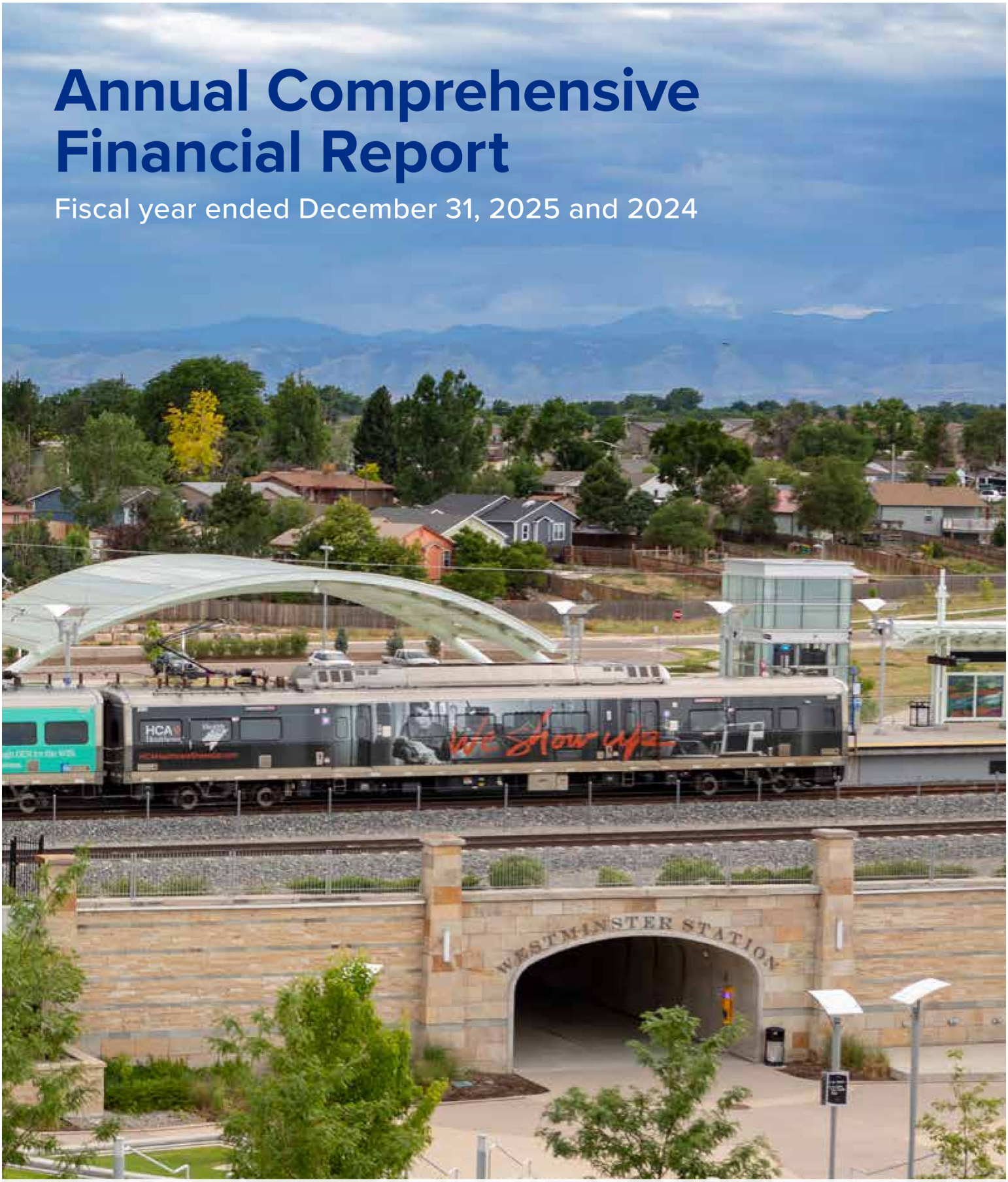
Annual Comprehensive Financial Report

Fiscal year ended December 31, 2025 and 2024



Regional Transportation District | 1660 Blake Street, Denver, Colorado | 303.299.6000 | rtd-denver.com

REGIONAL TRANSPORTATION DISTRICT
DENVER, COLORADO

ANNUAL COMPREHENSIVE FINANCIAL REPORT

Fiscal Year Ended December 31, 2025 and 2024

Prepared by
Finance Department

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May 22, 2026

Chair O'Keefe, 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 (GAAS) by a firm of licensed certified public accountants. Pursuant to that requirement, the Annual Comprehensive Financial Report (ACFR) of the Regional Transportation District (RTD) for the fiscal year ended December 31, 2025, 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 the agency's financial statements in conformity with GAAP. The cost of internal controls should not outweigh the benefits, and the agency'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.

The agency'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 the agency's financial statements for the fiscal year ended December 31, 2025, 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 the agency's financial statements for the fiscal year ended December 31, 2025, 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 the agency'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. The agency's MD&A can be found immediately following the report of the independent auditors.

The agency 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. More than 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 2026, the Colorado General Assembly approved legislation that reduces the size of the RTD Board of Directors to nine members – five elected directors and four appointed, that is scheduled to be implemented on January 1, 2029.

In 2025, RTD employed 3,069 people, making it one of the largest employers in the eight-county area. In addition, RTD contracts with private carriers to provide A-D-A complementary paratransit service branded "Access-a-Ride," as well as "Access-on-Demand" premium supplemental paratransit service, fixed-route bus, light rail, and commuter rail services employing 1,549 individuals. Besides its administrative headquarters in Denver, the agency 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 posts this proposed budget for public inspection prior to October 15

and presents it to the Board of Directors for review. 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 Staff (LCS) in its March 2026 report forecasts slow to moderate growth of national and Colorado economies. Consumer resilience and Artificial Intelligence (AI) investment are fueling the growth. However, this is offset by a weak labor market, deteriorating household finances, and continued inflation. The Middle East conflict could lead to higher inflation and weaken consumer activity. Similar to the 2025 forecast, the LCS continues to emphasize the uncertainty currently being experienced at both the local and national levels with the probability of recession higher than normal.

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

- State of Colorado unemployment in 2024 and 2025 was 4.3% and 4.4%, respectively. Forecasted unemployment for the state in 2026 and 2027 is expected to be 4.0% and 4.1%.
- Personal income growth in Colorado in 2024 and 2025 was 4.6% and 4.5%, respectively. Forecasted personal income growth for the state in 2026 and 2027 is 3.9% and 4.8%.
- The percentage change in retail trade sales in Colorado was 0.2% and 1.8% in 2024 and 2025, respectively. Anticipated changes in 2026 and 2027 for the state are 1.8% and 3.0%.
- Population growth in Colorado was 1.3% in 2024 and 0.4% in 2025. Forecasted growth for 2026 and 2027 is 0.3% and 0.6% for the state.

- Inflation in the Denver metro area was 2.3% in both 2024 and 2025.
- Employment growth in the Denver metro area was 0.6% in 2024 and 0.1% in 2025.
- Retail sales growth in the Denver metro area was 1.7% in 2024 and 2.2% in 2025.
- The unemployment rate for the Denver metro area was 4.2% in both 2024 and 2025.

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 1.0% 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 agency adopts a Five-Year Financial Forecast (FYFF), which is the five-year operating and capital expenditure forecast for the agency, including both the Base System and FasTracks. The FYFF is a component of the long-range financial plan, which is submitted to the Denver Regional Council of Governments (DRCOG), the federally designated metropolitan planning organization for the Denver region pursuant to the Federal Transit Act, 23 U.S.C. 5301, et seq. While the FYFF is developed separately for the Base System and FasTracks, the agency integrates both plans into a medium and long-range financial plan in a single report.

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 the agency's 2021–2026 Strategic Plan.

FINANCIAL INFORMATION

Agency 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, the agency 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 the agency'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 the agency's compliance. The agency's single audit for the fiscal year ended December 31, 2025, 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: The agency 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: The agency formulates its fiscal 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 assets beyond the useful life of the asset. Additional policies go beyond these essential guidelines and result in further protection. The agency's FasTracks bonds are evaluated and rated by the credit rating agencies. FasTracks Bonds are secured by a first lien on both the agency's 0.4% sales tax and 0.6% sales tax and are rated by Moody's as Aa2, by S&P Global Ratings as AAA, and by Fitch Ratings as AA+.

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

During the year, the agency invested its cash in various investment vehicles, including money market funds, U.S. Treasury securities, agency securities, and local government investment pools. The total average return on cash and liquidity tier investments for the year was 4.4%.

Risk Management: The agency 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. The agency 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, and before January 1, 2026. The limits have increased to $505,000 per person and $1,421,000 per occurrence on or after January 1, 2026, and before January 1, 2030. 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; Cyber coverage 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; a $4,000,000 Workers' Compensation Bond; and fiduciary coverage on the Trustees of the Salaried Pension Trust, Salaried 401(a) plan, and the combined 457(b) plan with $20,000,000 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 $25,366,008 in limits for light rail vehicle-only damage resulting from 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, 2024. RTD will submit its 2025 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 Kelly Mackey, 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

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2026 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, Second Vice Chair
Denver/Jefferson/Arapahoe counties

District E
Matt Larsen
Denver/Arapahoe counties

District F
Kathleen Chandler
Arapahoe County

District G
Julien Bouquet
Arapahoe/Douglas counties

District H
Patrick O'Keefe, 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
Adams/Weld counties

District L
Ian Harwick, Vice Chair
Jefferson/Adams counties

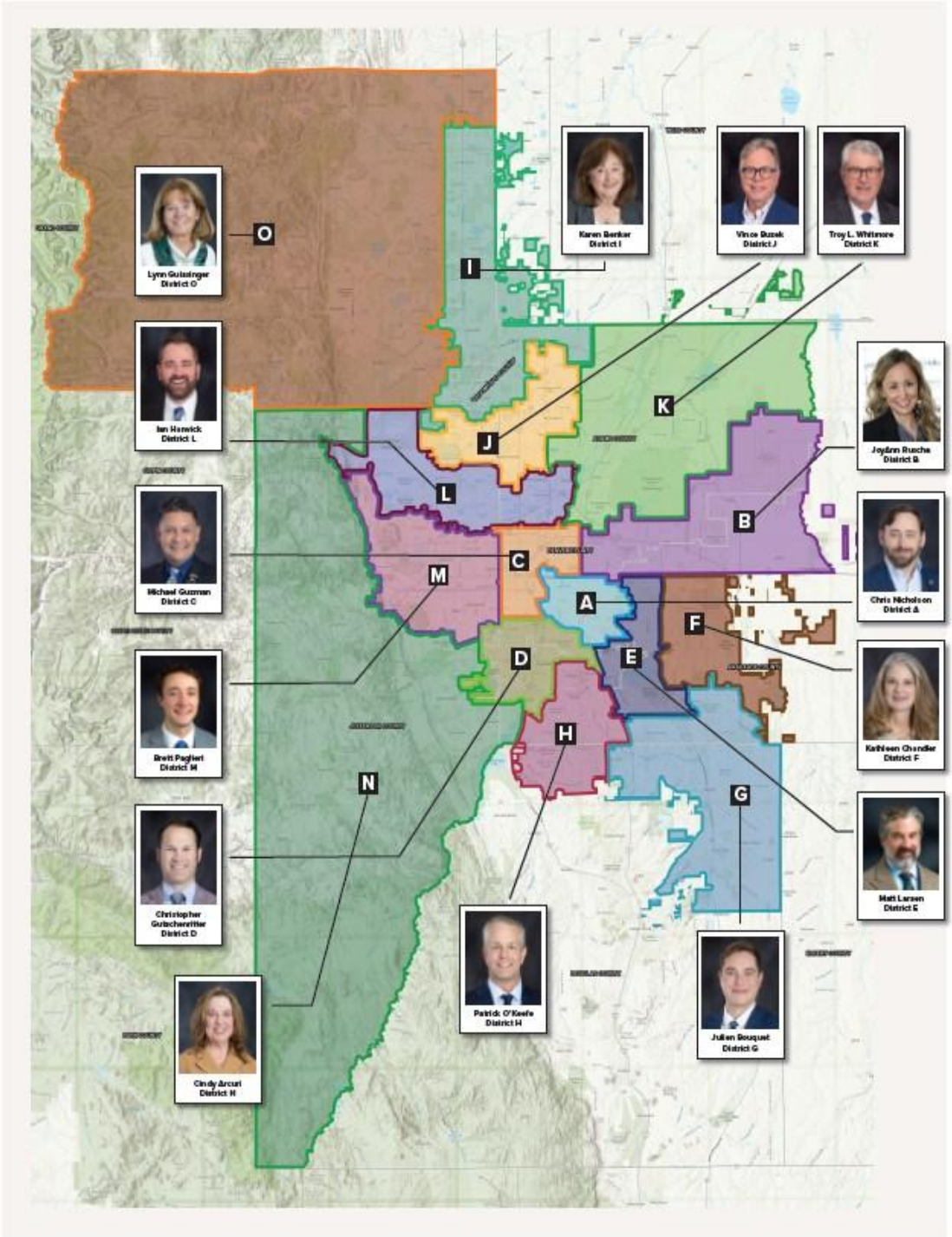
District M
Brett Paglieri
Jefferson County

District N
Cindy Arcuri
Jefferson County

District O
Lynn Guissinger
Boulder County

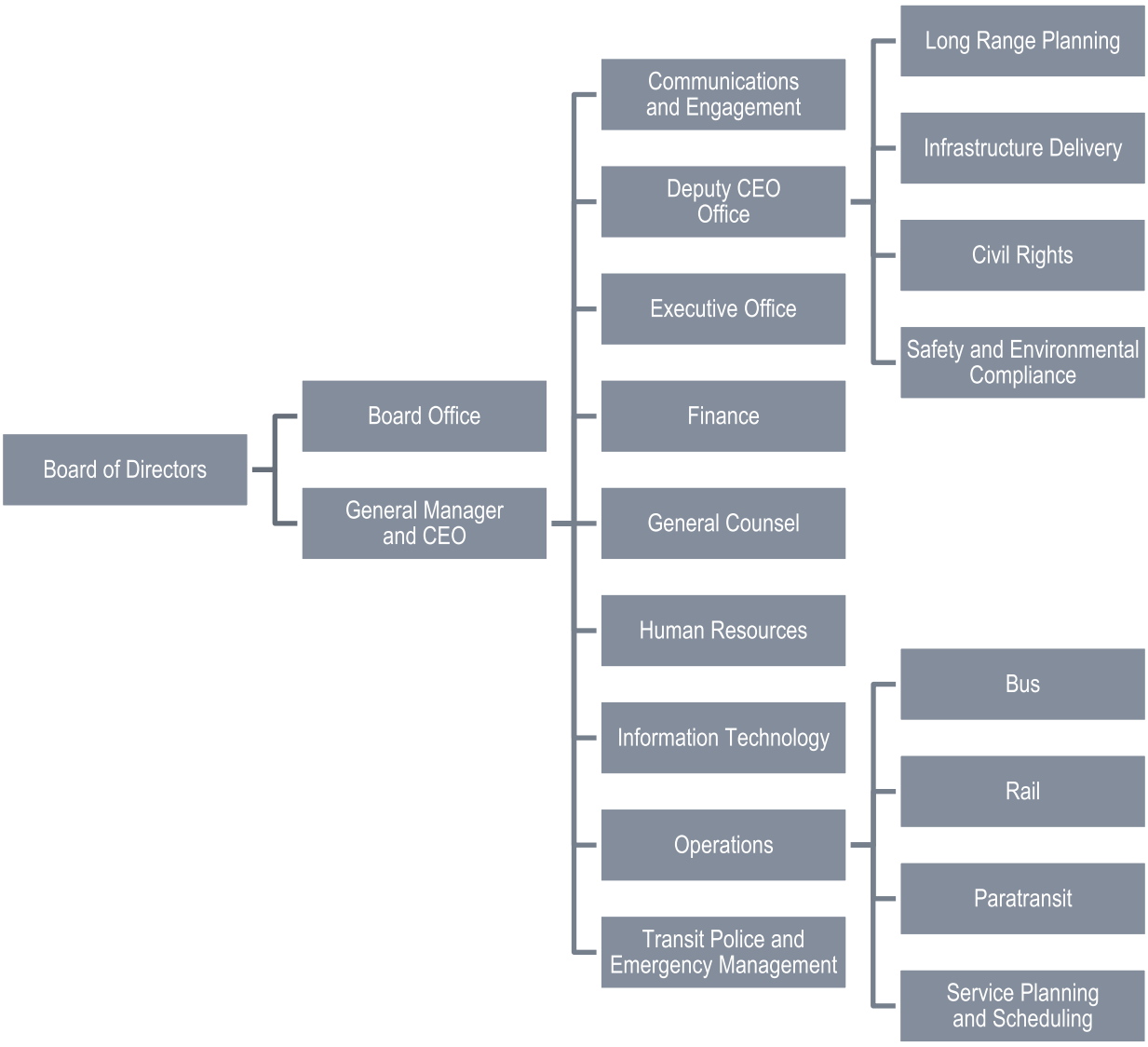
BOARD OF DIRECTORS 2026

DISTRICT BOUNDARIES



rtd-denver.com

Organization Chart
April 2026



Leadership Team
April 2026

General Manager and Chief Executive Officer
Debra A. Johnson

Deputy Chief Executive Officer
Angel Peña

Chief Operations Officer
Patrick Preusser

Chief Communications and Engagement Officer
Stuart Summers

Chief Financial Officer
Kelly Mackey

Chief Information and Technology Officer
Brett Feddersen

General Counsel
Melanie Snyder

Chief People Officer
Lili Tran

Chief of Police and Emergency Management
Steven Martingano

Deputy Chief Operations Officer, Rail Operations
Dave Jensen

Deputy Chief Operations Officer, Bus Operations
Greg Smith

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, 2024

Christopher P. Morrill

Executive Director/CEO

FINANCIAL SECTION



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plantemoran.com

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, 2025 and 2024 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, 2025 and 2024 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.

