

2023 Proposed Budget

Finance Contacts

Todd Nikkel
Senior Manager, Budget
h.todd.nikkel@rtd-denver.com
(303) 299-2418

Doug MacLeod
Chief Financial Officer
douglas.macleod@rtd-denver.com
(303) 299-3036

Table of Contents

<u>Section</u>	<u>Page</u>
Message from GM/CEO	3
Introduction	5
Perspective	5
Strategic Plan Alignment	6
Fiscal and Budgetary Policies	6
Financial Discussion and Analysis	7
- Revenues	7
- Expenditures	9
- Asset Management Plan	14
Headcount	15
Comparative Cash Flow Information	16
Financial Position and Key Metrics	17



BUDGET MESSAGE FROM THE GENERAL MANAGER AND CEO

I am pleased to introduce RTD's Fiscal Year 2023 budget.

The FY 2023 Budget represents a financial plan for what's next for the agency in the coming year. Among the highlights:

- Continuation of the 2021-2026 Strategic Plan implementation framework, aligning objective, measurable inputs with established strategic priorities and a laser-like focus on employees' efforts on metrics that matter to RTD's overall success outcomes
- Completion of the Systemwide Fare Study and Equity Analysis to evaluate potential changes to the fare structure and pass programs and develop recommendations to be considered for adoption by the Board
- Implementation of the System Optimization Plan (SOP) with the January 2023 service change. Essentially, the SOP sets the stage for the agency's optimization of service delivery through the short-term component of the Reimagine RTD effort, the agency's Comprehensive Operations Analysis. The SOP is geared toward:
 - Aligning service levels with workforce availability
 - Increasing the agency's focus on providing a high-quality, regional backbone network
 - Sustaining the overall integrity of the transit network, and
 - Maintaining assets in a state of good repair



DEBRA A. JOHNSON

RTD's revenues, the funding that allows the agency to strive to deliver high-quality transit services, are derived primarily from three main sources: sales and use taxes collected on goods and services purchased within RTD's service area; federal grants, which supplement not only RTD's revenues but those of many transit agencies across the country; and farebox revenues, the fares customers pay to utilize the agency's services.

RTD, like most transit agencies across the country, was drastically impacted in the early days of the COVID-19 pandemic, as boardings plummeted and sales and use revenues declined as individuals, businesses, and government entities went into lockdown. Federal rescue and relief funding provided a lifeline during difficult

BUDGET MESSAGE FROM THE GENERAL MANAGER AND CEO

(cont'd from page 3)

financial times, and the agency has put those funds to good use by focusing on bolstering people power; aligning wages, salaries, and benefits with those of comparable positions in the market and sustaining transit operations at a time when individuals in our communities relied upon RTD for access to critical services.

As the agency and the region continue to recover and stabilize from the pandemic's impacts, we are collectively finding new norms. Ridership is significantly lower now than in previous years. In fact, industry analysts estimate that public transit agencies across the country will experience a permanent 15-20% decline in ridership. Remote work shifts in the composition of the workforce, and competition from third parties such as Uber and Lyft are just a few of the factors driving this change.

Public transit is among many industry sectors facing significant challenges, not least of which are critical worker shortages, what I call people power problems, due to the Great Resignation that has taken place over the past two years. I firmly believe that from that Great Resignation will follow a Great Reset, wherein governments, industries, and individuals across the nation and the globe will have the opportunity forge a new, sustainable path forward in a post-pandemic landscape; those with the foresight and determination to seize this opportunity will reap great rewards. It is in this vein that transit industries have the chance to rewrite old narratives about the purpose of public transit; no longer will transit agencies be measured solely by the number of customers they can transport but rather by the value they deliver to the communities they serve. This exciting and important discussion of "value over volume" continues to unfold across the agency at agencies large and small.

Although we must recognize and account for many challenges, they are not what defines this agency. I recognize, appreciate, and honor the collaborative efforts exhibited by all of the agency's employees and agency leaders, as well as the Board of Directors and our union and contractor partners during these challenging times. I thank each of you for being one of the people who move people in the Denver metro region.

Moreover, I extend my sincere thanks and appreciation for the contributions in the timely preparation of the FY 2023 Budget to Doug MacLeod, Chief Financial Officer; Todd Nickel, Senior Manager, Budget; Heidi Wagner, Senior Manager, Finance; the Budget Analysts, and the Leadership Team.

