for the benefit of the District."

RTD boundaries include Jefferson, Boulder, and Denver counties, most of the City and County of Broomfield, and portions of Adams, Douglas, Weld, and Arapahoe counties. Over 3.1 million people reside within RTD's 2,345 square mile service area.

Since 1983, RTD has had a 15-member Board of Directors that is elected directly by a constituency to serve four-year staggered terms to govern RTD. There are approximately 207,000 residents per director district. The RTD Board of Directors is responsible for setting policy, overseeing the agency's annual budget, and establishing short and long-range transit goals and plans in concert with local, state, and federal agencies.

In 2024, RTD employed 3,060 people, making it one of the largest employers in the eight-county area. In addition, RTD contracts with private carriers to provide paratransit service branded "Access-a-Ride" and "Access-on-Demand", fixed route bus and commuter rail services employing 1,599 individuals. Besides its administrative headquarters in Denver, RTD has seven operating facilities (excluding purchased transportation services), including four in Denver, one in Aurora, one in Englewood, and one in Boulder.

The financial reporting entity includes all the financial activities of RTD, as well as those activities of its component unit, the Asset Acquisition Authority, Inc. (the Authority), a nonprofit corporation established to facilitate RTD's use of lease/purchase financing. In addition, the financial reporting entity also includes activities of the RTD Salaried Pension Plan and RTD Salaried Employee 401(a) Plan for which there is a fiduciary relationship.

RTD maintains budgetary controls that ensure compliance with legal provisions embodied in the annual appropriated budget approved by its Board of Directors. The budget represents the agency's financial plan for the forthcoming year, including the expenditure appropriation for operations, planning, administration, development, debt service, and capital assets. The level of budgetary control (i.e. the level at which expenditures cannot legally exceed the appropriated amount) is established at the project level.

The annual budget serves as the foundation for RTD's financial planning and control. All departments are required to submit requests for appropriation to the GM/CEO on or before August of each year. The GM/CEO uses these requests as the starting point for developing a proposed budget. The GM/CEO then presents this proposed budget to the Board of Directors for review prior to October 15. The Board of Directors is required to hold a public hearing on the proposed budget and to adopt a final budget no later than December 31.

Unused appropriations lapse at year-end, except that the Board of Directors has the authority, as stated in the adopted appropriation resolution, to carry-over the unused portion of the funds for capital projects not completed, for a period not to exceed three years.

The Board of Directors has delegated authority to the GM/CEO to approve certain line-item transfers within the budget. Budget-to-actual comparisons are provided in the Supplementary Information Section of this report.

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered in the broader perspective of the specific environment within which RTD operates.

Service Area

RTD serves the Denver metro area, operating in all or part of eight counties and more than 40 municipalities. It is the most populated area of the state and the economic barometer of Colorado. Employment in the Denver metro area is dominated by small businesses that represent a diverse mix of industries and geographic distribution of employment centers.

Economic Considerations

The Colorado Legislative Council (CLC) in its March 2025 report forecast a continued expansion of national and Colorado economies. However, a weakening job market and continuing inflation, coupled with a rapidly changing federal policy and heightened ongoing risks led to downward revisions of the forecast for both the state and the U.S in 2025 and 2026. The CLC emphasized the uncertainty currently being experienced at both the local and national levels.

Economists for CLC reported the following key economic indicators for Colorado and the Denver metro area:

- State of Colorado unemployment in 2023 and 2024 was 3.3% and 4.3%, respectively. Forecasted unemployment for the state in 2025 and 2026 is expected to be 4.7% and 4.6%.
- Personal Income growth in Colorado in 2023 and 2024 was 5.1% and 4.8%, respectively. Forecasted personal income growth for the state in 2025 and 2026 is 4.2% and 4.3%.
- The percent change in retail trade sales in Colorado was 1.1% and -.3% in 2023 and 2024, respectively. Anticipated changes in 2025 and 2026 for the state are 1.0% and 1.1%.
- Population growth in Colorado was .9% in 2023 and 1.0% in 2024. Forecasted growth for 2025 and 2026 is 1.0% and 1.1% for the state.
- Inflation in the Denver metro area was 5.2% in 2023 and 2.4% in 2024.
- Employment growth in the Denver metro area was 2.2% in 2023 and .1% in 2024.
- Retail sales growth in the Denver metro area was a -.1% decrease in 2023 and 1.7% in 2024.
- The Unemployment rate for the Denver metro area was 3.1% in 2023 and 4.1% in 2024.

In 1992, voters approved an amendment to the Colorado Constitution known as the Taxpayer's Bill of Rights (TABOR), that limits revenue, and spending for state and local governments and requires voter approval of measures to increase debt, spending or taxes. In 1995, the voters of

the District exempted RTD from TABOR's revenue and spending limitations through December 31, 2005. In 1999, the voters of the District authorized RTD to increase its debt to exclusively finance the Southeast Corridor light rail project and further exempted RTD from TABOR's revenue and spending limitations until such time as that debt is repaid, but not later than December 31, 2026. The bonds issued pursuant to this authority were repaid in November 2024.

In 2004, voters authorized a 0.4% increase in RTD's sales tax (for a total 1% tax) and an increase in debt with all proceeds of such debt and taxes to be used to fund the transportation expansion plan known as FasTracks. This authorization also exempted the District from any revenue and spending limitations under TABOR on the additional tax and on investment income generated by the increased tax revenue. It is currently anticipated that the FasTracks debt will be repaid as early as 2050, at such time, the sales and use tax rate will be reduced to a rate necessary to operate the transit system but not less than 0.6%. On November 5, 2024, the voters of the District exempted RTD from TABOR revenue growth limitations in perpetuity.

Long-term Financial Planning

Each year the Board of Directors adopts a financially balanced Five-year Financial Forecast (FYFF), which is the five-year operating and capital improvement forecasting plan for RTD including both the Base System and FasTracks. The FYFF is a component of the long-term transportation planning program for the Denver metropolitan area evaluated by the Denver Regional Council of Governments (DRCOG), the Metropolitan Planning Organization. While the FYFF is developed separately for the Base System and FasTracks, RTD integrates both plans into a single medium and long-range Financial Plan in a single report. This financial information forms the basis for the development of RTD's annual budget. In September 2024, the Board of Directors approved the 2025-2029 FYFF.

Long-term financial planning seeks to allocate resources among related and, at times, competing initiatives and activities, and to optimize those resources in a manner consistent with RTD's 2021-2026 Strategic Plan.

FINANCIAL INFORMATION

RTD management is responsible for establishing and maintaining an internal control structure designed to ensure that assets are protected from loss, theft, or misuse and that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with GAAP. RTD has designed its internal control structure to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the costs of a control should not exceed the benefits likely to be derived and (2) the valuation of costs and benefits requires estimates and judgment by management.

Single Audit: As a recipient of federal assistance, RTD is responsible for ensuring that an adequate internal control structure is instituted to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation by management.

As part of RTD’s single audit, tests are made to determine the adequacy of the internal control structure, including that portion related to federal financial assistance programs, as well as to evaluate RTD’s compliance. RTD’s single audit for the fiscal year ended December 31, 2024 found no instances of material weakness in the internal control structures or significant violations of applicable laws and regulations. A separate report was prepared for this purpose.

Fiscal Policy: RTD follows a fiscal policy approved by the Board of Directors annually or as necessary due to modification. The fiscal policy contains policies for revenue, investments, expenditures, capital improvements, fund balance, debt, budgeting, accounting and grants.

Debt Administration: RTD formulates its debt policy to protect its credit ratings and soundly manage its assets and liabilities. Included in this policy is a requirement that debt will not be used to finance current operations. Another requirement precludes financing capital projects beyond the useful life of the project. Additional policies go beyond these essential guidelines and result in further protection. RTD has separate ratings for its Base System and FasTracks sales and use taxes. Base System bonds secured by the 0.6% sales tax are rated by Moody’s Investors Service as “Aa1”, by Standard and Poor’s Corporation as “AAA” and by Fitch Ratings as “AA”. FasTracks Bonds that are secured by a first lien on the District’s 0.4% sales tax and a subordinate lien on the 0.6% sales tax are rated by Moody’s Investors Service as “Aa2”, by Standard and Poor’s Corporation as “AAA” and by Fitch Ratings as “AA”.

Cash Management: The main objective of RTD’s cash management program is the protection of investment principal while providing optimal levels of cash throughout the year. The RTD investment policy is modified periodically to adapt to changes in eligible investments, benchmarks, and specific objectives.

During the year, RTD invested its cash in various investment vehicles including money market funds, U.S. Treasury securities, agency securities, discount notes, commercial paper, repurchase agreements, and variable and fixed rate mortgage-backed securities. The total average return on cash and liquidity tier investments for the year was 5.1%.

Risk Management: RTD employs a combination of self-insurance and purchased insurance in its efforts to protect assets and control and prevent losses.

The areas of self-insurance are worker’s compensation, automobile, general liability, and felonious assault. RTD is self-insured for liability, the limits of which are \$424,000 per person and \$1,195,000 per occurrence as specified under the Colorado Governmental Immunity Act for claims arising on or after January 1, 2022. The self-insured retention for worker’s compensation claims is \$2,000,000 per claim, with any amounts above this covered by purchased insurance up to the legal limits of liability under the Colorado worker’s compensation statute.

Commercial insurance policies provide coverage including: property coverage up to \$500,000,000 for buildings, their contents, and rolling stock (other than collision); a commuter rail railroad liability policy of \$323,000,000 to cover the cap on damages set by federal law; a Commercial Crime Policy with a limit of \$10,000,000; a Cyber policy with \$15,000,000 in limits; an Excess Workers’ Compensation policy with a \$2,000,000 retention and statutory limits, a \$5,000 bond for Commercial Driver’s License Testing Performance Bond; \$4,000,000 Workers’ Compensation

Bond; fiduciary coverage on the Trustees of the Salaried Pension Trust, Salaried 401(a) Plan and the combined 457(b) plan with \$8,000,000 in limits. The agency also maintains a General Liability policy covering Employment Practices and Law Enforcement Services liability with \$10,000,000 in limits as well as a policy with coverage for \$23,703,600 per occurrence for Light Rail Vehicle-only damage resulting from a derailment.

OTHER INFORMATION

Awards: The Government Finance Officers Associations (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to RTD for its Annual Comprehensive Financial Report for the fiscal year ended December 31, 2023. RTD will submit its 2024 Report for award of this Certificate.

To receive the Certificate of Achievement for Excellence in Financial Reporting, RTD must publish an easily readable and efficiently organized Annual Comprehensive Financial Report, the contents of which must conform to program standards. This report must also satisfy both GAAP and applicable legal requirements.

The Certificate of Achievement is valid for one year only. It is my belief the current Annual Comprehensive Financial Report meets the program's requirements, hence the impending submittal.

Acknowledgements: Timely preparation of the Annual Comprehensive Financial Report was made possible by the dedicated services of the Finance Department led by Brenden Morgan, Acting Chief Financial Officer. I extend my sincere appreciation to each member of the department for their contributions. Moreover, I thank the Board of Directors for its governance.

Sincerely,



Debra A. Johnson
General Manager and CEO

THIS PAGE LEFT BLANK INTENTIONALLY

2025 Board of Directors

RTD's governing body is an elected Board of Directors, with each member elected from one of the 15 districts comprising RTD's service area. Each district is apportioned equally by population and most districts cross county boundaries. The districts are assigned letter designations from "A" to "O".

District A

Chris Nicholson, Secretary
Denver/Arapahoe counties

District B

JoyAnn Ruscha
Denver/Adams counties

District C

Michael Guzman
Denver/Jefferson counties

District D

Chris Gutschenritter
Denver/Jefferson/Arapahoe counties

District E

Matt Larsen
Denver/Arapahoe counties

District F

Kathleen Chandler
Arapahoe County

District G

Julien Bouquet, Chair
Arapahoe/Douglas counties

District H

Patrick O'Keefe, First Vice Chair
Arapahoe/Douglas counties

District I

Karen Benker, Treasurer
Boulder/Broomfield/Adams/Weld counties

District J

Vince Buzek
Adams/Jefferson counties

District K

Troy Whitmore, Second Vice Chair
Adams/Weld counties

District L

Ian Harwick
Jefferson/Adams counties

District M

Brett Paglieri
Jefferson County

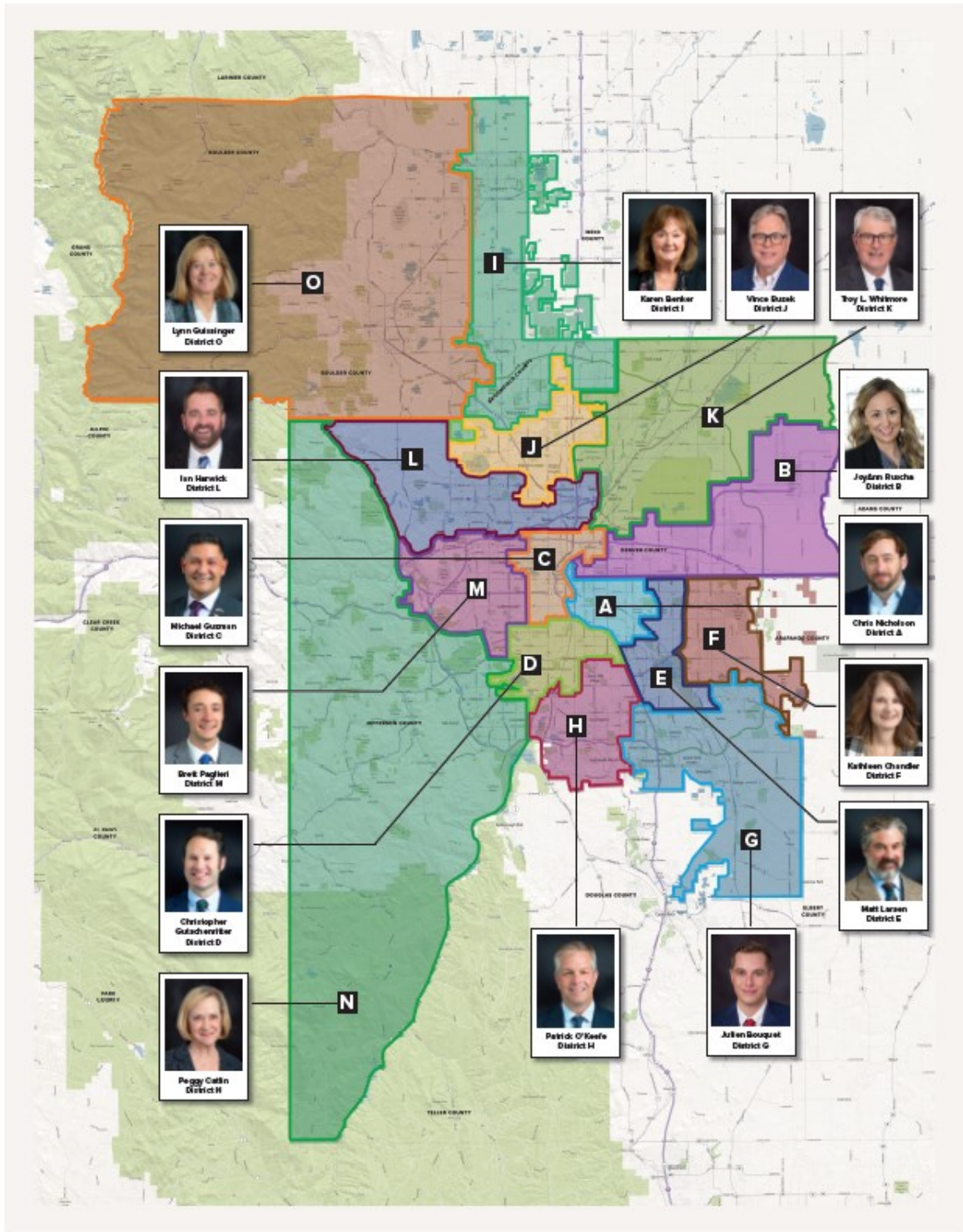
District N

Peggy Catlin
Jefferson County

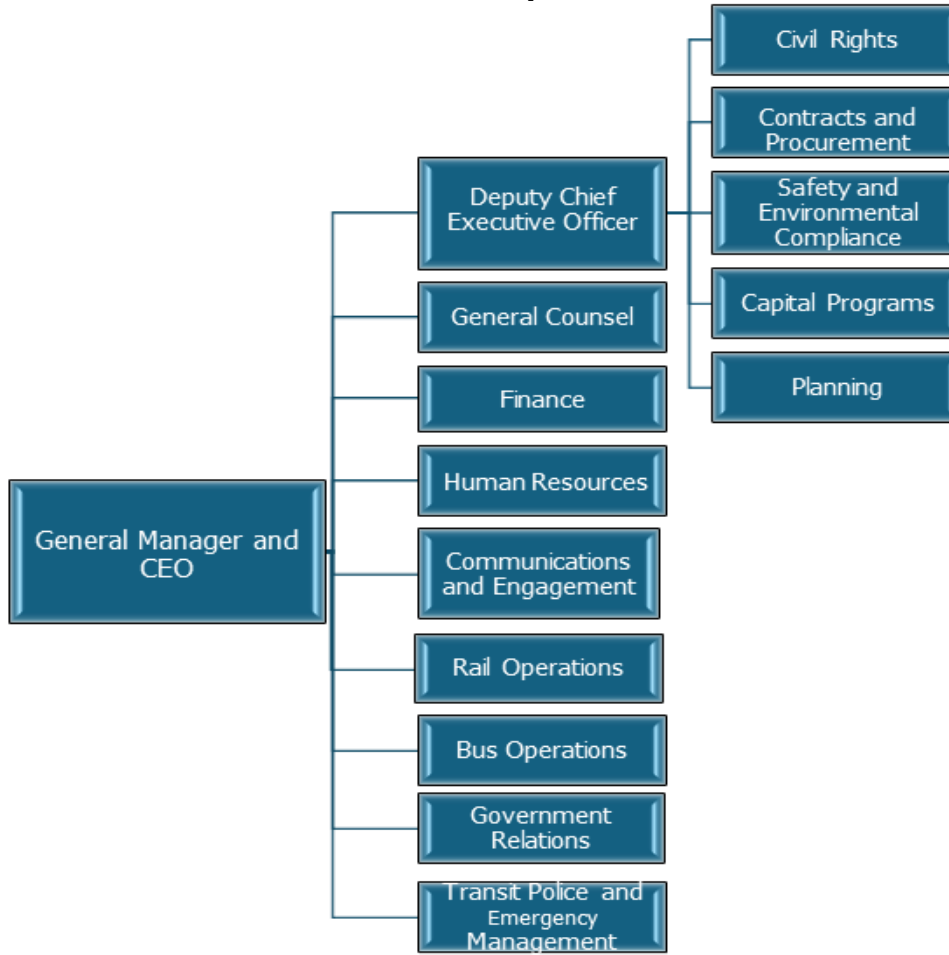
District O

Lynn Guissinger
Boulder County

BOARD OF DIRECTORS 2025 DISTRICT BOUNDARIES



Organization Chart April 2025



Leadership Team

**General Manager and
Chief Executive Officer**
Debra A. Johnson

Deputy Chief Executive Officer
Angel Peña

General Counsel
Melanie J. Snyder

Chief Financial Officer
Kelly Mackey

Chief People Officer
Charlene Polege

**Chief Communications and
Engagement Officer**
Stuart Summers

AGM, Rail Operations
Dave Jensen

Acting GM, Bus Operations
Greg Smith

**Chief of Police and Emergency
Management**
Steve Martingano



Government Finance Officers Association

Certificate of
Achievement for
Excellence in
Financial
Reporting

Presented to

Regional Transportation District Colorado

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2023

Christopher P. Morill

Executive Director/CEO

FINANCIAL SECTION



THIS PAGE LEFT BLANK INTENTIONALLY

Independent Auditor's Report

To the Board of Directors
Regional Transportation District
Denver, Colorado

Report on the Audits of the Financial Statements

Opinions

We have audited the financial statements of the enterprise fund and aggregate remaining fund information of the Regional Transportation District (the "District") as of and for the years ended December 31, 2024 and 2023 and the related notes to the financial statements, which collectively comprise the District's basic financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the enterprise fund and aggregate remaining fund information of the Regional Transportation District as of December 31, 2024 and 2023 and the respective changes in its financial position and, where applicable, its cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audits 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*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audits of the Financial Statements* section of our report. We are required to be independent of the District and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. 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 Salaried Pension Plan were not audited under *Government Auditing Standards*.

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 the District's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audits 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 audits 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.

To the Board of Directors
Regional Transportation District
Denver, Colorado

In performing audits in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audits.
- 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 audits 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 the District'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 the District'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 audits, significant audit findings, and certain internal control-related matters that we identified during the audits.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information, as identified 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, which 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 audits 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 audits were conducted for the purpose of forming opinions on the financial statements that collectively comprise Regional Transportation District's basic financial statements. The supplementary information, as identified in the table of contents, is presented for the purpose of additional analysis 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 audits 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, the supplementary 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 Comprehensive Financial 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.

To the Board of Directors
Regional Transportation District
Denver, Colorado

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 whether 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 27, 2025 on our consideration of the Regional Transportation District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, 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 the Regional Transportation District'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 the Regional Transportation District's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Plante & Moran, PLLC". The signature is written in a cursive, flowing style.

May 27, 2025

THIS PAGE LEFT BLANK INTENTIONALLY



The management of the Regional Transportation District (RTD) offers users of its financial statements this narrative overview and analysis of the financial activities for the years ended December 31, 2024 and 2023. This discussion and analysis is designed to assist and focus the reader on significant financial activities and identify any significant changes in RTD's financial position. It should be read in conjunction with the financial statements that follow this section. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

Financial Highlights

RTD has undertaken several initiatives such as implementation of a System Optimization Plan, which is a product of the Comprehensive Operational Analysis, and the 2021-2026 Strategic Plan. Strategic priorities encapsulated within the Strategic Plan include RTD providing Community Value, Customer Excellence, Employee Ownership and Financial Success by focusing on (1) Back to Basics, (2) People Power, (3) Providing a Welcoming Transit Environment and (4) Customer and Community Connections as RTD continues to migrate from completion of the large FasTracks expansionary projects to redirecting additional efforts to operations and maintenance and maintaining assets in a state of good repair.

Inflation and supply chain issues continue to be challenging for RTD and mitigation efforts through contractual arrangements have avoided any material disruptions while also supporting budget certainty. Public transit services are highly dependent on people power and significant efforts have been implemented to shore-up chronic front line staffing shortfalls which have been endemic throughout the industry. Focusing on people power has resulted in steady improvements in reducing vacancies while mitigating service disruptions. RTD has also implemented significant improvements to enhance personal security for employees and customers which has proven challenging in the past due to societal issues. RTD has expanded its transit police force and outreach efforts while reducing reliance on contracted security services. Several debt refinancings for interest savings over recent years has reduced debt service requirements. In addition, a new fare structure and lower fares were implemented, including zero fares for youth 19 and under in 2024 as a result of a fare study and equity analysis focusing on simplicity, affordability and equity. Maintaining assets in a state of good repair resulted in completion of significant light rail reconstruction and maintenance projects that will continue in future years. Significant progress was achieved in addressing societal security issues including expansion of the police force, mental health and unhoused outreach efforts as well as technological and transit environment enhancements. Each of these items have resulted in significant improvements while also reducing financial risk and improving RTD's financial results and position.

As of December 31, 2024 and 2023, total assets and deferred outflows of resources of RTD exceeded total liabilities and deferred inflows of resources by \$3,286,082 and \$3,568,123 (after restatement for GASB 101 implementation) respectively. The amount of unrestricted net position as of December 31, 2024, was \$462,820 compared to \$557,598 in 2023 (after GASB 101 restatement). RTD's 2024 unrestricted net position was negatively impacted by flat Sales and Use tax collections and reduced operating grant assistance.

The net position of RTD decreased by \$282,041 (7.9%) during the current year compared to an increase of \$19,105 (.5%) (after restatement) in the previous year. The decrease in 2024 resulted from the previously mentioned influences while 2023 was positively impacted by expenditures aligned with the Strategic plan, reduced debt service and improved investment returns.



RTD is heavily reliant on sales and use tax collections. Collections in 2024 were flat compared to 2023; however, improvements in investment returns and favorable cost variances to budgeted appropriations resulted in maintenance of fund balances. Transit boarding decreases during COVID-19, shifting travel patterns and implementation of reduced fares and zero fares for youth have resulted in fares only contributing 5.9% of total revenues. This has not contributed to unexpected financial constraints and requires no significant financial adjustments since fares have historically comprised a relatively small percentage of revenue.

RTD's sales and use tax revenues are its largest single source of revenues. These tax revenues were flat in 2024 compared to 2023 which resulted from economic and inflationary pressures on consumers. RTD received voter approval in November 2024 to continue exemption in perpetuity from the Taxpayer's Bill of Rights (TABOR) revenue growth limitations beginning in 2025.

For 2024, total operating expenses exceeded total revenues resulting in a loss before non-operating revenue and expenses of \$1,167,133 compared to a loss of \$1,052,653 for 2023. The increase in operating loss for 2024 was primarily due to increased operating expenses from restored services, contractual wage increases, increased contracted services and purchased transportation costs as well as unusually high inflation. RTD anticipates operating losses each year, as these losses are subsidized by non-operating sales and use tax, grant revenues and other miscellaneous income.

RTD's total debt decreased \$66,376 (2.3%) and decreased \$125,292 (4.2%) in 2024 and 2023, respectively. Outstanding debt decreased in 2024 and 2023 due to payment of outstanding principal balances through scheduled debt service and refinancing of certain outstanding obligations for interest savings and reduction of outstanding principal.

Capital grants and local contributions decreased \$25,287 (47.1%) in 2024 after increasing \$38,035 (241.1%) in 2023. The decrease in 2024 in capital grant expenditures is a result of RTD winding down its large capital projects and transitioning from a focus on building out assets to a concentration on operations and maintenance.

Grant operating assistance decreased \$181,537 (77.4%) in 2024 versus a decrease of \$72,554 (23.6%) in 2023. The large decrease in 2024 was due to pending federal preventive maintenance funding for fiscal year 2024 that is expected to be received in 2025.

RTD's capital assets, net of depreciation, decreased \$270,859 (4.7%) in 2024 and decreased \$238,499 (4.0%) in 2023 primarily due to depreciation.

Basic Financial Statements

Management's Discussion and Analysis serves as an introduction to RTD's basic financial statements. RTD's financial statements are prepared using proprietary fund (enterprise fund) accounting that uses a similar basis of accounting as private-sector business enterprises. Under this method of accounting, an economic resources measurement focus, and an accrual basis of accounting are used. Revenue is recorded when earned and expenses are recorded when incurred.

The basic financial statements are comprised of four components: statements of net position; statements of revenues, expenses and changes in net position; statements of cash flows; and notes to the financial statements.



The statements of net position present information on assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference between the two reported as the net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of RTD is improving or deteriorating. The statements of revenues, expenses, and changes in net position present information on operating revenues and expenses and non-operating revenues and expenses of RTD for the fiscal year with the difference, the net income or loss, combined with any capital grants and local contributions to determine the change in net position for the year. That change combined with the previous year-end total net position reconciles to the net position total at the end of the current fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the changes occurs, regardless of the timing of the related cash flows.

The statements of cash flows report cash and cash equivalent activities for the fiscal year resulting from operating activities, capital, and related financing activities, noncapital and related financing activities and investing activities. The result of these activities added to the beginning of the year cash balance reconciles to the cash and cash equivalents balance at the end of the current fiscal year. The statements of cash flows, along with the related notes and information in other financial statements, can be used to assess the following: RTD's ability to generate positive cash flows and pay its debt as the debt matures; the reasons for differences between RTD's operating cash flows and operating income (loss); and the effect of investing, capital, and financing activities on RTD's financial position.

The notes to the financial statements provide additional information that is essential to fully understand the data provided in the statements of net position, statements of revenues, expenses, and changes in net position, and statements of cash flows.

RTD provides bus, paratransit, micro-transit, light rail and commuter rail service in a 2,345 square mile area (District) in and around metropolitan Denver, Colorado. The activities of RTD are supported by a 0.6% and a 0.4% sales and use tax collected within the District. The 0.6% sales and use tax is used to fund the Base System operations of RTD. The Base System operations provide the bus and most current light rail services in the Denver area. The 0.4% sales and use tax was used to fund the FasTracks build-out program and provide funding for operation and maintenance of those program elements as well as providing for enhanced transit services in the District. Additional revenue sources include fare collections, federal, state, and local financial assistance, investment income, and other income such as advertising and rental income.

Financial Analysis

Condensed Financial Information - Condensed financial information from the statements of net position and statements of revenues, expenses, and changes in net position is presented on the following pages.



Statements of Net Position – The following summary of net position shows RTD's financial position and obligations as of December 31 for each of the last three fiscal years.