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To the Board of Directors
Regional Transportation District
Denver, Colorado

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.

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 audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

To the Board of Directors
Regional Transportation District
Denver, Colorado

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 audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, 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.

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 22, 2026 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.

Plante & Moran, PLLC

May 22, 2026

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RTD management offers users of its financial statements this narrative overview and analysis of the financial activities for the years ended December 31, 2025 and 2024. This discussion and analysis are designed to assist and focus the reader on significant financial activities and identify any significant changes in the agency'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 Strategic Initiatives of (1) Enhancing Public Trust, (2) Building a Better RTD, (3) Service Excellence, and (4) Customer and Community Connections as RTD has shifted focus and resources from FasTracks expansionary projects to maintaining assets in a state of good repair.

Inflationary pressures and ongoing supply chain challenges continue to affect RTD, particularly in the procurement of parts, technology systems, and construction materials. Mitigation strategies, including long-term contractual agreements and strategic inventory management, have helped reduce exposure to price volatility and avoid material service impacts. Workforce shortages remain a challenge across the public transit industry, and RTD has continued implementing focused recruitment, retention, and training initiatives to address operator and mechanic vacancies. These efforts have resulted in staffing stabilization and improved service reliability. RTD has also advanced several initiatives to enhance the personal safety and security of employees and customers in response to increasing societal and behavioral health concerns across the region. This includes expanding the transit police force, strengthening mental health and unhoused outreach programs, and deploying technology and facility improvements to create a more welcoming operating environment. Debt management actions taken in recent years, including refinancings for interest savings, have continued to reduce long-term debt service requirements. RTD implemented a new fare structure in 2024, emphasizing simplicity, affordability, and equity, and introduced lower fares including zero-fare for youth 19 and under. Significant investments in maintaining assets in a state of good repair continued, with major light rail reconstruction and system rehabilitation efforts completed and additional projects planned. Collectively, these actions have improved transit service delivery performance, strengthened financial resiliency, and supported RTD's long-term financial position.

As of December 31, 2025 and 2024, total assets and deferred outflows of resources of RTD exceeded total liabilities and deferred inflows of resources by $3,041,714 and $3,286,082 respectively. The amount of unrestricted net position as of December 31, 2025, was $452,215 compared to $462,820 in 2024. RTD's 2025 unrestricted net position was negatively impacted primarily by low growth in sales and use tax, additional staffing in represented and non-represented personnel, programmed salary and wage increases, contractual increases related to the Collective Bargaining Agreements (CBA), and planned increases in the Concession Agreement for commuter rail purchased transportation.

The net position of RTD decreased by $244,368 (7.4%) during the current year compared to a decrease of $282,041 (7.9%) in the previous year. The decrease in 2025 was caused by nearly flat sales and use tax receipts and increasing labor, fringe benefits, and purchased transportation costs, while 2024 was negatively impacted by flat sales and use tax collections and reduced operating grant assistance.

RTD is heavily reliant on sales and use tax collections. Collections in 2025 were nearly flat compared to 2024; 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, remote work, and implementation of reduced fares and zero fares for youth have resulted in fares only contributing 4.9% of total revenues.

RTD's sales and use tax revenues are its largest single source of revenues. These tax revenues were relatively flat in 2025 compared to 2024 (1.3% increase) 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 2025, total operating expenses exceeded total revenues, resulting in a loss before non-operating revenue and expenses of $1,305,720 compared to a loss of $1,167,133 for 2024. The increase in operating loss for 2025 was primarily due to increased operating expenses from restored services, contractual wage benefit increases, increased contracted services, and purchased transportation costs. 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 $142,173 (5.0%) and $66,376 (2.3%) in 2025 and 2024, respectively. Outstanding debt decreased in 2025 and 2024 due to payment of outstanding principal balances through scheduled debt service and refinancing certain outstanding obligations for interest savings with reduction of outstanding principal.

Capital grants and local contributions increased $2,323 (8.2%) in 2025 after decreasing $25,287 (47.1%) in 2024. The increase in 2025 can be largely attributed to the City and County of Denver's local contributions on the East Colfax Bus Rapid Transit (BRT) project.

Grant operating assistance increased $181,153 (342.1%) in 2025 versus a decrease of $181,537 (77.4%) in 2024. The large increase in 2025 was due to pending federal preventive maintenance funding for fiscal year 2024 that was received in 2025.

RTD's capital assets, net of depreciation, decreased $282,335 (5.2%) in 2025 compared to a $270,859 decrease (4.7%) in 2024, which was 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 the agency 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: the agency's ability to generate positive cash flows and pay its debt as the debt matures; the reasons for differences between the agency's operating cash flows and operating income (loss); and the effect of investing, capital, and financing activities on the agency'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 the agency are supported by a 0.6% and 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 the agency's financial position and obligations as of December 31 for each of the last three fiscal years.

Condensed Summary Statements of Net Position

	2025	2024	2023
Assets and Deferred Outflows of Resources:			
Current assets	$ 815,876	$ 783,118	$ 921,195
Current assets - restricted	25,764	19,339	44,464
Capital assets (net of accumulated depreciation)	5,173,447	5,455,782	5,726,641
Other noncurrent assets	504,677	709,200	623,232
Total assets	6,519,764	6,967,439	7,315,532
Deferred outflows of resources	115,176	97,760	112,981
Total assets and deferred outflows of resources	6,634,940	7,065,199	7,428,513
Liabilities and Deferred Inflows of Resources:			
Current liabilities	237,095	245,741	207,479
Noncurrent liabilities	3,289,179	3,442,645	3,551,461
Total liabilities	3,526,274	3,688,386	3,758,940
Deferred inflows of resources	66,952	90,731	101,450
Total liabilities and deferred inflows of resources	3,593,226	3,779,117	3,860,390
Net Position:			
Net investment in capital assets	1,982,503	2,148,723	2,316,267
Restricted debt service	58,495	61,724	69,936
Restricted TABOR	37,745	37,567	29,837
Restricted FasTracks	509,247	573,737	592,973
Restricted deposits	1,509	1,511	1,512
Unrestricted	452,215	462,820	557,598
Total net position	$ 3,041,714	$ 3,286,082	$ 3,568,123

In 2025, current assets increased by $32,758 (4.2%) primarily due to an increase in grant receivables from year-end accruals related to the East Colfax Bus Rapid Transit project and preventive maintenance awards.

In 2025, capital assets net of accumulated depreciation decreased $282,335 (5.2%) resulting from ongoing depreciation of assets.

Total liabilities and deferred inflows decreased $185,891 (4.9%) in 2025 due to reduction of debt through refinancings for interest savings and defeasement of 2026 debt and interest payments in 2025 as well as the early termination of the Lamar advertising agreement, which had been treated as a lease under Government Accounting Standards Board (GASB) Statement 87.

The net position of RTD decreased by $244,368 (7.4%) during 2025 compared to a decrease of $282,041 (7.9%) in the previous year. The decrease in 2025 was due to flat sales tax revenues and increases in salary, fringe benefits, and purchased transportation costs.

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.

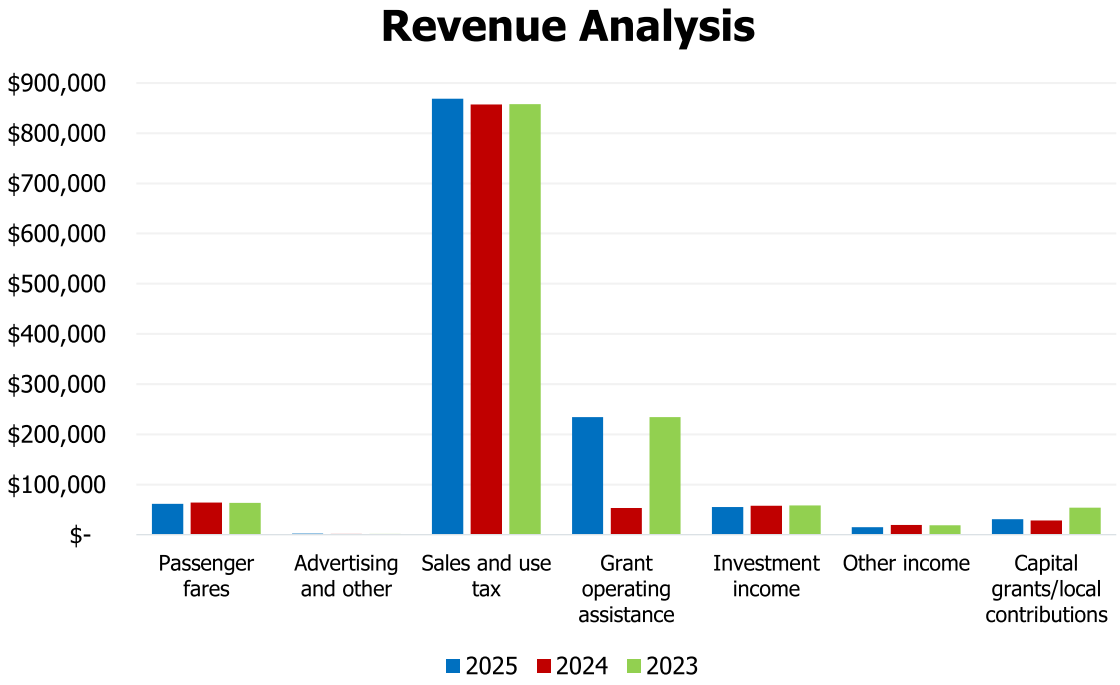
Summary of Revenues, Expenses, and Changes in Net Position	2025	2024	2023
Operating revenue:			
Passenger fares	$ 61,419	$ 63,906	$ 63,534
Advertising and other	2,054	1,532	1,519
Total operating revenue	63,473	65,438	65,053
Operating expenses:			
Salaries and wages	311,098	280,643	249,656
Fringe benefits	138,337	121,666	113,381
Materials and supplies	56,716	61,007	53,529
Services	197,536	145,525	97,340
Utilities	18,040	18,070	19,543
Insurance	17,581	14,648	14,148
Purchased transportation	292,147	257,402	223,349
Leases and rentals	3,146	2,929	2,492
Miscellaneous	5,909	5,723	4,398
Depreciation	328,683	324,958	339,870
Total operating expenses	1,369,193	1,232,571	1,117,706
Operating loss	(1,305,720)	(1,167,133)	(1,052,653)
Nonoperating revenues (expenses):			
Sales and use tax	868,689	857,411	858,133
Grant operating assistance	234,103	52,951	234,488
Investment income	54,927	57,710	58,111
Other income gains and (losses)	(2,158)	19,676	1,954
Interest expense	(124,926)	(131,050)	(134,609)
Net nonoperating revenue	1,030,634	856,697	1,018,077
Income before capital contributions	(275,086)	(310,436)	(34,576)
Capital grants and local contributions	30,718	28,395	53,681
(Decrease)/Increase in net position	(244,368)	(282,041)	19,105
Net position, beginning of year	3,286,082	3,568,123	3,549,018
Net position, end of year	$ 3,041,714	$ 3,286,082	$ 3,568,123

The information contained in the following condensed information tables is used as the basis for the revenue and expense discussion surrounding the agency's activities for the fiscal years ended December 31, 2025, 2024, and 2023.

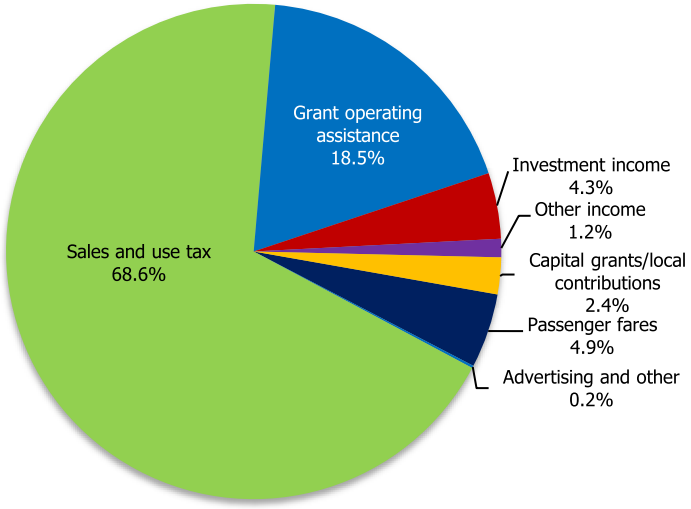
Revenues – The following tables and charts show the sources of revenue for the years ended December 31, 2025, 2024, and 2023.

Revenue Analysis

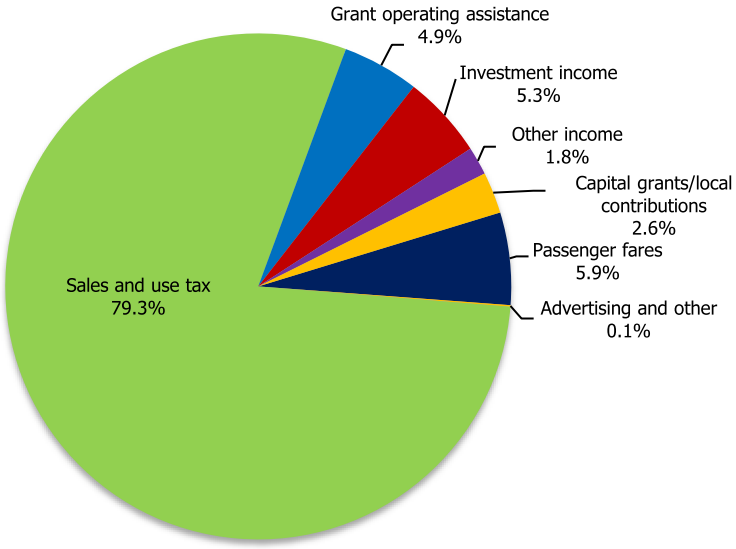
	2025	2024	2023
Revenues			
Passenger fares	$ 61,419	$ 63,906	$ 63,534
Advertising and other	2,054	1,532	1,519
Sales and use tax	868,689	857,411	858,133
Grant operating assistance	234,103	52,951	234,488
Investment income	54,927	57,710	58,111
Other income	14,929	19,675	18,990
Capital grants/local contributions	30,718	28,395	53,681
Total Revenues	$ 1,266,839	$ 1,081,580	$ 1,288,456



2025 Revenue



2024 Revenue



Passenger fares – Passenger fares provided 4.9% of total revenues in 2025 and 5.9% in 2024. Farebox receipts, monthly and annual pass revenue, and special event fares for bus and rail services are included in passenger fares. Passenger fares decreased by $2,488 (3.9%) in 2025 compared to an increase of $372 (0.6%) in 2024. The decrease in 2025 is attributed to a revised revenue recognition model and pricing for the EcoPass.

Advertising and other – Advertising and other revenue provided 0.2% and 0.1% of total revenues in 2025 and 2024, respectively. Advertising and other income in 2025 increased $522 (34.1%) compared to 2024, with a $13 increase (0.8%) over 2023. The agency ended its advertising contract with Lamar prematurely in November 2025 and took over management of existing advertising agreements in December of 2025. Due to the nature of the Lamar agreement and implementation of GASB 87, associated revenue from Lamar had been treated as non-operating revenue and was not reflected in these numbers in 2023 and 2024.

Sales and use tax – Sales and use tax provided 68.6% and 79.3% of the agency's total revenues in 2025 and 2024, respectively. Sales and use tax is a dedicated combined 1.0% tax imposed on certain sales within the district. Sales and use tax increased $11,277 (1.3%) in 2025 compared to a decrease of $722 (0.1%) in 2024. The significant slowdown in spending in the Denver metro area that began in 2023 continued into 2025, leading to a relatively small increase from this revenue source. Due to increased collections of grant operating assistance in 2025, although total sales and use tax revenues increased, the percentage of sales and use tax to total revenue decreased in the amounts referenced above.

Grant operating assistance – Grant operating assistance provided 18.5% and 4.9% of total revenues in 2025 and 2024. Grant operating assistance increased $181,153 (342.1%) in 2025 compared to a decrease of $181,537 (77.4%) in 2024. The increase in 2025 is due to the approval of fiscal year 2024 preventive maintenance funding that was pending as of 2024 year-end close.

Investment income – Investment income provided 4.3% and 5.3% of total revenues in 2025 and 2024. Investment income decreased $2,782 (4.8%) in 2025 compared to a decrease of $401 (0.7%) in 2024. The decrease seen in 2025 compared to 2024 was the result of a reduction in short- and long-term investments as a portion of reserves were used to cover current expenditures.