As we look toward the upcoming year and reflect on the various changes and challenges we have collectively endured, I am proud to reaffirm our commitment to the agency's mission: **"We make lives better through connections."**

Sincerely,



Debra A. Johnson
General Manager and CEO

Introduction

The Regional Transportation District's (RTD) 2023 Proposed Budget (Budget) represents the expected revenues, expenditures and financial position anticipated for the fiscal year January 1 through December 31, 2023. The RTD Board of Directors appropriates funding by fiscal year which allows RTD to continue its mission to *make lives better through connections*. The expenditures set forth herein align the Budget with RTD's Strategic Plan Priorities within the projected financial constraints.

This Budget demonstrates RTD's financial capacity to address the agency's strategic priorities based on current information. The development of the Budget is a cross-departmental collaborative effort; hence the proposed budget for the Board's consideration is a collective staff recommendation.

For FY2023, the operating expense budget is \$816.4 million, of which \$28.9 million is carryforward from 2022 into 2023. New capital is \$75.9 million and capital carry forward of \$568.0 million for a total capital budget of \$643.9 million. Debt service is \$225.8M and reserves are \$516.4 million for a total appropriation of \$2,202 million.

Perspective

The 2023 Proposed Budget focuses on the Strategic Priorities of the Board-adopted 2021-2026 Strategic Plan. As a result, funding appropriations are aligned in a manner to direct efforts towards achieving the desired success outcomes as measured by specific metrics.

As society emerges from the most significant impacts from COVID-19, additional clarity has and is being realized regarding the future state of public transit services in general, as well as RTD's specific experiences. In light of this, a System Optimization Plan (SOP) approved by the Board is incorporated within this budget. Additionally, RTD has positioned itself to meet the financial needs to remediate backlogs in project completion and ensure that assets are maintained in a state of good repair.

While RTD's current financial position is strong and funding capacity is available to fund initiatives and programs within the Strategic Priorities, it is expected that the agency will continue to be challenged with accessing adequate non-financial resources as a result of the difficult labor market environment, supply chain issues and inflation.

Economic conditions indicate that there is a potential for recession which historically has impacted RTD's largest source of revenue, sales and use taxes. Despite these economic headwinds, these tax collections are still expected to grow modestly in 2023 as a result of high employment and projected gross domestic product (GDP) growth within the District. Furthermore, RTD's reserves remain in a strong position to moderate financial impacts resulting from unexpected volatility.

Although challenging circumstances exist in the economy, beneficial opportunities exist. The higher interest rate environment negates the opportunities for additional interest savings from debt refinancings, however, RTD will benefit from higher investment returns. In addition, impacts from the high inflation rate environment will be tempered somewhat by RTD's debt instruments all being issued at fixed rates in addition to many annual contractual increases already being fixed.



This 2023 Budget request sets a financial course that is prudent and strategic while providing the foundation for financial sustainability.

The underpinnings of these requested appropriations are to provide a level of service commensurate with available resources that best meets the needs of RTD customers and communities as well as a focus on RTD's fiduciary duty to maintain its assets in a state of good repair.

Strategic Plan Alignment

The Budget has been developed to direct resources to support the Strategic Plan Priorities:

- Customer Excellence
- Community Value
- Employee Ownership
- Financial Success

Fiscal and Budgetary Policies

Annually, the Board approves the RTD Fiscal Policy for the following fiscal year. Development of the Budget adheres to this Fiscal Policy. The Board approved the 2023 Fiscal Policy at the October 25, 2022 meeting. The 2023 Budget Policy from within the 2023 Fiscal Policy is summarized below.

Summarized Budget Policies

- RTD shall comply with Colorado Local Government Budget Law
- The Board will review and adopt the RTD Fiscal Policy
- There shall be a budgetary monitoring system that charges expenditures against approved appropriations
- The Budget shall be summarized for adoption purposes
- Budget preparation shall follow Generally Accepted Accounting Principles (GAAP)
- A balanced budget is required in which revenues plus reserves are greater than or equal to expenditures
- Procedures that postpone funding of necessary expenditures, such as preventive maintenance or equipment replacement, will be avoided
- Conservative revenue estimates that are reasonable shall be used
- RTD will monitor the Budget and adjust as necessary
- RTD shall prepare a six-year Mid-term Financial Plan (MTFP) forecast
- Budgets shall support the goals and objectives of RTD

The 2023 Proposed Budget meets these policies.