Condensed Summary Statements of Net Position

	2024	2023*	2022*
Assets and Deferred Outflows of Resources:			
Current assets	\$ 783,118	\$ 921,195	\$ 834,787
Current assets - restricted	19,339	44,464	46,216
Capital assets (net of accumulated depreciation)	5,455,782	5,726,641	5,965,140
Other noncurrent assets	709,200	623,232	568,689
Total assets	<u>6,967,439</u>	<u>7,315,532</u>	<u>7,414,832</u>
Deferred outflows of resources	97,760	112,981	224,895
Total assets and deferred outflows of resources	<u>7,065,199</u>	<u>7,428,513</u>	<u>7,639,727</u>
Liabilities and Deferred Inflows of Resources:			
Current liabilities	245,741	207,479	236,195
Noncurrent liabilities	3,442,645	3,551,461	3,738,745
Total liabilities	<u>3,688,386</u>	<u>3,758,940</u>	<u>3,974,940</u>
Deferred inflows of resources	90,731	101,450	115,769
Total liabilities and deferred inflows of resources	<u>3,779,117</u>	<u>3,860,390</u>	<u>4,090,709</u>
Net position:			
Net investment in capital assets	2,148,723	2,316,267	2,427,540
Restricted debt service	61,724	69,936	89,868
Restricted TABOR	37,567	29,837	28,996
Restricted FasTracks	573,737	592,973	530,169
Restricted deposits	1,511	1,512	1,507
Unrestricted	462,820	557,598	470,938
Total net position	<u>\$ 3,286,082</u>	<u>\$ 3,568,123</u>	<u>\$ 3,549,018</u>

*GASB 101 was implemented in the current year which resulted in an adjustment to beginning net position as described in Note A.

In 2024, current assets decreased by \$138,077 (15.0%) primarily due to flat Sales and Use Tax collections and delays in receiving federal grant funding.

In 2024, capital assets net of accumulated depreciation decreased \$270,860 (4.7%) primarily due to the depreciation of assets.

Total liabilities and deferred inflows decreased \$81,273 (2.1%) in 2024 primarily due to reduction of debt through refinancings for interest savings.

The net position of RTD decreased by \$282,041 (7.9%) during 2024 compared to an increase of \$19,105 (.5%) in the previous year (after GASB 101 restatement). The decrease in 2024 was due to sales tax revenues stagnation and a reduction in collections from federal grant operating assistance due to pending fiscal year 2024 funding.

REGIONAL TRANSPORTATION DISTRICT
Management's Discussion and Analysis (Unaudited)
December 31, 2024 and 2023 (Dollars in Thousands)



Statements of Revenues, Expenses, and Changes in Net Position – The following summary of revenues, expenses, and changes in net position shows the financial activities of RTD and the resulting change of net position.

Summary of Revenues, Expenses, and Changes in Net Position			
	2024	2023*	2022*
Operating revenue:			
Passenger fares	\$ 63,906	\$ 63,534	\$ 75,292
Advertising and other	1,532	1,519	2,707
Total operating revenue	<u>65,438</u>	<u>65,053</u>	<u>77,999</u>
Operating expenses:			
Salaries and wages	280,643	249,656	237,265
Fringe benefits	121,666	113,381	104,740
Materials and supplies	61,007	53,529	43,820
Services	145,525	97,340	82,633
Utilities	18,070	19,543	18,434
Insurance	14,648	14,148	13,221
Purchased transportation	257,402	223,349	196,016
Leases and rentals	2,929	2,492	1,540
Miscellaneous	5,723	4,398	3,263
Depreciation	324,958	339,870	358,207
Total operating expenses	<u>1,232,571</u>	<u>1,117,706</u>	<u>1,059,139</u>
Operating loss	(1,167,133)	(1,052,653)	(981,140)
Nonoperating revenues (expenses):			
Sales and use tax	857,411	858,133	855,146
Grant operating assistance	52,951	234,488	307,042
Investment income	57,710	58,111	(1,004)
Other income and gains	19,675	1,954	29,249
Interest expense	(131,050)	(134,609)	(138,337)
Net nonoperating revenue	856,697	1,018,077	1,052,096
Income before capital contributions	(310,435)	(34,576)	70,956
Capital grants and local contributions	<u>28,395</u>	<u>53,681</u>	<u>15,646</u>
(Decrease)/Increase in net position	(282,041)	19,105	86,602
Net position, beginning of year	<u>3,568,123</u>	<u>3,549,018</u>	<u>3,462,416</u>
Net position, end of year	<u>\$ 3,286,082</u>	<u>\$ 3,568,123</u>	<u>\$ 3,549,018</u>

*GASB 101 was implemented in the current year which resulted in an adjustment to beginning net position as described in footnote A.

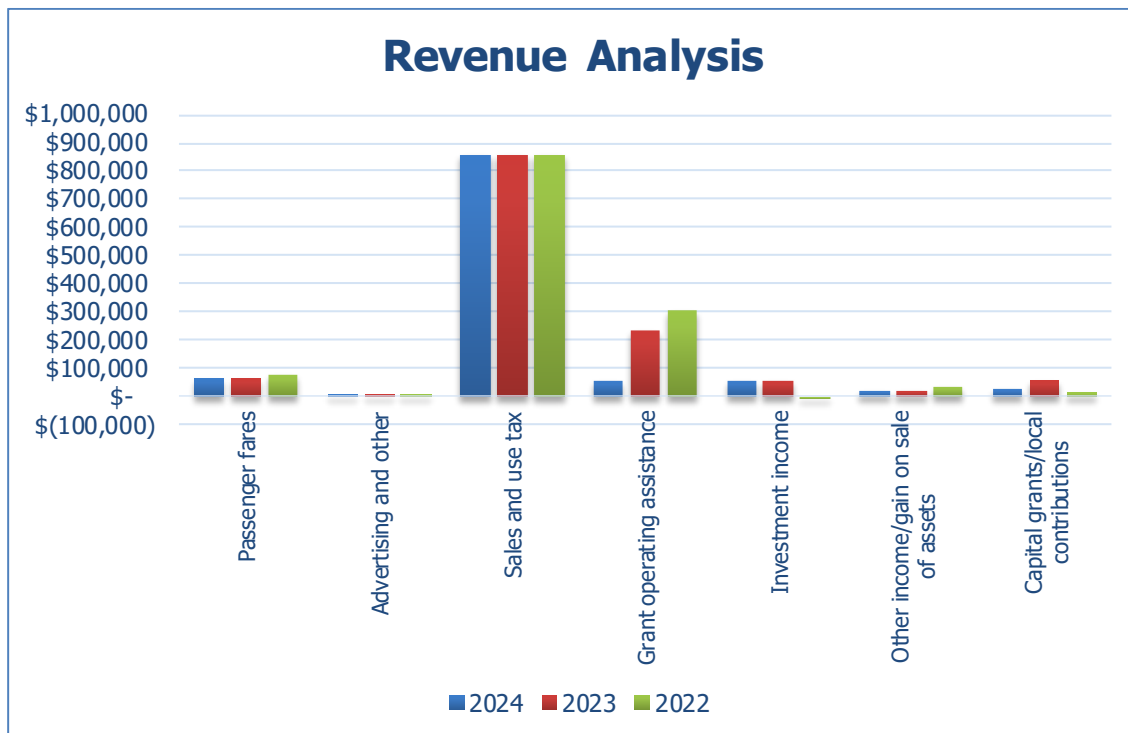
REGIONAL TRANSPORTATION DISTRICT
Management’s Discussion and Analysis (Unaudited)
December 31, 2024 and 2023 (Dollars in Thousands)



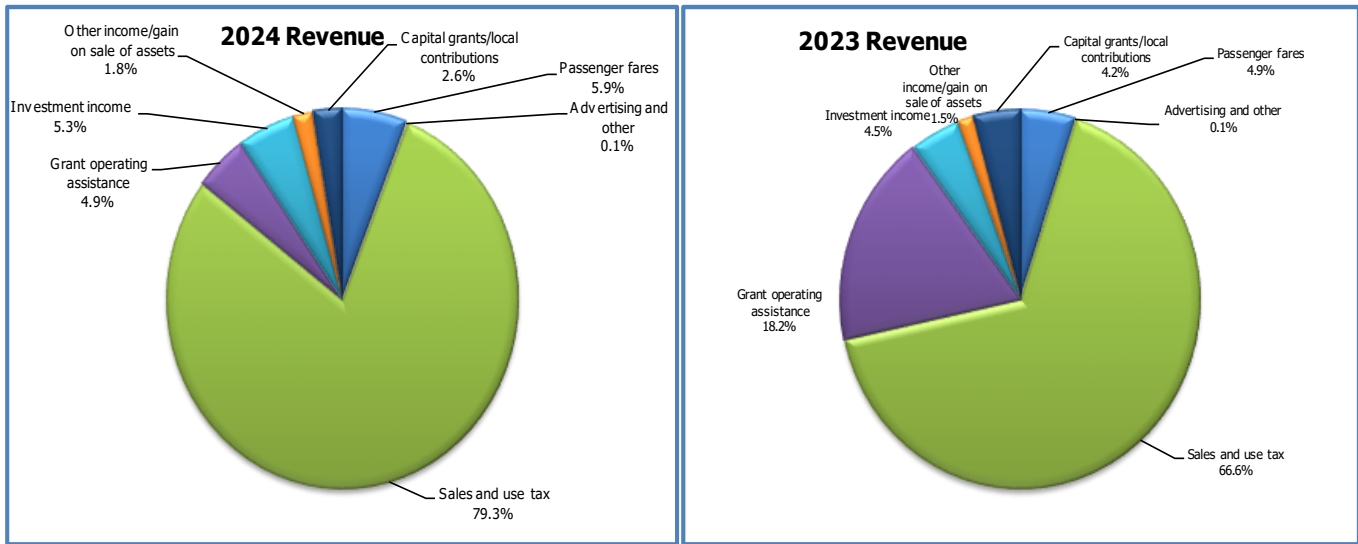
The information contained in the following condensed information tables is used as the basis for the revenue and expense discussion surrounding RTD’s activities for the fiscal years ended December 31, 2024, 2023 and 2022.

Revenues - The following tables and charts show the sources of revenue for the years ended December 31, 2024, 2023 and 2022.

Revenue Analysis				
	<u>2024</u>	<u>2023</u>	<u>2022</u>	
Revenues				
Passenger fares	\$ 63,906	\$ 63,534	\$ 75,292	
Advertising and other	1,532	1,519	2,707	
Sales and use tax	857,411	858,133	855,146	
Grant operating assistance	52,951	234,488	307,042	
Investment income	57,710	58,111	(1,004)	
Other income/gain on sale of assets	19,675	18,990	34,370	
Capital grants/local contributions	28,395	53,681	15,646	
Total Revenues	<u>\$ 1,081,580</u>	<u>\$ 1,288,456</u>	<u>\$ 1,289,199</u>	



REGIONAL TRANSPORTATION DISTRICT
Management’s Discussion and Analysis (Unaudited)
December 31, 2024 and 2023 (Dollars in Thousands)



Passenger fares – Passenger fares provided 5.9% of total revenues in 2024 and 4.9% in 2023, respectively. Farebox receipts, monthly and annual pass revenue, and special event fares for bus and rail services are included in passenger fares. Passenger fares increased by \$372 (.6%) in 2024 compared to a decrease of \$11,758 (15.6%) in 2023. The large decrease in 2023 is attributed to two months of the Zero Fare for Better Air program with no fare for two months in 2023. There was no similar program in 2024 and the lack of a corresponding increase in fare revenue is a result of reduced ridership on light rail lines caused by the introduction of a light rail reconstruction effort as well as implementation of reduced fares in 2024.

Advertising and other – Advertising and other revenue provided 0.1% and 0.1% of total revenues in 2024 and 2023. Advertising and other income was relatively flat in 2024 compared to 2023, with a \$13 increase, a .9% increase over 2023. This following a 43.9% decrease in 2023 over the prior year, primarily due to the implementation of GASB 87.

Sales and Use Tax – Sales and use tax provided 79.3% and 66.6% of RTD’s total revenues in 2024 and 2023, respectively. Sales and use tax is a dedicated combined 1.0% tax imposed on certain sales within the District. Sales and use tax decreased \$722 (0.1%) in 2024 compared to an increase of \$2,987 (0.3%) in 2023 compared to 2022. The significant slowdown in spending in the Denver metro area that began in 2023 continued into 2024, leading to the decline in Sales and Use Tax revenue. Due to the reduction in grant operating assistance, although total sales and use tax revenues declined a minimal amount, the percent of total revenue increased to 79.4% in 2024 compared to 66.6% of total revenue in 2023.

Grant operating assistance – Grant operating assistance provided 4.9% and 18.2% of total revenues in 2024 and 2023. Grant operating assistance decreased \$181,537 (77.4%) in 2024 compared to a decrease of \$72,554 (23.6%) in 2023. The decrease in 2024 is due to pending fiscal year 2024 preventive maintenance funding while 2023’s decrease is due to the ending of federal COVID emergency assistance at the end of 2022.

Investment Income – Investment income provided 5.3% and 4.5% of total revenues in 2024 and 2023. Investment income decreased \$401 (.7%) in 2024 compared to an increase of \$59,115 (5,890.3%) in 2023.

REGIONAL TRANSPORTATION DISTRICT
Management’s Discussion and Analysis (Unaudited)
December 31, 2024 and 2023 (Dollars in Thousands)



The relatively small decrease seen in 2024 compared to 2023 was a result of a stable investment environment year over year versus the higher fixed income yields experienced in 2023 over the prior year.

Other Income/Gain on sale of assets – Other income provided 1.8% and 1.5% of total revenues in 2024 and 2023. Other income includes interest subsidy income, rental income from retail space, parking, and miscellaneous other items. Other income increased \$685 (3.6%) in 2024 compared to a decrease of \$15,380 (44.7%) in 2023. The increase in 2024 was due to a small gain recognized from the sale of assets compared to a loss in the past year. The decrease in 2023 was primarily due to the receipt of a returned credit risk premium associated with a prior year federal loan in 2022 and the one-time occurrence of this receipt.

Capital grants and local contributions – Capital grants and local contributions provided 2.6% and 4.2% of total revenues in 2024 and 2023. Capital grants and local contributions decreased \$25,287 (47.1%) in 2024 and increased \$38,035 (243.1%) in 2023. The decrease in 2024 is due to the winding down of the FasTracks expansion with most of the project reconciliation and finalization being completed in 2023 leading to the large increase in revenue experienced during that year.

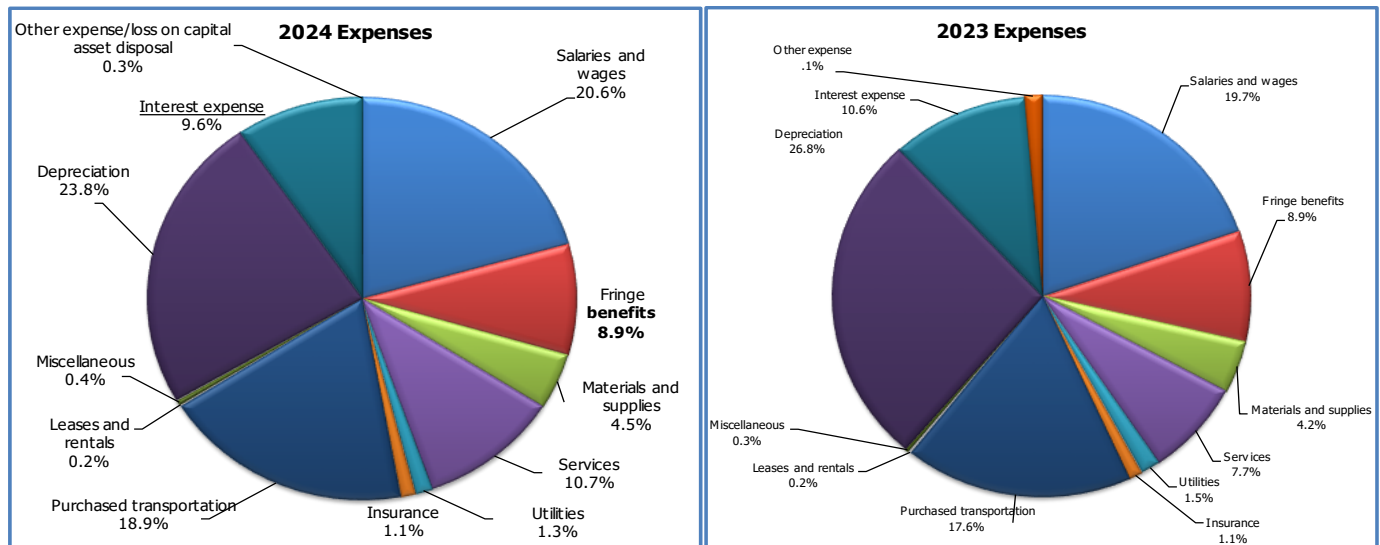
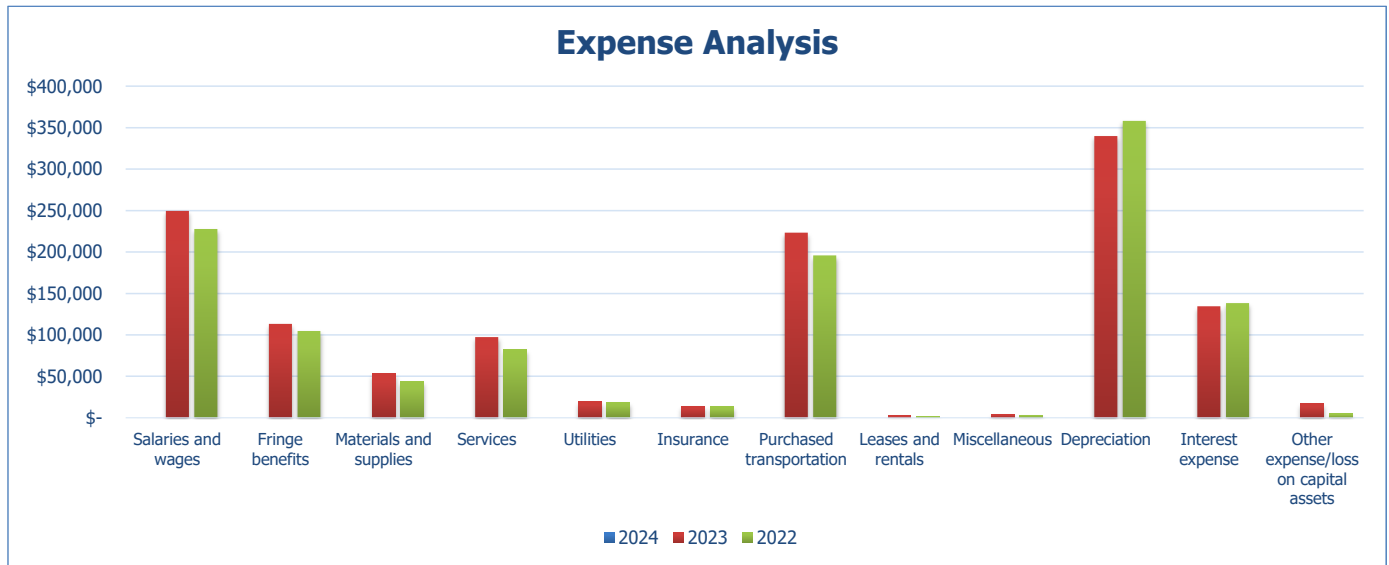
Expenses - The following tables and charts shows the major sources of expenses for the years ended December 31, 2024, 2023 and 2022.

Expense Analysis

	2024	2023*	2022*
Expenses			
Salaries and wages	\$ 280,643	\$ 249,656	\$ 238,744
Fringe benefits	121,666	113,381	104,740
Materials and supplies	61,007	53,529	43,820
Services	145,525	97,340	82,633
Utilities	18,070	19,543	18,434
Insurance	14,648	14,148	13,221
Purchased transportation	257,402	223,349	196,016
Leases and rentals	2,929	2,492	1,540
Miscellaneous	5,723	4,398	3,263
Depreciation	324,958	339,870	358,207
Interest expense	131,050	134,609	138,337
Other expense/loss on capital asset disposal	-	17,036	5,121
Total Expenses	\$ 1,363,621	\$ 1,269,350	\$ 1,204,076

*GASB 101 was implemented in the current year which resulted in an adjustment to beginning net position as described in Note A.

REGIONAL TRANSPORTATION DISTRICT
Management’s Discussion and Analysis (Unaudited)
December 31, 2024 and 2023 (Dollars in Thousands)



Salaries and wages – Other than depreciation, salary and wage expense is the largest expense category accounting for 20.6% and 19.7% of the total RTD expenses in 2024 and 2023 (restated), respectively. Salary and wage expenses increased by \$30,987 (14.4%) in 2024 compared to an increase of \$10,912 (4.6%) in 2023. The increase in both years was primarily due to contracted wage increase, inflationary adjustments, and increased full time equivalents as the agency continues to fill open positions and expansion of the police force. The amount of increase in 2023 is after restatement for GASB 101.

Benefits – Fringe benefits accounted for 8.9% of total expenses in both 2024 and 2023. Fringe benefits increased by \$8,285 (7.3%) in 2024 compared to an increase of \$8,641 (8.2%) in 2023. Increases are primarily tied to wages through payroll taxes in addition to inflationary increases for benefits such as health and welfare.



Materials and supplies – The materials and supplies expense category accounted for 4.5% of the total expenses in 2024 and 4.2% in 2023. Materials and supplies expenses increased \$7,478 (14.0%) in 2024 compared to an increase of \$9,709 (22.2%) in 2023. The increase in both years primarily resulted from higher-than-normal inflation and supply-chain constraints.

Services – Services expense accounted for 10.7% of total expenses in 2024 and 7.7% in 2023. Services expense includes contracted services such as security services, vehicle, equipment and right of way maintenance services, advertising and marketing services, and legal services. Services expense increased \$48,185 (49.5%) in 2024 compared to an increase of \$14,707 (17.8%) in 2023. A big portion of the increase in 2024 is due to RTD acting as the direct grant recipient for the East Colfax Bus Rapid Transit (BRT) project with City and County of Denver as the subrecipient, which will be reimbursed by FTA funding in addition to expansion of RTD's Access on Demand services.

Utilities – Utilities accounted for 1.3% and 1.5% of total expenses in 2024 and 2023, respectively. Utilities expense includes electric, telecommunications, water and sewer, and natural gas for facilities as well as traction power for rail lines. Utilities expense decreased \$1,472 (7.5%) in 2024 compared to an increase of \$1,109 (6.0%) in 2023. The decrease in 2024 is attributed to a reduction of traction power costs on the light rail lines resulting from reduced activity due to track replacement and maintenance.

Insurance – Insurance accounted for 1.1% of total expenses in both 2024 and 2023. Insurance expense includes RTD's self-insured cost for general liability and worker's compensation claims as well as the premium cost for excess insurance lines, cybersecurity and railroad liability insurance. Insurance expense increased \$499 (3.5%) in 2024 and increased \$928 (7%) in 2023. As with 2023, the increase in 2024 resulted primarily from increased premium rates.

Purchased transportation – The purchased transportation expense category accounted for 18.9% and 17.6% of the total expenses in 2024 and 2023. Purchased transportation represents the costs of contracted transportation services for Bus, Commuter Rail, Access-a-Ride (paratransit), and FlexRide (micro-transit) services. Purchased transportation costs increased \$34,053 (15.2%) in 2024 and increased \$27,333 (13.9%) in 2023. The increase in 2024 was driven by new contracts under Access a Ride and Flex Ride programs as well as increases under the Commuter Rail Concessionaire agreement. The increase in 2023 was due to the expiration of certain large, fixed route contracts with inflationary increases included in the new contracts.

Leases and rentals – Leases and rentals include lease expense for office space, office equipment, Park-n-Ride facilities, and use of communication towers and accounted for 0.2% of total expenses in both 2024 and 2023. Leases and rentals expense increased \$437 (17.5%) in 2024 compared to an increase of \$952 (61.8%) in 2023. This category of expense is relatively immaterial and tends to fluctuate with vacancy changes.

Miscellaneous – Miscellaneous expense includes other incidental operating expenses not included in other defined categories and accounted for 0.4% of total expenses in 2024 and .3% of total expenses in 2023. Miscellaneous expenses increased \$1,325 (30.1%) in 2024 compared to an increase of \$1,135 (34.8%) in 2023. This category includes additional one-time project expenses creating fluctuations between years.

Depreciation – The depreciation expense category accounted for 23.9% and 26.8% of the total expenses in 2024 and 2023, respectively. RTD's depreciation expense is a straight-line non-cash systematic allocation



of the cost of capital assets over the estimated useful life of the assets. Depreciation expense decreased \$14,912 (4.4%) in 2024 compared to a decrease of \$18,337 (5.1%) in 2023. The decrease in 2024 primarily resulted from the retirement of a large amount of revenue vehicles, while the decrease in 2023 was due to certain assets reaching full depreciation.

Interest expense – The interest expense category accounted for 9.6% and 10.6% of the total expenses in 2024 and 2023, respectively. Interest expense decreased \$3,559 (2.6%) in 2024 and decreased \$3,728 (2.7%) in 2023. The decrease in both years was attributable to lower outstanding balances resulting from paying down principal as well as refinancing of debt for interest savings.

Other expense – Other expense includes miscellaneous non-operating expenses not classified in other expense categories and accounted for 0.0% and 1.3% in 2024 and 2023, respectively. Other expense decreased \$17,036 (100.00%) in 2024 while Other Expense increased \$11,915 (232.7%) in 2023. The changes in both years resulted from activity related to retirement of capital assets, with 2024 activity resulting in a small gain, and recognized under revenue, and prior activity resulting in a loss.

Capital Assets – Investments in capital assets include land and right-of-way, buildings and improvements, leasehold improvements, revenue and non-revenue vehicles, shop and service equipment, security and surveillance equipment, computer equipment, and furniture. RTD's investment in capital assets, net of accumulated depreciation in 2024 was \$5,455,782 compared to \$5,726,641 in 2023. The decrease in capital assets in 2024 was \$270,859 (4.7%) compared to a decrease of \$238,499 (4.0%) in 2023. The decrease in both years was due to additional accumulated depreciation, in addition to the retirement of 218 buses in 2024.

REGIONAL TRANSPORTATION DISTRICT
Management's Discussion and Analysis (Unaudited)
December 31, 2024 and 2023 (Dollars in Thousands)



Capital Assets - The following table summarizes capital assets, net of accumulated depreciation, as of December 31, 2024, 2023 and 2022.

Capital Assets			
	2024	2023	2022
Land	\$ 856,335	857,129	\$ 857,191
Lease-Right to Use Assets	49,923	53,567	32,052
Land improvements	5,912,424	5,904,988	5,878,968
Buildings	701,417	696,713	695,024
Revenue earning equipment	1,372,246	1,374,426	1,352,728
Shop, maintenance and other equipment	398,392	415,005	411,105
Construction in progress	69,850	81,041	71,346
Total	<u>9,360,587</u>	<u>9,382,869</u>	<u>9,298,414</u>
Less accumulated depreciation:			
Lease-Right to Use Assets	6,038	7,468	5,017
Land improvements	2,425,347	2,218,920	1,999,709
Buildings	355,943	339,426	320,725
Revenue earning equipment	771,194	747,779	693,183
Shop, maintenance and other equipment	346,283	342,635	314,640
Total accumulated depreciation	<u>3,904,805</u>	<u>3,656,228</u>	<u>3,333,274</u>
Total capital assets being depreciated, net	<u>4,529,597</u>	<u>4,788,471</u>	<u>5,036,603</u>
Capital assets, net	<u>\$ 5,455,782</u>	<u>\$ 5,726,641</u>	<u>\$ 5,965,140</u>

Additional information on RTD's capital assets can be found in Note D of this report.



Debt Administration - The following table summarizes outstanding debt obligations as of December 31, 2024, 2023 and 2022.

	Outstanding Debt		
	<u>2024</u>	<u>2023</u>	<u>2022</u>
Bonds and certificates payable:			
Sales tax revenue bonds	\$ 2,270,035	\$ 2,292,445	\$ 2,360,680
Certificates of participation (COPs)/JP Morgan Lease Purchase	331,693	377,596	453,994
Lease Liability	48,261	49,614	28,178
Total principal	<u>2,649,989</u>	<u>2,719,654</u>	<u>2,842,852</u>
Issuance premiums and discounts	167,911	164,622	166,716
Net bonds and certificates payable	<u>\$ 2,817,900</u>	<u>\$ 2,884,276</u>	<u>\$ 3,009,568</u>

Outstanding debt – Outstanding debt includes sales tax revenue bonds, certificates of participation, a purchase and assignment agreement and a lease liability because of the implementation of Government Accounting Standards Board (GASB) Statement 87. The 2024 outstanding debt was \$2,817,900 compared to \$2,884,276 in 2023. Outstanding debt decreased by \$66,376 (2.3%) in 2024 and decreased by \$125,292 (4.2%) in 2023. The decrease in both years was due to payment of principal on outstanding debt with the outstanding debt in both years also decreasing due to the completion of refinancings for interest savings.