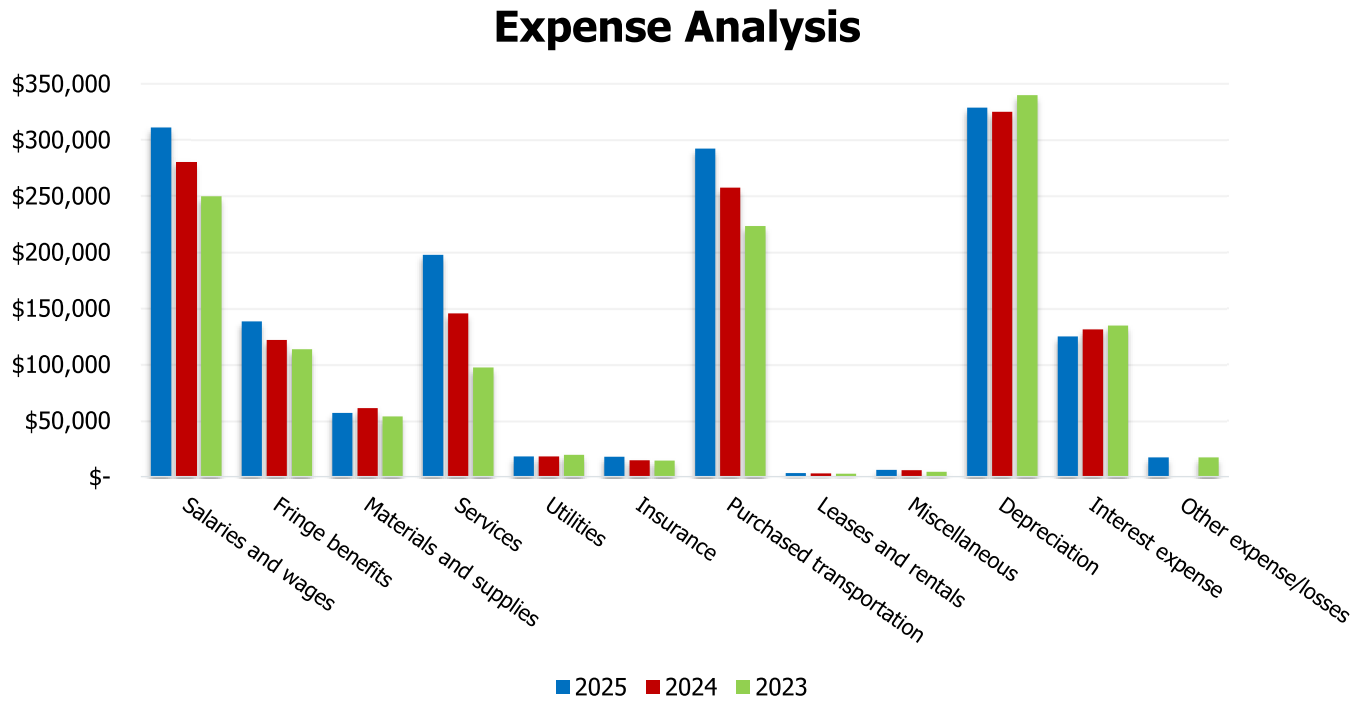
Other income – Other income provided 1.2% and 1.8% of total revenues in 2025 and 2024. Other income includes interest subsidy income, rental income from retail space, parking, and other miscellaneous items. Other income decreased $4,746 (24.1%) in 2025 compared to an increase of $685 (3.6%) in 2024. The decrease in 2025 was due to insurance recoveries received in 2024 that did not occur in 2025 as well as the refunding of 2010 Certificates of Participation (COPs) series in 2025 for which Build America Bond (BAB) subsidy income was received in 2024.

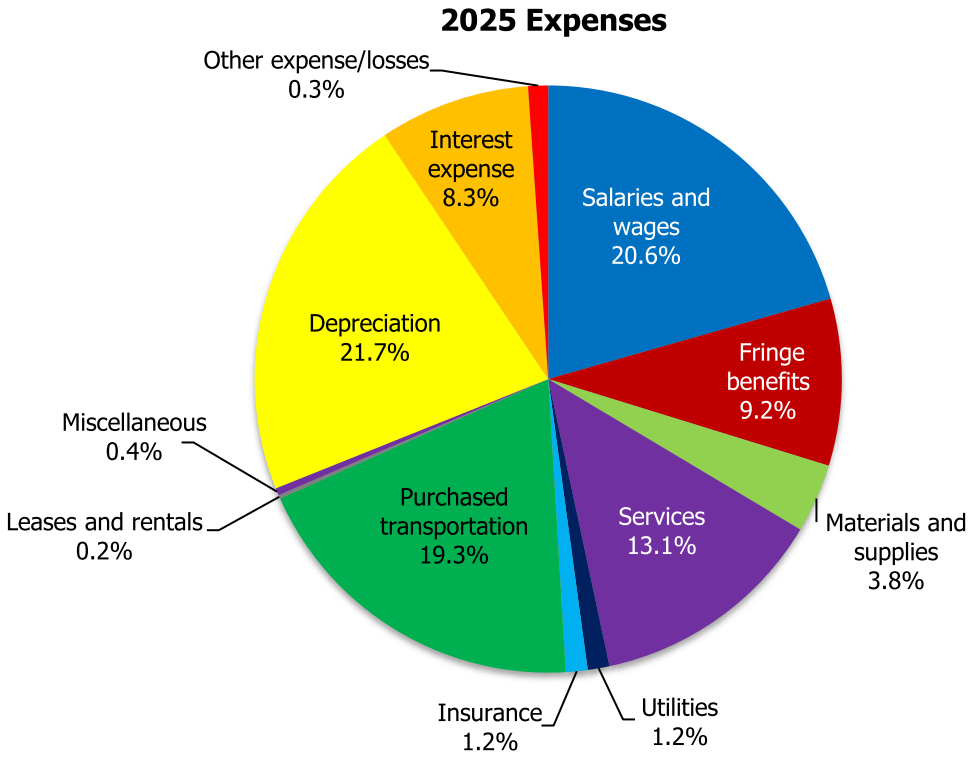
Capital grants and local contributions – Capital grants and local contributions provided 2.4% and 2.6% of total revenues in 2025 and 2024. Capital grants and local contributions increased $2,323 (8.2%) in 2025 after decreasing $25,287 (47.1%) in 2024. The 2025 increase is driven by local contributions from the City and County of Denver, resulting from their status as a subrecipient of federal funds for the East Colfax BRT project, with RTD serving as the pass-through agency. Overall, capital project activity and expenditures continues to decline as the long running FasTracks project and federal funding nears its completion in September 2026.

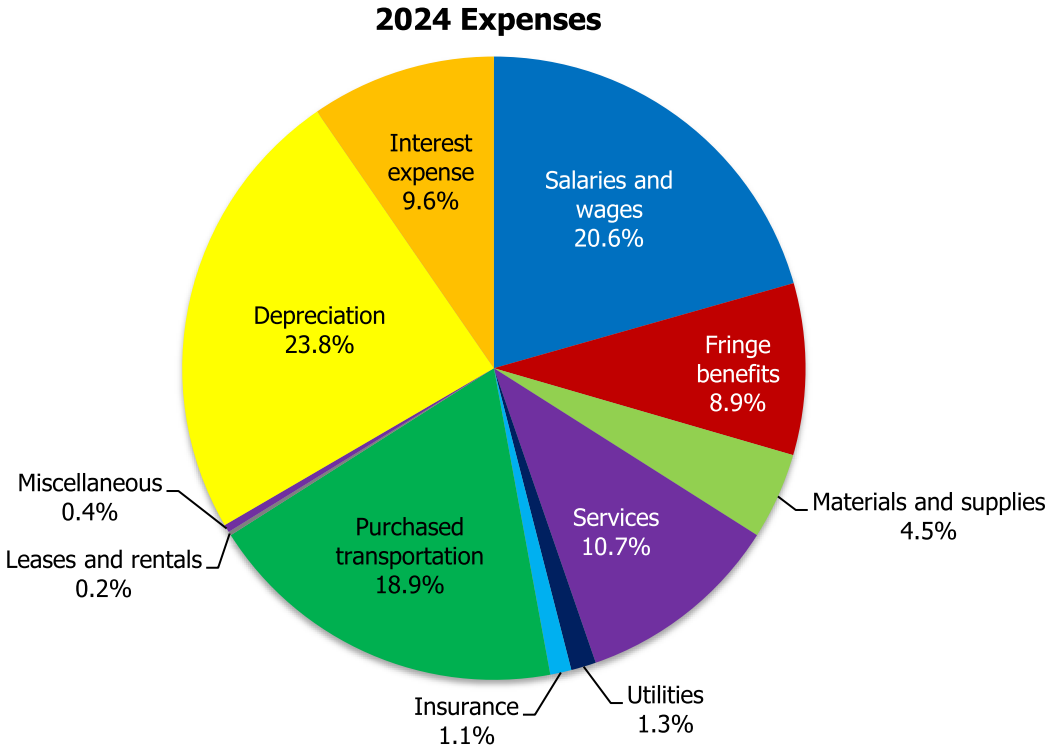
Expenses – The following tables and charts shows the major sources of expenses for the years ended December 31, 2025, 2024, and 2023.

Expense Analysis

	2025	2024	2023
Expenses			
Salaries and wages	$ 311,098	$ 280,643	$ 249,656
Fringe benefits	138,337	121,666	113,381
Materials and supplies	56,716	61,007	53,529
Services	197,536	145,525	97,340
Utilities	18,040	18,070	19,543
Insurance	17,581	14,648	14,148
Purchased transportation	292,147	257,402	223,349
Leases and rentals	3,146	2,929	2,492
Miscellaneous	5,909	5,723	4,398
Depreciation	328,683	324,958	339,870
Interest expense	124,926	131,050	134,609
Other expense/losses	17,088	-	17,036
Total Expenses	$ 1,511,207	$ 1,363,621	$ 1,269,350




2025 Expenses
Other expense/losses 0.3%
Interest expense 8.3%
Salaries and wages 20.6%
Depreciation 21.7%
Fringe benefits 9.2%
Miscellaneous 0.4%
Leases and rentals 0.2%
Purchased transportation 19.3%
Services 13.1%
Materials and supplies 3.8%
Insurance 1.2%
Utilities 1.2%


2024 Expenses
Interest expense 9.6%
Salaries and wages 20.6%
Depreciation 23.8%
Fringe benefits 8.9%
Miscellaneous 0.4%
Leases and rentals 0.2%
Purchased transportation 18.9%
Services 10.7%
Materials and supplies 4.5%
Insurance 1.1%
Utilities 1.3%

Salaries and wages – Other than depreciation, salaries and wages expense is the largest expense category accounting for 20.6% of total agency expenses in both 2025 and 2024. Salaries and wages increased by $30,455 (10.9%) in 2025 compared to an increase of $30,987 (12.4%) in 2024. The increase in 2025 was primarily due to contracted wage increase, including successor three-year CBA signed with the Amalgamated Transit Union (ATU) Local 1001 and new CBA signed with the Fraternal Order of Police (FOP) Lodge 72, and increased full-time equivalents as the agency continued to fill open positions and expand its police force.

Benefits – Fringe benefits accounted for 9.2% of total expenses in 2025 and 8.9% in 2024. Fringe benefits increased by $16,671 (13.7%) in 2025 compared to an increase of $8,285 (7.3%) in 2024. The increase in fringe benefits in 2025 was a result of the 2025 ATU Local 1001 CBA restoring trigger policy benefits for employees hired between January 1, 2011, and December 31, 2022.

Materials and supplies – The materials and supplies expense category accounted for 3.8% of the total expenses in 2025 and 4.5% in 2024. Materials and supplies expenses decreased $4,291 (7.0%) in 2025 compared to an increase of $7,478 (14.0%) in 2024. The decrease in 2025 is primarily due to decreased fuel costs compared to supply chain challenges and inflationary pressure causing the increase seen in 2024.

Services – Services expense accounted for 13.1% of total expenses in 2025 and 10.7% in 2024. Services expense includes contracted services such as security services, vehicles, equipment, right-of-way maintenance services, advertising, marketing, and legal. Services increased $52,011 (35.7%) in 2025 compared to an increase of $48,185 (49.5%) in 2024. A large portion of the increase in both 2025 and 2024 is due to the agency acting as the direct grant recipient for the East Colfax BRT project with City and County of Denver as the subrecipient, which is reimbursed by Federal Transit Administration (FTA) funding, in addition to expansion of Access-on-Demand services.

Utilities – Utilities accounted for 1.2% and 1.3% of total expenses in 2025 and 2024, respectively. Utilities expense includes electric, telecommunications, water, sewer, and natural gas for facilities as well as traction power for rail lines. Utilities expense was flat in 2025, undergoing a very small decrease of $30 (0.2%). Rates and usage were stable compared to 2024.

Insurance – Insurance accounted for 1.2% of total expenses in 2025 and 1.1% in 2024. Insurance expenses include the agency'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 $2,933 (20.0%) in 2025 and increased $500 (3.5%) in 2024. The increase in 2025 resulted from a large workers' compensation claim and several larger liability claims. The 2024 increase was due to increased premiums.

Purchased transportation – The purchased transportation expense category accounted for 19.3% and 18.9% of the total expenses in 2025 and 2024. 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 $34,745 (13.5%) in 2025 and increased $34,053 (15.2%) in 2024. The increase in 2025 was driven by new contracts under Bus Fixed-Route services as well as increases under the Commuter Rail Concession agreement. The increase in 2024 was due to new contracts under the Access-a-Ride and Flex Ride programs in addition to increases under the Commuter Rail Concession agreement.

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 2025 and 2024. Leases and rental expenses increased $217 (7.4%) in 2025 compared to an increase of $437 (17.5%) in 2024. 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 2025 and 2024. Miscellaneous expenses decreased $186 (3.3%) in 2025 compared to an increase of $1,325 (30.1%) in 2024. This category includes additional one-time project expenses creating fluctuations year-over-year.

Depreciation – The depreciation expense category accounted for 21.7% and 23.8% of the total expenses in 2025 and 2024, respectively. 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 increased $3,725 (1.1%) in 2025 compared to a decrease of $14,912 (4.4%) in 2024. The increase in 2025 can be attributed to additional depreciation under Rail, Fixed Guideway as most of all construction and associated costs has been completed and allocated for the A, G and N lines. The decrease in 2024 was a result of the retirement of a large number of revenue vehicles that had reached the end of their useful life.

Interest expense – The interest expense category accounted for 8.3% and 9.6% of the total expenses in 2025 and 2024. Interest expense decreased $6,124 (4.7%) in 2025 and decreased $3,559 (2.6%) in 2024. 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/losses – Other expense/losses include loss on sale of assets, loss on termination of lease recorded under GASB 87, and loss on defeasance. The loss on sale of capital assets in 2025 was $743, or 0.1% of total cost. The loss on the termination of the Lamar advertising lease was $4,921 or 0.3% of total expenses and the loss on defeasance was $11,424 or 0.7% of total expenses. Combined, these added up to 1.1% of total costs. RTD ended an agreement with Lamar Advertising in which Lamar leased space on buses, trains, and stations for advertising purposes. Due to the nature of this agreement, it was recorded under GASB 87 requirements. The cost experienced is the net difference to remove the corresponding lease receivable and deferred inflows from the agency's financials. The loss on defeasance is 2026 interest payments made in 2025 related to the defeasance of several COP series further described in Note E.

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. The agency's investment in capital assets, net of accumulated depreciation in 2025 was $5,173,447 compared to $5,455,782 in 2024. The decrease in capital assets in 2025 was $282,335 (5.2%) compared to a decrease of $270,859 (4.7%) in 2024. The decrease in 2025 was due to additional accumulated depreciation in addition to the retirement of buses that had reached the end of their useful life, ticket vending machine equipment, and support vehicles. The decrease in 2024 was the result of the retirement of 218 buses along with normal depreciation.

Capital Assets – The following table summarizes capital assets, net of accumulated depreciation, as of December 31, 2025, 2024, and 2023.

Capital Assets

	2025	2024	2023
Land	$ 859,388	856,335	$ 857,129
Lease-right to use assets	50,716	49,923	53,567
Land improvements	5,933,342	5,912,424	5,904,988
Buildings	703,124	701,417	696,713
Revenue earning equipment	1,369,194	1,372,246	1,374,426
Shop, maintenance, and other equipment	408,205	398,392	415,005
Construction in progress	68,557	69,850	81,041
Total	9,392,526	9,360,587	9,382,869
Less accumulated depreciation:			
Lease-right to use assets	8,078	6,038	7,468
Land improvements	2,633,753	2,425,347	2,218,920
Buildings	374,447	355,943	339,426
Revenue earning equipment	838,031	771,194	747,779
Shop, maintenance, and other equipment	364,770	346,283	342,635
Total accumulated depreciation	4,219,079	3,904,805	3,656,228
Total capital assets being depreciated, net	4,245,501	4,529,597	4,788,471
Capital assets, net	$ 5,173,447	$ 5,455,782	$ 5,726,641

Additional information on the agency'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, 2025, 2024, and 2023.

Outstanding Debt

	2025	2024	2023
Bonds and certificates payable:			
Sales tax revenue bonds	$ 2,235,355	$ 2,270,035	$ 2,292,445
COPs/JP Morgan lease purchase	238,430	331,693	377,596
Lease Liability	48,195	48,261	49,614
Total principal	2,521,980	2,649,989	2,719,654
Issuance premiums and discounts	153,747	167,911	164,622
Net bonds and certificates payable	$ 2,675,727	$ 2,817,900	$ 2,884,276

Outstanding debt – Outstanding debt includes sales tax revenue bonds, COPs, a purchase and assignment agreement, and a lease liability under GASB Statement 87. The 2025 outstanding debt was $2,675,727 compared to $2,817,900 in 2024. Outstanding debt decreased by $142,173 (5.0%) in 2025 and decreased by $66,376 (2.3%) in 2024. 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. Additional debt related to Series 2022, sales tax revenue bonds and Series 2020, Series 2023, and Series 2025 COPs were defeased in December 2025, leading to further reduction in the amount of outstanding debt as of the end of 2025.

Sales tax revenue bonds – The agency 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 $2,235,355 and $2,270,035 as of December 31, 2025, and 2024, respectively. The sales tax revenue bonds decreased $34,680 (1.5%) in 2025 compared to a decrease of $22,410 (1.0%) in 2024. The decrease in both years was due to payment of principal on outstanding debt with the decrease in 2025 also resulting from the defeasement of Series 2022 sales tax revenue bonds.

Certificates of participation – COPs relate to financial obligations issued by the Asset Acquisition Authority, Inc. (Authority), a nonprofit corporation and component unit of the agency. Certificates are lease-purchase financial obligations secured by the underlying assets. Outstanding COPs were issued with the proceeds being used to acquire certain equipment, facilities, and infrastructure to be used by the agency. For financial reporting purposes, RTD accounts for the Certificates as its own debt. Certificates outstanding were $238,430 and $331,693 as of December 31, 2025, and 2024, respectively. The COPs outstanding decreased $93,263 (28.1%) and $45,903 (12.2%) in 2025 and 2024. The decrease in both years was the result of the issuance of the Series 2024 and 2025 Certificates, which were used to refinance outstanding issues for interest savings. In addition, Series 2020, 2023, and 2025 COPs were defeased (prepaid) at the end of 2025.