Financial Discussion and Analysis

The financial aspects of a budget consist of three primary categories: revenues, expenditures and reserves. Revenues and expenditures provide the cash inflows and outflows while reserves provide the financial balance to smooth cash flow volatility and supply the financial relief necessary for unforeseen circumstances that inevitably arise.

Revenues

Revenue sources are generally either recurring or finite. RTD's Fiscal Policy establishes that one-time revenues be used for one-time expenditures while recurring revenues provide a sustainable source to fund ongoing needs. Because one-time revenues have a finite term, commitments for recurring expenditures require an alternative source once the one-time revenues are exhausted.

RTD's sources of recurring revenue, in descending order of size, are sales and use taxes, fares, federal operating grants and miscellaneous revenue from advertising, investment income and rent. Historically, RTD has also been the recipient of one-time revenues from federal capital grants, federal COVID-19 relief funding, local contributions and land sales. RTD does not budget or forecast one-time revenues unless certainty exists.

Revenue assumptions for the Budget include the following:

- Fare revenue has been adjusted downward from 2022 expectations due to lower ridership. The 2022 Budget anticipated a gradual, modest return of ridership due to increased in-person participation at universities and anticipated return-to-work requirements during the emergence from the COVID Pandemic. While ridership has recovered from its nadir of 30% of pre-COVID levels to approximately 60% currently, it has fallen short of the 2022 expectations of a gradual return to 85% of pre-COVID levels. As a result, the 2023 Budget reflects a 1.4% increase in ridership in 2023 that will drive fare revenue. In a September 2022 report, Standard and Poor's predicts that public transportation ridership will only return to 75% of pre-pandemic levels by 2025.
- Sales and use tax projections were provided by the University of Colorado Leeds School of Business (CU Leeds) in August 2022 and presented to the RTD Board in September 2022. Based on Moody's economic forecasts, the CU Leeds forecast model predicts that tax collections will increase 2.2% in 2023 vs. 2022 primarily driven by continued high employment, population growth and real GDP growth in the Denver metro area. In addition, inflation is pushing prices upward resulting in growing tax collections which is somewhat tempered by an expected modest decrease in spending. The RTD forecast aligns with the statewide expectations from the Colorado Legislative Council (CLC) and Office of State Budgeting and Planning (OSPB).
- Operating grants of \$141.7 million, primarily from the Federal Transit Administration (FTA), are a recurring revenue stream to RTD. These grant apportionments are based upon financial and statistical data that RTD submits to the National Transit Database (NTD). The FTA has agreed to apportion amounts based on prior year NTD submissions excluding COVID-19 impacts and the