Sales tax revenue bonds – RTD issues sales tax revenue bonds to fund the acquisition and construction of assets. These bonds are secured by pledged future sales and use tax revenues. The sales tax revenue bonds outstanding were \$2,270,035 and \$2,292,445 as of December 31, 2024 and 2023, respectively. The sales tax revenue bonds decreased \$22,410 (1%) in 2024 compared to a decrease of \$68,235 (2.8%) in 2023. The decrease in both years was due to payment of principal on outstanding debt with the decrease in 2023 resulting from the issuance of Series 2023A bonds, the proceeds from which were used to refinance other debt issuances for interest savings.

Certificates of participation - Certificates of participation (Certificates) relate to financial obligations issued by the Asset Acquisition Authority, Inc. (Authority), a nonprofit corporation and component unit of RTD. Certificates are lease-purchase financial obligations secured by the underlying assets. Outstanding Certificates were issued with the proceeds being used to acquire certain equipment, facilities and infrastructure to be used by RTD. For financial reporting purposes, RTD accounts for the Certificates as its own debt. Certificates outstanding were \$331,693 and \$377,596 as of December 31, 2024 and 2023, respectively. The Certificates outstanding decreased \$45,903 (12.2%) in 2024 compared to a decrease of \$76,398 (16.8%) in 2023. The decrease in both years was the result of the issuance of the Series 2023 and 2024 Certificates, which were used to refinance outstanding issues for interest savings.

REGIONAL TRANSPORTATION DISTRICT
Management’s Discussion and Analysis (Unaudited)
December 31, 2024 and 2023 (Dollars in Thousands)



RTD maintains credit ratings from S&P Global Ratings, Moody’s Investor Services, and Fitch Ratings. Credit ratings vary based on the type of debt and the source of funds used for repayment. RTD’s credit ratings are presented in the following table:

	Base System Bonds	FasTracks Bonds	Certificates of Participation
S&P Global Ratings	AAA	AA+	AA+
Moody's	Aa1	Aa2	A1
Fitch	AA	AA	AA

Additional information on RTD’s debt can be found in Note E of this report.

Economic Factors and Subsequent Events after adoption of the 2024 Budget

RTD is dependent on sales and use taxes, which are the largest single source of revenue for RTD, representing 79.3% and 66.6% of the total revenues in 2024 and 2023, respectively. Sales and use tax revenues are affected by the local economy in which consumer spending will affect the level of funding available to RTD during its fiscal year. RTD’s 2024 sales and use taxes decreased 0.1% from the prior year indicating a continued slowdown and recessionary pressure experienced in the local Denver economy compared to the substantial increases seen prior to 2023.

RTD is dependent on passenger fares collected for transit services that it provides. Passenger fares accounted for 5.9% of total revenues in 2024 and 4.9% in 2023. Passenger fare collections increased by .6% 2024 as there was no Zero Fare for Better Air program during the year compared to the previous two years. RTD undertook a significant change in its fare structure in 2024 making it simpler, more affordable, and more equitable. Fares were lowered, the number of fare zones were reduced, and discount fares were consolidated.

RTD is dependent on federal and local grant funding as well as local capital contributions for both operations and capital expenditures. Grant operating assistance provided 4.9% and 18.2% of total revenues in 2024 and 2023, respectively. These grant apportionments primarily result from information provided by transit agencies to the Federal Transit Administration’s (FTA) National Transit Database (NTD). Due to the new federal administration and its plans to reduce government spending, uncertainty exists as to how that will impact future funding from the FTA and the effect this will have on RTD’s future operations.

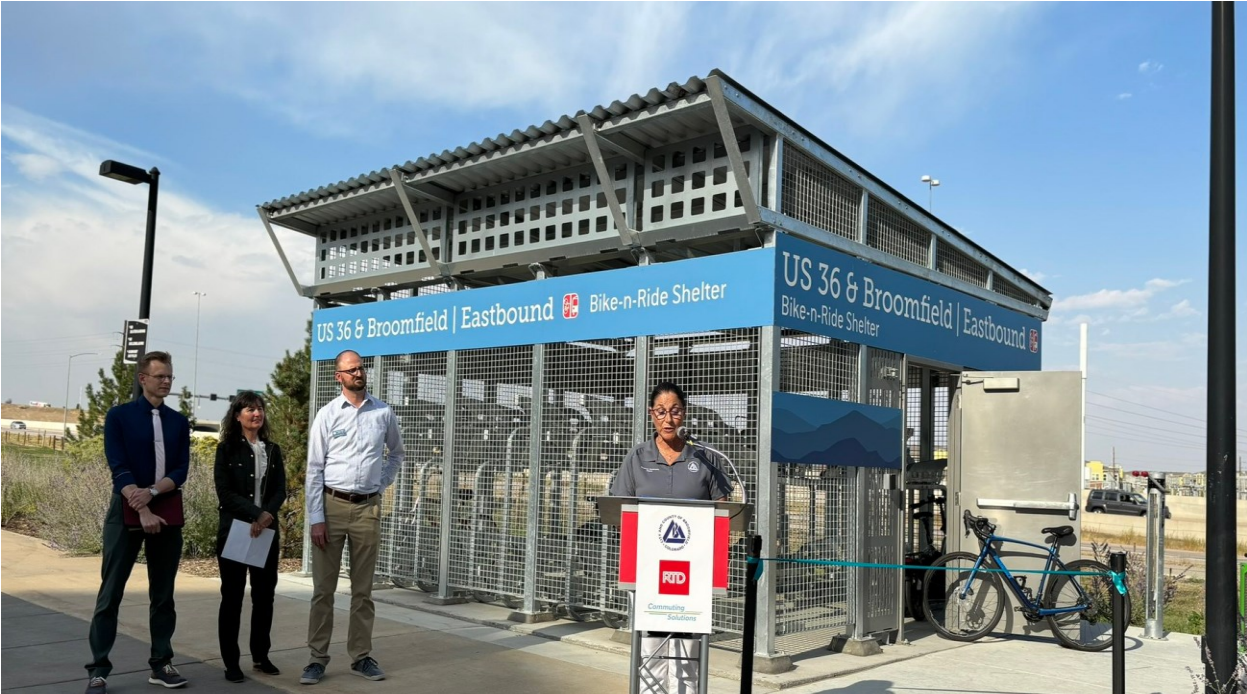
Requests for Information

This financial report is intended to provide an overview of RTD’s finances for those with an interest in this organization. Questions concerning any information contained in this report may be directed to the RTD Finance Department.

THIS PAGE LEFT BLANK INTENTIONALLY



BASIC FINANCIAL STATEMENTS



REGIONAL TRANSPORTATION DISTRICT
Financial Statements
December 31, 2024 and 2023 (Dollars in Thousands)



REGIONAL TRANSPORTATION DISTRICT
STATEMENTS OF NET POSITION - BUSINESS TYPE ACTIVITIES
As of December 31,
(In Thousands)

	<u>2024</u>	<u>2023</u>
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES		
Current Assets:		
Cash and cash equivalents	\$ 457,967	\$ 540,422
Marketable interest bearing investments (Note B)	60,324	108,631
Receivables:		
Sales tax	152,805	148,286
Other, less allowance for doubtful accounts of \$30 and \$26 at December, 31 2024 and 2023, respectively	14,770	11,356
Grants	23,372	40,948
Leases	5,045	4,484
Inventories	41,730	40,788
Other current assets (Note C)	27,105	26,280
Cash and cash equivalents - restricted	13,905	41,300
Marketable interest bearing investments - restricted (Note B)	5,434	3,164
Total current assets	<u>802,457</u>	<u>965,659</u>
Noncurrent Assets:		
Lease receivable, non-current	45,451	50,530
Capital assets (Note D):		
Land	856,335	857,129
Right to use leased assets	49,923	53,567
Land improvements	5,912,424	5,904,988
Buildings	701,417	696,713
Revenue earning equipment	1,372,246	1,374,426
Shop, maintenance and other equipment	398,392	415,005
Construction in progress	69,850	81,041
Total capital assets	<u>9,360,587</u>	<u>9,382,869</u>
Less accumulated depreciation	<u>(3,904,805)</u>	<u>(3,656,228)</u>
Net capital assets	5,455,782	5,726,641
Other Noncurrent Assets:		
Long-term cash and cash equivalents - restricted	55,997	27,317
Long-term marketable interest bearing investments - restricted (note B)	39,942	49,467
Long-term marketable interest bearing investments - unrestricted (note B)	567,810	495,917
Total other noncurrent assets	<u>663,749</u>	<u>572,701</u>
Total noncurrent assets	<u>6,164,982</u>	<u>6,349,873</u>
Total assets	<u>6,967,439</u>	<u>7,315,532</u>
Deferred Outflows of Resources:		
Debt related (Note A)	37,688	20,157
Pension related (Note A and F)	60,072	92,824
Total deferred outflows of resources	<u>97,760</u>	<u>112,981</u>

The accompanying notes are an integral part of these statements.

REGIONAL TRANSPORTATION DISTRICT
Financial Statements
December 31, 2024 and 2023 (Dollars in Thousands)



REGIONAL TRANSPORTATION DISTRICT
STATEMENTS OF NET POSITION - BUSINESS TYPE ACTIVITIES (CONTINUED)
As of December 31,
(In Thousands)

	2024	2023
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES		
Current Liabilities:		
Accounts and contracts payable	\$ 95,059	\$ 57,101
Accrued compensation	43,050	43,569
Other accrued expenses	18,678	20,539
Payable from Restricted Assets:		
Current portion of long term debt (Note E)	3,758	3,735
Accrued Interest	15,581	15,800
Current portion of long term debt/lease liability (Note E)	68,380	65,403
Current portion of accrued interest	1,235	1,333
Total current liabilities	<u>245,741</u>	<u>207,479</u>
Noncurrent Liabilities:		
Long-term debt, net (Note E)	2,698,976	2,765,524
Net Pension Liability (Note F)	201,087	227,392
Lease Liability (Note G)	46,785	48,261
Other liabilities (Note E)	495,797	510,284
Total noncurrent liabilities	<u>3,442,645</u>	<u>3,551,461</u>
Total liabilities	<u>3,688,386</u>	<u>3,758,940</u>
Deferred Inflows of Resources:		
Debt related (Note A)	44,292	49,530
Pension related (Note A and F)	913	576
Lease Related	45,526	51,344
Total deferred inflows of resources	<u>90,731</u>	<u>101,450</u>
NET POSITION		
Net investment in capital assets (Note I)	2,148,723	2,316,267
Restricted debt service (Note I)	61,724	69,936
Restricted TABOR (Note I)	37,567	29,837
Restricted FasTracks (Note I)	573,737	592,973
Restricted deposits (Note I)	1,511	1,512
Unrestricted net position (Note I)	462,820	557,598
Total net position	<u>3,286,082</u>	<u>3,568,123</u>

The accompanying notes are an integral part of these statements.

REGIONAL TRANSPORTATION DISTRICT
Financial Statements
December 31, 2024 and 2023 (Dollars in Thousands)



REGIONAL TRANSPORTATION DISTRICT
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - BUSINESS TYPE ACTIVITIES
Years ended December 31,
(In Thousands)

	<u>2024</u>	<u>2023</u>
OPERATING REVENUE:		
Passenger fares	\$ 63,906	\$ 63,534
Advertising, rent, and other	1,532	1,519
Total operating revenue	<u>65,438</u>	<u>65,053</u>
OPERATING EXPENSES:		
Salaries and wages	280,643	249,656
Fringe benefits	121,666	113,381
Materials and supplies	61,007	53,529
Services	145,525	97,340
Utilities	18,070	19,543
Insurance	14,648	14,148
Purchased transportation	257,402	223,349
Leases and rentals	2,929	2,492
Miscellaneous	5,723	4,398
Depreciation	324,958	339,870
Total operating expenses	<u>1,232,571</u>	<u>1,117,706</u>
Operating loss	<u>(1,167,133)</u>	<u>(1,052,653)</u>
NONOPERATING REVENUE (EXPENSES):		
Sales and use tax	857,411	858,133
Grant operating assistance (Note A)	52,951	234,488
Investment income	57,710	58,111
Other income	19,040	18,990
Gain/(Loss) on capital assets	635	(17,036)
Interest expense (Note A)	(131,050)	(134,609)
	<u>-</u>	<u>-</u>
Net nonoperating revenue (expenses)	856,697	1,018,077
Income (Loss) before capital grants and local contributions	(310,436)	(34,576)
Capital grants and local contributions (Note A)	<u>28,395</u>	<u>53,681</u>
Increase (Decrease) in net position	(282,041)	19,105
Net position, beginning of year, as previously reported	-	3,558,484
Cumulative effect of adoption of new accounting standard, GASB 101 (Note A)	<u>-</u>	<u>(9,466)</u>
Net position, Beginning of year, as restated	<u>3,568,123</u>	<u>3,549,018</u>
Net position, end of year, as restated	<u>\$ 3,286,082</u>	<u>\$ 3,568,123</u>

The accompanying notes are an integral part of these statements.

REGIONAL TRANSPORTATION DISTRICT
Financial Statements
December 31, 2024 and 2023 (Dollars in Thousands)



REGIONAL TRANSPORTATION DISTRICT
STATEMENTS OF CASH FLOWS - BUSINESS TYPE ACTIVITIES
Years ended December 31,
(In Thousands)

	2024	2023
Cash flows from operating activities:		
Receipts from customers	\$ 59,624	\$ 36,183
Payments to suppliers	(511,380)	(477,847)
Payments to employees	(374,083)	(302,282)
Net cash used in operating activities	(825,839)	(743,946)
Cash provided from noncapital financing activities:		
Grant operating assistance	42,233	225,333
Other revenue	19,041	18,990
Sales and use tax collections	852,892	861,693
Net cash provided by noncapital financing activities	914,165	1,106,016
Cash flows from capital and related financing activities:		
Principal paid on long-term debt	(164,886)	(376,496)
Proceeds from issuance of debt	100,825	214,535
Issuance Premiums/Discounts	3,289	(2,094)
Capital grant funds and other contributions received	56,689	29,682
Proceeds from sale of assets	2,040	214
Acquisition and construction of capital assets	(54,695)	(97,895)
Cost of issuance	-	(1,817)
Interest paid on long-term debt	(154,137)	(94,544)
Net cash used in capital and related financing activities	(210,875)	(328,415)
Cash flows from investing activities:		
Purchases of investments	(48,647)	(111,207)
Proceeds from sales and maturities of investments	32,315	29,996
Interest and dividends on investments	57,710	58,112
Net cash (used in) provided by investing activities	41,378	(23,099)
Increase (Decrease) in cash and cash equivalents	(81,170)	10,556
Cash and cash equivalents - beginning of year	609,039	598,483
Cash and cash equivalents - end of year	\$ 527,869	\$ 609,039

The accompanying notes are an integral part of these statements.



REGIONAL TRANSPORTATION DISTRICT
STATEMENTS OF CASH FLOWS - BUSINESS TYPE ACTIVITIES (CONTINUED)
Years ended December 31,
(In Thousands)

	2024	2023
Reconciliation of operating loss to net cash used in operating activities		
Operating loss	\$ (1,167,133)	\$ (1,052,716)
Adjustment to reconcile to net cash used in operating activities:		
Depreciation expense	324,958	339,870
Bad debt expense	20	(72)
Changes in operating assets and liabilities:		
Other accounts receivable	(3,974)	(692)
Inventories	(942)	(1,456)
Other current assets	(825)	(18,396)
Deferred outflow pension	26,934	102,996
Accounts payable	(4,309)	(43,196)
Compensation and expenses	956	3,390
Other accrued expenses	(1,860)	(28,106)
Deferred inflow pension	337	(45,567)
Net cash used in operating activities	<u>\$ (825,839)</u>	<u>\$ (743,946)</u>

Reconciliation of cash and cash equivalents

Cash and cash equivalents	\$ 457,967	\$ 540,422
Cash and cash equivalents - restricted	69,902	68,617
Total cash and cash equivalents	<u>\$ 527,869</u>	<u>\$ 609,039</u>

Noncash investing, capital and financing activities:

RTD received noncash local match contributions for federal grants of \$12,965 and \$14,465 for 2024 and 2023 respectively.

The accompanying notes are an integral part of these statements.



REGIONAL TRANSPORTATION DISTRICT
STATEMENTS OF NET POSITION - FIDUCIARY FUNDS
As of December 31,
(In Thousands)

	<u>2024</u>		<u>2023</u>
Assets			
Cash and cash equivalents	\$ 2,497	\$	3,358
Investments			
Equities	\$ 8,598	\$	14,965
Common collective trusts	\$ 92,620	\$	93,997
Defensive equity funds	\$ 12,812	\$	7,273
Private credit funds	\$ 5,012	\$	-
Real estate investment trusts	\$ 14,864	\$	17,229
Mutual funds	\$ 86,230	\$	61,771
Total Investments	<u>220,136</u>		<u>195,235</u>
Receivables	23		35
Total assets	<u>222,656</u>		<u>198,628</u>
Liabilities			
Accounts payable	<u>50</u>		<u>38</u>
Total liabilities	50		38
Net position - restricted for pensions	<u>\$ 222,606</u>	\$	<u>198,590</u>

The accompanying notes are an integral part of these statements.



REGIONAL TRANSPORTATION DISTRICT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

Years ended December 31,
(In Thousands)

	<u>2024</u>	<u>2023</u>
Additions		
Contributions	\$ 24,272	\$ 22,813
Forfeitures	441	519
Investment income and change in value	22,215	21,658
Investment Expense	(406)	(350)
Total additions	<u>46,522</u>	<u>44,640</u>
Deductions		
Distributions and benefits paid	22,198	18,227
Administrative expenses	308	480
Total deductions	<u>22,506</u>	<u>18,707</u>
Increase/(Decrease) in net position	24,016	25,933
Net position, beginning of year	<u>198,590</u>	<u>172,656</u>
Net position, end of year	<u>\$ 222,606</u>	<u>\$ 198,590</u>

The accompanying notes are an integral part of these statements.



NOTES TO FINANCIAL STATEMENTS





NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. *Organization*

The Regional Transportation District (RTD) was created as a transportation planning agency, a political subdivision of the State of Colorado, by an Act of the Colorado General Assembly (the Act), effective July 1969 (Title 32, Article 9, C.R.S., 1973, as amended). In 1974, the Act was amended and RTD became an operating entity charged with the responsibility for development, operation and maintenance of a public mass transportation system for the benefit of the citizens of the District. The District is comprised of 15 separate districts located in Denver, Boulder, Broomfield and Jefferson counties, and certain portions of Adams, Arapahoe, Douglas, and Weld counties.

RTD is governed by a publicly elected board of directors consisting of 15 members. Each board member is elected to serve a term of four years by the constituents of the District in which the board member resides. As required by Generally Accepted Accounting Principles (GAAP), these financial statements present RTD and its component units. The component unit discussed in note A. 2. is included in RTD's reporting entity because of the significance its financial relationship with the RTD.

In 1988, a State Senate Bill was enacted (privatization legislation) requiring RTD to implement by March 31, 1989, a plan to competitively bid contracts for the provision of at least 20% of RTD's bus service by private contractors. In 1999, the Bill was amended requiring RTD to increase this provision to at least 35% of fixed route bus service. In 2003, the Bill was amended to require that at least 50% of RTD's vehicular service be operated by private transit companies. In May of 2007, the legislation was amended to provide for "a system under which up to 58% of the District's service" is provided by private contractors.

2. *Financial Reporting Entities*

Blended Component Unit

The Asset Acquisition Authority, Inc. (Authority) was formed in 1987 as a nonprofit corporation on behalf of RTD for the purpose of issuing certificates of participation in a public offering collateralized by an installment purchase agreement with RTD. RTD's GM/CEO appoints the Board of Directors of the Authority. The Authority serves as a financing mechanism for various financing arrangements for RTD. RTD follows Governmental Accounting Standards Board (GASB) pronouncement 14 (GASB 14), as amended, which provides guidance regarding the inclusion of component units in the primary government's financial statement presentation. The activity related to the underlying financial obligations of the Authority has been included as a blended component unit in RTD's financial statements for the years ended December 31, 2024, and 2023. No financial activity occurred during 2024 or 2023, and no separately audited financial statements were prepared either year, for the Authority.

Fiduciary Funds

GASB 84 requires that funds held in a trustee or custodial capacity that meet certain criteria be included in RTD's financial statement presentation. Those criteria include the governmental agency having control of the assets of the fiduciary activity and the existence of a fiduciary relationship with the beneficiaries. RTD has determined that the RTD Salaried Pension Plan and RTD Salaried 401(a) Retirement Plan meet these fiduciary criteria and has



included the financial activity of each in 2024 and 2023 in the financial statement section of this report.

3. *Basis of Accounting*

The accounts of RTD are reported as a Proprietary Fund. Proprietary funds are accounted for on the flow of economic resources measurement focus and use the accrual basis of accounting which reports all assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues, expenses, gains and losses. Revenue is recognized when earned and expenses are recorded at the time liabilities are incurred. Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of RTD are charges (fares) to customers for services. Operating expenses include the cost of services, administrative expenses and asset depreciation. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

It is RTD's policy to apply GAAP in its presentation of financial statements. When both restricted and unrestricted resources are available for use, it is RTD's policy to use restricted resources first, then unrestricted resources as they are needed.

4. *Cash and Cash Equivalents*

RTD considers all highly liquid investments, both restricted and unrestricted, with an original maturity of three months or less when purchased to be cash equivalents.

5. *Interest Bearing Investments*

Investments with a maturity date, when purchased, of less than one year are carried at cost or amortized cost which approximates fair value. Investments with a maturity date of more than one year from the date of purchase are carried at fair value.

6. *Inventories*

Inventories consist primarily of materials and supplies used in the ordinary course of operations. Materials and supplies are stated at cost using the first-in, first-out (FIFO) method.

7. *Other Current Assets*

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items. Escrows are deposits held in the custody of a third party until a certain condition has been met such as retainage for construction projects. At the time projects are completed, escrows are generally applied toward the cost of the project or may be forfeited upon breach of contract.

8. *Receivables*

Accounts receivables are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollected amounts through a



charge to earnings and a credit to a valuation allowance based on its assessment of the status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. Changes in the valuation allowance have not been material to the financial statements.

9. *Restricted Assets*

Restricted assets are restricted by the covenants of long-term financial or other contractual arrangements including unspent bond proceeds.

10. *Capital Assets*

Property and equipment are stated at historical cost. Capital assets are defined by RTD as assets with an initial, individual cost of more than \$5 and an estimated useful life more than one year. Maintenance and repairs are charged to current period operating expenses and improvements are capitalized. Upon retirement or other disposition of property and equipment, the cost and related accumulated depreciation are removed from the respective accounts and any gains or losses are included in non-operating revenue and expense. A pro-rata shares of proceeds from the sale of property and equipment, which were acquired with federal funds, is required to be reinvested in a similar asset.

11. *Depreciation*

Depreciation of property and equipment is computed using the straight-line method over the estimated useful lives of the assets, which are as follows:

Land improvements	10-20 years
Buildings	30 years
Revenue earning equipment	8-25 years
Shop, maintenance and other equipment	3-10 years

12. *Deferred Outflows/Inflows of Resources*

In addition to assets, the statement of financial position will report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net assets that applies to a future period(s) and thus, will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

13. *Compensated Absences*

RTD employees receive compensation for vacations, holidays, illness, and certain other qualifying absences. The number of days compensated in the various categories of absence



is based generally on length of service. A leave liability is recognized due to the leave attributable to services already rendered, leave that accumulates, and leave that is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. Due to adoption of GASB 101, discussed further under number 20 of this section, this liability also includes salary related payments, including Social Security and Medicare taxes as well as salary related payments for defined contribution pension plans.

14. *Self-Insurance*

Liabilities for property damage, personal injury and qualifying unemployment benefits are recognized as incurred on the basis of the estimated cost to RTD. In addition, RTD offers a self-insured health benefit option as part of its employee benefits program in which costs are recognized as they are incurred.

15. *Revenue Recognition*

Passenger Fares

Passenger fares are recorded as revenue at the time services are performed and revenue is collected. Sale of mobile ticketing products, monthly passes, ticket books and day pass tickets are recorded as income at the time of sale. Stored value sales are evaluated for revenue recognition at the time services are performed. Sales of college-based passes, which are valid for a specific academic semester, are recorded initially as unearned revenue then recognized as income at the end of each month, with the amount recognized determined by prorating the total contract amount over the semesters/quarters covered. Sales of EcoPass and Neighborhood Pass, which are valid through December 31 of a given year, are recorded initially as unearned revenue then recognized as income at the end of each month, with the total contract amount prorated evenly over the number of months of the contract.

Sales and Use Taxes

Under the provisions of the Act, as amended, RTD levies a sales tax of 1.0% on net taxable sales made within the District and a use tax of 1.0% on items purchased for use inside the District. As described in Note E, under the terms of the Sales Tax Revenue Bonds, Series 2007A, Series 2010B, Series 2013A, 2016A, 2017A, 2017B, 2019A, 2021A, 2021B, 2022A, 2022B and 2023A bond resolutions, sales and use tax revenue is pledged for payment of debt service. Sales and use taxes are collected by the State of Colorado Department of Revenue and are remitted to a trustee who satisfies debt service requirements for these obligations through remittances to a trustee and then remits the remaining balance to RTD.

Sales and use taxes are recorded as revenue by RTD in the month collected by the merchant. Sales tax bond service will be paid from the collateralized sales and use tax revenues in the amount of approximately \$3,492,475 through 2050. Principal and interest paid for the current year were \$116,872 and pledged revenues received were \$857,411.



Grants and Local Contributions

RTD receives grants from the federal government through the FTA. Grants are also awarded to RTD by the State of Colorado through the Colorado Department of Transportation (CDOT). The federal and state governments issue grants to RTD for operations and acquisition of property and equipment.

The amount recorded as capital grant revenue was \$15,429 and \$39,216 in 2024 and 2023, respectively. Operating assistance grant revenue was \$52,951 and \$234,488 in 2024 and 2023, respectively. Other contributed revenue was \$12,965 and \$14,465 in 2024 and 2023, respectively.

Grants and local contributions are recorded as revenue by RTD once all applicable eligibility requirements are met.

16. Use of Estimates

The financial statements contained herein have been prepared in accordance with GAAP. GAAP are uniform minimum standards of and guidelines to financial accounting and reporting. GAAP establishes appropriate measurement and classification criteria for financial reporting. Adherence to GAAP provides a reasonable degree of comparability among the financial reports of state and local governmental units. The preparation of financial statements in accordance with GAAP involves the use of management's estimates. These estimates are based upon management's best judgments after considering past and current events and assumptions about future events. Actual results may differ from estimates.

17. Pensions

For purposes of measuring RTD's net pension liabilities, deferred outflows of resources and deferred inflows of resources related to pensions and pension expense, information about the pension plan's fiduciary net position and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

18. TABOR (Taxpayer's Bill of Rights) – Reserve Composition

Restricted net position represents amounts constrained by external parties or legislation. In 1992, Colorado voters approved an amendment to the state constitution referred to as the TABOR Amendment in which certain annual limitations were placed on the growth of government revenues. The Amendment also requires that an emergency reserve, referred to as Restricted TABOR, of 3.0% of fiscal year spending excluding debt service be maintained for all years after 1994 for declared emergencies.



19. *Leases-GASB 87*

RTD is a lessee for noncancellable leases of land, office space and equipment. RTD recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the statement of net position.

At the commencement of a lease, RTD initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how RTD determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- RTD uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, RTD generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that RTD is reasonably certain to exercise.

RTD monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with the short-term portion combined with long-term debt and the long-term portion is stated separately on the statement of net position. RTD is a lessor for noncancellable leases of buildings, land, office space, parking space and use of RTD physical resources for advertising space. RTD recognizes a lease receivable and a deferred inflow of resources in the statement of net position.

At the commencement of a lease, RTD initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how RTD determines the discount rate it uses to discount the expected lease receipts to present value, lease term, and lease receipts.

- RTD uses the actual rate charged to lessees as the discount rate for leases. When the interest rate charged to lessees is not provided, RTD generally uses its estimated incremental borrowing rate as the discount rate for leases.



- The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

RTD monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

20. *Accounting Changes and Error Corrections*

Adoption of new Accounting Pronouncements

During the current year, the District adopted GASB Statement No. 101, *Compensated Absences*. As a result, the liability for compensated absences in the statement of net position has been calculated to comply with this new pronouncement. The financial statements for the year ended December 31, 2022, have been restated to adopt GASB Statement No. 101. These changes are reflected in the Current Liability and Salary and Wages lines of the Condensed Summary Statements of Net Position, the Summary of Revenues, Expenses, and Changes in Net Position and the Expense schedules in the Management 's Discussion and Analysis. The effects of this adoption of a new accounting pronouncement are shown in the table at the end of this section.

Adjustments to and Restatements of Beginning Balances

The changes noted above resulted in adjustments to and restatements of beginning net position at December 31, 2022 as follows:

December 31,2022 ending balance as previously stated	Cumulative decrease in net position as a result of adoption of GASB 101	December 31, 2022, ending balance as Restated
<u>\$3,558,484</u>	<u>-\$9,466</u>	<u>\$3,549,018</u>

21. *Upcoming Accounting Pronouncements*

GASB 102

In December 2023, the Governmental Accounting Standards Board issued Statement No. 102, *Certain Risk Disclosures*, which requires a government to assess whether a concentration or constraint makes the primary government or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. It also requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact to have occurred, have begun to occur, or are more likely than not to occur within 12 months of the date of the financial statements are issued. If certain criteria are met for a concentration or constraint, disclosures are required in the notes to the financial statements. The provisions of this statement are



effective for the RTD's financial statements for the year ending December 31, 2025.