The agency maintains credit ratings from S&P Global Ratings, Moody's, and Fitch Ratings. Credit ratings vary based on the type of debt and the source of funds used for repayment. The agency's credit ratings as of December 31, 2025, are presented in the following table:

	FasTracks Bonds	Certificates of Participation	Outlook
S&P Global Ratings	AAA	AA+	Stable
Moody's	Aa2	A1	Stable
Fitch Ratings	AA+	AA	Stable

Additional information on the agency's debt can be found in Note E of this report.

Economic Factors and Subsequent Events after Adoption of the 2025 Budget

The agency is dependent on sales and use taxes, which are the largest single source of revenue for RTD, representing 68.6% and 79.3% of the total revenues in 2025 and 2024, respectively. Sales and use tax revenues are affected by the local economy in which consumer spending will affect the level of funding available to the agency during its fiscal year. 2025 sales and use taxes grew 1.3% from the prior year, a reflection of the ongoing contraction in Denver's economy following years of accelerated growth.

The agency also collects passenger fares for transit services that it provides. Passenger fares accounted for 4.9% of total revenues in 2025 and 5.9% in 2024. Passenger fare collections decreased by 3.9% in 2025

compared to a 0.6% increase in 2024 over the prior year. Fares were negatively impacted by ongoing preventive maintenance and track repairs, leading to slowdowns and missed routes on the light rail system.

The agency is dependent on federal and local grant funding as well as local capital contributions for both operations and capital expenditures. Grant operating assistance provided 18.5% and 4.9% of total revenues in 2025 and 2024, respectively. These grant apportionments primarily result from information provided by transit agencies to the FTA's National Transit Database (NTD).

Due to ongoing and unfavorable economic headwinds at both the local and national levels, driven by slowing consumption, decreasing government spending, a widening trade deficit, and most recently the conflict with Iran, the Business Research Division (BRD) at the University of Colorado Leeds School of Business lowered its projection of RTD's sales and use tax collections to a 0.6% increase over 2025, down from a previously anticipated increase of 1.2%.

Requests for Information

This financial report is intended to provide an overview of the agency'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 at finance@rtd-denver.com.

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BASIC FINANCIAL STATEMENTS



REGIONAL TRANSPORTATION DISTRICT
STATEMENTS OF NET POSITION - PROPRIETARY FUNDS
As of December 31,

	2025	2024
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES		
Current Assets:		
Cash and cash equivalents	$ 354,502	$ 457,967
Marketable interest bearing investments (Note B)	142,854	60,324
Receivables:		
Sales tax	154,101	152,805
Other, less allowance for doubtful accounts of $167 and $30 at December, 31 2025 and 2024, respectively	15,851	14,770
Grants	76,266	23,372
Leases	186	5,045
Inventories	43,883	41,730
Other current assets (Note C)	28,233	27,105
Cash and cash equivalents - restricted	18,853	13,905
Marketable interest bearing investments - restricted (Note B)	6,911	5,434
Total current assets	841,640	802,457
Noncurrent Assets:		
Lease receivable, non-current	7,515	45,451
Capital assets (Note D):		
Land	859,388	856,335
Right to use leased assets	50,716	49,923
Land improvements	5,933,342	5,912,424
Buildings	703,124	701,417
Revenue earning equipment	1,369,194	1,372,246
Shop, maintenance and other equipment	408,205	398,392
Construction in progress	68,557	69,850
Total capital assets	9,392,526	9,360,587
Less accumulated depreciation	(4,219,079)	(3,904,805)
Net capital assets	5,173,447	5,455,782
Other Noncurrent Assets:		
Long-term cash and cash equivalents - restricted	26,572	55,997
Long-term marketable interest bearing investments - restricted (not	32,270	39,942
Long-term marketable interest bearing investments - unrestricted (r	438,320	567,810
Total other noncurrent assets	497,162	663,749
Total noncurrent assets	5,678,124	6,164,982
Total assets	6,519,764	6,967,439
Deferred Outflows of Resources:		
Debt related (Note A)	33,885	37,688
Pension related (Note A and F)	81,291	60,072
Total deferred outflows of resources	115,176	97,760

The accompanying notes are an integral part of these statements.

REGIONAL TRANSPORTATION DISTRICT
STATEMENTS OF NET POSITION - PROPRIETARY FUNDS (CONTINUED)
As of December 31,

	2025	2024
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES		
Current Liabilities:		
Accounts and contracts payable	$ 97,829	$ 95,059
Accrued compensation	41,796	43,050
Other accrued expenses	21,930	18,678
Payable from restricted assets:		
Current portion of long term debt (Note E)	11,943	3,758
Accrued Interest	13,821	15,581
Current portion of long term debt/lease liability (Note E)	49,356	68,380
Current portion of accrued interest	420	1,235
Total current liabilities	237,095	245,741
Noncurrent Liabilities:		
Long-term debt, net (Note E)	2,568,003	2,698,976
Net pension liability (Note F)	191,554	201,087
Lease liability (Note G)	46,426	46,785
Other liabilities (Note E)	483,196	495,797
Total noncurrent liabilities	3,289,179	3,442,645
Total liabilities	3,526,274	3,688,386
Deferred Inflows of Resources:		
Debt related (Note A)	42,660	44,292
Pension related (Note A and F)	17,356	913
Lease related	6,936	45,526
Total deferred inflows of resources	66,952	90,731
NET POSITION		
Net investment in capital assets (Note I)	1,982,503	2,148,723
Restricted debt service (Note I)	58,495	61,724
Restricted TABOR (Note I)	37,745	37,567
Restricted FasTracks (Note I)	509,247	573,737
Restricted deposits (Note I)	1,509	1,511
Unrestricted net position (Note I)	452,215	462,820
Total net position	3,041,714	3,286,082

The accompanying notes are an integral part of these statements.

REGIONAL TRANSPORTATION DISTRICT
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - PROPRIETARY FUNDS
Years Ended December 31,

	2025	2024
OPERATING REVENUE:		
Passenger fares	$ 61,419	$ 63,906
Advertising, rent, and other	2,054	1,532
Total operating revenue	63,473	65,438
OPERATING EXPENSES:		
Salaries and wages	311,098	280,643
Fringe benefits	138,337	121,666
Materials and supplies	56,716	61,007
Services	197,536	145,525
Utilities	18,040	18,070
Insurance	17,581	14,648
Purchased transportation	292,147	257,402
Leases and rentals	3,146	2,929
Miscellaneous	5,909	5,723
Depreciation	328,683	324,958
Total operating expenses	1,369,193	1,232,571
Operating loss	(1,305,720)	(1,167,133)
NONOPERATING REVENUE (EXPENSES):		
Sales and use tax	868,689	857,411
Grant operating assistance (Note A)	234,103	52,951
Investment income	54,927	57,710
Other income	14,929	19,040
Gain/(Loss) on capital assets	(743)	635
Loss on defeasance	(11,424)	-
Loss on lease termination	(4,921)	-
Interest expense	(124,926)	(131,050)
Net nonoperating revenue (expenses)	1,030,634	856,697
Income (Loss) before capital grants and local contributions	(275,086)	(310,436)
Capital grants and local contributions (Note A)	30,718	28,395
Increase (Decrease) in net position	(244,368)	(282,041)
Net position, beginning of year	3,286,082	3,568,123
Net position, end of year	$ 3,041,714	$ 3,286,082

The accompanying notes are an integral part of these statements.

REGIONAL TRANSPORTATION DISTRICT
STATEMENTS OF CASH FLOWS - PROPRIETARY FUNDS
Years ended December 31,

	2025	2024
Cash flows from operating activities:		
Receipts from customers	$ 75,064	$ 59,624
Payments to suppliers	(614,078)	(511,380)
Payments to employees	(455,466)	(374,083)
Net cash used in operating activities	(994,480)	(825,839)
Cash provided from noncapital financing activities:		
Grant operating assistance	178,081	42,233
Other revenue	14,929	19,041
Sales and use tax collections	867,393	852,892
Net cash provided by noncapital financing activities	1,060,403	914,165
Cash flows from capital and related financing activities:		
Principal paid on long-term debt	(231,446)	(164,886)
Proceeds from issuance of debt	89,405	100,825
Issuance premiums/discounts	7,116	3,289
Capital grant funds and other contributions received	6,095	56,689
Proceeds from sale of assets	498	2,040
Acquisition and construction of capital assets	(46,564)	(54,695)
Cost of defeasance/issuance	(828)	-
Interest paid on long-term debt	(126,224)	(154,137)
Net cash used in capital and related financing activities	(301,948)	(210,875)
Cash flows from investing activities:		
Purchases of investments	(20,376)	(48,647)
Proceeds from sales and maturities of investments	73,533	32,315
Interest and dividends on investments	54,927	57,710
Net cash provided by investing activities	108,084	41,378
(Decrease) in cash and cash equivalents	(127,942)	(81,170)
Cash and cash equivalents - beginning of year	527,869	609,039
Cash and cash equivalents - end of year	$ 399,927	$ 527,869

The accompanying notes are an integral part of these statements.

REGIONAL TRANSPORTATION DISTRICT
STATEMENTS OF CASH FLOWS - PROPRIETARY FUNDS (CONTINUED)
Years ended December 31,

	2025	2024
Reconciliation of operating loss to net cash used in operating activities		
Operating loss	$ (1,305,720)	$ (1,167,133)
Adjustment to reconcile to net cash used in operating activities:		
Depreciation expense	328,683	324,958
Bad debt expense	141	20
Loss on lease termination	4,421	-
Changes in operating assets and liabilities:		
Other accounts receivable	3,777	(3,974)
Inventories	(2,153)	(942)
Other current assets	(1,128)	(825)
Deferred outflow pension	(21,219)	26,934
Accounts payable	(19,722)	(4,309)
Compensation and expenses	(1,254)	956
Other accrued expenses	3,252	(1,860)
Deferred inflow pension	16,443	337
Net cash used in operating activities	$ (994,480)	$ (825,839)
Reconciliation of cash and cash equivalents		
Cash and cash equivalents	$ 354,502	$ 457,967
Cash and cash equivalents - restricted	45,425	69,902
Total cash and cash equivalents	$ 399,927	$ 527,869
Noncash investing, capital and financing activities:		
Significant Noncash Transactions		
Noncash local match contributions for federal grants	$ 27,751	14,465
Loss on termination of Lamar lease	4,421	-
Capital related AP and retainage	9,500	-

The accompanying notes are an integral part of these statements.

REGIONAL TRANSPORTATION DISTRICT
STATEMENTS OF NET POSITION - FIDUCIARY FUNDS
As of December 31,

	2025	2024
Assets		
Cash and cash equivalents	$ 141	$ 2,497
Investments		
Cash equivalents	131	-
Equities	60,857	8,598
Common collective trusts	58,903	92,620
Defensive equity funds	13,049	12,812
Private credit funds	5,631	5,012
Real estate investment trusts	14,909	14,864
Pooled separate account	2,374	-
Private infrastructure funds	5,179	-
Mutual funds	95,519	86,230
Total investments	256,552	220,136
Prepaid benefits	1,025	-
Receivables	63	23
Total assets	257,781	222,656
Liabilities		
Accounts payable	13	50
Other liabiliites	23	-
Total liabilities	36	50
Net position - restricted for pensions	$ 257,745	$ 222,606

The accompanying notes are an integral part of these statements.

REGIONAL TRANSPORTATION DISTRICT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
Years ended December 31,

	2025	2024
Additions		
Contributions	$ 25,380	$ 24,272
Forfeitures	763	441
Investment income and change in value	32,383	22,215
Investment Expense	(576)	(406)
Total additions	57,949	46,522
Deductions		
Distributions and benefits paid	22,314	22,198
Administrative expenses	497	308
Total deductions	22,811	22,506
Increase/(Decrease) in net position	35,139	24,016
Net position, beginning of year	222,606	198,590
Net position, end of year	$ 257,745	$ 222,606

The accompanying notes are an integral part of these statements.

NOTES TO FINANCIAL STATEMENTS



NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. *Organization*

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.

The agency 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 noted previously, in 2026 the Colorado General Assembly approved legislation that reduces the size of the RTD Board of Directors to nine members - five elected and four appointed - that is scheduled to be implemented January 1, 2029.

As required by GAAP, these financial statements present the agency and its component units. The component unit discussed in note A.2. is included in the agency's reporting entity because of the significance of its financial relationship with the agency.

In 1988, a State Senate Bill was enacted (privatization legislation) requiring the agency to implement by March 31, 1989, a plan to competitively bid contracts for the provision of at least 20% of the agency's bus service by private contractors. In 1999, the Bill was amended requiring the agency 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 COPs in a public offering collateralized by an installment purchase agreement with RTD. The agency's GM/CEO appoints the Board of Directors of the Authority. The Authority serves as a financing mechanism for various financing arrangements for the agency. The agency follows 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 the agency's financial statements for the years ended December 31, 2025 and 2024. No financial activity occurred during 2025 or 2024, 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 the agency'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. The agency has determined that the RTD Salaried Pension Plan and RTD Salaried 401(a) Retirement Plan meet these fiduciary criteria and have included the financial activity of each in 2025 and 2024 in the financial statement section of this report.

3. *Basis of Accounting*

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

4. *Cash and Cash Equivalents*

The agency 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 recognized 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.

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 share 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

Right-to-use assets are amortized systematically over the shorter of the lease term or the useful life of the underlying asset:

Right to use assets-office space, equipment	3–30 years
Right to use assets-land	52 years

12. *Deferred Outflows/Inflows of Resources*

In addition to assets, the statement of financial position will report on 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. 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 based on the estimated cost to the agency and recorded in the other accrued expenses line on the statement of net position. In addition, a self-insured health benefit option is offered 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 $3,354,338 through 2050. Principal and interest paid for the current year were $128,165 and pledged revenues received were $868,689.

Grants and Local Contributions

The agency 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). Federal and state governments issue grants to RTD for operations and acquisition of property and equipment.

The amount recorded as capital grant revenue was $2,967 and $15,429 in 2025 and 2024, respectively. Operating assistance grant revenue was $234,103 and $52,951 in 2025 and 2024, respectively. Other contributed revenue was $27,751 and $12,965 in 2025 and 2024.

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 the agency'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*

The agency is a lessee for non-cancellable 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, the agency 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 first measured as the original 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 the agency 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 non-cancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the agency 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. The agency is a lessor for non-cancellable 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, the agency 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 first 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.

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

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. *Upcoming Accounting Pronouncements*

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.

GASB 105

In December 2025, the Governmental Accounting Standards Board issued Statement No. 105, Subsequent Events. This standard defines subsequent events as transactions or other events that occur after the date of the financial statements but before the date the financial statements are available to be issued. This statement clarifies the subsequent events that constitute recognized and non-recognized events and establishes specific note disclosure requirements for non-recognized events. The provisions of this statement are effective for RTD's financial statements for the year ending December 31, 2027.

NOTE B – DEPOSITS AND INVESTMENTS

Deposits

The agency'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, 2025 and 2024, respectively, the agency had bank deposits of $5,685 and $5,344 collateralized with securities held by the pledging financial institutions' trust department or agent but not in the agency's name.

Investments

Enterprise Funds

As of December 31, 2025, investments in enterprise funds consisted of the following:

Investment Type	Carrying Value	<6 Months	6-12 Months	1-5 Years
U.S. treasury securities	$ 574,862	$ 56,266	$ 61,880	$ 456,716
U.S. agency securities	15,656	301	15,355	-
Municipal bonds	4,088	2,306	604	1,178
Corporate bonds	25,748	13,052	-	12,696
CSIP investment pool	2,381	2,381		
CSAFE investment pool	239,003	239,003		
COLOTRUST investment pool	359	359		
CSLIP investment pool	45,522	45,522		
Wells Fargo Statecoach Sweep-Allsprings Money Market	94,404	94,404		
Total	$ 1,002,023	$ 453,594	$ 77,839	$ 470,590

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 Stagecoach Sweep-Allsprings Money Market	47,060	47,060		
Total	$ 1,177,327	$ 505,940	$ 63,634	$ 607,753

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 the agency'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 the agency'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 the agency's portfolio, as of December 31, 2025 and 2024, are exhibited in the tables below. Portfolio holdings adhere to the agency'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, 2025, investment credit ratings for enterprise funds consisted of the following:

Investment Rating	Fair Value
AAA (S&P Global Ratings)	$ 1,249
AA (S&P Global Ratings)	619,105
AAAm (S&P Global Ratings)	142,307
AAAmmf (Fitch)	239,003
AAAf (S&P Global Ratings)	359
Total	$ 1,002,023

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

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

Fiduciary Funds

Fiduciary fund investments of $256,552 and $220,136 on December 31, 2025 and 2024, 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 the agency 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.

The agency's investment policy outlines the following maximum exposure limits for unrestricted investments. As of December 31, 2025, the agency followed these limits. As of December 31, 2024, the agency was following limitations set out in the agency'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%	5 years	AA
Corporate or 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 five 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 the agency'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, 2025 and 2024, the agency had $84,606 and $115,279 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:

	Maximum Portfolio Percent	
Investment Type	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 the agency 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, 2025, were:

	Valuation Inputs			
Investment Type	Level 1	Level 2	Level 3	Total
U.S. treasury securities	$ -	$ 574,862	$ -	$ 574,862
U.S. agency securities	-	15,656	-	15,656
Municipal bonds	-	4,088	-	4,088
Corporate bonds	-	25,748	-	25,748
Total	$ -	$ 620,354	$ -	$ 620,354

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

	Valuation Inputs			
Investment Type	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

Fiduciary Funds

The valuation inputs summary for the fiscal period ended December 31, 2025, were:

	Valuation Inputs			
Investment Type	Level 1	Level 2	Level 3	Total
Investments measured at fair value				
Cash equivalents	$ 131	$ -	$ -	$ 131
Domestic equities	58,745	-	-	58,745
Foreign equities	2,112	-	-	2,112
Mutual funds	95,519	-	-	95,519
Total assets at fair value	156,507	-	-	156,507
Investments measured at net asset value				
Real estate investment trusts (1)	-	-	-	14,909
Common collective trusts (2)	-	-	-	58,903
Defensive equity funds (3)	-	-	-	13,049
Private Credit Funds (4)	-	-	-	5,631
Pooled separate account (5)	-	-	-	2,374
Private infrastructure funds (6)	-	-	-	5,179
Total assets at net asset value	-	-	-	100,045
Total	$ 156,507	$ -	$ -	$ 256,552

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

	Valuation Inputs			
Investment Type	Level 1	Level 2	Level 3	Total
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

(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 net asset value (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 and 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 modest 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.

(5) Pooled separate account - Fixed income is valued at the net asset value as provided by the insurance company maintaining the pooled separate account, which is based on the fair value of the underlying short-term fixed-income securities. This investment seeks to provide current income and liquidity by investing in a portfolio of short-term fixed-income securities. The portfolio is managed to maintain a short average maturity.

(6) Private infrastructure funds consist of limited partnership interests in privately held infrastructure funds that invest in equity ownership of essential infrastructure assets. These investments are valued using the net asset value (NAV) per share (or its equivalent) as a practical expedient, as reported by the fund administrator.

Investments in Entities That Calculate Net Asset Value (NAV) per Share

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

The agency's investments in the Colorado Local Government Liquid Asset Trust (COLOTRUST) are measured at the NAV method. There are no unfunded commitments; the redemption frequency is daily; and there is no redemption notice period. RTD's investment in COLOTRUST was $359 and $20,111 as of December 31, 2025 and 2024, respectively.

Investments in Entities That Calculate Amortized Cost

The agency'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. The agency's investment in CSIP was $2,381 and $25,176 as of December 31, 2025 and 2024, respectively.

The agency'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 like a money market fund with each share valued at $1.00. The agency's investment in CSAFE was $239,003 and $411,469 as of December 31, 2025 and 2024, respectively.

The agency's investment in the Centennial State Liquid Investment Pool (CSLIP) 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 CSLIP was $45,522 as of December 31, 2025.

The agency'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 like a money market fund with each share valued at $1.00. The agency's investment in Wells Fargo Stagecoach was $94,404 and $47,060 as of December 31, 2025 and 2024, respectively.

NOTE C – OTHER CURRENT ASSETS

Other Current Assets consist of:

	2025	2024
Prepaid expenses	$ 11,725	$ 11,184
Deposit with Escrow Agent*	14,853	14,266
Assets held for sale	1,655	1,655
Total Other Current Assets	$ 28,233	$ 27,105

* This amount is the result of an Intergovernmental Agreement between RTD and the City of Longmont where RTD is to contribute this amount toward 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, 2025 was as follows:

	Balances 12/31/2024	Additions	Deletions	Balances 12/31/2025
Capital assets not being depreciated:				
Land	$ 856,335	$ 3,064	$ 10	$ 859,388
Construction in progress	69,850	46,564	47,856	68,557
Total capital assets not being depreciated	926,185	49,628	47,866	927,946
Capital assets being depreciated:				
Leased right to use asset-land	35,764	-	-	35,764
Land improvements	5,912,424	23,765	2,847	5,933,342
Buildings	701,417	1,817	110	703,124
Leased right to use asset-office space	13,480	-	-	13,480
Revenue earning equipment	1,372,246	2,810	5,863	1,369,194
Leased right to use asset-equipment	678	1,432	638	1,472
Shop, maintenance, and other equipment	398,392	16,400	6,587	408,205
Total capital assets being depreciated	8,434,402	46,224	16,045	8,464,580
Less accumulated depreciation/amortization:				
Leased right to use asset-land	1,778	889	-	2,667
Land improvements	2,425,347	211,142	2,736	2,633,753
Buildings	355,942	18,603	98	374,447
Leased right to use asset-office space	3,678	1,659	-	5,337
Revenue earning equipment	771,194	71,762	4,925	838,031
Leased right to use asset-equipment	582	131	638	75
Shop, maintenance, and other equipment	346,283	24,498	6,011	364,770
Total accumulated depreciation	3,904,805	328,683	14,409	4,219,079
Total capital assets being depreciated, net	4,529,597	(282,460)	1,636	4,245,501
Capital assets, net	$ 5,455,782	$ (232,832)	$ 49,502	$ 5,173,447

Depreciation and amortization expense was $328,683 and $324,958 as of December 31, 2025 and 2024, respectively.

Capital asset activity as of December 31, 2024 was as follows:

	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	938,170	54,819	66,804	926,185
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	8,444,699	67,343	77,641	8,434,402
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		355,942
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	3,656,228	324,958	76,382	3,904,805
Total capital assets being depreciated, net	4,788,471	(257,616)	1,259	4,529,597
Capital assets, net	$ 5,726,642	$ (202,797)	$ 68,062	$ 5,455,782

Depreciation and amortization expense was $324,958 and $339,870 for the years 2024 and 2023, 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 $3,354,338 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 2025, these tax-generated revenues were $868,689.

The agency'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, the agency'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 2025 and 2024, respectively, interest and principal paid for sales tax revenue bonds was $128,165 and $116,872.

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

Direct borrowings/placements	**2025**	**2024**
JPMorgan Chase Bank, N.A., purchase and assignment (2017) agreement, partial refunding projects of the 2010A COPs and 2015A COPs, 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
Sales tax FasTracks Taxable revenue refunding bonds, Series 2022AB, due serially on November 1 of 2022 through 2044 issued with a 3.28% to 3.89% coupon, payable semiannually on May 1 and November 1 of each year.	270,520	293,980
Total debt direct borrowings/placement	270,520	325,863
Less current portion	-	(43,213)
Total long-term direct borrowings/placements	$ 270,520	$ 282,650

Other Debt - Bonds Secured by Sales and Use Tax Revenues	2025	2024
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 ($327) and ($360) for 2025 and 2024, respectively. In 2014, the District made a partial modification and exchange on these bonds resulting in a premium with an ending balance of $8,437 and $9,215 for 2025 and 2024, respectively. Furthermore, in 2017, the District made another partial modification and exchange on these bonds resulting in a premium with an ending balance of $10,302 and $11,253 for 2025 and 2024, respectively.	$ 238,892	$ 240,588
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 $21,155 and $23,107 for 2025 and 2024, respectively.	225,975	227,927
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 $24,431 and $25,603 for 2025 and 2024, respectively.	219,396	220,568
Sales tax FasTracks revenue refunding bonds, Series 2017A, due serially on November 1 of each through 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 $7,209 and $7,695 for 2025 and 2024, respectively.	71,024	74,350
Sales tax FasTracks revenue refunding bonds, Series 2017B, due serially on November 1 of 2033 through 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 $12,231 and $13,360 for 2025 and 2024, respectively.	131,696	132,825
Sales tax FasTracks revenue refunding bonds, Series 2019A, due serially on November 1 of 2035 through 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 through 2037 issued with a 0.070% to 2.387% coupon, payable semiannually on May 1 and November 1 of each year.	222,225	230,605
Sales tax FasTracks revenue refunding bonds, Series 2021B, due serially on November 1 of 2028 through 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 $27,709 and $29,106 for 2025 and 2024, respectively.	439,339	440,736
Sales tax FasTracks revenue refunding bonds, Series 2023A, due serially on November 1 of 2026 through 2038, issued with a coupon of 5.0%, payable semiannually on May 1 and November 1 of each year, including premium of $16,108 and $17,364 for 2025 and 2024, respectively.	186,433	187,689
Total Other Debt - Bonds Secured by Sales and Use Tax Revenues	2,092,090	2,112,398
Less current portion	(59,530)	(11,220)
Total Other Debt - Bonds Secured by Sales and Use Tax Revenues	$ 2,032,560	$ 2,101,178

Other Debt - Certificates of Participation (Certificates)	2025	2024
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
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 $5,749 and $8,335 for 2025 and 2024, respectively.	65,664	71,775
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 $146 and $791 for 2025 and 2024, respectively.	2,546	29,386
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 $13,817 and $15,028 for 2025 and 2024, respectively.	114,642	115,853
Certificates of participation obligations, Series 2025A, 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 $6,781 and $0 for 2025 and 2024, respectively.	82,071	-
Total Other Debt - Certificates of Participation	264,923	331,378
Less current portion	-	(16,230)
Total Other Debt - Certificates of Participation (Certificates)	$ 264,923	$ 315,148
Total other debt	$ 2,357,013	$ 2,443,776
Total direct borrowing/placement	270,520	325,863
Less total current portion	(59,530)	(70,663)
Total long-term debt	$ 2,568,003	$ 2,698,976

RTD refunded the Series 2002A Certificates with a capital lease agreement with JP Morgan Chase Bank, N.A., in 2016. In 2017, the agency 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 agency did an interest modification on the 2016 and 2017 JP Morgan lease agreements. The interest outstanding in September 2021 was rolled into the principal balance 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
2026	$ -	$ -	$ -
2027	12,980	9,555	22,535
2028	13,885	9,109	22,994
2029	14,855	8,633	23,488
2030	15,900	8,123	24,023
2031-2035	90,835	31,618	122,453
2036-2040	84,460	14,702	99,162
2041-2045	37,605	3,779	41,384
Total	$ 270,520	$ 85,519	$ 356,039

The sales tax bonds are payable from and secured by the agency's sales and use tax revenue. The agency 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:

Year ending December 31,	Principal	Interest	Total
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	69,040	68,498	137,538
2031-2035	468,485	282,272	750,757
2036-2040	430,980	186,400	617,380
2041-2045	348,790	125,374	474,164
2046-2050	322,355	55,755	378,110
Total	$ 1,964,835	$ 1,033,465	$ 2,998,300

The sales tax bonds are secured by the agency'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 the agency. 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 the agency. The Authority issued Certificates with the proceeds used to acquire certain equipment, facilities, and infrastructure to be used by the agency as well as for construction of the North Metro (N Line) commuter rail line. The agency leases the equipment acquired and elements constructed with the proceeds from the Certificates under separate master lease purchase agreements. For financial reporting purposes, the agency accounts for the Certificates and the capital lease agreements as its own obligations.

Year ending December 31,	Principal	Interest	Total
2026	$ -	$ 5,041	$ 5,041
2027	28,050	11,220	39,270
2028	14,755	10,150	24,905
2029	15,515	9,393	24,908
2030	16,310	8,598	24,908
2031-2035	105,940	27,845	133,785
2036-2040	57,860	4,854	62,714
Total	$ 238,430	$ 77,101	$ 315,531

Changes in Long-Term Liabilities

Long-term liability activity for the year ended December 31, 2025, was as follows:

	Balance 12/31/2024	Additions	Reductions	Balance 12/31/2025	Due Within One Year
Direct borrowings/placements					
2017 JP Morgan lease purchase	31,883	-	31,883	-	-
2022AB taxable sales tax revenue bonds	293,980	-	23,460	270,520	-
Total direct borrowings/placements	325,863	-	55,343	270,520	-
Other debt					
Sales tax revenue bonds	1,976,055	-	11,220	1,964,835	59,530
Certificates	299,810	89,405	150,785	238,430	-
Issuance premiums and discounts	167,911	7,116	21,280	153,747	-
Total other debt	2,443,776	96,521	183,285	2,357,012	59,530
Other obligations					
Net pension liability	201,086	-	9,532	191,554	-
Eagle P3 finance charges	495,797	-	12,601	483,196	-
LT lease Liability	48,261	1,431	1,497	48,195	1,769
Total other obligations	745,144	1,431	23,630	722,945	1,769
Total long-term liability	$ 3,514,783	$ 97,952	$ 262,258	$ 3,350,477	$ 61,299

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
Direct borrowings/placements					
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
Other debt					
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
Other obligations					
Net pension liability	227,392	-	26,306	201,086	-
Eagle P3 related liabilities	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

In August 2024, the agency 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 3.85% in net present value savings and $3,853 of gross cash flow savings between 2024 and 2040 and reduced the final maturity to 2037.

In April 2025, the agency issued Certificates of Participation, Series 2025 in the par amount of $89,405 to refund certain previously outstanding Series 2015A Certificates of Participation to lock in a reduction of future debt service. The transaction achieved a 3.4% net present value savings and $20,636 gross cash flow savings between 2025 and 2040 while retaining the same

final maturity.

In December 2025, the agency defeased $21,504 of principal and interest payments which are due in 2026 related to the previously outstanding Series 2022, Sales Tax Revenue Bonds (FasTracks Project).

In December 2025, the agency defeased $34,628 of principal and interest payments which are due in 2026 related to the previously outstanding Series 2020, Series 2023, and Series 2025 Certificates of Participation.

NOTE F – EMPLOYEE RETIREMENT AND UNEARNED COMPENSATION PLANS

Employee Retirement Plans

The agency 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, 2025, is presented below:

Plan Name	Net Pension Liability	Deferred Outflow of Resources*	Deferred Inflows of Resources	Pension Expense
ATU 1001 Pension Plan	$ 150,517	$ 63,271	$ 17,207	$ 46,157
ATU 1001 Retirement Plan				6,954
Salaried Pension Plan	41,037	18,020	149	6,038
Salaried Retirement Plan				9,272
Total	$ 191,554	$ 81,291	$ 17,356	$ 68,421

**The ATU 1001 Pension Plan deferred outflow of resources related to contributions made after the measurement date were $52,000. 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, 2024, is presented below:

Plan	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	$ 201,086	$ 60,072	$ 913	$ 55,622

**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.*

ATU 1001 Pension Plan – Defined Benefit (2025)

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 Benefit Resources, 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. One 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 between January 1, 2011, and December 31, 2022:

- Vesting is changed from five years to 10 years.
- Interest on employee contributions is changed from 5.0% to 3.0%.
- Regular retirement is changed from age 55 with 20 years of service to age 62 with 20 years of service.
- The maximum service included in the benefit calculation is reduced from 30 to 25 years.
- RTD's Board of Directors approved the 2025-2027 CBA in July of 2025. Terms of this CBA included the restoration of benefits under the trigger policy adopted with Amendment 22 of the Pension Plan rules and regulations for those participants hired on or after January 1, 2011, through December 31, 2022, applied retroactively to the employee's hire date. Those changes are as follows:
    - Increase the benefit multiplier to 2.5%
    - Include the sick and vacation pay in final average earnings for purposes of pension calculation
    - Increase the maximum service for purposes of pension calculation to 30 years
- A one-time payment of $31 million was made in 2025 to fund the restoration of these benefits. The benefit multiplier was changed from 2.0% to 2.5% effective with the January 1, 2025, CBA.

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, 2025 (December 31, 2024, measurement date), pension plan membership consisted of the following:

Active plan members	1,325
Inactive plan members or beneficiaries currently receiving benefits	1,953
Inactive individuals entitled to but not yet receiving benefits	1,950
Total	5,228

Net Pension Liability

The components of the net pension liability of the plan for Fiscal Year Ending December 31, 2025 (December 31, 2024, measurement date), are as follows:

Total pension liability	$	648,904
Plan fiduciary net position		498,387
Plan's net pension liability	$	150,517
Plan fiduciary net position as a percentage of total pension liability		76.80%

Actuarial Methods and Assumptions Used to Calculate Net Pension Liability:

Valuation date:	January 1, 2025
Actuarial cost method:	Individual Entry Age
Inflation:	2.40%
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:	Pub-2016 Combined Mortality Table (Below Median, projected with the Ultimate MP-2020 Projection Scale)
Disabled mortality:	Pub-2016 Disabled Mortality Table (Below Median, projected with the Ultimate MP-2020 Projection Scale)
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. From January 1, 2022, through December 31, 2024, RTD was contributing 15% of pay and members will contribute 5% of pay. With the signing of the 2025 CBA, effective January 1 ,2025, RTD will contribute $21 million each year for the three year term of the contract.

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 4.08% (based on the daily rate closest to but not later than the measurement date of the Bond Buyer 20-Bond GO Index Rate); 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 4.08%
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	3%	5%
Public fixed income	2%	20%
Private fixed income	5%	5%
Commodities	4%	5%
Private equity	7%	15%
Infrastructure	5%	5%

Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balance on December 31, 2023	$ 592,065	$ 450,882	$ 141,183
Changes for the year:			
Service cost	11,520		11,520
Interest	38,073		38,073
Differences between expected and actual experience	23,736		23,736
Changes to benefit terms	28,222		28,222
Assumption changes	(9,019)		(9,019)
Contributions-employer		19,294	(19,294)
Contributions-employee		6,431	(6,431)
Net investment income		58,057	(58,057)
Benefit payments and refunds of employee contributions	(35,692)	(35,692)	-
Administrative expense		(585)	585
Other changes	-		-
Net changes	56,839	47,505	9,333
Balance on December 31, 2024	$ 648,904	$ 498,387	$ 150,517

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:

		Current Discount Rate	
	1% Decrease (5.5%)	(6.5%)	1% Increase (7.5%)
Net pension liability	$ 223,374	$ 150,517	$ 89,264

Changes to Assumptions and Benefits

The change in demographic assumptions included an update in the mortality tables from 2014 to 2016. Economic assumptions were affected by a change in the inflation rate from 2.25% to 2.40%. Benefit changes included the following; As part of the CBA effective January 1, 2025, RTD made a once-time $31 million contribution to fully restore the trigger policy benefits for employees hire between January 1, 2011 and December 31, 2022. These restored benefits include increasing the pension multiplier to 2.5%, counting sick and vacation payouts in final average earnings, and increasing maximum pension service credit to 30 years, applied retroactively to each employee's hire date.

Contributions

Actuarial Methods and Assumptions Used to Determine Contribution Rates:

Valuation date:	January 1, 2024
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:	2.25%
Salary increases:	3.00% to 10.00% 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:	The mortality assumption has been changed as of January 1, 2025, to use the Pub-2016 below median income, amount weighted, general tables with no adjustments.

Contributions are made in accordance with the CBA. The plan had employer contributions during the measurement year of $19,294. Employer contributions were 15% of eligible pay through 12/31/24.