GASB 103

In April of 2024, the Governmental Accounting Standards Board issued GASB Statement No. 103, Financial Reporting Model Improvements. This statement establishes new accounting and financial reporting requirements, or modifies existing requirements, related to:

- Managements' discussion and analysis
- Unusual or infrequent items
- Presentations of the proprietary fund statements of revenues, expenses, and changes in fund net position
- Information about major component units in basic financial statements
- Budgetary comparison information
- Financial trends information in the statistical section

The provisions of this statement are effective for the RTD's financial statements ending December 31, 2026.

GASB 104

In September of 2024, the Governmental Accounting Standards Board issued GASB Statement No. 104, Disclosure of Certain Capital Assets. This Statement establishes requirements for certain types of capital assets to be disclosed separately in the capital assets note disclosures required by Statement No. 34, Basic Financial Statements-Management's Discussion and Analysis-for State and Local Governments.

Within the note disclosures about capital assets, information about the following capital assets and related amortization should be disclosed separately:

- Lease assets reported in accordance with Statement 87, by major class of underlying asset
- Intangible right-to-use assets recognized by an operator in accordance with Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment, Arrangements, by major class of underlying public-public partnership assets
- Subscription assets reported in accordance with Statement 96
- Intangible assets other than those listed above, by major class of asset.
- Capitals Assets held for sale, which is determine by;
 - the government has decided to pursue the sale of the asset and
 - it is probable (likely to occur) that the sale will be finalized within one year of the financial statement date.

The requirements of this statement are effective for the RTD's financial statements ending December 31, 2026.



NOTE B – DEPOSITS AND INVESTMENTS

Deposits

RTD’s deposits are subject to the State of Colorado’s Public Deposit Protection Act (PDPA). Under this act, all uninsured public deposits at qualified institutions are fully collateralized with pledged collateral which is held in custody by any Federal Reserve Bank or branch thereof, or held in escrow by another bank in a manner as the banking Commissioner shall prescribe by rule and regulation, or may be segregated from the other assets of the eligible public depository and held in its own trust department. Colorado’s PDPA requires that pledged collateral to be held is clearly identified as being securely maintained or pledged for the aggregate amount of public deposits accepted and held on deposit by the eligible public depository. The public depository has the right at any time to make substitutions of eligible collateral that is maintained or pledged and is always entitled to collect and retain all income derived from those investments without restrictions.

As of December 31, 2024, and 2023, respectively, RTD had bank deposits of \$5,344 and \$6,454 collateralized with securities held by the pledging financial institutions’ trust department or agent but not in RTD’s name.

Investments

Enterprise Funds

As of December 31, 2024, investments in enterprise funds consisted of the following:

Investment Type	Carrying Value	<6 Months	6-12 Months	1-5 Years
U.S. treasury securities	\$ 588,092	\$ 536	\$ 34,868	\$ 552,688
U.S. agency securities	21,763		356	21,407
Municipal bonds	15,536	1,588	9,807	4,140
Corporate bonds	48,120		18,603	29,518
CSIP investment pool	25,176	25,176		
CSAFE investment pool	411,469	411,469		
COLOTRUST investment pool	20,111	20,111		
Wells Fargo Statecoach Sweep- Allsprings Money Market	47,060	47,060		
Total	\$ 1,177,327	\$ 505,940	\$ 63,634	\$ 607,753

As of December 31, 2023, investments in enterprise funds consisted of the following:

Investment Type	Carrying Value	<6 Months	6-12 Months	1-5 Years
U.S. treasury securities	\$ 553,552	\$ 34,287	\$ 50,038	\$ 469,227
U.S. agency securities	26,631	3,453		23,178
Municipal bonds	15,611		3,983	11,628
Corporate bonds	61,385	5,486	14,548	41,351
CSIP investment pool	33,603	33,603		
CSAFE investment pool	427,916	427,916		
COLOTRUST investment pool	43,473	43,473		
Wells Fargo Stagecoach Sweep- Allsprings Money Market	83,949	83,949	-	-
Total	\$ 1,246,120	\$ 632,167	\$ 68,569	\$ 545,384

Interest Rate Risk



As a means of limiting its exposure to fair value losses arising from rising interest rates, RTD's investment policy limits maturities of individual investment securities to five years, unless otherwise authorized by RTD's Board of Directors.

Credit Risk

Investment transactions are made in accordance with the Colorado Revised Statutes (CRS) 24-75-601, et seq.

The types of investments, which are authorized by RTD's internal investment policy, include the following:

1. Obligations of the United States government
2. Obligations of the United States government agencies and United States government sponsored corporations.
3. Municipal notes or bonds that are an obligation of any state of the United States
4. Corporate Bonds that are an obligation of corporations or financial institutions organized and operating in the United States
5. Commercial paper
6. Federal Deposit Insurance Corporation (FDIC) insured certificates of deposit (CD)
7. Bankers' acceptances notes
8. Repurchase agreements
9. Money market funds
10. Local government investment pools
11. Any other investment permitted under Colorado Revised Statute (CRS) 24-75-601 et seq.

Credit ratings of RTD's portfolio, as of December 31, 2024 and 2023, are exhibited in the tables below. Portfolio holdings adhere to RTD's investment policy and applicable statute. Investments rated AAA, AA and A are from the S&P Global Ratings service. Investments rated A-1+/P-1 are from the S&P Global Ratings and Moody's rating services, respectively.

Enterprise Funds

As of December 31, 2024, investment credit ratings for enterprise funds consisted of the following:

<u>Investment Rating</u>	<u>Fair Value</u>
AAA (S&P Global Ratings)	\$ 647,423
AA (S&P Global Ratings)	26,088
AAAm (S&P Global Ratings)	72,236
AAAmf (Fitch)	411,469
AAAf (S&P Global Ratings)	20,111
Total	<u>\$ 1,177,327</u>



As of December 31, 2023, investment credit ratings for enterprise funds consisted of the following:

Investment Rating	Fair Value
AAA (S&P Global Ratings)	\$ 626,348
AA (S&P Global Ratings)	30,831
AAAm (S&P Global Ratings)	117,552
AAAmmf (Fitch)	427,916
AAAf (S&P Global Ratings)	43,473
Total	\$ 1,246,120

Fiduciary Funds

Fiduciary fund investments of \$220,136 and \$195,235 on December 31, 2024 and 2023, respectively, consist of a broad spectrum of individual holdings of cash and cash equivalents, equity mutual funds and fixed income mutual funds. Because these investments are primarily mutual funds consisting of multiple investments and contain equity investments, credit ratings of the underlying portfolios are not available.

Concentration of Credit Risk

Enterprise Funds

It is the policy of RTD to diversify its investment portfolio. Assets held in the investment funds shall be diversified to eliminate the risk of loss resulting from over-concentration of assets in a specific maturity, a specific issue, or a specific class of securities. The asset allocation in the portfolio should, however, be flexible depending upon the outlook for the economy and the securities markets.

RTD's investment policy outlines the following maximum exposure limits for unrestricted investments. As of December 31, 2024, RTD followed these limits. As of December 31, 2023, RTD was following limitations set out in RTD's previous investment policy limitations.

Investment Type	Maximum Portfolio %	Maximum Issue %	Maturity Restrictions	Rating Restrictions
U.S. treasury securities	100%	100%	5 years	N/A
U.S. agency securities ¹	75%	25%	5 years	AA
Municipal bonds - Colorado	20%	3%	5 years	A
Municipal bonds - non-Colorado	20%	3%	5 years	AA
Municipal bonds - short-term	20%	3%	5 years	A-1 or MIG-1
Pre-refunded municipal bonds	40%	5%	3 years	AA
Corporate bank securities	20%	3%	3 years	AA
Commercial paper	40%	3%	270 days	A-1/P1/F1
FDIC-insured CDs	10%	3%	1 year	AA
Bankers acceptances	20%	3%	1 year	AA
Repurchase agreements	50%	10%	90 days	AA
Local government investments	100%	50%	N/A	AAAm/AAAf
Money market funds	100%	50%	N/A	AAAm



¹ *In the event that one or more nationally recognized statistical rating agency rates such agency obligations below the highest rating category, but no lower than one of the two highest rating categories, RTD’s funds may continue to be invested in agencies if such investments satisfy the requirements of CRS 24.75.601.1 (m) which limits the maturity from the date of settlement to three years, provided that the book value limits of CRS 24.75.601.1 (m) (II) shall not apply. Rather, the diversification limit shall be set as follows: no more than 75% of the portfolio may be invested in agencies, with any more than 25% being invested in any one agency.*

Proceeds from the issuance of RTD’s obligations are invested in accordance with legal documentation governing the transaction, notwithstanding any provisions of RTD’s investment policy to the contrary, and do not fall within the maximum exposure limits listed above.

As of December 31, 2024, and 2023, RTD had \$115,279 and \$121,248 of cash and investments that were restricted under the provisions of bond agreements.

Fiduciary Funds

Fiduciary fund investments for the Section 401(a) Retirement Plan and Salaried Pension Plan are established by the RTD Salaried Defined Contribution Plan Board and the RTD Salaried Pension Board of Trustees. The investment choices and target portfolio weightings set by the Trustees are as follows:

Investment Type	Maximum Portfolio Percent	
	Section 401(a) Retirement Plan	Salaried Pension Plan
Domestic equity	100%	35.0%
International equity	100%	15.0%
Fixed income	100%	26.0%
Private Debt		3.0%
Alternatives		7.5%
Real estate	100%	9.0%
Infrastructure		3.0%
Cash	100%	1.5%

Fair Value Measurements

In March 2015, the GASB released Statement No. 72, *Fair Value Measurement and Application*, which would generally require state and local governments to measure investments at fair value. GASB’s goal is to enhance comparability of governmental financial statements by requiring fair value measurement for certain assets and liabilities using a consistent definition and accepted valuation techniques. This standard expands fair value disclosures to provide comprehensive information for financial statement users about the impact of fair value measurements on a government’s financial position.

Level 1 - Unadjusted quoted prices in an active market for identical assets or liabilities that RTD can access at the measurement date. Examples are derived values from the New York Stock Exchange (NYSE), National Association of Securities Dealers Automated Quotations (NASDAQ), Chicago Board of Trade and “Pink Sheets”.



Level 2 - Inputs other than quoted prices under Level 1 that are observable for the asset or liability, either directly or indirectly on the measurement date. Examples include matrix pricing, market corroborated pricing and inputs such as yield curves and indices.

Level 3 - Unobservable inputs for the asset or liability used to measure fair value that rely on the reporting entity's reasonably available information concerning the assumptions that market participants would use in pricing an asset or liability including assumptions about risk. Examples include investment manager pricing for private placement, private equities and hedge funds.

Enterprise Funds

The valuation inputs summary for the fiscal period ended December 31, 2024 were:

Investment Type	Valuation Inputs			
	Level 1	Level 2	Level 3	Total
U.S. treasury securities	\$ -	\$ 588,092	\$ -	\$ 588,092
U.S. agency securities	-	21,763	-	21,763
Municipal bonds	-	15,536	-	15,536
Corporate bonds	-	48,120	-	48,120
Total	\$ -	\$ 673,511	\$ -	\$ 673,511

The valuation inputs summary for the fiscal period ended December 31, 2023 were:

Investment Type	Valuation Inputs			
	Level 1	Level 2	Level 3	Total
U.S. treasury securities	\$ -	\$ 553,552	\$ -	\$ 553,552
U.S. agency securities	-	23,793	-	23,793
Municipal bonds	-	15,611	-	15,611
Corporate bonds	-	64,223	-	64,223
Total	\$ -	\$ 657,179	\$ -	\$ 657,179



Fiduciary Funds

Valuation inputs summary for the period ended December 31, 2024

Investment Type	Valuation Inputs			Total
	Level 1	Level 2	Level 3	
Investments measured at fair value				
Domestic equities	\$ 8,080	\$ -	\$ -	8,080
Foreign equities	518	-	-	518
Mutual Funds	86,230	-	-	86,230
Total assets at fair value	94,828	-	-	94,828
Investments measured at net asset value				
Real estate investment trusts (1)				14,864
Common collective trusts (2)				92,620
Defensive equity Funds (3)				12,812
Private credit funds (4)				5,012
Total assets at net asset value				125,308
Total	\$ 94,828	\$ -	\$ -	\$ 220,136

Valuation inputs summary for the period ended December 31, 2023

Investment Type	Valuation Inputs			Total
	Level 1	Level 2	Level 3	
Investments measured at fair value				
Domestic equities	\$ 14,340	\$ -	\$ -	\$ 14,340
Foreign equities	625	-	-	625
Mutual Funds	61,771	-	-	61,771
Total assets at fair value	76,736	-	-	76,736
Investments measured at net asset value				
Real estate investment trusts (1)	-	-	-	17,229
Common collective trusts (2)	-	-	-	93,997
Defensive equity funds (3)				7,273
Total assets at net asset value				118,499
Total	\$ 76,736	\$ -	\$ -	\$ 195,235

- (1) Real estate investment trusts invest primarily in commercial and residential real estate. The fund focuses on properties with high quality physical improvements, stabilized occupancies and competitive positions within their markets that produce a relatively high level of current income combined with moderate appreciation potential.
- (2) The common collective trusts measured at the NAV invest primarily in asset-backed securities, corporate bonds, U.S. government agency securities and foreign common stocks. The investment objectives include matching the return of the Barclay's Aggregate



Bond Index through investment in substantially all of the bonds contained in that index and matching the MSCI All Country World ex-U.S. Index (Net) benchmark.

- (3) Defensive equity funds invest primarily in collateralized put ad call options composed of 50 percent U.S. equities and 50 percent U.S. Treasury bills that is expected to produce the strongest relative performance when the S&P is experiencing modes it negative returns. The fair value of this investment has been determined using NAV per share (or its equivalent) of the investee funds.
- (4) Private credit funds pool investor capital to invest primarily in private loans which are not broadly syndicated securities. The focus is senior-secured loans made directly to U.S. mid-sized corporate borrowers, diversified by company. Typically, these loans earn variable, high income yield based on a percentage spread above a floating reference rate such as Secured Overnight Financing Rate. The underlying loans do not trade in active markets and entail credit risk while having limited interest rate risk.

Investments in Entities That Calculate Net Asset Value per Share

RTD holds shares or interests in investment companies where the fair value of in the investments is measured on a recurring basis using net asset value per share (or its equivalent) of the investment companies as a practical expedient.

RTD’s investments in the Colorado Local Government Liquid Asset Trust (COLOTRUST) are measured at the net asset value method. There are no unfunded commitments, the redemption frequency is daily, and there is no redemption notice period. RTD’s investment in COLOTRUST was \$20,111 and \$43,473 as of December 31, 2024, and 2023, respectively.

Investments in Entities That Calculate Amortized Cost

RTD’s investment in Colorado Statewide Investment Pool (CSIP) is measured at amortized cost and, therefore, is not categorized in a level. The trust is like a money market fund, with each share valued at \$1.00. RTD’s investment in CSIP was \$25,176 and \$33,603 as of December 31, 2024, and 2023, respectively.

RTD’s investment in the Colorado Surplus Asset Fund Trust (CSAFE) is measured at amortized cost and, therefore, is not categorized in a level. The trust is similar to a money market fund, with each share valued at \$1.00. RTD’s investment in CSAFE was \$411,469 and \$427,916 as of December 31, 2024 and 2023, respectively.

RTD’s investment in the Wells Fargo Stagecoach Sweep-Allsprings money market fund is measured at amortized cost and, therefore, is not categorized in a level. The trust is similar to a money market fund, with each share valued at \$1.00. RTD’s investment in Wells Fargo Stagecoach was \$47,060 and \$83,948 as of December 31, 2024, and 2023, respectively.

NOTE C – OTHER CURRENT ASSETS

Other Current Assets consist of:

	2024	2023
Prepaid expenses	\$ 11,184	\$ 8,113
Deposit with Escrow Agent*	\$ 14,266	\$ 16,512
Assets held for sale	1,655	1,655
Total Other Current Assets	<u>\$ 27,105</u>	<u>\$ 26,280</u>

* This amount is the result of an Intergovernmental Agreement between RTD and the City of Longmont where RTD is to contribute this amount towards approved costs associated with the development and construction of the Longmont Station transit facility.

NOTE D – CAPITAL ASSETS

Capital asset activity as of December 31, 2024 was as follows:
(In Thousands)

	Balances 12/31/2023	Additions	Deletions	Balances 12/31/2024
Capital assets not being depreciated:				
Land	\$ 857,129	\$ 124	\$ 919	\$ 856,335
Construction in progress	81,041	54,695	65,885	69,850
Total capital assets not being depreciated	<u>938,170</u>	<u>54,819</u>	<u>66,804</u>	<u>926,185</u>
Capital assets being depreciated:				
Leased right to use asset-land	36,109	36	380	35,764
Land improvements	5,904,988	7,460	24	5,912,424
Buildings	696,713	4,704		701,417
Leased right to use asset-office space	16,683	2	3,204	13,480
Revenue earning equipment	1,374,426	50,692	52,871	1,372,246
Leased right to use asset-equipment	775		97	678
Shop, maintenance and other equipment	415,005	4,450	21,063	398,392
Total capital assets being depreciated	<u>8,444,699</u>	<u>67,343</u>	<u>77,641</u>	<u>8,434,402</u>
Less accumulated depreciation:				
Leased right to use asset-land	1,692	430	344	1,778
Land improvements	2,218,920	206,451	24	2,425,347
Buildings	339,426	16,517		355,943
Leased right to use asset-office space	5,343	1,538	3,203	3,678
Revenue earning equipment	747,779	76,097	52,682	771,194
Leased right to use asset-equipment	433	246	97	582
Shop, maintenance and other equipment	342,635	23,680	20,031	346,283
Total accumulated depreciation	<u>3,656,228</u>	<u>324,958</u>	<u>76,382</u>	<u>3,904,805</u>
Total capital assets being depreciated, net	<u>4,788,471</u>	<u>(257,616)</u>	<u>1,259</u>	<u>4,529,597</u>
Capital assets, net	<u>\$ 5,726,641</u>	<u>\$ (202,797)</u>	<u>\$ 68,062</u>	<u>\$ 5,455,782</u>

Depreciation and amortization expense was \$324,958 and \$339,870 as of December 31, 2024 and 2023, respectively.

REGIONAL TRANSPORTATION DISTRICT
Notes to Financial Statements
December 31, 2024 and 2023 (Dollars in Thousands)



Capital asset activity as of December 31, 2023 was as follows:
(In Thousands)

	Balances 12/31/2022	Additions	Deletions	Balances 12/31/2023
Capital assets not being depreciated:				
Land	\$ 857,191	\$ 2	\$ 63	\$ 857,129
Construction in progress	71,346	97,895	88,200	81,041
Total capital assets not being depreciated	928,537	97,896	88,263	938,170
Capital assets being depreciated:				
Leased right to use asset-land	14,054	22,055	-	36,109
Land improvements	5,878,968	26,021		5,904,988
Buildings	695,024	1,689		696,713
Leased right to use asset-office space	17,257	167	742	16,683
Revenue earning equipment	1,352,728	35,510	13,811	1,374,426
Leased right to use asset-equipment	742	33		775
Shop, maintenance and other equipment	411,105	7,057	3,157	415,005
Total capital assets being depreciated	8,369,877	92,532	17,711	8,444,699
Less accumulated depreciation:				
Leased Right to Use Asset-Land	876	816	-	1,692
Land improvements	1,999,710	219,210		2,218,920
Buildings	320,725	18,702		339,426
Leased Right to Use Asset-Office Space	3,717	1,626	-	5,343
Revenue earning equipment	693,183	68,356	13,760	747,779
Leased Right to Use Asset-Equipment	424	10		433
Shop, maintenance and other equipment	314,640	31,151	3,157	342,635
Total accumulated depreciation	3,333,275	339,870	16,917	3,656,228
Total capital assets being depreciated, net	5,036,603	(247,338)	794	4,788,471
Capital assets, net	\$ 5,965,140	\$ (149,441)	\$ 89,057	\$ 5,726,641

Depreciation expense was \$339,870 and \$358,207 for years 2023 and 2022, respectively.



NOTE E – LONG-TERM DEBT

RTD sales tax revenue bonds Series 2007A, 2010B, 2013A, 2016A, 2017A, 2017B, 2019A, 2021AB, 2022AB and 2023A are secured by a pledge of future sales and use tax revenues. These tax-secured future liabilities of \$3,492,475 remain outstanding through 2050. The pledged revenue includes a 0.6% and 0.4% tax on the net taxable sales made within the District and use taxes of 0.6% and 0.4% on items purchased for use inside the District. For the year 2024, these tax-generated revenues were \$857,411.

RTD's Base System sales tax obligations are secured by 0.6% sales and use tax. The Fastracks bonds are secured by 0.4% sales and use tax and a subordinate pledge from the 0.6% Base System sales tax. Per TABOR, at the time that all FasTracks debt is repaid, RTD's 0.4% sales and use tax rate will be reduced to a rate sufficient to operate and maintain the assets financed through FasTracks. For the year 2024 and 2023, respectively, RTD paid interest and principal for sales tax revenue bonds of \$116,872 and \$111,745.

Long term debt is comprised of the following as of December 31:

Direct borrowings/placements	2024	2023
JPMorgan Chase Bank, N.A., purchase and assignment (2017) agreement , partial refunding projects of the 2010A COP's and 2015A COP's, as lessee under an annually renewable lease purchase agreement. Payments are due semiannually on June 1 and December 1 to 2025, issued with a coupon of 2.437%.	31,883	62,996
Sales tax FasTracks Taxable revenue refunding bonds, Series 2022AB , due serially on November 1 of 2022 thru 2044 issued with a 3.28% to 3.89% coupon, payable semiannually on May 1 and November 1 of each year.	293,980	304,575
Total debt direct borrowings/placement	325,863	367,571
Less current portion	<u>(43,213)</u>	<u>(41,708)</u>
Total long-term direct borrowings/placements	\$ 282,650	\$ 325,863

REGIONAL TRANSPORTATION DISTRICT
Notes to Financial Statements
December 31, 2024 and 2023 (Dollars in Thousands)



Other Debt-Bonds Secured by Sales and Use Tax Revenues	2024	2023
	\$ 240,588	\$ 242,284
Sales tax FasTracks revenue refunding bonds, Series 2007A , due serially on November 1 of 2030 through 2035, issued with a coupon of 4.50% payable semiannually on May 1 and November 1 of each year; including discount of (\$360) and (\$393) for 2024 and 2023, respectively. In 2014, the District made a partial modification and exchange on these bonds resulting in a premium with an ending balance of \$9,215 and \$9,994 for 2024 and 2023, respectively. Furthermore, in 2017, the District made another partial modification and exchange on these bonds resulting in a premium with an ending balance of \$11,253 and \$12,203 for 2024 and 2023, respectively.		
Sales tax revenue refunding bonds, Series 2007A , due serially on November 1 of each year through 2024, issued with a 5.25% coupon, payable semiannually on May 1 and November 1 of each year; including premium of \$0 and \$466 for 2024 and 2023, respectively.	-	9,576
Sales tax FasTracks revenue bonds taxable (Direct Pay Build America Bonds), Series 2010B , due serially on November 1 of 2046 through 2050, issued with coupon of 5.844%, payable semiannually on May 1 and November 1 of each year.	300,000	300,000
Sales tax FasTracks revenue refunding bonds, Series 2013A , due serially on November 1 of 2027 and 2036, issued with coupon of 4.25% and 5.0%, payable semiannually on May 1 and November 1 of each year; including premium of \$23,107 and \$25,060 for 2024 and 2023, respectively.	227,927	229,880
Sales tax FasTracks revenue bonds, Series 2016A , due serially on November 1 of 2036 and 2046, issued with a coupon of 5.0% payable semiannually on May 1 and November 1 of each year, including premium of \$25,603 and \$26,776 for 2024 and 2023, respectively.	220,568	221,741
Sales tax FasTracks revenue refunding bonds, Series 2017A , due serially on November 1 of each thru 2040, issued with a coupon between 3.625% to 5.0%, payable semiannually on May 1 and November 1 of each year, including premium of \$7,695 and \$8,181 for 2024 and 2023, respectively.	74,350	77,541
Sales tax FasTracks revenue refunding bonds, Series 2017B , due serially on November 1 of 2033 thru 2036, issued with a coupon between 4.0% to 5.0%, payable semiannually on May 1 and November 1 of each year, including premium of and \$13,360 and \$14,489 for 2024 and 2023, respectively.	132,825	133,954
Sales tax FasTracks revenue refunding bonds, Series 2019A , due serially on November 1 of 2035 thru 2038 issued with a 3.258% coupon, payable semiannually on May 1 and November 1 of each year.	57,110	57,110
Sales tax FasTracks revenue refunding bonds, Series 2021A , due serially on November 1 of 2025 thru 2037 issued with a .070 to 2.387% coupon, payable semiannually on May 1 and November 1 of each year.	230,605	230,605
Sales tax FasTracks revenue refunding bonds, Series 2021B , due serially on November 1 of 2028 thru 2040, issued with a coupon between 4.0% to 5.0%, payable semiannually on May 1 and November 1 of each year, including premium of \$29,106 and \$30,503 for 2024 and 2023, respectively.	440,736	442,133
Sales tax FasTracks revenue refunding bonds, Series 2023A , due serially on November 1 of 2026 thru 2038, issued with a coupon of 5.0%, payable semiannually on May 1 and November 1 of each year, including premium of \$17,364 and \$18,619 for 2024 and 2023, respectively.	187,689	188,944
Total Other debt bonds secured by sales tax revenues	2,112,398	2,133,768
Less current portion	(11,220)	(11,815)
Total Other Debt-Bonds secured by sales and use tax revenues	\$ 2,101,178	\$ 2,121,953

REGIONAL TRANSPORTATION DISTRICT
Notes to Financial Statements
December 31, 2024 and 2023 (Dollars in Thousands)



Other Debt - Certificates of Participation (Certificates)	2024	2023
Certificates of participation taxable (Direct Pay Build America Bonds) obligations, Series 2010B , under a lease purchase agreement for acquisition of light rail vehicles, construct, install and improve certain equipment and other capital projects. Payments are due semiannually on June 1 and December 1 through 2040, issued with a coupon of 7.672%.	-	100,000
Certificates of participation obligations, Series 2015A , as lessee under an annually renewable lease purchase agreement. Payments are due semiannually on June 1 and December 1 to 2040, issued with coupons between 3.25% and 5.00%, including premium of \$7,414 and \$7,895 for 2024 and 2023, respectively.	114,364	114,845
Certificates of participation obligations, Series 2020A , as lessee under an annually renewable lease purchase agreement. Payments are due semiannually on June 1 and December 1 to 2031, issued with coupon rate of 5.00%, including premium of \$8,335 and \$9,710 for 2024 and 2023, respectively.	71,775	73,150
Certificates of participation obligations, Series 2023A , as lessee under an annually renewable lease purchase agreement. Payments are due semiannually on June 1 and December 1 to 2027, issued with coupon rate of 5.00%, including premium of \$791 and \$1,119 for 2024 and 2023, respectively.	29,386	45,328
Certificates of participation obligations, Series 2024A , as lessee under an annually renewable lease purchase agreement. Payments are due semiannually on June 1 and December 1 to 2037, issued with coupon rate of 5.00%, including premium of \$15,028 and \$0 for 2024 and 2023, respectively.	115,853	-
Total other debt certificate of participation	331,378	333,323
Less current portion	(16,230)	(15,615)
Total other debt - Certificates of Participation (Certificates)	\$ 315,148	\$ 317,708
Total other debt	\$ 2,443,776	\$ 2,467,091
Total direct borrowing/placement	325,863	367,571
Less total current portion	(70,663)	(69,138)
Total long term debt	\$ 2,698,976	\$ 2,765,524

RTD refunded the Series 2002A Certificates with a capital lease agreement with JP Morgan Chase Bank N.A in 2016. In 2017, RTD refunded portions of previously outstanding Series 2010A and Series 2015A Certificates with a capital lease agreement with JP Morgan Chase Bank N.A. In September 2021, The District did an interest modification on the 2016 & 2017 JP Morgan lease agreements. The interest outstanding in September 2021, was rolled into the principal balance

REGIONAL TRANSPORTATION DISTRICT
Notes to Financial Statements
December 31, 2024 and 2023 (Dollars in Thousands)



of the respective JP Morgan lease agreements and new schedules for principal and interest payments were updated.