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

For the fiscal year ended December 31, 2025, the employer recognized a pension expense increase of $46,157. The employer reported deferred outflows and inflows of resources related from pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences in experience	$ 11,271	$ (41)
Differences in assumptions	-	(4,283)
Excess investment returns	-	(12,882)
Contributions subsequent to measurement date	52,000	-
Total	$ 63,271	$ (17,206)

Employer contributions after the measurement date of $52,000 reported as deferred outflows of resources will be recognized as a reduction of the net pension liability in the measurement year ended December 31, 2025 (fiscal year ended December 31, 2026). Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31,		
2026	$	6,486
2027		3,586
2028		(10,189)
2029		(5,818)
Total	$	(5,935)

With the signing of the previous 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 (2024)

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	1,947
Total	5,271

Net Pension Liability

The components of the net pension liability of the plan for fiscal year ended December 31, 2024 (December 31, 2023, measurement date), are as follows:

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

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:	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 3.77% (based on the daily rate closest to but not later than the measurement date of the Fidelity 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 6.50%
Long-term expected rate of investment returns 6.50%
Long-term municipal bond rate 3.77%
Actuarial return assumption 6.5%

Asset Class	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

	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		11,299
Interest	37,304		37,304
Differences between expected and actual experience	(1,785)		(1,785)
Changes to benefit terms			-
Contributions-employer			-
Contributions-employee		20,264	(20,264)
Net investment income		6,810	(6,810)
Benefit payments and refunds of employee contributions		48,283	(48,283)
Administrative expense	(34,719)	(34,719)	-
Other changes		(441)	441
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 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:

		Current Discount Rate	
	1% Decrease (5.5%)	(6.5%)	1% Increase (7.5%)
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

Contributions are made in accordance with the CBA. The plan had contributions during the measurement year of $20,264. Employer contributions are 15% of eligible pay. Employee contributions remain at 5% of eligible pay. RTD had 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 sources:

	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 end 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:

Year ended December 31,	
2025	$ 1,244
2026	5,316
2027	9,404
2028	(4,370)
Total	$ 11,594

Salaried Pension Plan - Defined Benefit (2025)

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 Empower.

Benefits Provided

Normal retirement eligibility age is 65 with five years of credited service; monthly benefit is 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, 2025 (December 31, 2024, measurement date), pension plan membership consisted of the following:

Date of Member Count: January 1, 2024

Active plan members	114
Inactive plan members or beneficiaries currently receiving benefits	339
Inactive individuals entitled to but not yet receiving benefits	109
Total	562

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, 2025 (December 31, 2024, measurement date), are as follows:

Total pension liability	$ 197,752
Plan fiduciary net position	156,715
Plan's net pension liability	$ 41,037
Plan fiduciary net position as a percentage of total pension liability	79.25%

Contributions

Employee contributions are a source of revenue for the Trust and prior to 2013 were based on a percentage of the agency'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 the agency'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. The agency contributed $15 million in both 2025 and 2024.

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation with a date of January 1, 2024, 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, 2024:

Inflation:	2.75%
Salary increases:	6.00% in 2024, 6.50% per annum in 2025-2027, 4.50% per annum in 2028 and thereafter.
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 (expected returns, net of pension plan investment expense and inflation) 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 shown below and then 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, 2024 (for disclosure purposes for the fiscal year ending December 31, 2025) are summarized in the following table:

Asset Class	Term Expected Real Rate of Return	Target Asset Allocation
Domestic equity	4.9%	35.0%
International equity	4.9%	15.0%
Fixed income	2.9%	26.0%
Private Debt	6.4%	3.0%
Alternative	3.7%	7.5%
Real estate	3.6%	9.0%
Infrastructure	4.2%	3.0%
Cash	0.2%	1.5%

Changes to Assumptions

The trustees approved a change in the salary scale assumption as of January 1, 2024, to reflect a change from a flat 6.0% annual salary increase beginning in 2023 to a 6.0% annual salary increase in 2024, 6.5% increase in 2025 through 2027, and 4.5% thereafter. The net impact of this assumption change was a decrease in the Actuarial Accrued Liability of $1.5 million and a decrease in the normal cost of $32 thousand, resulting in a recommended decrease to the recommended contribution for 2024 fiscal year of $0.3 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 Mortality 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, 2024, valuation 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 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, 2025 (measurement date of December 31, 2024), 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:

		Current Discount Rate	
	1% Decrease (6.0%)	(7.0%)	1% Increase (8.0%)
Net pension liability	$ 58,552	$ 41,037	$ 25,837

Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balance on December 31, 2023	$ 204,053	$ 144,150	$ 59,903
Changes for the year:			
Service cost	2,003		2,003
Interest	13,828		13,828
Differences between expected and actual experience	(3,449)		(3,449)
Assumption changes	(1,668)		(1,668)
Contributions-employer		15,000	(15,000)
Net investment income		14,812	(14,812)
Benefit payments and refunds of employee contributions	(17,015)	(17,015)	-
Administrative expense		(231)	231
Other changes	-	-	-
Net changes	(6,301)	12,565	(18,866)
Balance on December 31, 2024	$ 197,752	$ 156,715	$ 41,037

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

For the fiscal year ended 2025, the employer recognized pension expense of $6,038. 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	$ -	$ (100)
Differences in assumptions	-	(49)
Excess investment returns	3,019	-
Contributions subsequent to measurement date	15,000	-
Total	$ 18,019	$ (149)

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, 2025 (fiscal year ended December 31, 2026). 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,		
2026	$	1,851
2027		3,876
2028		(1,897)
2029		(960)
Total	$	2,870

Salaried Pension Plan - Defined Benefit (2024)

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	573

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		144,150
Plan's net pension liability	$	59,903
Plan fiduciary net position as a percentage of total pension liability		70.64%

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 December 31, 2023:

Inflation:	2.75%
Salary increases:	6.00% per annum
Investment rate of return, net of investment expenses:	7.00% net of investment expenses

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, 2023, measurement date (for disclosure purposes for the fiscal year ending December 31, 2024) are summarized in the following tables 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	4.75%	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 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 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, 2023, 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, 2024, (measurement date of 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:

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

Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
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 to pensions from the following resources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences in experience	$ 1,399	$ -
Differences in assumptions	1,400	-
Excess (deficit) investment returns	9,976	-
Contributions subsequent to measurement date	15,000	-
Total	$ 27,775	$ -

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	$ 12,775

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 $10,380 and $9,272 in 2025 and 2024, respectively. RTD employees cannot contribute to this plan. Membership was 998 and 926 active employees in 2025 and 2024, 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 employee's per-pay-period compensation. Employee contributions (pre-tax and/or Roth contributions) to the 457(b) plan will be matched by the agency, 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. 2025 contributions by RTD under the 401(a) plan were $4,912 compared to agency contributions of $2,990 in 2024. RTD made an additional match of $2,042 and $1,178 to the 457(b) plan in 2025 and 2024, respectively. Employee contributions during 2025 to the 457(b) plan were $2,349 compared to $1,303 in 2025. As of December 31, 2025, there were 826 employees participating in the plan; as of December 31, 2024, there were 523 participants.

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 the agency 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. The agency's contribution was $24,601 and $29,039 for the years ended December 31, 2025 and 2024, 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, 3033 S. Parker Road, Tower 1, Suite 360 Aurora, Colorado 80014.

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, the agency 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. The agency 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, cannot

participate in this plan as there was a separate deferred compensation plan established for these employees as described above.

Compensated Absences

The agency 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 the agency. 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, 2025, was as follows:

	12/31/2024 Balance	2025 Accruals	2025 Payments	12/31/2025 Balance
Represented employees	$ 8,822	$ 3,351	$ 2,071	$ 10,102
Salaried employees	15,947	7,654	9,877	13,724
Total compensated absences due	$ 24,769	$ 11,005	$ 11,948	$ 23,826

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

	12/31/2023 Balance	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 obligations	$ 26,028	$ 10,535	$ 11,794	$ 24,769

The accrued compensation liabilities of $41,796 and $43,050 as of December 31, 2025 and 2024, respectively, include $17,970 and $16,868 of accrued wages, salaries, and fringe benefits in addition to accrued compensated absences.

NOTE G – LEASES

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

The agency 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, 2025, RTD reported a lease asset of $5,917 and Accumulated Amortization of $986 related to the lease-leaseback transaction.

Lease activity for RTD is reported under Note D.

Future principal and interest payment requirements related to RTD's lease liability as of December 31, 2025, are as follows:

Year ended December 31,	Principal	Interest	Total
2026	1,769	1,847	3,616
2027	1,892	1,775	3,667
2028	769	1,712	2,481
2029	191	1,701	1,892
2030	222	1,693	1,915
2031-2035	493	8,437	8,930
2036-2040	2,211	8,220	10,431
2041-2045	2,050	7,738	9,789
2046-2050	2,181	7,471	9,650
2051-2055	3,751	6,952	10,701
2056-2060	4,051	6,258	10,310
2061-2065	6,741	5,210	11,952
2066-2070	10,312	3,543	13,856
2071-2074	11,563	1,094	12,657
Total	$ 48,196	$ 63,651	$ 111,847

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 arrangement is 4%. Payments are fixed monthly.

During the year ended December 31, 2025, RTD recognized the following related to its lessor agreements:

Lease Revenue	$5,355
Interest Revenue	$1,286
Revenue from variable payments not previously included in the measurement of the lease receivable	$169

NOTE H – COMMITMENTS AND CONTINGENCIES

Commitments

Capital Projects

As of December 31, 2025, RTD has contracts for the construction of various capital projects including the light rail reconstruction project in downtown Denver for the maintenance of assets for a state of good repair, CO 119 BRT project, and purchases for replacement of bus and support vehicles. Non-passthrough-related commitments surrounding these and other projects total $154,475 and $93,598 in 2025 and 2024, respectively.

Grant Match Requirements

Under the provisions of current grants, RTD is obligated to satisfy certain matching requirements. As of December 31, 2025, the agency had a commitment to provide $104,989 in matching funds to receive $225,955 in future federal and state grant funds. Of those amounts, $65,339 in matching funds, $117,735 in federal, is a result of RTD acting as the project sponsor and passthrough agency in partnership with the City and County of Denver on the East Colfax BRT 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, 2025, 53.59% 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 the agency'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 people 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 after December 31, 2025, are as follows:

Privatization Contracts	
2026	143,200
2027	113,465
2028	27,743
Total	$ 284,408

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
2026	43,140	77,130	$ 120,270
2027	44,092	81,720	125,812
2028	45,295	86,644	131,939
2029	46,771	93,129	139,900
2030	60,039	142,629	202,668
2031-2035	347,553	756,706	1,104,259
2036-2040	299,324	756,540	1,055,864
2041-2044	125,446	391,781	517,227
Total	$ 1,011,660	$ 2,386,279	$ 3,397,939

The projected amounts include an estimation for certain future inflation indexes as required by the concession 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. The agency estimates 2026 usage of approximately 7.0 million gallons: 4.20 million gallons of the agency's usage and 2.80 million gallons of RTD's private contractors' usage.

The estimated locked-in price commitment under the Mansfield contract in 2026 is for 7.00 million gallons of diesel fuel for both RTD and private contractors at $2.4197 per gallon or $16,937.

Contingencies

Federal Grants

The agency receives federal grants for capital projects and operating assistance, which are subject to reviews by the 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 the agency's financial position.

Self-Insurance

The agency 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.

The agency 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 the agency 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, and before January 1, 2026, the agency's liability is limited to $424 per person and $1,195 per occurrence. For claims that arise after December 31, 2025, through December 31, 2029, the agency's liability is limited to $505 per person and $1,421 per occurrence.

For workers' 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.

The agency's liability for unpaid claims includes an amount for claims that have been incurred but not reported (IBNR). The agency'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 balance of claims liabilities for both general liability and workers' compensation during the past year are as follows:

	Auto Liability	Workers' Compensation	Total
Unpaid claims, January 01, 2023	$ 5,213	$ 6,723	$ 11,936
Incurred claims (including IBNR)	5,309	2,201	7,510
Claims payments	(2,819)	(3,578)	(6,397)
Unpaid claims, December 31, 2023	$ 7,703	$ 5,346	$ 13,049
Incurred claims (including IBNR)	4,916	3,094	8,010
Claims payments	(5,608)	(3,391)	(8,999)
Unpaid claims, December 31, 2024	$ 7,011	$ 5,049	$ 12,060
Incurred claims (including IBNR)	5,000	5,405	10,405
Claims payments	(4,302)	(3,657)	(7,959)
Unpaid claims, December 31, 2025*	$ 7,709	$ 6,797	$ 14,506

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

NOTE I – NET POSITION

	December 31, 2025	December 31, 2024
Net Investment in Capital Assets	$ 1,982,503	$ 2,148,723
Restricted net position		
Restricted debt service	58,495	61,724
Restricted TABOR	37,745	37,567
Restricted FasTracks	509,247	573,737
Restricted deposits	1,509	1,511
Total restricted net position	606,996	674,539
Unrestricted net position		
Unrestricted - represented net pension liability	(104,452)	(121,901)
Unrestricted - salaried net pension liability	(29,206)	(42,105)
Unrestricted net position	585,873	626,826
Total unrestricted net position	452,215	462,820
Total net position*	$ 3,041,714	$ 3,286,082

*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.

NOTE J – BUDGETARY DATA

The agency'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, 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 GM/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 GM/CEO. In the absence of such budget adoption and appropriation by the Board of Directors, the agency 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 GM/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:

	2025	2024
Revenues and Proceeds		
Revenue, actual	$ 1,236,121	$ 1,053,185
Proceeds from debt/arbitrage relief	89,405	100,825
Federal capital grants and local contributions	30,718	28,395
Revenue, actual (budgetary basis)	1,356,244	1,182,405
Revenue, budget	1,352,064	1,307,246
Expenditures		
Expenses, actual	1,511,207	1,363,621
Capital outlays	46,564	54,695
Depreciation, amortization, other	(328,683)	(324,958)
Long-term debt principal payments	231,446	164,886
Expenditures, actual (budgetary basis)	1,460,534	1,258,243
Appropriations, budget	1,499,186	1,543,910
Unused/(Excess use of) appropriations	$ 38,652	$ 285,667

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, 2025, there was $379,761 of unused 2025 capital appropriations approved for carryover into 2026.

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 multiyear 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 the agency from the revenue and spending limitations concerning Amendment 1 through December 31, 2005. On November 2, 1999, the voters of the District further exempted the agency 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 the agency'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 the agency from any revenue and spending limitations on the additional tax and on any investment income generated by the increased tax revenue and allowed the agency to incur debt to finance the capital improvements included in the FasTracks program. At the time that all FasTracks debt is repaid in 2050, the agency'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 the agency to continue being exempt from TABOR revenue growth limitations in perpetuity.

REQUIRED SUPPLEMENTARY INFORMATION



REGIONAL TRANSPORTATION DISTRICT
PENSION PLANS SUMMARY
As of December 31,

Schedule of Contributions Multiyear
Last 10 Fiscal Years

ATU 1001 Pension Plan

Fiscal period ending December 31,	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially determined contribution	$ 16,985	$ 15,384	$ 25,009	$ 20,343	$ 22,670	$ 22,594	$ 18,109	$ 17,664	$ 17,170	$ 17,131
Actual contribution	19,294	20,264	176,239	19,498	22,454	21,345	20,163	13,168	12,128	11,543
Contribution excess (deficiency)	2,309	4,880	151,230	(845)	(216)	(1,249)	2,054	(4,496)	(5,042)	(5,588)
Covered payroll	$ 125,804	$ 127,009	$ 123,493	$ 99,609	$ 108,766	$ 107,888	$ 103,646	$ 103,729	$ 94,802	$ 82,994
Contribution as a percentage of covered payroll	15.34%	15.96%	142.71%	19.57%	20.64%	19.78%	19.45%	12.69%	12.79%	13.91%

Actuarial methods and assumption used to calculate actuarially determined contributions:

Valuation date:	January 1, 2024 Actuarially determined contribution rates are calculated as of December 31 each year for implementation the following fiscal year. Actual contributions are made pursuant to a collective bargaining agreement.
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:	The mortality assumption has been changed as of January 1, 2025, to use the Pub-2016 below median income, amount weighted, general tables with no adjustments.

REGIONAL TRANSPORTATION DISTRICT
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

ATU 1001 Pension Plan

Fiscal period ending December 31,	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Total Pension Liability										
Service cost	$ 11,519	$ 11,300	$ 9,861	$ 7,788	$ 8,998	$ 9,007	$ 9,045	$ 14,387	$ 13,145	$ 13,074
Interest	38,073	37,304	35,703	34,117	34,057	33,056	32,102	27,099	25,276	26,324
Changes to benefit terms	28,222		(2,358)	28,067		-	-	-	-	-
Differences between expected and actual experience	23,736	(1,785)	13,859	(3,771)	(1,498)	2,908	1,596	4,855	(3,164)	(4,711)
Assumption changes	(9,020)			26,347	(7,519)	-	-	(108,133)	(19,822)	28,095
Benefit payments, including lump sum distributions	(35,692)	(34,719)	(33,047)	(32,386)	(31,573)	(29,732)	(28,417)	(27,233)	(26,133)	(25,439)
Net change in total pension liability	56,838	12,100	24,019	60,161	2,465	15,239	14,326	(89,025)	(10,698)	37,343
Total pension liability - beginning	592,065	579,965	555,947	495,786	493,321	478,082	463,756	552,781	563,479	526,136
Total pension liability - ending	$ 648,904	$ 592,065	$ 579,965	$ 555,947	$ 495,786	$ 493,321	$ 478,082	$ 463,756	$ 552,781	$ 563,479
Plan Fiduciary Net Position										
Contributions - RTD	$ 19,294	$ 20,264	$ 176,239	$ 19,498	$ 22,454	$ 21,345	$ 20,163	$ 13,168	$ 12,128	$ 11,542
Contributions - employees	6,431	6,810	5,659	4,020	4,070	5,052	4,627	4,389	4,069	3,868
Net investment income	58,057	48,283	(44,130)	39,268	35,313	40,540	(8,837)	28,983	11,855	(1,829)
Benefit payments, including lump sum distributions	(35,692)	(34,719)	(33,047)	(32,386)	(31,573)	(29,731)	(28,417)	(27,233)	(26,133)	(25,439)
Administrative expenses	(585)	(441)	(544)	(444)	(333)	(397)	(391)	(411)	(364)	(391)
Net change in plan fiduciary net position	47,505	40,198	104,176	29,956	29,931	36,809	(12,855)	18,896	1,555	(12,249)
Plan fiduciary net position - beginning	450,882	410,683	306,507	276,551	246,620	209,811	222,666	203,770	202,215	214,464
Plan fiduciary net position - ending	$ 498,387	$ 450,882	$ 410,683	$ 306,507	$ 276,551	$ 246,620	$ 209,811	$ 222,666	$ 203,770	$ 202,215
Plan's net pension liability - ending	$ 150,517	$ 141,183	$ 169,282	$ 249,439	$ 219,235	$ 246,701	$ 268,271	$ 241,090	$ 349,011	$ 361,264
Plan fiduciary net position as a percentage of the total pension liability	76.80%	76.15%	70.81%	55.13%	55.78%	49.99%	43.89%	48.01%	35.86%	35.89%
Covered payroll	$ 125,804	$ 127,009	$ 123,493	$ 99,609	$ 108,766	$ 107,888	$ 103,646	$ 103,729	$ 94,802	$ 82,994
Net pension liability as a percentage of covered payroll	119.64%	111.16%	137.08%	250.42%	201.57%	228.66%	258.83%	232.42%	368.15%	435.29%

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% to 5.00% 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 where a result of a change in the Single Discount Rate changing from 5.00% to 4.54%, measured at the end of the year.

changes were a result of the update of mortality assumptions to RP-2014 blue-colllar 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.

Assumption changes for the fiscal year ending December 31, 2025 (December 31, 2024 measurement date, January 1, 2025 actuarial valuation date):
Assumption changes were the result of the decision to use the Pub-2016 below median income, amount weighted, fully generational mortality providing for future mortality improvement in the assumption using the Ultimate MP-2020 Projection Scale. The inflation assumption was also increased from 2.25% to 2.40%.
Benefit changes for the fiscal year ending December 31, 2025 (December 31, 2024 measurement date, Januar 1, 2025 actuarial valuation date):
Benefit changes resulting from the restoration of the Trigger Policy (following $31 million one time contribution) include increasing the pension multiplier to 2.5%, counting sick and vacation payouts in final average earnings, and increasing maximum pension service credit to 30 years, applied retroactively to each employer's hire date.

REGIONAL TRANSPORTATION DISTRICT
PENSION PLANS SUMMARY

As of December 31,

Schedule of Contributions Multiyear
Last 10 Fiscal Years*

RTD Salaried Pension Plan

Fiscal period ending December 31,	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially determined contribution	$ 10,173	$ 11,822	$ 8,548	$ 8,319	$ 8,643	$ 8,082	$ 7,954	$ 7,296	$ 7,632	$ 6,768
Actual contribution	15,000	15,000	8,400	6,100	6,100	6,100	5,100	4,600	4,100	3,100
Contribution excess (deficiency)	4,827	3,178	(148)	(2,219)	(2,543)	(1,982)	(2,854)	(2,696)	(3,532)	(3,668)
Covered payroll	$ 15,124	$ 16,547	$ 18,604	$ 19,450	$ 21,336	$ 23,631	$ 26,460	$ 27,619	$ 30,378	$ 31,257
Contribution as a percentage of covered payroll	99.18%	90.65%	45.15%	31.36%	28.59%	21.58%	19.27%	16.66%	13.50%	9.92%

Actuarial methods and assumption used to calculate actuarially determined contributions:

Valuation date:	January 1, 2024
Notes:	Actuarially determined contribution rates are calculated as of January 1, 12 months prior to end of the fiscal year in which contributions are reported.
Actuarial cost method:	Entry age normal
Amortization method:	Level dollar, fixed and declining 20 years
Remaining amortization period:	7 years
Asset valuation method:	Smoother over 5 years based on the Actuarial Value of Assets Expected return
Inflation rate:	2.75%
Wage increases:	6.00% in 2024, 6.5% per annum in 2025-2027, 4.50% per annum in 2028 and thereafter (Prior to January 1, 2024: 6.00% per annum)
Investment rate of return:	7.00% net of investment expenses

Retirement age:

Effective January 1, 2022:

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

Prior to January 1, 2022:

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

Vested inactive participants are assumed to retire at age 65.

Mortality (annuities):	Healthy Participants: 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
Mortality (lump sums):	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
Other:	401(a) compensation and 415 limits are assumed to increase with inflation Turnover: 0.00% - 9.93%, age based Disablement: 0.02% - 0.41%, age based Expenses: $185,700 per year payable monthly, with a 2% annual increase thereafter Marital Status: 50% male/25% female, female spouses 3 years younger Form of Beneftit (active retirements): 25% Lump Sum, 75% Annuity

REGIONAL TRANSPORTATION DISTRICT
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*

RTD Salaried Pension Plan

Fiscal period ending December 31,	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Total Pension Liability										
Service cost	$ 2,003	$ 2,077	$ 2,024	$ 2,394	$ 2,828	$ 3,066	$ 3,000	$ 3,201	$ 3,587	$ 3,342
Interest	13,828	12,808	12,545	12,674	12,436	12,412	12,624	12,351	11,371	10,388
Changes to benefit terms	-	-	-	-	-	-	-	-	-	-
Differences between expected and actual experience	(3,449)	7,762	2,516	(1,146)	2,486	(2,605)	(1,981)	(816)	6,716	3,869
Assumption changes	(1,668)	7,756	1,284	-	-	-	7,844	-	-	3,601
Benefit payments, including lump sum distributions	(17,015)	(14,485)	(14,842)	(15,937)	(11,899)	(12,671)	(12,465)	(9,339)	(7,092)	(9,582)
Net change in total pension liability	(6,301)	15,917	3,526	(2,015)	5,851	202	9,022	5,397	14,582	11,618
Total pension liability - beginning	204,053	188,136	184,609	186,625	180,774	180,572	171,550	166,153	151,571	139,953
Total pension liability - ending	$ 197,752	$ 204,053	$ 188,136	$ 184,609	$ 186,625	$ 180,774	$ 180,572	$ 171,550	$ 166,153	$ 151,571
Plan Fiduciary Net Position										
Contributions - RTD	$ 15,000	$ 15,000	$ 8,400	$ 6,100	$ 6,100	$ 5,100	$ 5,100	$ 4,600	$ 4,100	$ 3,100
Contributions - employees	-	-	-	-	-	-	-	-	-	-
Net investment income	14,812	13,797	(18,255)	19,230	8,991	20,778	(7,143)	18,322	11,337	(610)
Benefit payments, including lump sum distributions	(17,015)	(14,485)	(14,842)	(15,937)	(11,899)	(12,671)	(12,465)	(9,339)	(7,092)	(9,582)
Administrative expenses	(231)	(188)	(170)	(160)	(216)	(189)	(188)	(177)	(166)	(141)
Net change in plan fiduciary net position	12,565	14,124	(24,867)	9,232	2,976	13,018	(14,696)	13,406	8,179	(7,233)
Plan fiduciary net position - beginning	144,150	130,025	154,892	145,660	142,684	129,666	144,362	130,956	122,777	130,010
Plan fiduciary net position - ending	$ 156,715	$ 144,150	$ 130,025	$ 154,892	$ 145,660	$ 142,684	$ 129,666	$ 144,362	$ 130,956	$ 122,777
Plan's net pension liability - ending	$ 41,037	$ 59,903	$ 58,110	$ 29,717	$ 40,965	$ 38,090	$ 50,906	$ 27,188	$ 35,197	$ 28,794
Plan fiduciary net position as a percentage of the	79.25%	70.64%	69.11%	83.90%	78.05%	78.93%	71.81%	84.15%	78.82%	81.00%
Covered payroll	$ 15,124	$ 16,547	$ 18,604	$ 19,450	$ 21,336	$ 23,631	$ 26,460	$ 27,619	$ 30,378	$ 31,257
Net pension liability as a percentage of covered payroll	271.34%	362.01%	312.35%	152.79%	191.99%	161.19%	192.39%	98.44%	115.86%	92.12%

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

Notes to schedule:

Measurement Period: January 1,2024-December 31, 2024 for the fiscal year ending December 31, 2025 (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 Deceember 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 Deceember 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% 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

Assumption changes for the fiscal year ending Deceember 31, 2025 (December 31, 2024 measurement date, January 1 2024 valuation date): Effective with the January 1, 2024 valuation, the salary scale assumption was updated from a flate 6.00% annual salary increase to 6.00% annual salary increase in 2024, 6.50% in 2025 through 2027, and 4.50% in 2028 and each year thereafter.

Changes to benefit terms for the fiscal year ending December 31, 2025 (December 31, 2024 measurement date, January 1, 2024 valuation date): None

SUPPLEMENTARY INFORMATION



REGIONAL TRANSPORTATION DISTRICT
SCHEDULE OF EXPENSE AND REVENUE
BUDGET AND ACTUAL - BUDGETARY BASIS
Year Ended December 31, 2025

	Adopted Budget (Unaudited)	Actual	Variance
Operating revenue			
Passenger fares	$ 57,165	$ 61,419	$ 4,254
Other	8,400	2,054	(6,346)
Total operating revenue	65,565	63,473	(2,092)
Operating expenses			
Salaries and wages	296,337	311,098	(14,761)
Fringe benefits	123,527	138,337	(14,810)
Materials and supplies	69,410	56,716	12,694
Services	388,268	197,536	190,732
Utilities	22,884	18,040	4,844
Insurance	16,600	17,581	(981)
Purchased transportation	298,531	292,147	6,384
Leases and rentals	5,188	3,146	2,042
Miscellaneous	12,866	5,909	6,957
Total operating expenses	1,233,611	1,040,510	193,101
Operating loss	(1,168,046)	(977,037)	191,009
Nonoperating revenue (expenses)			
Sales and use tax	903,171	868,689	(34,482)
Grant operating assistance	328,729	234,103	(94,625)
Investment income	36,000	54,927	18,927
Other income	-	14,929	14,929
Gain/loss on capital assets	-	(743)	(743)
Other gain/(loss)	-	(16,345)	(16,345)
Interest expense	(144,276)	(124,926)	19,350
Total nonoperating revenue (expenses)	1,123,623	1,030,634	(92,989)
Proceeds from debt	-	89,405	89,405
Capital outlay			
Capital expenses	361,146	46,564	(314,582)
Less capital grants	(18,599)	(30,718)	(12,118)
	342,547	15,846	(326,701)
Long-term debt principal payment	(85,151)	(231,446)	(146,295)
Excess (deficiency) of revenue and nonoperating income over (under) expenses, capital outlays and debt principal payments	$ (472,120)	$ (104,290)	$ 367,831
Increases (decreases) to reconcile budget basis to GAAP basis			
Capital expenses		46,564	
Proceeds from debt		(89,405)	
Long-term debt principal payment		231,446	
Depreciation		(328,683)	
(Decrease) IN NET POSITION		$ (244,368)	

REGIONAL TRANSPORTATION DISTRICT
STATEMENT OF NET POSITION - FIDUCIARY FUNDS
As of December 31,

	Section 401(a)	Salaried Pension Plan	**2025**	Section 401(a)	Salaried Pension Plan	**2024**
Assets						
Cash and cash equivalents	$ 117	$ 23	$ 141	$ 15	$ 2,482	$ 2,497
Investments						
Cash equivalents		$ 131	$ 131			
Equities	-	60,857	60,857	-	8,598	8,598
Common collective trusts	-	58,903	58,903	-	92,620	92,620
Defensive equity funds	-	13,049	13,049	-	12,812	12,812
Private credit funds	-	5,631	5,631	-	5,012	5,012
Real estate investment Trusts	-	14,909	14,909	-	14,864	14,864
Pooled separate account	-	2,374	2,374	-	-	-
Private infrastructure funds		5,179	5,179	-	-	-
Mutual funds	82,657	12,862	95,519	65,876	20,354	86,230
Total Investments	82,657	173,895	256,552	65,876	154,260	220,136
Prepaid Benefit Payments		1,025	1,025			-
Receivables						
Accrued interest receivable	-	42	42	-	23	23
Other receivables	22	-	22	1	-	1
Total assets	82,795	174,985	257,781	65,891	156,765	222,656
Liabilities						
Accounts payable	-	13	13	-	50	50
Other Liabilities	-	23	23	-	-	-
Total liabilities	-	36	36	-	50	50
Net position - restricted for pensions	$ 82,795	$ 174,949	$ 257,745	$ 65,891	$ 156,715	$ 222,606

REGIONAL TRANSPORTATION DISTRICT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
Years ended December 31,

	Section 401(a) Retirement Plan	Salaried Pension Plan	**2025**	Section 401(a) Retirement Plan	Salaried Pension Plan	**2024**
Additions						
Contributions	$ 10,380	$ 15,000	$ 25,380	$ 9,272	$ 15,000	$ 24,272
Forfeitures	763		763	441	-	441
Investment income and change in value	11,086	21,298	32,383	7,022	15,193	22,215
Investment expenses	(278)	(299)	(576)	(25)	(381)	(406)
Total additions	21,951	35,998	57,949	16,710	29,812	46,522
Deductions						
Distributions and benefits paid	4,890	17,424	22,314	5,183	17,015	22,198
Administrative expenses	157	340	497	77	231	308
Total deductions	5,047	17,764	22,811	5,260	17,246	22,506
Increase in net position	16,904	18,234	35,139	11,450	12,566	24,016
Net position, beginning of year	65,891	156,715	222,606	54,441	144,149	198,590
Net position, end of year	$ 82,795	$ 174,949	$257,745	$ 65,891	$ 156,715	$ 222,606

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.

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Financial Trends	107-109
These tables contain trend information to help the reader understand how RTD's financial performance and well-being have changed over time.	
Revenue Capacity	110
These tables contain information to help the reader assess RTD's most significant revenue source.	
Debt Capacity	111
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.	
Demographic and Operating Information	112
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.	

REGIONAL TRANSPORTATION DISTRICT
NET POSITION BY COMPONENT[1]

Table 1

	2025	2024	2023[3]	2022[3]	2021	2020	2019	2018	2017	2016
Net Investment in Capital Assets (Note I)	$ 1,982,503	$ 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
Restricted (Note I)										
Emergencies	37,745	37,567	29,837	28,995	25,623	26,861	25,940	24,079	25,735	21,609
Debt and other	569,251	636,972	664,421	621,212	632,814	519,978	488,810	502,558	475,792	395,948
Total restricted net position[2]	606,996	674,539	694,258	650,207	658,437	546,839	514,750	526,637	501,527	417,557
Unrestricted net position (note H)	452,215	462,820	557,598	469,792	252,166	1,165	(165,410)	(207,306)	(223,204)	(214,479)
Total net position	$ 3,041,714	$ 3,286,082	$ 3,568,123	$ 3,547,539	$ 3,462,417	$ 3,361,993	$ 3,336,878	$ 3,463,506	$ 3,413,509	$ 3,322,352

[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
SUMMARY OF STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

Table 2

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Operating revenues:										
Passenger fares	$ 61,419	$ 63,906	$ 63,534	$ 75,292	$ 78,923	$ 76,265	$ 154,390	$ 143,231	$ 140,217	$ 134,622
Other	2,054	1,532	1,519	2,707	4,197	6,183	6,553	7,535	7,159	5,803
Total operating revenues	63,473	65,438	65,053	77,999	83,120	82,448	160,943	150,766	147,376	140,425
Operating expenses:										
Salaries, wages, fringe benefits	449,435	402,309	363,101	332,539	246,125	248,595	251,074	236,892	263,977	260,039
Materials and supplies	56,716	61,007	53,529	43,820	39,663	42,108	54,983	51,335	44,686	52,180
Services	197,536	145,525	97,340	82,633	74,500	84,673	96,085	81,189	77,323	58,560
Utilities	18,040	18,070	19,543	18,434	17,512	16,206	17,823	16,419	16,503	14,220
Insurance	17,581	14,648	14,148	13,221	10,104	10,186	10,833	9,941	13,319	10,382
Purchased transportation	292,147	257,402	223,349	196,016	174,747	203,964	203,559	176,416	159,051	156,605
Leases and rentals	3,146	2,929	2,492	1,540	3,202	3,397	3,204	1,996	2,829	3,288
Miscellaneous	5,909	5,723	4,398	3,263	2,213	2,546	5,053	4,317	4,213	4,183
Total operating expenses	1,040,510	907,613	777,900	691,466	568,066	611,675	642,614	578,505	581,901	559,457
Operating loss before depreciation	(977,037)	(842,175)	(712,847)	(613,467)	(484,946)	(529,227)	(481,671)	(427,739)	(419,032)	(382,947)
Depreciation	328,683	324,958	339,870	358,207	340,558	339,833	355,417	285,653	248,633	222,154
Operating loss	(1,305,720)	(1,167,133)	(1,052,717)	(971,674)	(825,504)	(869,060)	(837,088)	(713,392)	(667,665)	(605,101)
Nonoperating income (expense):										
Sales and use tax revenues	868,689	857,411	858,133	855,146	756,974	632,665	659,418	634,192	598,187	563,598
Grant operating assistance	234,103	52,951	234,488	307,042	299,052	316,848	86,263	86,403	80,412	77,335
Interest income	54,927	57,710	58,111	(1,004)	2,401	8,965	17,669	13,409	63,030	6,371
Other income	14,929	19,040	18,990	34,370	11,596	10,397	26,582	12,618	10,596	9,927
Gain/Loss on capital assets	(743)	635	(17,036)	(5,121)	(6,787)	(3,822)	(2,452)	(1,449)	4,022	5,664
Interest expense	(124,926)	(131,050)	(134,609)	(138,337)	(154,096)	(167,055)	(200,845)	(62,770)	(65,346)	(77,272)
Other expense/unrealized loss assets	(16,345)	-			-		(672)	(16)	(2,981)	(1,258)
Total nonoperating income	1,030,634	856,697	1,018,078	1,052,096	909,140	797,998	585,963	682,387	687,920	584,365
Net income before capital grants and local contributions	(275,086)	(310,436)	(34,639)	80,422	83,636	(71,062)	(251,125)	(31,005)	20,255	(56,821)
Capital grants and local contributions	30,718	28,395	53,681	15,646	17,169	96,177	124,497	81,002	86,395	202,235
Increase in net position	(244,368)	(282,041)	19,042	96,068	100,805	25,115	(126,628)	49,997	91,157	145,414
Net position, beginning of year, (as previously reported)	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
Change in accounting principle, (note A)			63	(9,466)	(382)					
Net position, beginning of year, (as restated)			3,549,081	3,452,950	3,361,611					
Prior period adjustment										
Net position at end of year	$ 3,041,714	$ 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

REGIONAL TRANSPORTATION DISTRICT
OPERATING AND OTHER EXPENSES AND CAPITAL OUTLAYS[1]

Table 3

10 Years (Unaudited)

Year	Operating Expenses	Depreciation	Interest Expense	Other Nonoperating Expenses	Capital Outlays[2]	Total
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	1,350,210
2024	907,613	324,958	131,050	-	54,695	1,418,316
2025	1,040,510	328,683	124,926	17,088	46,564	1,557,771

[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
REVENUE BY SOURCE[1]

Table 4

10 Years (Unaudited)

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	1,053,186	15,429	12,966	1,081,580
2025	63,473	868,689	234,103	54,927	14,929	1,236,121	2,967	27,751	1,266,839

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

REGIONAL TRANSPORTATION DISTRICT
DEBT COVERAGE RATIOS[1]

Table 5

10 YEARS

	Sales Tax Bond Debt Service Requirements			Sales Tax	Coverage
	Interest	Principal	Total	Collections	Ratio
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
2025	93,485	34,680	128,165	868,689	6.78

Certificate of Participation Debt Service Requirements

	Interest	Principal	Total
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
2025	12,193	43,875	56,068

	Total Debt Service Requirements			Total	Coverage
	Interest	Principal	Total	Revenue	Ratio
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
2025	105,678	78,555	184,233	1,266,839	6.88

[1] Source: The financial records of RTD and the Offical Statements of the respective debt issues.