Annual repayment requirements on direct borrowings/placements are as follows:

Year ending December 31,	Principal	Interest	Total
2025	\$ 43,213	\$ 10,550	\$ 53,763
2026	12,130	9,972	22,102
2027	12,980	9,555	22,535
2028	13,885	9,109	22,994
2029	14,855	8,633	23,488
2030-2034	91,420	34,758	126,178
2035-2039	91,840	17,914	109,754
2040-2044	45,540	5,550	51,090
Total	<u>\$ 325,863</u>	<u>\$ 106,041</u>	<u>\$ 431,904</u>

The sales tax bonds are payable from and secured by RTD's sales and use tax revenue. RTD is required to maintain certain minimum deposits, as defined in the Indentures of Trust, to meet debt service requirements. Sales tax revenue bond debt service requirements to maturity are as follows:

Annual repayment requirements on sales tax bonds

Year ending December 31,	Principal	Interest	Total
2025	\$ 11,220	\$ 83,124	\$ 94,344
2026	59,530	82,924	142,454
2027	86,245	81,781	168,026
2028	89,510	77,468	166,978
2029	89,900	72,993	162,893
2030-2034	459,455	302,398	761,853
2035-2039	439,665	203,325	642,990
2040-2044	344,240	135,923	480,163
2045-2049	329,100	72,726	401,826
2050	67,190	3,927	71,117
Total	<u>\$ 1,976,055</u>	<u>\$ 1,116,589</u>	<u>\$ 3,092,644</u>

The sales tax bonds are secured by RTD's 1.0% sales and use tax for which debt service payments are withheld by a trustee from the monthly remittance prior to the Colorado Department of Revenue remitting such taxes to RTD. Withholdings are equivalent to a proportionate monthly amount of the annual principal and semi-annual interest payments and are held by the trustee until such debt service payments are satisfied.

Certificates are issued by the Authority, a nonprofit corporation and component unit of RTD. The Authority issued Certificates with the proceeds used to acquire certain equipment, facilities, and infrastructure to be used by RTD as well as for construction of the North Metro (N Line) commuter rail line. RTD leases the equipment acquired and elements constructed with the proceeds from the Certificates under separate master lease purchase agreements. For financial reporting

REGIONAL TRANSPORTATION DISTRICT
Notes to Financial Statements
December 31, 2024 and 2023 (Dollars in Thousands)



purposes, RTD accounts for the Certificates and the capital lease agreements as its own obligations.

Annual repayment requirements on certificates of participation to maturity are as follows:

Year ending December 31,	Principal	Interest	Total
2025	\$ 16,230	\$ 14,030	\$ 30,260
2026	28,560	12,910	41,470
2027	29,055	11,470	40,525
2028	15,810	10,348	26,158
2029	16,610	9,552	26,162
2030-2034	107,940	33,482	141,422
2035-2039	78,180	8,015	86,195
2040	7,425	149	7,574
Total	\$ 299,810	\$ 99,956	\$ 399,766

Changes in Long-Term Liabilities

Long-term liability activity for the year ended December 31, 2024, was as follows:

	Balance 12/31/2023	Additions	Reductions	Balance 12/31/2024	Due Within One Year
<u>Direct borrowings/placements</u>					
2017 JP Morgan lease purchase	62,996	-	31,113	31,883	31,883
2022AB Taxable Sales Tax Revenue Bonds	304,575		10,595	293,980	11,330
Total direct borrowings/placements	367,571	-	41,708	325,863	43,213
<u>Other debt</u>					
Sales tax revenue bonds	1,987,870	-	11,815	1,976,055	11,220
Certificates	314,600	100,825	115,615	299,810	16,230
Issuance premiums and discounts	164,622	15,447	12,158	167,911	-
Total other debt	2,467,092	116,272	139,588	2,443,776	27,450
<u>Other obligations</u>					
Net pension liability	227,392		26,306	201,086	-
Eagle P3 finance charges	510,284		14,487	495,797	-
LT lease Liability	49,614	-	1,353	48,261	1,475
Total other obligations	787,290	-	42,146	745,144	1,475
Total long-term liability	\$3,621,953	\$ 116,272	\$ 223,442	\$ 3,514,783	\$ 72,138

REGIONAL TRANSPORTATION DISTRICT
Notes to Financial Statements
December 31, 2024 and 2023 (Dollars in Thousands)



Long-term liability activity for the year ended December 31, 2023, was as follows:

	Balance 12/31/2022	Additions	Reductions	Balance 12/31/2023	Due Within One Year
<u>Direct borrowings/placements</u>					
2017 JP Morgan lease purchase	93,369		30,373	62,996	31,113
2022AB Taxable Sales Tax Revenue Bonds	314,480		9,905	304,575	10,595
Total direct borrowings/placements	407,849	-	40,278	367,571	41,708
<u>Other debt</u>					
Sales tax revenue bonds	2,046,200	170,325	228,655	1,987,870	11,815
Certificates	360,625	44,210	90,235	314,600	15,615
Issuance premiums and discounts	166,716	20,055	22,149	164,622	-
Total other debt	2,573,541	234,590	341,039	2,467,092	27,430
<u>Other obligations</u>					
Net pension liability	279,156		51,764	227,392	-
Eagle P3 related liabilities	523,210		12,926	510,284	
LT Lease Liability	28,178	21,875	439	49,614	1,353
Total other obligations	830,544	21,875	65,129	787,290	1,353
Total long-term liability	\$3,811,934	\$ 256,465	\$ 446,446	\$ 3,621,953	\$ 70,491

In September 2023, RTD issued Sales Tax Revenue Bonds (FasTracks Project), Series 2023 in the par amount of \$170,325 to refund certain previously outstanding Series 2019A and Series 2021A Sales Tax Revenue Bonds (FasTracks Project) to lock in a reduction of future debt service, through a combination of tender offer and escrow to maturity. The transaction achieved a 4.4% net present value savings and \$14,757 of gross cash flow savings between 2023 and 2038 while retaining the same final maturity.

In December 2023, RTD issued Certificates of Participation, Series 2023 in the par amount of \$44,210 to refund previously outstanding Series 2013A Certificates of Participation to lock in a reduction of future debt service. The transaction achieved a 1.9% net present value savings and \$28,326 of gross cash flow savings between 2024 and 2027 while retaining the same final maturity of 2027.

In August 2024, RTD issued Certificates of Participation, Series 2024 in the par of 100,825 to refund previously outstanding Series 2010B Certificates of Participation to lock in a reduction of future debt service. The transaction achieved a 3.85% net present value savings and \$3,853 of gross cash flow savings between 2024 and 2040 and reducing the final maturity to 2037.



NOTE F – EMPLOYEE RETIREMENT AND UNEARNED COMPENSATION PLANS

Employee Retirement Plans

RTD maintains two single employer defined benefit pension plans and two defined contribution retirement plans for substantially all full-time employees:

- ATU 1001 Pension Plan - Defined Benefit*
- ATU 1001 Retirement Plan - Defined Contribution*
- Salaried Pension Plan - Defined Benefit
- Salaried Retirement Plan - Defined Contribution

*Neither the ATU 1001 Pension Defined Benefit plan or the ATU 1001 Retirement Defined Contribution plan meet the definition of a fiduciary component unit under GASB 84 and thus are not reported as such.

Retirement plans are administered by pension trusts that issue audited financial statements for each plan. Those financial statements may be obtained from the plan administrators:

*Regional Transportation District
 Salaried Employees Pension Trust
 7000 North Broadway, Building 106
 Denver, Colorado 80221*

*RTD ATU 1001 Pension Plan
 2821 S. Parker Road, Suite 215
 Aurora, Colorado 80014-2602*

A summary of pension-related financial items as of Fiscal year end December 31, 2024, is presented below:

Plan Name	Net Pension Liability	Deferred Outflow of Resources*	Deferred Inflows of Resources	Pension Expense
ATU 1001 Pension Plan	\$ 141,183	\$ 32,297	\$ 913	\$ 21,620
ATU 1001 Retirement Plan				4,167
Salaried Pension Plan	59,903	27,775		20,563
Salaried Retirement Plan				9,272
Total	<u>\$ 201,086</u>	<u>\$ 60,072</u>	<u>\$ 913</u>	<u>\$ 55,622</u>

*The ATU 1001 Pension Plan deferred outflow of resources related to contributions made after the measurement date were \$19,790. The Salaried Pension Plan deferred outflow of resources related to contributions made after the measurement date were \$15,000.

A summary of pension-related financial items as of Fiscal year end December 31, 2023, is presented below:

Plan	Net Pension Liability	Deferred Outflow of Resources*	Deferred Inflows of Resources	Pension Expense
ATU 1001 Pension Plan	\$ 169,282	\$ 61,280	\$ 576	\$ 32,890
ATU 1001 Retirement Plan				\$ 1,177
Salaried Pension Plan	58,110	31,544		11,577
Salaried Retirement Plan	-	-	-	7,813
Total	<u>\$ 227,392</u>	<u>\$ 92,824</u>	<u>\$ 576</u>	<u>\$ 53,457</u>



**The ATU 1001 Pension Plan deferred outflow of resources related to contributions made after the measurement date were \$19,656. The Salaried Pension Plan deferred outflow of resources related to contributions made after the measurement date were \$15,000.*

ATU 1001 Pension Plan – Defined Benefit (2024)

Plan Description

The Amalgamated Transit Union Local 1001 (ATU) Pension Plan was established pursuant to a collective bargaining agreement (CBA) between RTD and the ATU. This plan covers substantially all full-time union-represented employees in accordance with the CBA. The plan is a single employer defined benefit pension plan administered by Compusys, Inc.

Benefits Provided

All benefits are paid in the form of a 50% joint and survivor annuity unless this form is rejected by the participant and the spouse.

Normal retirement benefits under the ATU Plan are paid to participants who have attained age 65 and have been in the ATU Plan for 10 years. The benefit amount is based on final average earnings, years of employment and age at the date of retirement.

Effective January 1, 1992, any participant who has accumulated 20 or more years of credited service and terminated employment prior to attaining age 50 will be entitled to an early retirement benefit starting on the first day of any month after attaining age 50. The ATU Plan was subsequently amended effective January 1, 2011, for new employees in which the years of credited service needed to qualify for a normal retirement benefit was increased from five to 10 years and the benefit multiplier for both the normal and early retirement was revised.

Death benefits state if an employee who is not eligible for a vested benefit or not eligible to retire, should die, their beneficiary will be paid the accumulated employee contributions plus interest. Prior to 2023, upon the death of a pensioner, a funeral benefit of \$2 (two thousand dollars) will be paid in a lump sum to the pensioner's designated beneficiary. On June 2, 2023, the Board of Trustees agreed that the death benefit will no longer be paid out of the Pension Plan. This benefit shall be paid pursuant to the ATU Local 1001 Health and Welfare Trust effective January 1, 2023.

An individual who becomes totally disabled prior to age 65 and retires from active employment with RTD as a direct result of being totally disabled is entitled to a disability retirement benefit provided, if they have worked for at least 10 years for RTD in covered employment. An individual will be considered totally disabled upon receipt of a disability award from the Social Security Administration. Effective January 1, 2011, the years of credited service needed to qualify for a disability benefit was increased from five to 10 years and the benefit multiplier was revised.

An individual who terminated employment on or after January 1, 1993, for any reason other than retirement, will be entitled to a deferred vested benefit at age 65 provided they had worked for at least 10 years in covered employment for RTD. A participant is entitled to deferred, vested benefits as early as age 50 if they have worked for at least 20 years in covered employment and terminates active employment on or after attaining age 50. If an individual with 20 or more years of service terminated employment prior to age 50, benefits will be payable at any time after age



50. Effective January 1, 2011, the years of credited service needed to qualify for a deferred vested retirement benefit was increased from five to 10 years and the benefit multiplier was revised.

The following changes are applicable for participants hired on or after January 1, 2011:

- The benefit multiplier was changed from 1.0% to 2.0% effective January 1, 2022 with the signing of the latest Collective Bargaining Agreement in 2022, retroactive to date of hire.
- The employer contribution was increased from 13% to 15% effective January 1, 2022.
- Regular retirement is changed from age 55 with 20 years of service to age 62 with 20 years of service
- Sick and vacation payouts are no longer included in the pension benefit calculation
- Vesting is changed from five years to 10 years
- Interest on employee contributions is changed from 5.0% to 3.0%
- The maximum service included in the benefit calculation is reduced from 30 to 25 years

A "Trigger Policy" has also been provided that will partially rescind the modified benefit structure above when certain ATU Plan funding benchmarks are achieved. If the total Actuarial Required Contribution (ARC) is less than 11.0% of payroll, pension benefits would be restored in a certain priority order.

On February 11, 2022, the RTD and ATU, Local 1001, signed a Memorandum of Understanding where the parties agreed "the Employer is obligated to pay benefits to eligible participants and beneficiaries pursuant to the Pension Plan for as long as any such individual remains entitled to benefits under the terms of the Plan."

Employees covered by the benefit terms for the Fiscal Year Ending December 31, 2024 (December 31, 2023, measurement date), pension plan membership consisted of the following:

Active plan members	1,442
Inactive plan members or beneficiaries currently receiving benefits	1,882
Inactive individuals entitled to but not yet receiving benefits	<u>1,947</u>
Total	<u>5,271</u>

Net Pension Liability

The components of the net pension liability of the plan for Fiscal Year Ending December 31, 2024 (December 31, 2023, measurement date), are as follows:

Total pension liability	\$ 592,065
Plan fiduciary net position	<u>450,882</u>
Plan's net pension liability	<u>\$ 141,183</u>
Plan fiduciary net position as a percentage of total pension liability	<u>76.15%</u>



Actuarial Methods and Assumptions Used to Calculate Net Pension Liability:

Valuation date:	January 1, 2024
Actuarial cost method	Entry age normal
Inflation	2.25%
Salary increases	3.00% to 10% including inflation
Investment return	6.50%
Retirement age	Age-based rates starting at age 50 with 100% retirement at age 70
Healthy mortality	RP-2014 combined mortality table, generational projected with MP-2020
Disabled mortality	RP-2014 combined mortality table, generational projected with MP-2020
Other information:	Plan changes include an increased benefit multiplier for Tier 2 members and changes to the pay increases for the next three years. The plan closed to new hires effective January 1, 2023. Employer contribution rates are based on a CBA. Effective January 1, 2022, RTD is contributing 15% of pay and members will contribute 5% of pay.

Single Discount Rate

Projected benefit payments are required to be discounted to their actuarial present values using a Single Discount Rate that reflects (1) a long-term expected rate of return on pension plan investments (to the extent that the plan’s fiduciary net position is projected to be sufficient to pay benefits) and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the plan’s projected fiduciary net position is not sufficient to pay benefits).

For this valuation, the expected rate of return on pension plan investments is 6.50%; the municipal bond rate is 3.77% (based on the daily rate closest to but not later than the measurement date of Fidelity Index’s “20-Year Municipal GO AA Index as of December 31, 2023”); and the resulting Single Discount Rate is 6.50%.

The projection of cash flows used to determine the discount rate would be equal to the actuarially determined contribution rate for the applicable fiscal years. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

Development of the Single Discount Rate

- Single discount rate is 6.50%
- Long-term expected rate of investment return is 6.50%
- Long-term municipal bond rate is 3.77%
- Actuarial return assumption 6.50%

Asset Class	30 - Year Long-term Expected Real Rate of Return	Target Asset Allocation
Domestic equity	4%	40%
International equity	5%	5%
Real estate	5%	5%
Public fixed income	2%	20%
Private fixed income	6%	5%
Commodities	3%	5%
Private equity	7%	15%
Infrastructure	4%	5%

Changes in the Net Pension Liability

Changes in the Net Pension Liability (in thousands)	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balance on December 31, 2022	\$ 579,965	\$ 410,683	\$ 169,282
Changes for the year:			
Service cost	11,300		11,300
Interest	37,304		37,304
Differences between expected and actual experience	(1,785)		(1,785)
Changes to benefit terms			-
Assumption changes			-
Contributions-employer		20,264	(20,264)
Contributions-employee		6,810	(6,810)
Net investment income		48,283	(48,283)
Benefit payments and refunds of employee contributions	(34,719)	(34,719)	-
Administrative expense		(441)	441
Other changes	-		-
Net changes	12,100	40,198	(28,099)
Balance on December 31, 2023	\$ 592,065	\$ 450,882	\$ 141,183



Sensitivity of the Net Pension Liability to the Single Discount Rate Assumption

Regarding the sensitivity of the net pension liability to changes in the single discount rate, the following presents the plans' net pension liability, calculated using a single discount rate of 6.50% as well as what the net pension liability would be if it were calculated using a single discount rate that is one percentage point lower or one percentage point higher:

	<u>1% Decrease (5.5%)</u>	<u>Current Discount Rate (6.5%)</u>	<u>1% Increase (7.5%)</u>
Net pension liability	\$ 205,920	\$ 141,183	\$ 86,563

Changes to Assumptions and Benefits

The rate of investment return on the market values of assets during the 2023 measurement period was 11.87%. The rate of investment return on the actuarial value of assets was 7.39%, which led to a \$3,800 gain primarily due to better than assumed investment experience. The plan had a gain of \$1,300 under liabilities largely driven by favorable mortality experience for members receiving benefits.

Contributions

Actuarial Methods and Assumptions Used to Determine Contribution Rates:

Valuation date:	January 1, 2023
Actuarial cost method	Entry age normal
Amortization Method	Level Percentage of Payroll
Remaining Amortization Period	20 years
Asset Valuation Method	5-Year smoothed market
Inflation	3.00%
Salary increases	3.00% to 10% including inflation
Investment return	6.50%
Retirement age	Age-based rates starting at age 50 with 100% retirement at age 70
Healthy mortality	RP-2014 combined mortality table, generational projected with MP-2020
Disabled mortality	RP-2014 combined mortality table, generational projected with MP-2020
Other information:	None

Contributions are made in accordance with the CBA. The plan had employer contributions during the measurement year of \$20,264. Employer contributions are 15% of eligible pay. Employee contributions remain at 5% of eligible pay. RTD has included the full amount of the actuarially determined net pension liability in accordance with financial reporting requirements. RTD is current in making all required contributions under the CBA.



Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the fiscal year ended December 31, 2024, the employer recognized a pension expense increase of \$21,620. The employer reported deferred outflows and inflows of resources related from pensions from the following resources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences in experience	\$ 406	\$ (913)
Differences in assumptions	-	
Excess investment returns	12,101	
Contributions subsequent to measurement date	19,790	
Total	\$ 32,297	\$ (913)

Employer contributions after the measurement date of \$19,790 reported as deferred outflows of resources will be recognized as a reduction of the net pension liability in the measurement year ended December 31, 2024 (fiscal year ended 12/31/2025). Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal year ended December 31,

2025	\$ 1,244
2026	5,316
2027	9,404
2028	(4,370)
Total	\$ 11,594

With the signing of the new CBA in March of 2022, participation in this plan was closed to all new hires beginning January 1, 2023. As of the report date the effect on the net pension liability, although not expected to be significant, has not been determined.

New members of ATU 1001 hired on or after this date are eligible to participate in the ATU 1001 Defined Contribution Plan, covered later in this note.

ATU 1001 Pension Plan – Defined Benefit (2023)

Employees covered by the benefit terms for the Fiscal Year Ending December 31, 2023 (December 31, 2022, measurement date), pension plan membership consisted of the following:

Active plan members	1,587
Inactive plan members or beneficiaries currently receiving benefits	1,834
Inactive individuals entitled to but not yet receiving benefits	1,923
Total	5,344



Net Pension Liability

The components of the net pension liability of the plan for fiscal year ended December 31, 2023 (December 31, 2022 measurement date), are as follows:

Total pension liability	\$ 579,965
Plan fiduciary net position	<u>410,683</u>
Plan's net pension liability	<u>\$ 169,282</u>
Plan fiduciary net position as a percentage of total pension liability	<u>70.81%</u>

Actuarial Methods and Assumptions Used to Calculate Net Pension Liability and the Basis for Determining Contributions to the Plan:

Valuation Date:	January 1, 2023
Actuarial cost method	Entry age normal
Inflation	2.25%
Salary increases	3.00% to 10% including inflation
Investment return	6.50%
Retirement age	Aged-based rates starting at age 50 with 100% retirement at age 70
Healthy mortality	RP-2014 combined mortality table, generational projected with MP-2020
Disabled mortality	RP-2014 combined mortality table, generational projected with MP-2020
Other information	Plan changes include an increased benefit multiplier for Tier 2 members and changes to the pay increases for the next three years. The plan closed to new hires effective January 1, 2023. Employer contribution rates are based on a CBA. Effective January 1, 2022, RTD is contributing 15% of pay and members will contribute 5% of pay

Single Discount Rate

Projected benefit payments are required to be discounted to their actuarial present values using a single discount rate that reflects (1) a long-term expected rate of return on pension plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits) and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the plan's projected fiduciary net position is not sufficient to pay benefits).

For this valuation, the expected rate of return on pension plan investments is 6.50%; the municipal bond rate is 4.05% (based on the daily rate closest to but not later than the measurement date of the Fidelity "20-Year Municipal GO AA Index"); and the resulting Single Discount Rate is 6.50%.

The projection of cash flows used to determine the discount rate would be equal to the actuarially determined contribution rate for the applicable fiscal years. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.



Development of the Single Discount Rate

Single discount rate 6.50%
 Long-term expected rate of investment returns 6.50%
 Long-term municipal bond rate 4.05%
 Actuarial return assumption 6.5%

	30 - Year Long-term Expected Real Rate of Return	Target Asset Allocation
Domestic equity	3%	40%
International equity	4%	15%
Real estate	5%	5%
Public fixed income	2%	15%
Private fixed income	4%	10%
Commodities	3%	5%
Private equity	7%	10%
Changes in Net Pension Liability		

Changes in the Net Pension Liability (in thousands)	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balance on December 31, 2021	\$ 555,947	\$ 306,507	\$ 249,439
Changes for the year:			
Service cost	9,861	-	9,861
Interest	35,703	-	35,703
Differences between expected and actual	13,859	-	13,859
Changes to benefit terms	(2,358)	-	(2,358)
Contributions-employer	(33,047)	176,239	(209,286)
Contributions-employee	-	5,659	(5,659)
Net investment income	-	(44,130)	44,130
Benefit payments and refunds of employee contributions	-	(33,047)	33,047
Administrative expense	-	(544)	544
Other changes	-	-	-
Net changes	24,019	104,176	(80,158)
Balance on December 31, 2022	\$ 579,965	\$ 410,683	\$ 169,282

Sensitivity of the Net Pension Liability to the Single Discount Rate Assumption

Regarding the sensitivity of the net pension liability to changes in the single discount rate, the following presents the net pension liability, calculated using a single discount rate of 6.50%, as well as what the Plan's net pension liability would be if it were calculated using a single discount rate that is one percentage point lower or one percentage point higher:



	<u>1% Decrease (5.5%)</u>	<u>Current Discount Rate (6.5%)</u>	<u>1% Increase (7.5%)</u>
Net pension liability	\$ 233,269	\$ 169,282	\$ 115,368

Changes to Assumptions and Benefits

The rate of investment return on the market values of assets during the 2022 measurement period was -11.59%. The rate of investment return on the actuarial value of assets was 5.06%, which led to a \$5,100 loss primarily due to worse than assumed investment experience. The plan had a gain of \$2,400 due to removal of the funeral benefit from the Pension Plan. The plan had a loss of \$14,400 under liabilities due to higher-than-expected salary increases for continuing active members.

Contributions

Contributions are made in accordance with the CBA. The plan had contributions during the measurement year of \$176,239, including a one-time, lump sum payment of \$160,000 in May 2022 following signing of the 2022-2024 CBA. Employer contributions were increased to 15% as part of the new CBA from the previous 13% contribution. Employee contributions remain at 5%. RTD has included the full amount of the actuarially determined net pension liability in accordance with financial reporting requirements. RTD is current in making all required contributions under the CBA.

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the fiscal year ended December 31, 2023, the employer recognized a pension expense increase of \$32,890. The employer reported deferred outflows and inflows of resources related from pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
	\$ 7,133	(576)
Differences in experience		
Differences in assumptions	4,027	
Excess investment returns	30,465	
Contributions subsequent to measurement date	19,656	
Total	<u>\$ 61,280</u>	<u>\$ (576)</u>

Employer contributions after the measurement date of \$19,656 reported as deferred outflows of resources will be recognized as a reduction of the net pension liability in the measurement year ended December 31, 2023 (Fiscal year end December 31, 2024). Other amounts reported as deferred outflow of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:



Fiscal year ended December 31,		
2024	\$	11,060
2025		6,486
2026		9,727
2027		13,775
Total	\$	<u>41,048</u>

Salaried Pension Plan - Defined Benefit (2024)

Plan Description

The RTD Salaried Employees’ Pension Plan provides coverage for all full-time salaried employees who were hired prior to January 1, 2008. The plan is a single employer defined benefit pension plan administered by Benesys.

Benefits Provided

Normal retirement eligibility age is 65 with five years of credited service; monthly benefit 2.5% of average final compensation times credited service. Early retirement age is 55 with five years of credited service, the monthly benefit if one retires or terminates from active status on or after age 55 is reduced 1/30 for each year less than age 60. If the employee terminates from active status prior to age 55, the normal retirement benefit is reduced 1/15 for each year between ages 60 and 65 and 1/30 for each year less than age 60.

The disability provisions apply to fully vested participants who are totally and permanently disabled and entitled to a Social Security disability award. The payout amount is the unreduced accrued normal pension retirement, payable upon approval for Social Security disability.

Termination eligibility is five years of credited service, otherwise a lump sum payment will be made equal to the present value of the age 65 accrued benefits payable in lieu of all other benefits.

Forms of annuity payments for normal retirement are 50% joint and survivor if married, otherwise retirement benefits are for a single annuity with no survivor option. Optional forms of retirement benefits are 25%, 50%, 66-2/3% or 100% joint and survivor annuity with five-year or ten-year certain and life annuity.

Credited service is one year for each calendar year of 1,000 hours of service (except years and completed months in the year of transfer). Credited service applies to vesting and service for retirement benefit eligibility. Average final compensation is the average of the participant's highest consecutive 36 months of compensation in the last 120 months of credited service immediately preceding the calendar month in which retirement occurs. Compensation excludes bonuses, severance pay, long-term disability pay and other extra compensation paid in the fiscal year. Compensation includes deferrals made to the RTD Deferred Compensation Plan and RTD Flexible Spending Account Plan, overtime, shift differentials, leave pay and salary reductions.

Employees covered by the benefit terms for the fiscal year ending December 31, 2024 (December 31, 2023 measurement date), pension plan membership consisted of the following:



Date of Member Count January 1, 2023

Active plan members	129
Inactive plan members or beneficiaries currently receiving benefits	330
Inactive individuals entitled to but not yet receiving benefits	114
Total	<u>573</u>

Termination of Plan

Effective January 1, 2008, RTD closed its defined benefit retirement plan, meaning that there can be no new participants. However, it will not cease its current obligations to the Plan, and benefits will still accrue. These obligations will not be released until the final participant receives their final benefit payment.

Net Pension Liability

The components of the net pension liability of the plan for Fiscal Year Ending December 31, 2024 (December 31, 2023 measurement date), are as follows:

Total pension liability	\$ 204,053
Plan fiduciary net position	<u>144,150</u>
Plan's net pension liability	<u>\$ 59,903</u>
Plan fiduciary net position as a percentage of total pension liability	<u>70.64%</u>

Contributions

Employee contributions are a source of revenue for the Trust and prior to 2013 were based on a percentage of the RTD's salaried employees' base compensation. Due to the decreasing active population and resulting reduction in future expected payroll, the RTD Board approved a funding policy effective January 1, 2013, where the recommended dollar contribution up to a cap of \$3.1 million is made to the Trust each year. This funding policy was established with the goal of achieving 100% funding by the end of 2032; however, due to net actuarial losses, the RTD Board adopted a new funding policy effective in 2016 to remove the \$3.1 million maximum and allowed for an amount to be contributed to keep the Trust "actuarially sound" based on recommendations from the Trust's actuary and RTD's Chief Financial Officer. Note that the recommended contribution can fluctuate annually due to such factors as projected total base compensation, investment results, and retirement patterns of participants. RTD contributed \$15 million in 2024 and \$15 million in 2023.

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation with a date of January 1, 2023, using the following actuarial assumptions applied to all periods included in the measurement with a liability roll forward to the measurement date of December 31, 2023:



Inflation	2.75%
Salary increases	6.00% per annum
Investment Rate of Return	7.00%, net of investment expenses

The long-term expected rates of return on pension plan investments were 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 are 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 including expected inflation.

The best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of December 31, 2023 (for disclosure purposes for the fiscal year ending December 31, 2024) are summarized in the following table and reflect assumed long-term expected real rates of return over a 30-year horizon upon which the disclosure is based:

Asset Class	30-Year Long-term Expected Real Rate of Return	Target Asset Allocation
Domestic equity	4.75%	40.0%
International equity	4.95%	20.0%
Fixed income	2.35%	22.5%
Real estate	3.35%	15.0%
Cash	0.65%	2.5%

Changes to Assumptions

The trustees approved a change in the salary scale assumption as of January 1, 2023 to reflect a flat 6.00% annual salary increase beginning in 2023. The net impact of this assumption change was an increase in the Actuarial Accrued Liability of \$7.1 million and an increase in the normal cost of \$0.2 million, resulting in a recommended increase to the contribution for 2024 Fiscal Year of \$1.3 million.