REGIONAL TRANSPORTATION DISTRICT
DEMOGRAPHIC AND OPERATING DATA

Table 6

Last Ten Years (Unaudited)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
January 1 population within RTD service area[1]	3,098,000	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
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	2,342
Total service miles	47,035,362	46,371,387	47,932,575	60,532,485	37,337,138	35,550,924	64,369,963	59,239,576	49,348,647	44,368,116
Passenger stops	9,720	9,720	9,720	9,720	9,720	9,750	9,800	9,800	9,077	9,077
Number of fixed routes	126	112	137	137	134	134	169	169	172	172
Local	85	85	107	107	99	89	124	124	132	132
Regional	12	12	17	17	17	23	23	23	16	16
Skyride	5	5	3	3	2	3	3	3	3	3
Limited	10	10	10	10	10	14	14	14	16	16
Miscellaneous					6	5	5	5	5	5
Average weekday ridership	193,402	200,998	195,501	187,529	145,998	164,886	345,299	321,891	326,413	331,580
Total Annual Boardings	63,948,887	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
Total Revenue Boardings	61,535,084	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
Average weekday miles operated	143,260	135,495	118,971	115,142	117,620	135,495	176,356	141,621	142,489	136,677
Fare revenue as a % of operating expenses	4.49%	5.20%	5.70%	7.30%	8.50%	8.00%	15.50%	16.60%	16.90%	17.20%
Operating cost per rider	$ 21.24	$ 18.30	$ 17.15	$ 17.04	$ 18.53	$ 18.08	$ 9.43	$ 8.20	$ 7.77	$ 7.71
Diesel fuel consumption, gallons[2]	4,101,496	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
Total active buses	968	972	1,019	1,035	1,034	1,026	1,030	1,026	1,023	1,023
Wheelchair lift equipped buses	968	972	1,019	1,035	1,034	1,026	1,030	1,026	1,023	1,023
Number of employees[2]										
Salaried	1,092	1,045	998	869	785	923	870	870	817	779
Represented (includes part-time)	2,077	2,015	1,817	1,739	1,722	2,063	2,018	2,018	1,962	2,034
Operating facilities[2]	8	8	8	8	8	8	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

ACFR Table	Table Title
7	Five-Year Financial Forecast
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 2025 and 2026 Budget
15	Trip Fares
16	RTD Net Retail Sales

2026-2030 FIVE-YEAR FINANCIAL FORECAST

Table 7

Modified Accrual Basis Except Depreciation	2026	2027	2028	2029	2030	Total
Fares	$ 61,490	$ 62,412	$ 63,349	$ 64,299	$ 65,263	$ 316,813
Sales and use taxes	877,163	919,714	967,265	1,017,868	1,074,331	4,856,341
Grants and contributions	308,737	169,950	174,960	179,221	184,511	1,017,379
Other income	32,000	33,000	36,000	40,000	37,000	178,000
Total revenue	1,279,390	1,185,076	1,241,573	1,301,388	1,361,106	6,368,533
Operating expenses (excluding depreciation)	1,070,155	790,261	802,266	817,791	833,077	4,313,550
Expense projects	43,076	12,260	11,703	8,543	9,248	84,829
Capital expenditures	603,344	166,510	110,261	62,890	259,015	1,202,020
Debt service	190,635	273,923	260,174	258,060	246,511	1,229,303
Total expenditures	1,907,210	1,242,954	1,184,404	1,147,284	1,347,851	6,829,702
Net sources/(uses) of funds	(627,820)	(57,878)	57,169	154,104	13,255	(461,168)
Contributions to/(use) of reserves	112,257	(239,335)	462	56,026	86,780	16,190
Remaining funds under Board auspices	$ 812,079	$ 572,744	$ 573,206	$ 629,232	$ 716,012	$ 716,012
Net revenue coverage	1.3	1.4	1.7	1.9	2.1	2.1
Months operating reserve	3.1	3.0	3.0	3.0	3.0	3.0

REGIONAL TRANSPORTATION DISTRICT
STATEMENT OF DEBT
as of December 31, 2025

Table 8

Direct Borrowings/Placements:		Outstanding[2]
RTD Sales FasTracks Tax Revenue Bonds, Series 2022AB		270,520
	$	270,520
Sales Tax Bonds		
RTD Sales Tax Revenue Refunding Bonds, Series 2007[1] - FasTracks	$	238,892
RTD Sales FasTracks Tax Revenue Bonds, Series 2010B[1]		300,000
RTD Sales FasTracks Tax Revenue Bonds, Series 2013A[1]		225,975
RTD Sales FasTracks Tax Revenue Bonds, Series 2016A[1]		219,395
RTD Sales FasTracks Tax Revenue Bonds, Series 2017A[1]		71,024
RTD Sales FasTracks Tax Revenue Bonds, Series 2017B[1]		131,696
RTD Sales FasTracks Tax Revenue Bonds, Series 2019A[1]		57,110
RTD Sales FasTracks Tax Revenue Bonds, Series 2021AB[1]		661,564
RTD Sales FasTracks Tax Revenue Bonds, Series 2023A[1]		186,433
Total Sales Tax Revenue Debt	$	2,092,089

Lease Purchase Agreements	Outstanding[2]
Master Lease Purchase Agreement II Fixed Rate Certificates of Participation, Series 2020A	65,664
Master Lease Purchase Agreement II Fixed Rate Certificates of Participation, Series 2023A	2,546
Master Lease Purchase Agreement II Fixed Rate Certificates of Participation, Series 2024A	114,642
Master Lease Purchase Agreement II Fixed Rate Certificates of Participation, Series 2025A	82,071
Total Certificates of Participation Debt	$ 264,923

Other Debt Obligations	Outstanding
Eagle P3 related liabilities	495,797
LT Lease Liability	48,261
	$ 544,058
Total Debt	$ 3,171,590

RTD District Population[3]		3,098,000
Per Capita Debt Requirement	$	1,024

[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.

ANNUAL RIDERSHIP AND FARE REVENUE - 2016-2025

Table 9

(In Thousands)

Year	Revenue Boardings[1]	Fare Revenue	Percent Change in Fare Revenue
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%
2025	61,535	61,418	-3.9%

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

ADVERTISING AND ANCILLARY REVENUES - 2016-2025

Table 10

(In Thousands)

Year	Advertising Revenue	Ancillary Revenues
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
2025	318	1,735

GRANT RECEIPTS AND LOCAL CONTRIBUTIONS - 2016-2025

Table 11

(In Thousands)

Year	Grant Capital	Local Contributions	Grant Operating Assistance
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
2025	2,967	27,751	234,104

REGIONAL TRANSPORTATION DISCTRICT
FIVE-YEAR SUMMARY OF STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

Table 12

	Years Ended December 31,				
	2025	2024	2023	2022	2021
Operating revenues:					
Passenger fares	$ 61,419	$ 63,906	63,534	75,292	78,923
Other	2,054	1,532	1,519	2,707	4,197
Total operating revenues	63,473	65,438	65,053	77,999	83,120
Operating expenses:					
Salaries, wages, fringe benefits	449,435	402,309	363,101	332,539	246,125
Materials and supplies	56,716	61,007	53,529	43,820	39,569
Services	197,536	145,525	97,340	82,633	74,328
Utilities	18,040	18,070	19,543	18,434	17,512
Insurance	17,581	14,648	14,148	13,221	10,104
Purchased transportation	292,147	257,402	223,349	196,016	174,747
Leases and rentals	3,146	2,929	2,492	1,540	1,643
Miscellaneous	5,909	5,723	4,398	3,263	2,213
Total operating expenses	1,040,510	907,613	777,900	691,466	566,241
Operating loss before depreciation	(977,037)	(842,175)	(712,847)	(613,467)	(483,121)
Depreciation	328,683	324,958	339,870	358,207	343,167
Operating loss	(1,305,720)	(1,167,133)	(1,052,717)	(971,674)	(826,288)
Nonoperating income (expense):					
Sales and use tax revenues	868,689	857,411	858,133	855,146	756,974
Grant operating assistance	234,103	52,951	234,488	307,042	299,052
Interest income	54,927	57,710	58,111	(1,004)	2,401
Other income	14,929	19,040	18,990	34,370	11,998
Gain/Loss on capital assets	(743)	635	(17,036)	(5,121)	(6,787)
Interest expense	(124,926)	(131,050)	(134,609)	(138,337)	(154,096)
Other expense/Unrealized Loss	(16,345)	-	-	-	-
Total nonoperating income	1,030,634	856,697	1,018,077	1,052,096	909,542
Net income before capital grants and local contributions	(275,086)	(310,436)	(34,640)	80,422	83,254
Federal capital grants and local contributions	30,718	28,395	53,681	15,646	17,169
(Decrease)/Increase in net position	(244,368)	(282,041)	19,041	96,068	100,423
Net position, beginning of year	3,286,082	3,568,123	3,549,018	3,462,416	3,361,993
Net position at end of year (as previously reported)	$ 3,041,714	$ 3,286,082	$ 3,568,059	$ 3,558,485	$ 3,462,416
Adoption of GASB 101		0	64	(9,466)	
Net position at end of year	$ 3,041,714	$ 3,286,082	$ 3,568,123	$ 3,549,018	$ 3,462,416

REGIONAL TRANSPORTATION DISTRICT **Table 13**
FIVE-YEAR SCHEDULE OF EXPENSES AND REVENUES - BUDGET AND ACTUAL - BUDGETARY BASIS*

	2025		2024		2023		2022		2021	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
Operating revenues:										
Passenger fares	$ 57,165	$ 61,419	$ 63,930	$ 63,906	$ 98,180	$ 63,534	$ 98,180	$ 75,292	$ 88,462	$ 78,923
Other	8,400	$ 2,054	8,400	1,532	8,353	1,519	8,353	2,707	4,805	4,197
Total operating revenues	65,565	63,473	72,330	65,438	106,533	65,053	106,533	77,999	93,267	83,120
Operating expenses:										
Salaries, wages, fringe benefits	419,864	449,435	353,003	402,309	350,927	363,101	318,801	343,484	258,338	$ 246,125
Materials and supplies	69,410	56,716	61,569	61,007	53,446	53,529	57,932	43,820	55,562	39,569
Services	388,268	197,536	326,907	145,525	140,425	97,340	135,628	82,633	146,574	74,328
Utilities	22,884	18,040	21,944	18,070	19,432	19,543	19,425	18,434	17,482	17,512
Insurance	16,600	17,581	15,200	14,648	14,700	14,148	12,270	13,221	13,120	10,104
Purchased transportation	298,531	292,147	261,611	257,402	223,696	223,349	213,746	196,016	207,773	174,747
Leases and rentals	5,188	3,146	5,239	2,929	3,356	2,492	4,496	1,540	4,555	1,643
Miscellaneous	12,866	5,909	(4,624)	5,723	10,455	4,398	8,576	3,263	8,773	2,213
Total Operating Expenses	1,233,611	1,040,510	1,040,849	907,613	816,437	777,900	770,874	702,411	712,177	566,241
Operating loss	(1,168,046)	(977,037)	(968,519)	(842,175)	(709,904)	(712,847)	(664,341)	(624,412)	(618,910)	(483,121)
Nonoperating revenue (expense):										
Sales and use tax	903,171	868,689	932,541	857,411	852,827	858,133	768,369	855,146	799,069	756,974
Grant operating assistance	328,729	234,103	154,240	52,951	176,104	234,488	209,494	307,042	209,494	299,052
Interest income	36,000	54,927	30,000	57,710	-	58,111	-	(1,004)	-	2,401
Other income	-	14,929	-	19,040	-	18,990	-	34,370	-	11,998
Gain/Loss on capital assets	-	(743)	-	635	-	(17,036)	-	(5,121)	-	(6,787)
Interest expense	(138,457)	(124,926)	(138,457)	(131,050)	(140,933)	(134,609)	(147,378)	(138,337)	(153,844)	(154,096)
Other expense/Unlrealized loss	-	(16,345)	-	-	-	-	-	-	-	-
Total nonoperating revenue	1,129,443	1,030,634	978,324	856,697	887,998	1,018,077	830,485	1,052,096	854,719	909,542
Proceeds from issuance of long-term debt	-	89,405	-	100,825	-	214,535	-	320,000	-	834,904
Capital outlay										
Capital expenses	342,547	46,564	29,034	54,695	643,828	97,895	575,574	17,786	643,555	30,259
Less capital grants	-	(30,718)	-	(28,395)	-	(53,681)	(25,800)	(15,646)	-	(17,169)
	342,547	15,846	29,034	26,300	643,828	44,214	549,774	2,140	643,555	13,090
Long-term debt principal payment	(85,151)	(231,446)	84,827	164,886	87,790	376,496	81,324	527,795	81,324	896,843
nonoperating income over (under) expenses, capital outlay and debt principal payments	$ (466,301)	(104,290)	$ (104,056)	(75,839)	$ (553,524)	99,056	$ (464,954)	217,749	$ (489,070)	377,572
Increases (decreases) to reconcile budget basis to GAAP basis										
Capital expenditures		46,564		54,695		97,895		17,786		30,259
Long-term debt proceeds		(89,405)		(100,825)		(214,535)		(320,000)		(834,904)
Long-term debt principal		231,446		164,886		376,496		527,795		896,843
Depreciation		(328,683)		(324,958)		(339,870)		(358,208)		(340,558)
Net income		$ (244,368)		$ (282,041)		$ 19,042		$ 85,123		$ 129,212

*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
FISCAL YEAR 2025 AND 2026 BUDGET SUMMARY

Table 14

	2025 Adopted Budget	2026 Adopted Budget
Beginning net position	$ 3,365,481	$ 3,444,953
Revenues:		
Operating	65,564	61,490
Sales & use taxes	903,170	877,163
Federal and local grants	347,328	308,737
Interest and other income	36,000	32,000
FasTracks - change in debt service reserve		
FasTracks - change in FISA		
Change in capital acquisition reserve		
Financing proceeds	-	-
Contributed capital and other income		
Total Revenues	1,352,062	1,279,390
Expenditures:		
Operating	1,233,611	1,113,232
Interest expense	144,276	118,505
Debt payments	85,151	72,131
Current capital	36,148	223,583
Capital carryforward	324,998	379,761
Total expenditures	1,824,184	1,907,212
Adjustments[1]	177,708	275,350
Ending net position	$ 3,071,067	$ 3,092,481
Net position summary:		
Net investment in capital assets	$ 2,298,573	$ 2,030,325
Restricted debt service, project related and other[2]	(112,633)	220,957
Restricted TABOR fund	30,142	29,120
Restricted FasTracks[3]	190,099	191,532
Restricted Board-appropriated and capital replacement[4]	479,302	393,403
Unrestricted fund	185,584	227,144
Ending net position	$ 3,071,067	$ 3,092,481

[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
TRIP FARES

Table 15

Trip Fares	Standard Fare	Discount Fare (includes Airport)[1]	Youth Fare (19 and under)
Single Trip Fares (3-Hour Pass)			
16th Street Free Ride and Free Metro Ride	No Cost	No Cost	No Cost
Local	$ 2.75	$ 1.35	No Cost
Airport	10.00	1.35	No Cost
Multiple trip fares (10 Ride Ticket Book)			
Local	$ 27.50	$ 13.50	No Cost
Airport		13.50	No Cost
Multiple trip fares (Day Pass)			
Local	$ 5.50	$ 2.70	No Cost
Airport	10.00	2.70	No Cost
Multiple trip fares (monthly pass)			
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%
2025	22,297	7,821	11,599	13,577	15,300	6,470	1,833	2,627	81,524	4.4%

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

RTD

We make lives better
through connections.