Mortality Rates for Annuities (75% Election Assumption)

Healthy: RP-2014 Mortality Tables for healthy employees and annuitants (adjusted to 2006), and projected to 2022 using the MP-2017 mortality improvement scale.

Disabled: RP-2014 Disabled Retiree Tables

Mortality Rates for Lump Sums (25% Election Assumption)

RP-2014 Mortality tables for healthy employees and annuitants (adjusted to 2006) and projected to 2022 using the MP-2017 mortality improvement scale, blended 70% male/30% female for participants and 30% male/70% female for beneficiaries.

The actuarial assumptions used in the January 1, 2023 evaluation were based on the results of an actuarial experience study covering the period January, 2018 – December 31, 2021.

Single Discount Rate

The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that RTD contributions would be equal to the actuarially determined contribution rate for the applicable fiscal years. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate does not incorporate nor require a 20-year tax-exempt general obligation municipal bond rate (with an average rating of AA/Aa or higher).

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability as of fiscal year end December 31, 2024 (measurement date of December 31, 2023) calculated using the discount rate of 7.00%, as well as the net pension liability if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	1% Decrease (6.0%)	Current Discount Rate (7.0%)	1% Increase 8.0%
Net pension liability	\$ 78,703	\$ 59,903	\$ 43,615

Salaried Changes in the Net Pension Liability - 2024

Change in Net Pension Liability (in thousands)	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary	Net Pension
Balance on December 31, 2022	\$ 188,136	\$ 130,025	\$ 58,110
Changes for the year:			
Service cost	2,077		2,077
Interest	12,808		12,808
Differences between expected and actual experience	7,762		7,762
Assumption changes	7,756		7,756
Contributions-employer		15,000	(15,000)
Net investment income		13,797	(13,797)
Benefit payments and refunds of employee contributions	(14,485)	(14,485)	-
Administrative expense		(188)	188
Other changes	-	-	-
Net changes	15,917	14,124	1,793
Balance on December 31, 2023	\$ 204,053	\$ 144,150	\$ 59,903



Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the fiscal year ended 2024 the employer recognized pension expense of \$20,563. The employer reported deferred outflows and inflows of resources related from pensions from the following resources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences in experience	\$ 1,399	\$ -
Differences in assumptions	1,400	-
Excess investment returns	9,976	-
Contributions subsequent to measurement date	15,000	-
Total	<u>\$ 27,775</u>	<u>\$ -</u>

Employer contributions after the measurement date of \$15,000 will be recognized as a reduction of the net pension liability in the measurement year ended December 31, 2024 (fiscal year ended December 31, 2025). Other amounts reported as deferred outflow of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal year ended December 31,

2025	\$ 5,915
2026	2,960
2027	4,836
2028	(936)
Total	<u>\$ 12,775</u>

Salaried Pension Plan - Defined Benefit (2023)

Employees covered by the benefit terms for the fiscal year ending December 31, 2023, (December 31, 2022, measurement date), pension plan membership consisted of the following:

Date of Member Count-January 1, 2022

Active plan members	143
Inactive plan members or beneficiaries currently receiving benefits	326
Inactive individuals entitled to but not yet receiving benefits	<u>115</u>
Total	<u>584</u>

Net Pension Liability

The components of the net pension liability of the plan for fiscal year ending December 31, 2023 (December 31, 2022 measurement date), are as follows:

REGIONAL TRANSPORTATION DISTRICT
Notes to Financial Statements
December 31, 2024 and 2023 (Dollars in Thousands)



Total pension liability	\$ 188,136
Plan fiduciary net position	<u>130,025</u>
Plan's net pension liability	<u>\$ 58,110</u>
Plan fiduciary net position as a percentage of total pension liability	<u>69.11%</u>

Contributions

Employee contributions are a source of revenue for the Trust and prior to 2013 were based on a percentage of the RTD's salaried employees' base compensation. Due to the decreasing active population and resulting reduction in future expected payroll, the RTD Board approved a funding policy effective January 1, 2013, where the recommended dollar contribution up to a cap of \$3.1 million is made to the Trust each year. This funding policy was established with the goal of achieving 100% funding by the end of 2032; however, due to net actuarial losses, the RTD Board adopted a new funding policy effective in 2016 to remove the \$3.1 million maximum and allowed for an amount to be contributed to keep the Trust "actuarially sound" based on recommendations from the Trust's actuary and RTD's Chief Financial Officer. Note that the recommended contribution can fluctuate annually due to such factors as projected total base compensation, investment results, and retirement patterns of participants. RTD contributed \$15 million in 2023 and \$8.4 million in 2022.

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation with a date of January 1, 2022, using the following actuarial assumptions applied to all periods included in the measurement with a liability roll forward to December 31, 2022:

Inflation	2.75%
Salary increases	3.70% – 6.45%, based on age
Investment rate of return, net of investment expenses	7.00%

The long-term expected rate of return on pension 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 are 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 including expected inflation.

The best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of the December 31, 2022 measurement date (for disclosure purposes for the fiscal year ending December 31, 2023) are summarized in the following data and reflect assumed long-term expected real rate of return over a 30-year horizon upon which the disclosure is based:



Asset Class	30-Year Long-term Expected Real Rate of Return	Target Asset Allocation
Domestic equity	4.25%	40.0%
International equity	4.65%	20.0%
Fixed income	3.05%	22.5%
Real estate	4.05%	15.0%
Cash	1.35%	2.5%

Mortality Rates for Annuities (75% Election Assumption)

Healthy: RP-2014 Mortality Tables for healthy employees and annuitants (adjusted to 2006), and projected to 2022 using MP-2017 mortality improvement scales.
 Disabled: RP-2014 Disabled Retiree Tables.

Mortality Rates for Lump Sums (25% Election Assumption)

RP-2014 Mortality tables for healthy employees and annuitants (adjusted to 2006) and projected to 2022 using the MP-2017 mortality improvement scale, blended 70% male/30% female for participants and 30% male/70% female for beneficiaries.

The actuarial assumptions used in the January 1, 2022 evaluation were based on the results of an actuarial experience study covering the period January 1, 2018 – December 31, 2021.

Single Discount Rate

The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that RTD contributions would be equal to the actuarially determined contribution rate for the applicable fiscal years. Based on those assumptions, the fiduciary net position was projected to be available to make all projected future benefit payments for current plan members. Therefore, the long-term expected rate of return on investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate does not incorporate nor require a 20-year tax-exempt general obligation municipal bond rate (with an average rating of AA/Aa or higher).

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability as of fiscal year end December 31, 2023, calculated using the discount rate of 7.00%, as well as what the Plan's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

REGIONAL TRANSPORTATION DISTRICT
Notes to Financial Statements
December 31, 2024 and 2023 (Dollars in Thousands)



	<u>1% Decrease (6.0%)</u>	<u>Current Discount Rate (7.0%)</u>	<u>1% Increase (8.0%)</u>
Net pension liability	\$ 75,498	\$ 58,110	\$ 43,068

Salaried Changes in the Net Pension Liability - 2023

	<u>Increase (Decrease)</u>		
	<u>Total Pension Liability (a)</u>	<u>Net Position (b)</u>	<u>Liability (a)-(b)</u>
Balance on December 31, 2021	\$ 184,609	\$ 154,892	\$ 29,717
Changes for the year:			
Service cost	2,024	-	\$ 2,024
Interest	12,545	-	\$ 12,545
Differences between expected and actual experience	2,516	-	\$ 2,516
Assumption changes	1,284	-	\$ 1,284
Contributions-employer		8,400	\$ (8,400)
Net investment income		(18,255)	\$ 18,255
Benefit payments and refunds of employee contributions	(14,842)	(14,842)	\$ (0)
Administrative expense	-	(170)	\$ 170
Other changes	-	-	-
Net changes	3,526	(24,867)	28,393
Balance on December 31, 2022	\$ 188,136	\$ 130,025	\$ 58,110

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the fiscal year ended 2023 the employer recognized pension expense of \$11,577. The employer reported deferred outflows and inflows of resources related to pensions from the following resources:

	<u>Deferred Outflows</u>	<u>Deferred Inflows</u>
Differences in experience	\$ 392	\$ -
Differences in assumptions	769	-
Excess(deficit) investment returns	15,383	
Contributions subsequent to measurement date	15,000	-
Total	<u>\$ 31,544</u>	<u>\$ -</u>



Employer contributions after the measurement date of \$15,000 will be recognized as a reduction of the net pension liability in the measurement year ended December 31, 2023 (fiscal year ended December 31, 2024). Other amounts reported as deferred outflow of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal year ended December 31,		
2024	\$	2,820
2025		4,054
2026		3,897
2027		5,773
Total	\$	<u>16,544</u>

RTD Plan – 401(a) Defined Contribution

The RTD defined contribution plan is available for full-time salaried employees hired after January 1, 2008. The RTD Board adopted Amendment 8, effective January 1, 2008, for which RTD currently contributes the board approved 9% of the employee’s qualifying wages. Contributions totaled \$9,272 and \$7,813 in 2024 and 2023, respectively. RTD employees cannot contribute to this plan. Membership was 926 and 849 active employees in 2024 and 2023, respectively.

RTD/ATU 1001 401(a) Defined Contribution Plan and 457 (b) Deferred Compensation Plan

This plan became available for new members of ATU 1001 hired on or after January 1, 2023. Eligible employees include any newly hired member of the ATU who is 19 years old in addition to Part Time Retirees (as defined in the CBA). Eligibility for the 457(b) plan begins on the first day of the month following completion of election form for Pre-tax and/or Roth contributions to the Plan. Eligibility for the 401(a) Plan begins on the employee’s date of hire or immediately for Part-Time Retirees. Contributions under the 457(b) Plan can be made by the employee up to the applicable annual IRS limits, including catch-up and Roth (after-tax) contributions. RTD will make a non-elective contribution each pay period to the 401(a) Plan equal to 9% of each eligible employees per-pay-period compensation. Employee contributions (pre-tax and/or Roth contributions) to the 457(b) plan will be matched by RTD equal to 100% up to 5% of the employee’s per-pay-period compensation. Employees are always fully vested under the 457(b) plan. Under the ATU 401(a) plan, 20% vesting will occur for each full year of completed service, with 100% vesting occurring after five years of completed service, upon attaining age of 65, or upon death or disability. Part-time Retirees are always fully vested. 2024 contributions by RTD under the 401(a) plan were \$2,990. RTD made an additional match of \$1,178 to the 457(b) plan. Employee contributions during 2024 to the 457(b) plan were \$1,303. As of December 31, 2024, there were 523 employees participating in the plan.

ATU Local 1001 Health and Welfare Trust

The Amalgamated Transit Union Local 1001 Health and Welfare Trust (Trust) was formed pursuant to a Trust Agreement effective July 1, 1971, between ATU, Local 1001 and an agent of



a transit enterprise owned by the City and County of Denver, through July 3, 1974, and RTD thereafter. In addition to the original Denver Metro Division, employees of other RTD divisions have been approved for participation in the Trust benefits. The Trust agreement shall continue in full force and effect in all its terms and provisions so long as there continues to be a CBA between the ATU and RTD.

The Trust provides health benefits (hospital, medical, dental, vision, life and short-term disability) for represented employees of RTD and certain officers of the ATU and health care benefits for retired employees who actively worked 600 hours or more per quarter. The Trust is funded through contributions by the employer and employee in which the share of benefit plan contributions is set by the CBA. RTD's contribution was \$29,039 and \$26,524 for the years ended December 31, 2024 and 2023, respectively. The Trust also provides insurance coverage for felonious assault for each employee. The Trust self-insures part of its health, life insurance and short-term disability benefits. The Trust issues audited financial statements which include financial information for the plan. Those audited financial statements may be obtained from the Trust: RTD ATU 1001 Health and Welfare Trust, 2821 S. Parker Road, Suite 215 Aurora, Colorado 80014-2602.

Other Post Employment Benefits

Prior to the closure of the ATU 1001 Pension plan to new hires beginning January 1, 2023 there was a \$2 funeral benefit paid to survivors of retirees when they die. To ensure this benefit continues to be available to all ATU members, regardless of their hire date, trustees of the plan voted in 2023 to move this benefit out of the pension plan and into the Health and Welfare plan discussed above. After an actuarial review, RTD has determined that the net OPEB liability is not material and therefore did not apply the provisions of GASB 74 or 75.

RTD Employees Deferred Compensation Plan

RTD offers its employees an unearned compensation plan (Plan), created in accordance with Internal Revenue Code Section 457, which is available to substantially all employees (with the exception below) and permits them to defer a portion of their compensation to future years. Under the terms of the Plan, the unearned compensation is available to participants upon termination, retirement, death or in the event of an unforeseeable emergency or other financial hardship. RTD makes no contributions to this plan as contributions are voluntarily made by RTD employees only. New members of ATU 1001 hired on or after January 1, 2023, are not able to participate in this plan as there was a separate deferred compensation plan established for these employees as described above.

Compensated Absences

RTD considers all accrued compensated absences as due within one year. Employees accrue paid time off (PTO), vacation and sick leave based on years of service. Employees are not allowed to accumulate more than twice their annual PTO or vacation accrual and sick leave based on years of service. Employees are paid any outstanding compensated absence balances upon leaving RTD. A leave liability is recognized due to the leave attributable to services already rendered, leave that accumulates, and leave that is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. The leave liability also includes associated salary-related payments, including employer FICA and Medicare taxes as well as employer paid payments made to defined contribution pension plans.



Compensated absences activity for the year ended December 31, 2024 was as follows:

	12/31/2023 Balance(Restated)	2024 Accruals	2024 Payments	12/31/2024 Balance
Represented employees	\$ 10,298	\$ 658	\$ 2,134	\$ 8,822
Salaried employees	15,730	9,877	9,660	15,947
Total compensated absences due	<u>\$ 26,028</u>	<u>\$ 10,535</u>	<u>\$ 11,794</u>	<u>\$ 24,769</u>

Compensated absences activity for the year ended December 31, 2023 was as follows:

	12/31/2022 Balance(Restated)	2023 Accruals (Restated)	2023 Payments	12/31/2023 Balance(Restated)
Represented employees	\$ 10,653	\$ 1,939	\$ 2,294	\$ 10,298
Salaried employees	14,752	9,792	8,814	15,730
Total compensated absences obligations	<u>\$ 25,405</u>	<u>\$ 11,731</u>	<u>\$ 11,108</u>	<u>\$ 26,028</u>

The restated accrued compensation liabilities of \$43,050 and \$43,569 as of December 31, 2024 and 2023, respectively, include \$16,869 and \$17,541 of accrued wages, salaries and fringe benefits in addition to accrued compensated absences.

NOTE G— LEASES

RTD leases certain assets from various third parties. The assets leased include office space, land and equipment. Payments are generally fixed monthly.

RTD leases office space that is part of a lease-leaseback transaction. RTD leases office space, which is part of the Denver Union Station Building which RTD then leases to a third-party. As of December 31, 2024, RTD reported a lease asset of \$5,917 and Accumulated Amortization of \$789 related to the lease-leaseback transaction.

Lease activity for RTD is reported under Note D.

REGIONAL TRANSPORTATION DISTRICT
Notes to Financial Statements
December 31, 2024 and 2023 (Dollars in Thousands)



Future principal and interest payment requirements related to RTD's lease liability as of December 31, 2024 are as follows:

Year ended December 31,	Principal	Interest	Total
2025	1,475	1,854	3,329
2026	1,504	1,795	3,299
2027	1,617	1,734	3,351
2028	482	1,683	2,165
2029	(107)	1,683	1,576
2030-2034	213	8,445	8,658
2035-2039	1,821	8,290	10,111
2040-2044	2,420	7,822	10,242
2045-2049	1,837	7,533	9,370
2050-2054	3,782	7,082	10,864
2055-2059	3,600	6,408	10,008
2060-2064	6,139	5,464	11,603
2065-2069	9,517	3,935	13,452
2070-2074	13,961	1,633	15,594
Total	48,261	65,361	113,622

RTD leases certain assets to various third parties. The assets include buildings, land, office space, parking space and use of RTD physical resources for advertising space. Payments are generally fixed monthly with certain variable payments not included in the measurement of the lease receivable required based on total revenues and other receipts.

The government also subleases certain assets that it initially leases from a third party. The noncancellable terms of these leasing arrangements mature in December 2054. The discount rate applicable to this leasing arrangements is 4%. Payments are fixed monthly.

During the year ended December 31, 2024, RTD recognized the following related to its lessor agreements:

Lease Revenue	\$5,785
Interest Revenue	\$1,529
Revenue from variable payments not previously included in the measurement of the lease receivable	\$746

NOTE H – COMMITMENTS AND CONTINGENCIES

Commitments

Capital Projects

As of December 31, 2024, RTD has contracts for the construction of various capital projects including RTD's involvement in the renovation of the 16th Street Mall as well as the near-term light rail reconstruction project in downtown Denver for the maintenance of assets for a state of good repair. Commitments surrounding these and other projects total \$93,598 and \$79,786 in 2024 and 2023, respectively.



Grant Match Requirements

Under the provisions of current grants, RTD is obligated to satisfy certain matching requirements. As of December 31, 2024, RTD had a commitment to provide \$119,015 in matching funds to receive \$218,461 in future federal and state grant funds. Of those amounts, \$87,865 in matching funds, \$157,872 in federal, is a result of RTD acting as the project sponsor and pass through agency in partnership with the City and County of Denver on the East Colfax Bus Rapid Transit project.

Privatization Contracts

RTD has awarded contracts for specific groups of fixed route services not to exceed 58% as required by state law. As of December 31, 2024, 54.33% of RTD’s non-rail transit services are delivered by private contractors operating under the auspices and direction of RTD.

ADA Paratransit Service

Consistent with the Americans with Disabilities Act (ADA) of 1990, RTD provides complementary paratransit service to persons with disabilities unable to use RTD’s fixed route system. This service, branded Access-a-Ride, is a curb-to-curb transportation service. Customers eligible for Access-a-Ride services must originate their trip within 3/4 of a mile of an RTD fixed route. Since September 1996, RTD has been in full compliance with the ADA requirement to provide complementary paratransit service to persons with disabilities unable to use the fixed route system.

Future Commitments under Construction Contracts

RTD has no individual material commitments under construction contracts but will continue to incur construction costs related to maintaining infrastructure in a state of good repair in accordance with standards of the Transit Asset Management (TAM) Plan. Many infrastructure assets will begin to reach the end of their useful life benchmarks indicating a need for repair and replacement; however, specific commitments have not yet been entered.

Future Commitments under Service Contracts

Fixed commitments under purchased transportation third-party contracts primarily related to bus operations in the years subsequent to December 31, 2024 are as follows:

Privatization Contracts	
2025	116,466
2026	96,073
2027	55,339
Total	<u>\$ 267,878</u>



Commitments to the Eagle P3 concessionaire, Denver Transit Partners, LLC (DTP), are as follows:

Year ending December 31,	TABOR Secured Payment	Service Availability Payment	Total
2025	\$ 48,429	89,705	\$ 138,134
2026	43,140	75,389	118,529
2027	44,092	72,264	116,356
2028	45,295	76,001	121,296
2029	46,771	81,087	127,858
2030-2034	311,652	598,540	910,192
2035-2039	314,380	654,379	968,759
2040-2044	206,330	491,411	697,740
Total	\$ 1,060,089	\$ 2,138,775	\$ 3,198,864

The projected amounts include an estimation for certain future inflation indexes as required by the concessionaire agreement. These inflation indexes will be adjusted annually as projects are revised.

Diesel Fuel Contract

RTD contracts with Mansfield Oil Company, Inc. (Mansfield) for diesel fuel for buses. The contract is structured as a single year contract. RTD estimates 2024 usage of approximately 6.5 million gallons: 3.90 million gallons of RTD's usage and 2.60 million gallons of RTD's private contractors' usage.

The estimated locked-in price commitment under the Mansfield contract in 2024 is for 6.5 million gallons of diesel fuel for both RTD and private contractors at \$2.9894 per gallon or \$19,431.

Contingencies

Federal Grants

RTD receives federal grants for capital projects and operating assistance, which are subject to reviews by the Federal Transit Administration (FTA). Although the outcome of any such review cannot be predicted, it is management's opinion these reviews will not result in liabilities to such an extent that they would materially affect RTD's financial position.

Self-Insurance

RTD is self-insured for general liability and Workers' Compensation claims. Liabilities are reported when it is probable that a loss has occurred, and the amount of the loss can be reasonably estimated. In addition, RTD offers a self-insured health benefit option as part of its employee benefits program in which costs are recognized as they are incurred.

RTD does not carry excess liability insurance for personal injury and property damage. Under the provisions of the Colorado Government Immunity Act, the maximum liability, with certain exceptions as defined in the Act, to RTD for claims involving personal injury and property damage is \$387 per individual and \$1,093 per incident for claims arising on or after January 1, 2018, and



before January 1, 2022. For claims that arise on or after January 1, 2022, RTD's liability is limited to \$424 per person and \$1,195 per occurrence.

For worker's compensation, an excess coverage insurance policy covers individual claims more than \$2,000. The number of settlements has not exceeded insurance coverage in any of the past three years.

RTD's liability for unpaid claims includes an amount for claims that have been incurred but not reported (IBNR). RTD's Risk Management Division determines incurred claims by investigating the accident and establishing a reserve. Reserves are established on the day of assignment, reviewed at 30 days and again at 90 days. Reserves are reviewed every 90 days thereafter and based on ultimate exposure. This amount is included in other accrued expenses in the statement of net assets. Changes in the balances of claims liabilities for both general liability and worker's compensation during the past year are as follows:

	Auto Liability	Workers' Compensation	Total
Unpaid claims, January 01, 2022	\$ 4,381	\$ 6,376	\$ 10,757
Incurred claims (including IBNR)	3,295	4,770	8,065
Claims payments	<u>(2,463)</u>	<u>(4,423)</u>	<u>(6,886)</u>
Unpaid claims, December 31, 2022	\$ 5,213	\$ 6,723	\$ 11,936
Incurred claims (including IBNR)	5,309	2,201	7,510
Claims payments	<u>(2,819)</u>	<u>(3,578)</u>	<u>(6,397)</u>
Unpaid claims, December 31, 2023	\$ 7,703	\$ 5,346	\$ 13,049
Incurred claims (including IBNR)	4,916	3,094	8,010
Claims payments	<u>(5,608)</u>	<u>(3,391)</u>	<u>(8,999)</u>
Unpaid claims, December 31, 2024*	<u>\$ 7,011</u>	<u>\$ 5,049</u>	<u>\$ 12,060</u>

**All claim liabilities are considered current liabilities payable within one year.*

Contract Disputes and Legal Proceedings

RTD is party to several pending or threatened tort lawsuits, workers' compensation claims, or labor/employment claims under which it may be required to pay certain amounts upon final disposition of these matters. RTD also has certain contract disputes being considered in contractual dispute resolution proceedings. RTD's legal counsel estimates that the ultimate outcome of these matters is sufficiently covered by RTD's general liability or worker's compensation reserves, project contingencies, or insurance, or would not otherwise materially affect the financial statements of RTD.

In 2018, DTP, RTD's concessionaire for its Eagle P3 Project, filed a lawsuit asserting force majeure and change in law claims and damages of approximately \$111 million against RTD. DTP claimed that the Colorado Public Utilities Commission and/or the Federal Railroad Administration created new interpretations of existing regulations, and that DTP was therefore entitled to risk allocation in its favor of costs incurred.

A four-week bench trial on the claims began on September 21, 2020. On February 10, 2023, the court issued its Findings of Fact, Conclusions of Law and Order for Entry of Judgment finding in favor of RTD on DTP's above claims.



DTP filed its notice of appeal on March 30, 2023. Briefing in the Colorado Court of Appeals was completed on January 23, 2024, and oral argument was held on April 16, 2024. DTP also filed a bill of costs against RTD as the prevailing party on RTD's counterclaims for approximately \$2.2 million, which costs were denied by the court.

On May 9, 2024, the Colorado Court of Appeals issued its opinion affirming the District Court's judgement in RTD's favor, agreeing that regulators applied existing law and no change in law occurred. In response to the May 9 decision by the Colorado Court of Appeals, DTP filed a petition for a rehearing on May 22, 2024.

On June 20, 2024, the Court of Appeals added two supplementary paragraphs in support of its original opinion but did not change its affirmation of the judgement in RTD's favor. On July 17, 2024, DTP filed a petition of certiorari with the Colorado Supreme Court.

The Colorado Supreme Court denied DTP's petition for certiorari on February 3, 2025, rejecting DTP's request for the court to hear its appeal thus bringing the litigation to a close.

NOTE I – NET POSITION

(In Thousands)

	December 31,	
	2024	2023
Net Investment in Capital Assets	\$ 2,148,723	\$ 2,316,267
Restricted net position		
Restricted debt service	61,724	69,936
Restricted TABOR	37,567	29,837
Restricted FasTracks	573,737	592,973
Restricted deposits	1,511	1,512
Total restricted net position	674,539	694,258
Unrestricted net position		
Unrestricted - represented net pension liability	(121,901)	(108,578)
Unrestricted - salaried net pension liability	(42,105)	(41,949)
Unrestricted net position	626,826	708,125
Total unrestricted net position	462,820	557,598
Total net position*	<u>\$ 3,286,082</u>	<u>\$ 3,568,123</u>

*Note: RTD has included the full amount of the actuarially determined net pension liability for the represented pension plan, in accordance with financial reporting requirements. RTD is current in making all required contributions under the CBA.

*2023 is restated to reflect implementation of GASB 101-Compensated Absences, in 2024 Refer to Note A for further details.



NOTE J – BUDGETARY DATA

RTD’s annual budget is prepared on the same basis as that used for accounting except that the budget also includes proceeds of long-term debt and capital grants as revenue and expenditures include capital outlays and obligation principal payments and excludes TABOR refunds under Amendment 1 of the Colorado Constitution, extraordinary loss, and depreciation on, as well as gains and losses on disposition of property and equipment. The budget sets forth all proposed outlays for operations, planning, administration, development, debt service, and capital outlays for the fiscal year. Prior to October 15, the General Manager and CEO submits to the Board of Directors a proposed operating and capital budget for the fiscal year commencing the following January 1, which is made available for public inspection and comment. On or before December 31, the budget is adopted in conjunction with an appropriation resolution by the Board of Directors, which must also approve subsequent amendments not delegated under the authority of the General Manager and CEO. In the absence of such budget adoption and appropriation by the Board of Directors, RTD has authority to begin making expenditures in the new fiscal year that are limited to 90% of the prior year’s approved appropriation. RTD’s policy on budget transfers authorizes the General Manager and CEO to approve certain transfers within the budget as delegated by the Board of Directors.

A reconciliation for the years ended December 31 of the annual budget, as amended, to actual revenue and expenses is as follows:

	2024	2023
Revenues and Proceeds		
Revenue, actual	\$ 1,053,185	\$1,234,775
Proceeds from debt/arbitrage relief	100,825	214,535
Federal capital grants and local contributions	28,395	53,681
Revenue, actual (budgetary basis)	1,182,405	1,502,991
Revenue, budget	1,307,246	1,184,222
Expenditures		
Expenses, actual	1,363,621	1,269,414
Capital outlays	54,695	97,895
Depreciation, amortization, other	(324,958)	(339,870)
Long-term debt principal payments	164,886	376,496
Expenditures, actual (budgetary basis)	1,258,243	1,403,935
Appropriations, budget	1,543,910	1,532,121
Unused/(Excess use of) appropriations	\$ 285,667	\$ 128,186

Unused appropriations lapse at year-end, except the RTD Board of Directors has the authority, as stated in the adopted appropriation resolution, to carry over the unused portion of funds for capital projects not completed for a period not to exceed three years. As of December 31, 2024, there was \$324,998 of unused 2024 capital appropriations approved for carryover into 2025.



NOTE K – TAX, SPENDING AND DEBT LIMITATIONS

In November 1992, Colorado voters passed an amendment (Amendment 1) to the State Constitution (Article X, Section 20) that limits the revenue raising and spending abilities of state and local governments known as the Taxpayer’s Bill of Rights (TABOR). The limits on property taxes, revenue, and “fiscal year spending” include allowable annual increases tied to inflation and local growth in construction valuation. Fiscal year spending as defined by the amendment excludes spending from certain revenue and financing sources such as federal funds, gifts, property sales, fund transfers, damage awards, and fund reserves. Amendment 1 requires voter approval for any increase in mill levy tax rates, new taxes, or creation of multi-year debt. Revenue earned in excess of the “spending limit” must be refunded to the taxpayers unless voters approve retention of these revenues. In addition, Amendment 1 mandates that reserves equal to 3% of fiscal spending be established for declared emergencies.

On November 7, 1995, the voters of the District exempted RTD from the revenue and spending limitations concerning Amendment 1 through December 31, 2005. On November 2, 1999, the voters of the District further exempted RTD from the revenue and spending limitations outlined in Amendment 1 for the purpose of paying any debt incurred to finance the Southeast and Southwest Corridor light rail projects or to operate such projects for as long as any debt remains outstanding, but in no event beyond December 31, 2026.

On November 2, 2004, the voters of the District authorized an increase in RTD’s sales and use tax rate from 0.6% to 1.0%, effective January 1, 2005, to finance the FasTracks transit improvement program. This authorization also exempted RTD from any revenue and spending limitations on the additional tax and on any investment, income generated by the increased tax revenue and allowed RTD to incur debt to finance the capital improvements included in the FasTracks program. At the time that all FasTracks debt is repaid in 2050, RTD’s 0.4% sales and use tax rate will be reduced to a rate sufficient to operate the transit system financed through FasTracks.

On November 5, 2024, voters approved Ballot Measure 7A which allows RTD to continue being exempt from TABOR revenue growth limitations in perpetuity.

NOTE L – SUBSEQUENT EVENTS

On February 3, 2025, the Colorado Supreme Court denied DTP’s petition for certiorari regarding an ongoing lawsuit disputing costs incurred by DTP related to commuter rail gate crossings. This ruling brings this matter to a close.

On March 12, 2025, the Board of Directors authorized the General Manager and CEO to enter into a three-year collective bargaining agreement with the Fraternal Order of Police (FOP) Lodge 72. This agreement is the first agreement between RTD and the FOP for labor representation for the positions below Sergeant in the RTD Police Department. This agreement is not anticipated to have a material financial impact to RTD.

On March 27, 2025, RTD and the Amalgamated Transit Union Local 1001 completed negotiations and reached a tentative agreement for a three-year collective bargaining agreement following the expiration of the previous contract on December 31, 2024. Member ratification is expected in June. This agreement is within the planned financial appropriations approved by the Board of Directors.



REQUIRED SUPPLEMENTARY INFORMATION

REGIONAL TRANSPORTATION DISTRICT
Required Supplementary Information
December 31, 2024 and 2023 (Dollars in Thousands)



REGIONAL TRANSPORTATION DISTRICT
PENSION PLANS SUMMARY

As of December 31,

Schedule of Contributions Multiyear

Last 10 Fiscal Years*

(in thousands)

ATU 1001 Pension Plan

Fiscal period ending December 31,

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially determined contribution	\$ 15,384	\$ 25,009	\$ 20,343	\$ 22,670	\$ 22,594	\$ 18,109	\$ 17,664	\$ 17,170	\$ 17,131	\$ 18,752
Actual contribution	20,264	176,239	19,498	22,454	21,345	20,163	13,168	12,128	11,543	10,758
Contribution excess (deficiency)	4,880	151,230	(845)	(216)	(1,249)	2,054	(4,496)	(5,042)	(5,588)	(7,994)
Covered payroll	\$ 127,009	\$ 123,493	\$ 99,609	\$ 108,766	\$ 107,888	\$ 103,646	\$ 103,729	\$ 94,802	\$ 82,994	\$ 84,774
Contribution as a percentage of covered payroll	15.96%	142.71%	19.57%	20.64%	19.78%	19.45%	12.69%	12.79%	13.91%	12.69%

Actuarial methods and assumption used to calculate actuarially determined contributions:

Valuation date:	January 1, 2023
Actuarial cost method:	Entry age normal
Amortization method:	Level percentage of payroll
Remaining amortization period:	20 years
Asset valuation method:	5 year smoothed market
Inflation rate:	3.00%
Wage increases:	3.00% to 10.00% including inflation
Investment rate of return:	6.50%
Retirement age:	Age-based rates starting at age 50 with 100% retirement at age 70
Healthy mortality:	RP-2014 combined mortality table, generational projected with MP-2020
Disabled mortality:	RP-2014 combined mortality table, generational projected with MP-2020
Cost-of-Living Adjustments	None
Other:	Plan changes include an increased benefit multiplier for Tier 2 members and changes to the pay increases for the next three years.

REGIONAL TRANSPORTATION DISTRICT
Required Supplementary Information
December 31, 2024 and 2023 (Dollars in Thousands)



As of December 31,
Schedule of Changes in the Plan's Net Pension Liability and Related Ratios - Multiyear
Last 10 Fiscal Years*
(in thousands)

ATU 1001 Pension Plan

Fiscal period ending December 31,	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total Pension Liability										
Service cost	\$ 11,300	\$ 9,861	\$ 7,788	\$ 8,998	\$ 9,007	\$ 9,045	\$ 14,387	\$ 13,145	\$ 13,074	\$ 11,936
Interest	37,304	35,703	34,117	34,057	33,056	32,102	27,099	25,276	26,324	27,714
Changes to benefit terms		(2,358)	28,067	-	-	-	-	-	-	-
Differences between expected and actual experience	(1,785)	13,859	(3,771)	(1,498)	2,908	1,596	4,855	(3,164)	(4,711)	(6,476)
Assumption changes			26,347	(7,519)	-	-	(108,133)	(19,822)	28,095	28,879
Benefit payments, including lump sum distributions	(34,719)	(33,047)	(32,386)	(31,573)	(29,732)	(28,417)	(27,233)	(26,133)	(25,439)	(24,312)
Net change in total pension liability	12,100	24,019	60,161	2,465	15,239	14,326	(89,025)	(10,698)	37,343	37,742
Total pension liability - beginning	579,965	555,947	495,786	493,321	478,082	463,756	552,781	563,479	526,136	488,394
Total pension liability - ending	\$ 592,065	\$ 579,965	\$ 555,947	\$ 495,786	\$ 493,321	\$ 478,082	\$ 463,756	\$ 552,781	\$ 563,479	\$ 526,136
Plan Fiduciary Net Position										
Contributions - RTD	\$ 20,264	\$ 176,239	\$ 19,498	\$ 22,454	\$ 21,345	\$ 20,163	\$ 13,168	\$ 12,128	\$ 11,542	\$ 10,758
Contributions - employees	6,810	5,659	4,020	4,070	5,052	4,627	4,389	4,069	3,868	3,586
Net investment income	48,283	(44,130)	39,268	35,313	40,540	(8,837)	28,983	11,855	(1,829)	11,779
Benefit payments, including lump sum distributions	(34,719)	(33,047)	(32,386)	(31,573)	(29,731)	(28,417)	(27,233)	(26,133)	(25,439)	(24,312)
Administrative expenses	(441)	(544)	(444)	(333)	(397)	(391)	(411)	(364)	(391)	(355)
Net change in plan fiduciary net position	40,198	104,176	29,956	29,931	36,809	(12,855)	18,896	1,555	(12,249)	1,456
Plan fiduciary net position - beginning	410,683	306,507	276,551	246,620	209,811	222,666	203,770	202,215	214,464	213,008
Plan fiduciary net position - ending	\$ 450,882	\$ 410,683	\$ 306,507	\$ 276,551	\$ 246,620	\$ 209,811	\$ 222,666	\$ 203,770	\$ 202,215	\$ 214,464
Plan's net pension liability - ending	\$ 141,183	\$ 169,282	\$ 249,439	\$ 219,235	\$ 246,701	\$ 268,271	\$ 241,090	\$ 349,011	\$ 361,264	\$ 311,672
Plan fiduciary net position as a percentage of the total pension liability	76.15%	70.81%	55.13%	55.78%	49.99%	43.89%	48.01%	35.86%	35.89%	40.76%
Covered payroll	\$ 127,009	\$ 123,493	\$ 99,609	\$ 108,766	\$ 107,888	\$ 103,646	\$ 103,729	\$ 94,802	\$ 82,994	\$ 84,774
Net pension liability as a percentage of covered payroll	111.16%	137.08%	250.42%	201.57%	228.66%	258.83%	232.42%	368.15%	435.29%	367.65%



Notes to Schedule

Changes in Assumptions

Assumption changes for the Fiscal Year Ending December 31, 2015 (December 31, 2014 measurement date, January 1, 2014 actuarial valuation date): Assumption changes were the result of an increase in the Total Pension Liability due to the impact of the change in the Single Discount Rate from 5.68 percent to 5.00 percent as well as a change in the retirement rates first reflected in the January 1, 2015 funding valuation. This change in assumptions was measured at the end of the year.

Assumption changes for the Fiscal Year Ending December 31, 2016 (December 31, 2016 measurement date, January 1, 2016 actuarial valuation date): Assumption changes were a result of a change in the Single Discount Rate changing from 5.00 to 4.54, measured at the end of the year.

Assumption changes for the Fiscal Year Ending December 31, 2017 (December 31, 2016 measurement date, January 1, 2016 actuarial valuation date): Assumption changes were a result of the update of mortality assumptions to RP-2014 blue-collar tables published by the Society of Actuaries with project scale MP-2017. This change increased the liabilities by 2.113 million.

Assumption changes for the Fiscal Year Ending December 31, 2018 (December 31, 2017 measurement date, January 1, 2017 actuarial valuation date): Assumption changes were the result of the initiation of employer contributions of \$6,200.

Assumption changes for the Fiscal Year Ending December 31, 2021 (December 31, 2020 measurement date, January 1, 2021 actuarial valuation date): Assumption changes were the result of the employer contribution amount to be determined during collective bargaining.

Assumption changes for the Fiscal Year Ending December 31, 2022 (December 31, 2021 measurement date, January 1, 2022 actuarial valuation date): Assumption changes were the result of the change in the Single Discount rate from 7.00 to 6.5%

Assumption changes for the Fiscal Year Ending December 31, 2023 (December 31, 2022 measurement date, January 1, 2023 actuarial valuation date): None.

Assumption changes for the Fiscal Year Ending December 31, 2024 (December 31, 2023 measurement date, January 1, 2024 actuarial valuation date): None.

REGIONAL TRANSPORTATION DISTRICT
Required Supplementary Information
December 31, 2024 and 2023 (Dollars in Thousands)



Age	Rate	Age	Rate
55	5.00%	55	5.00%
56-59	10.00%	56-61	10.00%
60	25.00%	62	25.00%
61	10.00%	63-64	15.00%
62	25.00%	65-69	40.00%
63-64	15.00%	70 or older	100.00%
65-69	40.00%		
70-71	50.00%		
70 or older	100.00%		

Vested inactive participants are assumed to retire at age 65

(Prior to January 1, 2022: Vested inactive participants were assumed to retire at age 64.)

RP-2014 mortality tables for healthy employees and annuitants (adjusted to 2006) and projected to 2022 using the MP-2017 mortality improvement scale

Disabled Participants : RP-2014 Disabled Retiree Tables

RP-2014 mortality tables for healthy employees and annuitants (adjusted to 2006) and projected to 2022 using the MP-2017 mortality improvement scale, blended 70% male/30% female for participants and 30% male/70% female for beneficiaries

Mortality (annuities):

Mortality (lump sums):

Other:

401(a) compensation and 415 limits are assumed to increase with inflation

Turnover: 0.00% - 9.93% based on age

Disablement: 0.02% - 0.41%, age based, (Prior to January 1, 2022: 0.03-0.81%, age-based.)

Expenses: \$182 per year payable monthly, with a 2% annual increase thereafter

Marital Status: Effective January 1, 2022: 50% male / 25% female, female spouses 3 years younger. (Prior to January 1, 2022: 60% Male/30% female,

Form of Benefit (active retirements): 25% Lump Sum, 75% Annuity

REGIONAL TRANSPORTATION DISTRICT
Required Supplementary Information
December 31, 2024 and 2023 (Dollars in Thousands)



PENSION PLANS SUMMARY

As of December 31,

Schedule of Changes in the Plan's Net Pension Liability and Related Ratios - Multiyear

Last 10 Fiscal Years*

(in thousands)

RTD Salaried Pension Plan

Fiscal period ending December 31,

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total Pension Liability										
Service cost	\$ 2,077	\$ 2,024	\$ 2,394	\$ 2,828	\$ 3,066	\$ 3,000	\$ 3,201	\$ 3,587	\$ 3,342	\$ 2,673
Interest	12,808	12,545	12,674	12,436	12,412	12,624	12,351	11,371	10,388	9,366
Changes to benefit terms			-	-	-	-	-	-	-	-
Differences between expected and actual experience	7,762	2,516	(1,146)	2,486	(2,605)	(1,981)	(816)	6,716	3,869	2,228
Assumption changes	7,756	1,284	-	-	-	7,844	-	-	3,601	6,997
Benefit payments, including lump sum distributions	(14,485)	(14,842)	(15,937)	(11,899)	(12,671)	(12,465)	(9,339)	(7,092)	(9,582)	(7,034)
Net change in total pension liability	15,917	3,526	(2,015)	5,851	202	9,022	5,397	14,582	11,618	14,230
Total pension liability - beginning	188,136	184,609	186,625	180,774	180,572	171,550	166,153	151,571	139,953	125,723
Total pension liability - ending	<u>\$ 204,053</u>	<u>\$ 188,136</u>	<u>\$ 184,609</u>	<u>\$ 186,625</u>	<u>\$ 180,774</u>	<u>\$ 180,572</u>	<u>\$ 171,550</u>	<u>\$ 166,153</u>	<u>\$ 151,571</u>	<u>\$ 139,953</u>
Plan Fiduciary Net Position										
Contributions - RTD	\$ 15,000	\$ 8,400	\$ 6,100	\$ 6,100	\$ 5,100	\$ 5,100	\$ 4,600	\$ 4,100	\$ 3,100	\$ 3,100
Contributions - employees		-	-	-	-	-	-	-	-	-
Net investment income	13,797	(18,255)	19,230	8,991	20,778	(7,143)	18,322	11,337	(610)	9,078
Benefit payments, including lump sum distributions	(14,485)	(14,842)	(15,937)	(11,899)	(12,671)	(12,465)	(9,339)	(7,092)	(9,582)	(7,034)
Administrative expenses	(188)	(170)	(160)	(216)	(189)	(188)	(177)	(166)	(141)	(127)
Net change in plan fiduciary net position	14,124	(24,867)	9,232	2,976	13,018	(14,696)	13,406	8,179	(7,233)	5,017
Plan fiduciary net position - beginning	130,025	154,892	145,660	142,684	129,666	144,362	130,956	122,777	130,010	124,993
Plan fiduciary net position - ending	<u>\$ 144,150</u>	<u>\$ 130,025</u>	<u>\$ 154,892</u>	<u>\$ 145,660</u>	<u>\$ 142,684</u>	<u>\$ 129,666</u>	<u>\$ 144,362</u>	<u>\$ 130,956</u>	<u>\$ 122,777</u>	<u>\$ 130,010</u>
Plan's net pension liability - ending	<u>\$ 59,903</u>	<u>\$ 58,110</u>	<u>\$ 29,717</u>	<u>\$ 40,965</u>	<u>\$ 38,090</u>	<u>\$ 50,906</u>	<u>\$ 27,188</u>	<u>\$ 35,197</u>	<u>\$ 28,794</u>	<u>\$ 9,943</u>
Plan fiduciary net position as a percentage of the Covered payroll	70.64%	69.11%	83.90%	78.05%	78.93%	71.81%	84.15%	78.82%	81.00%	92.90%
Net pension liability as a percentage of covered payroll	\$ 16,547	\$ 18,604	\$ 19,450	\$ 21,336	\$ 23,631	\$ 26,460	\$ 27,619	\$ 30,378	\$ 31,257	\$ 30,880
	362.01%	312.35%	152.79%	191.99%	161.19%	192.39%	98.44%	115.86%	92.12%	32.20%

Note: In 2019, the assumed investment rate of return was reduced from 7.5% to 7.0%

REGIONAL TRANSPORTATION DISTRICT
Required Supplementary Information
December 31, 2024 and 2023 (Dollars in Thousands)



Notes to schedule:

Measurement Period: January 1, 2023-December 31, 2023 for the Fiscal Year Ending December 31, 2024 (one-year lookback election).

Assumption changes for the Fiscal Year Ending December 31, 2023 (December 31, 2022 measurement date, January 1, 2022 valuation date): Effective with the January 1, 2022 valuation, the retirement, disability, salary scale, and marriage/J&S elections assumptions were updated to more closely reflect recent plan experience based on the results of an experience study for the period from January 1, 2018 through December 31, 2021 (described in the Notes to Schedule).

Assumption changes for the Fiscal Year ending December 31, 2019 (December 31, 2018 measurement date, January 1, 2019 actuarial valuation date): Effective with the January 1, 2019 valuation, the operating expense assumption was increased from \$135,000 per year, payable monthly, to \$140,000 per year payable monthly with a 2% annual increase thereafter (described in the Notes to the Schedule).

Assumption changes for the Fiscal year Ending December 31, 2016 (December 31, 2015 measurement date, January 1, 2016 actuarial valuation date): the amount reported as Assumption Changes resulted from a change in the salary increase assumption (average weighted salary increase changed from 4.00% to 5.00%). This change is expected to be more reflective of future plan experience.

Assumption changes for the Fiscal year Ending December 31, 2015 (December 31, 2014 measurement date, January 1, 2015 actuarial valuation date): the amount reported as Assumption Changes resulted from a change in the salary increase assumption (average weighted salary increase changed from 3.75% to 4.00%). This change is expected to be more reflective of future plan experience.

Changes to Benefit Terms for the Fiscal Year ending December 31, 2020 (December 31, 2019 measurement date, January 1, 2019 actuarial valuation date): None

Changes to benefit terms for the fiscal year ending December 31, 2021 (December 31, 2020 measurement date, January 1, 2020 actuarial valuation date): None

Changes to benefit terms for the fiscal year ending December 31, 2022 (December 31, 2021 measurement date, January 1, 2021 actuarial valuation date): None

Assumption changes for the Fiscal Year Ending December 31, 2022 (December 31, 2021 measurement date, January 1 2021 valuation date): Effective with the January 1, 2021 valuation, the operating expense assumption was increased from \$142,800 per year, payable monthly, with a 2% annual increase thereafter to \$175,000 per year, with a 2% annual increase thereafter.

Changes to Benefit Terms for the Fiscal Year Ending December 31, 2023 (December 31, 2022 measurement date, January 1, 2022 valuation date): None

Assumption changes for the Fiscal Year Ending December 31, 2024 (December 31, 2023 measurement date, January 1 2023 valuation date): Effective with the January 1, 2023 valuation, the Board approved a change in salary scale assumption to reflect a flat 6.00 percent annual salary increase beginning with the 2023 plan year.

Changes to Benefit Terms for the Fiscal Year Ending December 31, 2024 (December 31, 2023 measurement date, January 1, 2023 valuation date): None



SUPPLEMENTARY INFORMATION

REGIONAL TRANSPORTATION DISTRICT
Supplementary Information
December 31, 2024 and 2023 (Dollars in Thousands)



REGIONAL TRANSPORTATION DISTRICT
SCHEDULE OF EXPENSE AND REVENUE
BUDGET AND ACTUAL - BUDGETARY BASIS
Year Ended December 31, 2024
(In Thousands)

	Adopted Budget Budget (Unaudited)	Actual	Variance
Operating revenue			
Passenger fares	\$ 63,930	\$ 63,906	\$ (24)
Other	8,400	1,532	(6,868)
Total operating revenue	<u>72,330</u>	<u>65,438</u>	<u>(6,892)</u>
Operating expenses			
Salaries and wages	211,802	280,643	(68,841)
Fringe benefits	141,201	121,666	19,535
Materials and supplies	61,569	61,007	562
Services	326,907	145,525	181,382
Utilities	21,944	18,070	3,874
Insurance	15,200	14,648	552
Purchased transportation	261,611	257,402	4,209
Leases and rentals	5,239	2,929	2,310
Miscellaneous	(4,624)	5,723	(10,347)
Total operating expenses	<u>1,040,849</u>	<u>907,613</u>	<u>133,236</u>
Operating loss	<u>(968,519)</u>	<u>(842,175)</u>	<u>126,344</u>
Nonoperating revenue (expenses)			
Sales and use tax	932,541	857,411	(75,130)
Grant operating assistance	154,240	52,951	(101,289)
Investment income	30,000	57,710	27,710
Other income		19,040	19,040
Gain/loss on capital assets	-	635	635
Interest expense	(138,457)	(131,050)	7,407
Total nonoperating revenue (expenses)	<u>978,324</u>	<u>856,697</u>	<u>(121,627)</u>
Proceeds from debt	<u>-</u>	<u>100,825</u>	<u>100,825</u>
Capital outlay			
Capital expenses	185,460	54,695	(130,765)
Less capital grants	(156,426)	(28,395)	128,031
	<u>29,034</u>	<u>26,300</u>	<u>(2,734)</u>
Long-term debt principal payment	<u>(84,827)</u>	<u>(164,886)</u>	<u>(80,059)</u>
Excess (deficiency) of revenue and nonoperating income over (under) expenses, capital outlays and debt principal payments	<u>\$ (104,056)</u>	<u>(75,839)</u>	<u>\$ 28,217</u>
Increases (decreases) to reconcile budget basis to GAAP basis			
Capital expenses		54,695	
Proceeds from debt		(100,825)	
Long-term debt principal payment		164,886	
Depreciation		(324,958)	
(Decrease) IN NET POSITION		<u>\$ (282,041)</u>	



REGIONAL TRANSPORTATION DISTRICT
STATEMENT OF NET POSITION - FIDUCIARY FUNDS

As of December 31,
(In Thousands)

	Section 401(a)	Salaried Pension Plan	2024	Section 401(a)	Salaried Pension Plan	2023
Assets						
Cash and cash equivalents	\$ 15	\$ 2,482	\$ 2,497	\$ 117	\$ 3,240	\$ 3,358
Investments						
Equities		8,598	8,598		14,965	\$ 14,965
Common collective trusts		92,620	92,620		93,997	\$ 93,997
Defensive equity funds		12,812	12,812		7,273	\$ 7,273
Private credit funds		5,012	5,012		-	\$ -
Real Estate Investment Trusts		14,864	14,864		17,229	\$ 17,229
Mutual Funds	65,876	20,354	86,230	54,323	7,448	\$ 61,771
Total Investments	65,876	154,260	220,136	54,323	140,912	195,235
Receivables						
Accrued interest receivable	-	23	23		34	34
Other receivables	-		-	1		1
Total assets	65,891	156,765	222,656	54,441	144,187	198,628
Liabilities						
Accounts payable	-	50	50	-	38	38
Total liabilities	-	50	50	-	38	38



REGIONAL TRANSPORTATION DISTRICT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

Years ended December 31,
(In Thousands)

	Section 401(a) Retirement Plan	Salaried Pension Plan	2024	Section 401(a) Retirement Plan	Salaried Pension Plan	2023
Additions						
Contributions	\$ 9,272	\$ 15,000	\$ 24,272	\$ 7,813	\$ 15,000	\$ 22,813
Forfeitures	441	-	441	519	-	519
Investment income and change in value	7,022	15,193	22,215	7,549	14,108	21,658
Investment expenses	(25)	(381)	(406)	(39)	(311)	(350)
Total additions	16,710	29,812	46,522	15,842	28,797	44,640
Deductions						
Distributions and benefits paid	5,183	17,015	22,198	3,742	14,485	18,227
Administrative expenses	77	231	308	291	189	480
Total deductions	5,260	17,246	22,506	4,033	14,673	18,707
Increase in net position	11,450	12,566	24,016	11,810	14,124	25,933
Net position, beginning of year	54,441	144,149	198,590	42,631	130,025	172,656
Net position, end of year	\$ 65,891	\$ 156,715	\$ 222,606	\$ 54,441	\$ 144,149	\$ 198,590

STATISTICAL SECTION

This part of the RTD's Annual Comprehensive Financial Report presents detailed information as a context for understanding the information in the financial statements, note disclosure, and required supplementary information.

Contents

	Page
Financial Trends	112-114
<p>These tables contain trend information to help the reader understand how RTD's financial performance and well-being have changed over time.</p>	
Revenue Capacity	115
<p>These tables contain information to help the reader assess RTD's most significant revenue source.</p>	
Debt Capacity	116-117
<p>These tables contain information to help the reader assess the affordability of RTD's current levels of outstanding debt and the ability to issue additional debt in the future.</p>	
Demographic and Operating Information	118
<p>These tables contain service and infrastructure data to help the reader understand how the information in the financial report relates to service that RTD provides and the activities it performs. The demographic and economic indicators help the reader understand the environment within which financial activities take place.</p>	

REGIONAL TRANSPORTATION DISTRICT
Statistical Information (Unaudited)
December 31, 2024 and 2023 (Dollars in Thousands)



REGIONAL TRANSPORTATION DISTRICT
NET POSITION BY COMPONENT¹ (In Thousands)

Table 1

	2024	2023 ³	2022 ³	2021	2020	2019	2018	2017	2016	2015
Net Investment in Capital										
Assets (Note I)	\$ 2,148,723	\$ 2,316,267	\$ 2,427,540	\$ 2,551,814	\$ 2,813,989	\$ 2,987,538	\$ 3,144,175	\$ 3,135,186	\$ 3,119,274	\$ 2,936,397
Restricted (Note I)										
Emergencies	37,567	29,837	28,995	25,623	26,861	25,940	24,079	25,735	21,609	20,284
Debt and other	636,972	664,421	621,212	632,814	519,978	488,810	502,558	475,792	395,948	304,667
Total restricted net position ²	674,539	694,258	650,207	658,437	546,839	514,750	526,637	501,527	417,557	324,951
Unrestricted net position (note H)	462,820	557,598	469,792	252,166	1,165	(165,410)	(207,306)	(223,204)	(214,479)	(84,409)
Total net position	<u>\$ 3,286,082</u>	<u>\$ 3,568,123</u>	<u>\$ 3,547,539</u>	<u>\$ 3,462,417</u>	<u>\$ 3,361,993</u>	<u>\$ 3,336,878</u>	<u>\$ 3,463,506</u>	<u>\$ 3,413,509</u>	<u>\$ 3,322,352</u>	<u>\$ 3,176,938</u>

¹ Data is taken from the financial records of RTD and is presented on the accrual basis.

² Restricted net position for 2016 and 2015 has been restated by category.

³ Years 2022 and 2023 have been restated to reflect the impact of GASB 101 implementation.

、
、

REGIONAL TRANSPORTATION DISTRICT
Statistical Information (Unaudited)
December 31, 2024 and 2023 (Dollars in Thousands)



REGIONAL TRANSPORTATION DISTRICT
SUMMARY OF STATEMENTS OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
(In Thousands)

Table 2

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Operating revenues:										
Passenger fares	\$ 63,906	\$ 63,534	\$ 75,292	\$ 78,923	\$ 76,265	\$ 154,390	\$ 143,231	\$ 140,217	\$ 134,622	\$ 120,497
Other	1,532	1,519	2,707	4,197	6,183	6,553	7,535	7,159	5,803	5,347
Total operating revenues	65,438	65,053	77,999	83,120	82,448	160,943	150,766	147,376	140,425	125,844
Operating expenses:										
Salaries, wages, fringe benefits	402,309	363,101	332,539	246,125	248,595	251,074	236,892	263,977	260,039	227,207
Materials and supplies	61,007	53,529	43,820	39,663	42,108	54,983	51,335	44,686	52,180	58,884
Services	145,525	97,340	82,633	74,500	84,673	96,085	81,189	77,323	58,560	79,749
Utilities	18,070	19,543	18,434	17,512	16,206	17,823	16,419	16,503	14,220	13,673
Insurance	14,648	14,148	13,221	10,104	10,186	10,833	9,941	13,319	10,382	8,102
Purchased transportation	257,402	223,349	196,016	174,747	203,964	203,559	176,416	159,051	156,605	113,216
Leases and rentals	2,929	2,492	1,540	3,202	3,397	3,204	1,996	2,829	3,288	3,462
Miscellaneous	5,723	4,398	3,263	2,213	2,546	5,053	4,317	4,213	4,183	4,531
Total operating expenses	907,613	777,900	691,466	568,066	611,675	642,614	578,505	581,901	559,457	508,824
Operating loss before depreciation	(842,175)	(712,847)	(613,467)	(484,946)	(529,227)	(481,671)	(427,739)	(419,032)	(382,947)	(382,980)
Depreciation	324,958	339,870	358,207	340,558	339,833	355,417	285,653	248,633	222,154	152,531
Operating loss	(1,167,133)	(1,052,717)	(971,674)	(825,504)	(869,060)	(837,088)	(713,392)	(667,665)	(605,101)	(535,511)
Nonoperating income (expense):										
Sales and use tax revenues	857,411	858,133	855,146	756,974	632,665	659,418	634,192	598,187	563,598	541,518
Grant operating assistance	52,951	234,488	307,042	299,052	316,848	86,263	86,403	80,412	77,335	73,383
Interest income	57,710	58,111	(1,004)	2,401	8,965	17,669	13,409	63,030	6,371	3,164
Other income	19,040	18,990	34,370	11,596	10,397	26,582	12,618	10,596	9,927	10,322
Gain/Loss on capital assets	635	(17,036)	(5,121)	(6,787)	(3,822)	(2,452)	(1,449)	4,022	5,664	1,085
Interest expense	(131,050)	(134,609)	(138,337)	(154,096)	(167,055)	(200,845)	(62,770)	(65,346)	(77,272)	(79,686)
Other expense/unrealized loss assets	-	-	-	-	-	(672)	(16)	(2,981)	(1,258)	(1,422)
Total nonoperating income	856,697	1,018,078	1,052,096	909,140	797,998	585,963	682,387	687,920	584,365	548,364
Net income before capital grants and local contributions	(310,436)	(34,639)	80,422	83,636	(71,062)	(251,125)	(31,005)	20,255	(56,821)	12,886
Capital grants and local contributions	28,395	53,681	15,646	17,169	96,177	124,497	81,002	86,395	202,235	169,313
Increase in net position	(282,041)	19,042	96,068	100,805	25,115	(126,628)	49,997	91,157	145,414	182,199
Net position, beginning of year, (as previously reported)	3,568,123	3,549,018	3,462,416	3,361,993	3,336,878	3,463,506	3,413,509	3,322,352	3,176,938	3,181,074
Change in accounting principle, (note A)		63	(9,466)	(382)						(186,335)
Net position, beginning of year, (as restated)		3,549,081	3,452,950	3,361,611						2,994,739
Prior period adjustment										
Net position at end of year	\$ 3,286,082	\$ 3,568,123	\$ 3,549,018	\$ 3,462,416	\$ 3,361,993	\$ 3,336,878	\$ 3,463,506	\$ 3,413,509	\$ 3,322,352	\$ 3,176,938



REGIONAL TRANSPORTATION DISTRICT
OPERATING AND OTHER EXPENSES AND CAPITAL OUTLAYS¹

Table 3

10 Years (Unaudited)
(In Thousands)

Year	Operating Expenses	Depreciation	Interest Expense	Other Nonoperating Expenses	Capital Outlays ²	Total
2015	508,824	152,531	79,686	1,422	870,055	1,612,518
2016	559,457	222,154	77,272	1,258	693,159	1,553,300
2017	581,901	248,633	65,346	2,981	451,245	1,350,106
2018	578,505	285,653	62,770	1,465	335,080	1,263,473
2019	641,614	355,417	200,845		350,221	1,548,097
2020	611,675	339,833	167,055			1,118,563
2021	566,241	343,167	154,096		30,259	1,093,763
2022	691,466	358,207	138,337		17,786	1,205,796
2023	777,836	339,870	134,609	-	97,895	1,350,209
2024	907,613	324,958	131,050	-	54,695	1,418,315

¹ Data is taken from the financial records of RTD and is presented on the accrual basis.

² Prior to 2020, RTD capitalized certain interest costs, which are included in capital outlays.

REGIONAL TRANSPORTATION DISTRICT
Statistical Information (Unaudited)
December 31, 2024 and 2023 (Dollars in Thousands)



REGIONAL TRANSPORTATION DISTRICT
REVENUE BY SOURCE¹

Table 4

10 Years (Unaudited)
(In Thousands)

Year	Operating Revenues	Sales/Use Tax	Grant Operating Assistance	Interest Income	Other	Total Revenue	Capital Grants	Local Contributions	Total Revenue and Capital Grant & Contributions
2015	125,877	541,518	73,383	3,164	11,407	755,349	157,616	11,697	924,662
2016	140,525	563,598	77,335	6,371	15,591	803,420	185,324	16,911	1,005,655
2017	147,376	598,187	80,412	63,030	14,618	903,623	75,500	10,895	990,018
2018	150,766	634,192	86,403	13,409	12,618	897,388	52,229	28,773	978,390
2019	160,943	659,418	86,263	17,669	26,582	950,875	116,303	8,194	1,075,372
2020	82,448	632,665	316,848	8,965	10,397	1,051,323	66,215	29,962	1,147,500
2021	83,120	756,974	299,052	2,401	11,998	1,153,545	15,739	1,430	1,170,714
2022	77,999	855,146	307,042	(1,004)	34,370	1,273,553	12,490	3,156	1,289,199
2023	65,053	858,133	234,488	58,111	18,990	1,234,775	39,216	14,465	1,288,456
2024	65,438	857,411	52,951	57,710	19,676	1,053,185	13,930	14,465	1,081,580

¹ Data is taken from the financial records of RTD and is presented on the accrual basis.



REGIONAL TRANSPORTATION DISTRICT
DEBT COVERAGE RATIOS¹
(In Thousands)

Table 5

10 YEARS

	Sales Tax Bond Debt Service Requirements			Sales Tax Collections	Coverage Ratio
	Interest	Principal	Total		
2015	84,101	26,438	110,539	541,518	4.90
2016	83,490	27,043	110,533	563,598	5.10
2017	89,033	25,364	114,397	598,187	5.23
2018	86,542	26,235	112,777	634,192	5.62
2019	85,662	18,715	104,377	659,418	6.32
2020	83,292	19,475	102,767	632,665	6.16
2021	73,961	14,795	88,756	756,974	8.53
2022	82,920	16,195	99,115	855,146	8.63
2023	90,615	21,130	111,745	858,133	7.68
2024	94,462	22,410	116,872	857,411	7.34

Certificate of Participation Debt Service Requirements

	Interest	Principal	Total
2015	57,226	27,910	85,136
2016	62,373	34,655	97,028
2017	56,071	32,702	88,773
2018	53,669	38,465	92,134
2019	51,941	48,620	100,561
2020	47,953	58,653	106,606
2021	45,335	62,301	107,636
2022	32,525	60,873	93,398
2023	20,538	50,863	71,401
2024	15,349	46,728	62,077



REGIONAL TRANSPORTATION DISTRICT
DEBT SERVICE COVERAGE RATIOS (Continued)¹
(In Thousands)

Table 5

	Total Debt Service Requirements			Total Revenue	Coverage Ratio
	Interest	Principal	Total		
2015	141,327	54,348	195,675	924,662	4.73
2016	145,863	61,698	207,561	1,005,655	4.85
2017	145,104	58,066	203,170	990,018	4.87
2018	140,211	64,700	204,911	978,390	4.77
2019	137,603	67,335	204,938	1,075,372	5.25
2020	131,245	78,128	209,373	1,147,500	5.48
2021	119,296	77,096	196,392	1,170,714	5.96
2022	115,445	77,068	192,513	1,289,199	6.70
2023	111,153	71,993	183,146	1,288,456	7.04
2024	109,812	69,138	178,950	1,081,580	6.04

¹ Source: The financial records of RTD and the Official Statements of the respective debt issues.

REGIONAL TRANSPORTATION DISTRICT
Statistical Information (Unaudited)
December 31, 2024 and 2023 (Dollars in Thousands)



REGIONAL TRANSPORTATION DISTRICT
DEMOGRAPHIC AND OPERATING DATA

Table 6

Last Ten Years (Unaudited)

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
January 1 population within RTD service area ¹	3,098,000	3,098,000	3,098,000	3,098,000	3,080,000	3,090,000	3,080,000	2,920,000	2,920,000	2,870,000
Cities and towns served	40	40	40	40	40	40	40	40	40	40
Square miles in service area	2,342	2,342	2,342	2,342	2,342	2,342	2,342	2,342	2,342	2,340
Total service miles		47,932,575	60,532,485	37,337,138	35,550,924	64,369,963	59,239,576	49,348,647	44,368,116	47,575,444
Passenger stops	9,720	9,720	9,720	9,720	9,750	9,800	9,800	9,077	9,077	9,566
Number of fixed routes	112	137	137	134	134	169	169	172	172	137
Local	85	107	107	99	89	124	124	132	132	86
Express				-	-	-	-	-	-	15
Regional	12	17	17	17	23	23	23	16	16	20
Skyride	5	3	3	2	3	3	3	3	3	5
Limited	10	10	10	10	14	14	14	16	16	18
Miscellaneous				6	5	5	5	5	5	8
Average weekday ridership	200,998	195,501	187,529	145,998	164,886	345,299	321,891	326,413	331,580	338,363
Total Annual Boardings	65,232,661	65,175,290	61,602,568	49,029,218	52,616,640	105,823,892	105,388,415	106,849,922	101,322,384	102,991,663
Total Revenue Boardings	63,550,790	63,422,065	57,802,831	45,604,684	48,877,655	93,982,340	94,033,303	87,822,890	82,019,742	88,973,903
Average weekday miles operated	135,495	118,971	115,142	117,620	135,495	176,356	141,621	142,489	136,677	131,221
Fare revenue as a % of operating expenses	5.20%	5.70%	7.30%	8.50%	8.00%	15.50%	16.60%	16.90%	17.20%	18.20%
Operating cost per rider	\$ 18.30	\$ 17.15	\$ 17.04	\$ 18.53	\$ 18.08	\$ 9.43	\$ 8.20	\$ 7.77	\$ 7.71	\$ 6.42
Diesel fuel consumption, gallons ⁴	4,177,353	3,922,027	3,374,838	3,376,453	4,032,532	5,178,712	5,238,000	5,550,000	5,550,000	5,550,000
Total active buses	972	1,019	1,035	1,034	1,026	1,030	1,026	1,023	1,023	1,021
Wheelchair lift equipped buses	972	1,019	1,035	1,034	1,026	1,030	1,026	1,023	1,023	1,021
Number of employees ²										
Salaried	1,045	998	869	785	923	870	870	817	779	779
Represented (includes part-time)	2,015	1,817	1,739	1,722	2,063	2,018	2,018	1,962	2,034	1,955
Operating facilities ⁴	8	8	8	8	8	7	7	7	7	7

¹ Source: Population is based on estimates provided by the Denver Regional Council of Governments. All other data comes from the financial records of RTD.

² Excludes purchased transportation services.



Debt Disclosure Tables for 2024 ACFR

ACFR Table	Table Title
7	Mid-Term Financial Plan
8	RTD Statement of Debt
9	RTD Annual Ridership and Fare Revenue
10	RTD Advertising and Ancillary Revenues
11	RTD Federal Grant Receipts
12	Five-Year Summary of Revenue/Expense Statements
13	Five-Year Summary of Budget/Actuals
14	RTD 2022 and 2023 Budget
15	Trip Fares
16	RTD Net Retail Sales

REGIONAL TRANSPORTATION DISTRICT
Debt Disclosures (Unaudited)
December 31, 2024 and 2023 (Dollars in Thousands)



REGIONAL TRANSPORTATION DISTRICT
2025-2029 FIVE YEAR FINANCIAL FORECAST (In Thousands)

Table 7

Modified Accrual Basis	2025	2026	2027	2028	2029	Total
Operating revenue	\$ 57,165	\$ 58,613	\$ 59,559	\$ 60,711	\$ 61,891	\$ 297,939
Sales and use tax revenue	930,580	968,755	1,005,174	1,043,297	1,090,105	\$ 5,037,911
Grant revenue	160,650	163,980	172,940	177,933	173,500	\$ 849,003
Other Income	44,400	33,400	25,400	19,400	19,400	\$ 142,000
Total revenue	1,192,794	1,224,748	1,263,073	1,301,341	1,344,896	6,326,853
Operating expenses (excluding depreciation)	913,925	909,567	946,571	988,437	1,033,457	\$ 4,791,957
Capital expenditures and state of good repair	35,704	52,081	207,168	50,323	51,737	\$ 397,013
Debt service	229,427	251,797	277,809	264,057	261,945	\$ 1,285,035
Total expenditures	1,179,056	1,213,445	1,431,548	1,302,817	1,347,139	6,474,005
Net sources/(uses) of funds	13,738	11,303	(168,475)	(1,476)	(2,243)	(147,152)
Contributions to/(use) of reserves	97,833	44,425	13,140	84,703	32,289	272,390
Remaining funds	\$ 1,007,608	\$ 1,018,910	\$ 850,439	\$ 848,964	\$ 848,064	\$ 848,064



REGIONAL TRANSPORTATION DISTRICT
STATEMENT OF DEBT
as of December 31, 2024

Table 8

Direct Borrowings/Placements:	Outstanding ²
2017A JPM Lease Purchase Agreement Refunding	31,883
RTD Sales FasTracks Tax Revenue Bonds, Series 2022AB	293,980
	\$ 325,863
Sales Tax Bonds	
RTD Sales Tax Revenue Refunding Bonds, Series 2007 ¹ - FasTracks	\$ 240,588
RTD Sales Tax Revenue Refunding Bonds, Series 2007 ¹	-
RTD Sales FasTracks Tax Revenue Bonds, Series 2010B ¹	300,000
RTD Sales FasTracks Tax Revenue Bonds, Series 2013A ¹	227,927
RTD Sales FasTracks Tax Revenue Bonds, Series 2016A ¹	220,568
RTD Sales FasTracks Tax Revenue Bonds, Series 2017A ¹	74,350
RTD Sales FasTracks Tax Revenue Bonds, Series 2017B ¹	132,825
RTD Sales FasTracks Tax Revenue Bonds, Series 2019A ¹	57,110
RTD Sales FasTracks Tax Revenue Bonds, Series 2021AB ¹	671,341
RTD Sales FasTracks Tax Revenue Bonds, Series 2023A ¹	187,689
Total Sales Tax Revenue Debt	\$ 2,112,398
Lease Purchase Agreements	Outstanding ²
Master Lease Purchase Agreement II Fixed Rate Certificates of Participation, Series 2010B	-
Master Lease Purchase Agreement II Fixed Rate Certificates of Participation, Series 2015A	114,364
Master Lease Purchase Agreement II Fixed Rate Certificates of Participation, Series 2020A	71,775
Master Lease Purchase Agreement II Fixed Rate Certificates of Participation, Series 2023A	29,386
Master Lease Purchase Agreement II Fixed Rate Certificates of Participation, Series 2024A	115,853
Total Certificates of Participation Debt	\$ 331,378
Total Debt	\$ 2,769,639
RTD District Population ³	3,110,000
Per Capita Debt Requirement	\$ 891

¹ The Bond Resolution pursuant to which the RTD Sales Tax Revenue Bonds are issued provides that pledged for the payment of such Bonds are the Sales Tax Revenues and "any additional revenues legally available to RTD which the Board in its discretion may hereafter by Supplemental Resolution pledge to the payment of the Bonds."

² RTD is current on its obligations under all such debt.

³ Population is based on estimates provided by the Denver Regional Council of Governments.

REGIONAL TRANSPORTATION DISTRICT
Debt Disclosures (Unaudited)
December 31, 2024 and 2023 (Dollars in Thousands)



ANNUAL RIDERSHIP AND FARE REVENUE - 2015-2024

Table 9

(In Thousands)

Year	Revenue Boardings ¹	Fare Revenue	Percent Change in Fare Revenue
2015	88,927	120,530	0.0%
2016	88,982	134,622	11.7%
2017	87,823	140,217	4.2%
2018	95,114	143,231	2.1%
2019	95,041	154,390	7.8%
2020	48,878	76,265	-50.6%
2021	48,172	78,923	3.5%
2022	57,803	75,292	-4.6%
2023	63,422	63,534	-15.6%
2024	63,551	63,906	0.6%

¹ Totals include both Access-a-Ride boardings and vanpool boardings.

ADVERTISING AND ANCILLARY REVENUES - 2015-2024

Table 10

(In Thousands)

Year	Advertising Revenue	Ancillary Revenues
2015	4,160	1,186
2016	3,722	2,081
2017	4,280	2,879
2018	4,433	3,102
2019	4,482	2,071
2020	4,484	1,699
2021	1,135	3,062
2022	86	2,621
2023	50	1,469
2024	50	1,482

GRANT RECEIPTS AND LOCAL CONTRIBUTIONS - 2015-2024

Table 11

(In Thousands)

Year	Grant Capital	Local Contributions	Grant Operating Assistance
2015	157,616	11,697	73,383
2016	185,324	16,911	77,335
2017	75,500	10,895	80,412
2018	52,229	28,773	86,403
2019	116,303	8,194	86,263
2020	66,215	29,962	316,848
2021	15,739	1,430	284,604
2022	12,490	3,156	307,042
2023	27,154	14,465	234,488
2024	15,429	12,965	52,951

REGIONAL TRANSPORTATION DISTRICT
Debt Disclosures (Unaudited)
December 31, 2024 and 2023 (Dollars in Thousands)



REGIONAL TRANSPORTATION DISTRICT

FIVE-YEAR SUMMARY OF STATEMENTS OF REVENUES, EXPENSES

Table 12

AND CHANGES IN NET POSITION

(In Thousands)

	Years Ended December 31,				
	2024	2023	2022	2021	2020
Operating revenues:					
Passenger fares	\$ 63,906	\$ 63,534	75,292	78,923	\$ 76,265
Other	1,532	1,519	2,707	4,197	6,183
Total operating revenues	<u>65,438</u>	<u>65,053</u>	<u>77,999</u>	<u>83,120</u>	<u>82,448</u>
Operating expenses:					
Salaries, wages, fringe benefits	402,309	363,101	332,539	246,125	248,595
Materials and supplies	61,007	53,529	43,820	39,569	42,108
Services	145,525	97,340	82,633	74,328	84,673
Utilities	18,070	19,543	18,434	17,512	16,206
Insurance	14,648	14,148	13,221	10,104	10,186
Purchased transportation	257,402	223,349	196,016	174,747	203,964
Leases and rentals	2,929	2,492	1,540	1,643	3,397
Miscellaneous	5,723	4,398	3,263	2,213	2,546
Total operating expenses	<u>907,613</u>	<u>777,900</u>	<u>691,466</u>	<u>566,241</u>	<u>611,675</u>
Operating loss before depreciation	(842,175)	(712,847)	(613,467)	(483,121)	(529,227)
Depreciation	<u>324,958</u>	<u>339,870</u>	<u>358,207</u>	<u>343,167</u>	<u>339,833</u>
Operating loss	(1,167,133)	(1,052,717)	(971,674)	(826,288)	(869,060)
Nonoperating income (expense):					
Sales and use tax revenues	857,411	858,133	855,146	756,974	632,665
Grant operating assistance	52,951	234,488	307,042	299,052	316,848
Interest income	57,710	58,111	(1,004)	2,401	8,965
Other income	19,040	18,990	34,370	11,998	10,397
Gain/Loss on capital assets	635	(17,036)	(5,121)	(6,787)	(3,822)
Interest expense	(131,050)	(134,609)	(138,337)	(154,096)	(167,055)
Other expense/Unrealized Loss	-	-	-	-	-
Total nonoperating income	<u>856,697</u>	<u>1,018,077</u>	<u>1,052,096</u>	<u>909,542</u>	<u>797,998</u>
Net income before capital grants and local contributions	(310,436)	(34,640)	80,422	83,254	(71,062)
Federal capital grants and local contributions	<u>28,395</u>	<u>53,681</u>	<u>15,646</u>	<u>17,169</u>	<u>96,177</u>
(Decrease)/Increase in net position	(282,041)	19,041	96,068	100,423	25,115
Net position, beginning of year	3,568,123	3,549,018	3,462,416	3,361,993	3,336,878
Net position at end of year (as previously reported)	<u>\$ 3,286,082</u>	<u>\$ 3,568,059</u>	<u>\$ 3,558,484</u>	<u>\$ 3,462,416</u>	<u>\$ 3,361,993</u>
Adoption of GASB 101		64	(9,466)		
Net position at end of year	<u>\$ 3,286,082</u>	<u>\$ 3,568,123</u>	<u>\$ 3,549,018</u>	<u>\$ 3,462,416</u>	<u>\$ 3,361,993</u>

REGIONAL TRANSPORTATION DISTRICT
Debt Disclosures (Unaudited)
December 31, 2024 and 2023 (Dollars in Thousands)



REGIONAL TRANSPORTATION DISTRICT
FIVE-YEAR SCHEDULE OF EXPENSES AND REVENUES - BUDGET AND ACTUAL - BUDGETARY BASIS (In Thousands)*

	2024		2023		2022		2021		2020	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
Operating revenues:										
Passenger fares	\$ 63,930	\$ 63,906	\$ 98,180	\$ 63,534	\$ 98,180	\$ 75,292	\$ 88,462	\$ 78,923	\$ 158,116	\$ 76,265
Other	8,400	1,532	8,353	1,519	8,353	2,707	4,805	4,197	6,596	6,183
Total operating revenues	<u>72,330</u>	<u>65,438</u>	<u>106,533</u>	<u>65,053</u>	<u>106,533</u>	<u>77,999</u>	<u>93,267</u>	<u>83,120</u>	<u>164,712</u>	<u>82,448</u>
Operating expenses:										
Salaries, wages, fringe benef	353,003	402,309	350,927	363,101	318,801	343,484	258,338	\$ 246,125	286,691	\$248,595
Materials and supplies	61,569	61,007	53,446	53,529	57,932	43,820	55,562	\$ 39,569	59,563	42,108
Services	326,907	145,525	140,425	97,340	135,628	82,633	146,574	\$ 74,328	119,625	84,673
Utilities	21,944	18,070	19,432	19,543	19,425	18,434	17,482	\$ 17,512	19,685	16,206
Insurance	15,200	14,648	14,700	14,148	12,270	13,221	13,120	\$ 10,104	14,295	10,186
Purchased transportation	261,611	257,402	223,696	223,349	213,746	196,016	207,773	\$ 174,747	225,361	203,964
Leases and rentals	5,239	2,929	3,356	2,492	4,496	1,540	4,555	\$ 1,643	4,303	3,397
Miscellaneous	(4,624)	5,723	10,455	4,398	8,576	3,263	8,773	2,213	10,220	2,546
Total Operating Expenses	<u>1,040,849</u>	<u>907,613</u>	<u>816,437</u>	<u>777,900</u>	<u>770,874</u>	<u>702,411</u>	<u>712,177</u>	<u>566,241</u>	<u>739,743</u>	<u>611,675</u>
Operating loss	(968,519)	(842,175)	(709,904)	(712,847)	(664,341)	(624,412)	(618,910)	(483,121)	(575,031)	(529,227)
Nonoperating revenue (expense):										
Sales and use tax	932,541	857,411	852,827	858,133	768,369	855,146	799,069	756,974	659,417	632,665
Grant operating assistance	154,240	52,951	-	234,488	209,494	307,042	209,494	299,052	209,021	316,848
Interest income	30,000	57,710	-	58,111	-	(1,004)	-	2,401	7,496	8,965
Other income	-	19,040	-	18,990	-	34,370	-	11,998	12,969	10,397
Gain/Loss on capital assets	-	635	-	(17,036)	-	(5,121)	-	(6,787)	-	(3,822)
Interest expense	(138,457)	(131,050)	(140,933)	(134,609)	(147,378)	(138,337)	(153,844)	(154,096)	(170,834)	(167,055)
Other expense/Unrealized lo	-	-	-	-	-	-	-	-	-	-
Total nonoperating revenue	<u>978,324</u>	<u>856,697</u>	<u>711,894</u>	<u>1,018,077</u>	<u>830,485</u>	<u>1,052,096</u>	<u>854,719</u>	<u>909,542</u>	<u>718,069</u>	<u>797,998</u>
Proceeds from issuance of long-term debt	-	100,825	-	214,535	-	320,000	-	834,904	-	-
Capital outlay										
Capital expenses	29,034	54,695	643,828	97,895	575,574	17,786	643,555	30,259	613,324	548,927
Less capital grants	-	(28,395)	-	(53,681)	25,800	(15,646)	-	(17,169)	(218,109)	(231,088)
	<u>29,034</u>	<u>26,300</u>	<u>643,828</u>	<u>44,214</u>	<u>601,374</u>	<u>2,140</u>	<u>643,555</u>	<u>13,090</u>	<u>395,215</u>	<u>317,839</u>
Long-term debt principal payments	<u>(84,827)</u>	<u>(164,886)</u>	<u>87,790</u>	<u>(376,496)</u>	<u>87,790</u>	<u>(527,795)</u>	<u>81,324</u>	<u>(896,843)</u>	<u>88,174</u>	<u>88,174</u>
and nonoperating income over (under) expenses, capital outlay and debt	<u>\$ (104,056)</u>	<u>(75,839)</u>	<u>\$ (729,628)</u>	<u>99,056</u>	<u>\$ (523,020)</u>	<u>217,749</u>	<u>\$ (489,070)</u>	<u>377,572</u>	<u>\$ (340,351)</u>	<u>(137,242)</u>
Increases (decreases) to reconcile budget basis to GAAP basis										
Capital expenditures		54,695		97,895		17,786		30,259		548,927
Long-term debt proceeds		(100,825)		(214,535)		(320,000)		(834,904)		-
Long-term debt principal		164,886		376,496		527,795		896,843		88,174
Depreciation		(324,958)		(339,870)		(358,207)		(340,558)		(339,833)
Net income		<u>\$ (282,041)</u>		<u>\$ 19,042</u>		<u>\$ 85,123</u>		<u>\$ 129,212</u>		<u>\$ 160,026</u>

* RTD's annual budget is prepared on the same basis as that used for accounting except that the budget also includes proceeds of long-term debt and capital grants as revenues, and expenditures include capital outlays and bond principal

REGIONAL TRANSPORTATION DISTRICT
Debt Disclosures (Unaudited)
December 31, 2024 and 2023 (Dollars in Thousands)



REGIONAL TRANSPORTATION DISTRICT

FISCAL YEAR 2024 AND 2025 BUDGET SUMMARY (in thousands)

Table 14

	2024 Adopted Budget	2025 Adopted Budget
Beginning net position	\$ 3,577,526	\$ 3,365,481
Revenues:		
Operating	72,330	65,565
Sales & use taxes	932,541	903,171
Federal and local grants	310,666	347,328
Interest and other income	30,000	36,000
FasTracks - change in debt service reserve		
FasTracks - change in FISA		
Change in capital acquisition reserve		
Financing proceeds	-	-
Contributed capital and other income		
Total Revenues	<u>1,345,537</u>	<u>1,352,064</u>
Expenditures:		
Operating	1,041,189	1,233,611
Interest expense	138,457	144,276
Debt payments	223,284	229,427
Current capital	185,460	36,148
Capital carryforward	232,774	324,998
Total expenditures	<u>1,821,164</u>	<u>1,968,460</u>
Adjustments ¹	<u>171,286</u>	<u>177,708</u>
Ending net position	<u>\$ 3,273,185</u>	<u>\$ 2,926,793</u>
Net position summary:		
Net investment in capital assets	\$ 2,265,421	\$ 2,298,573
Restricted debt service, project related and other ²	516,003	(112,633)
Restricted TABOR fund	37,158	30,142
Restricted FasTracks ³	190,099	190,099
Restricted Board appropriated and capital replacement ⁴	185,000	479,302
Unrestricted fund	190,347	185,583
Ending net position	<u>\$ 3,384,028</u>	<u>\$ 3,071,066</u>

¹ Adjustments reflect cash activity from the Statement of Net Position.

² Funds restricted by bond covenants, other contracts and policy guidelines.

³ Appropriated funds which are available to fund future year expenditures for the FasTracks program.

⁴ Board appropriated funds per policy guidelines and funds designated for capital replacement.

REGIONAL TRANSPORTATION DISTRICT
Debt Disclosures (Unaudited)
December 31, 2024 and 2023 (Dollars in Thousands)



REGIONAL TRANSPORTATION DISTRICT
TRIP FARES

Trip Fares	Standard Fare	Discount Fare (includes Airport) ¹	Youth Fare (19 and under)
<u>Single Trip Fares</u>			
Mall Shuttle and Free Mall Ride	No Cost	No Cost	No Cost
Local	\$ 2.75	\$ 1.35	No Cost
Airport	10.00	1.35	No Cost
<u>Multiple trip fares (10 Ride Ticket Book)</u>			
Local	\$ 27.50	\$ 13.50	No Cost
Airport		13.50	No Cost
<u>Multiple trip fares (Day Pass)</u>			
Local	\$ 5.50	\$ 2.70	No Cost
Airport	10.00	2.70	No Cost
<u>Multiple trip fares (monthly pass)</u>			
Local	\$ 88.00	\$ 27.00	No Cost
Airport	88.00	27.00	No Cost

¹ Discount Fare applies to seniors 65+, individuals with disabilities, Medicare recipients, and customers enrolled in LIVE, RTD's income based fare discount program

² Youth ages 19 and under ride at no cost due to the Zero Fare for Youth program

REGIONAL TRANSPORTATION DISTRICT
RTD NET TAXABLE RETAIL SALES (In Millions)

Table 16

Year	Denver County	Boulder County	Jefferson County	Adams County ¹	Arapahoe County ¹	Douglas County ¹	Broomfield County ¹	Other	Total Taxable Transactions	Percent Annual Increase or Decrease
2014	14,254	4,359	7,013	6,436	9,211	3,318	1,045	-	45,636	2.2%
2015	14,629	4,547	7,505	6,932	9,887	3,575	1,077	1,399	49,551	8.6%
2016	15,251	4,798	7,718	7,301	10,144	3,786	1,055	1,359	51,412	3.8%
2017	16,125	4,924	7,986	8,117	10,481	4,036	1,144	1,886	54,699	6.4%
2018	16,777	5,148	8,585	9,031	10,840	4,191	1,225	1,181	56,978	4.2%
2019	17,901	5,821	9,222	9,542	11,809	4,572	1,409	203	60,479	6.1%
2020	15,075	5,948	9,615	9,783	12,111	4,607	1,447	296	58,882	-2.6%
2021	19,285	7,041	10,479	11,635	13,999	5,543	1,686	961	70,629	20.0%
2022	21,385	7,699	11,304	13,318	15,262	6,082	1,945	246	77,241	9.4%
2023	21,814	7,836	11,370	13,554	15,084	6,143	1,919	272	77,992	1.0%
2024	21,976	7,795	11,489	13,597	15,178	6,197	1,829		78,062	0.1%

¹ Only a portion of each of these counties lies within the District