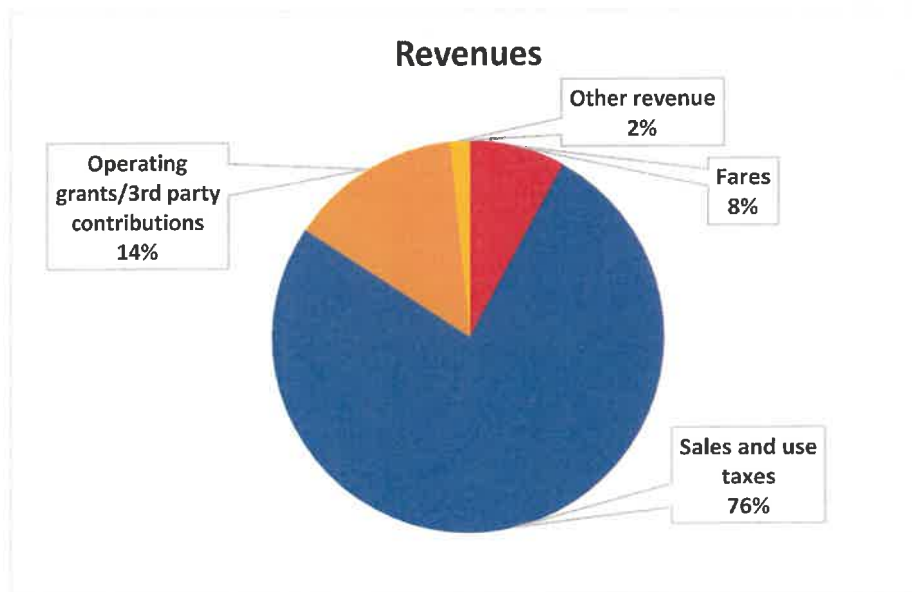




Infrastructure Investment and Jobs Act (IIJA)/Bipartisan Infrastructure Law (BIL) increases the annual apportionment to RTD approximately 30% in 2023 which is the equivalent of \$27 million. These increased apportionments are scheduled to continue through 2026.

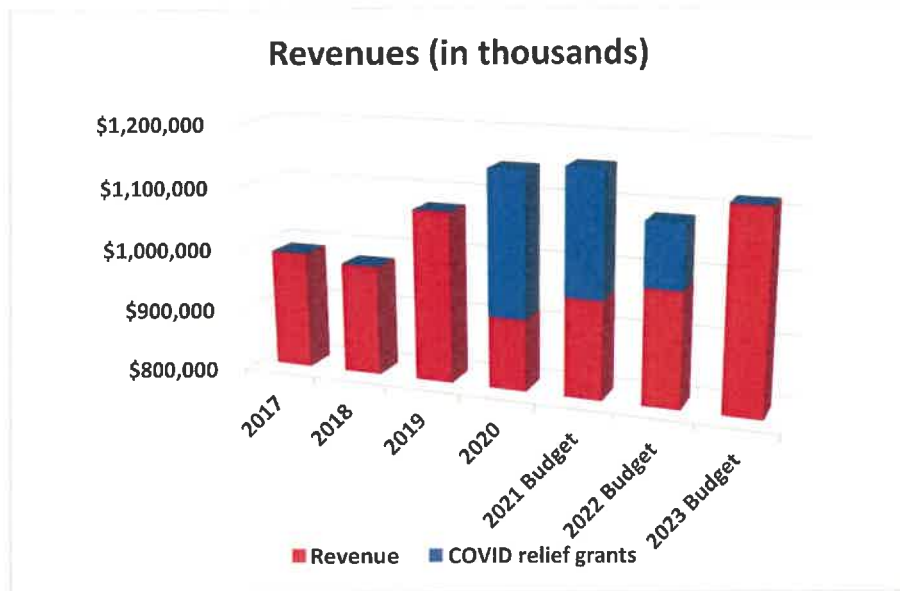
- COVID-19 relief grants are anticipated to be fully drawn by the end of 2022. This additional grant funding combined with strong sales and use taxes has contributed to an unprecedented balance of over \$1 billion in cash and investments as well as substantial reserves which, along with higher interest rates, will generate additional investment income in 2023. These significant cash and investment balances are earmarked for state of good repair needs and maintaining fund balances in accordance with the RTD Fiscal Policy.
- Other revenue includes recurring revenue of \$16 million which consists primarily of a federal Build America Bonds (BAB) interest rate subsidy and advertising revenues.
- Interest income of \$10 million is planned for 2023 with higher interest yields on higher reserve balances.

RTD's 2023 budgeted revenues are depicted below:





RTD's total revenue trends by year are depicted below:



Expenditures

Expenditures consist of both recurring expenses, such as operating expenses, as well as occasional outlays such as projects, debt service and capital expenditures.

RTD's largest expenditure is core business service delivery. These costs include compensation, materials and supplies, contracted services, insurance, utilities and other such expenses.

RTD also has a significant debt burden primarily from capital expansion projects as well as obligations issued to finance the purchase of rolling stock. RTD has completed two refinancings in the past year to realize interest savings and reduce the debt burden. As interest rates have risen recently, RTD does not anticipate performing additional refinancings during 2023.

Furthermore, RTD has ongoing asset management needs that average approximately \$120 million annually. Asset management needs can fluctuate significantly by year when, for example, a single year includes a large purchase such as fleet replacements. The 2023 Proposed Budget contemplates these periodic needs through building Capital Replacement Fund reserves until needed. RTD has the ability to fund these purchases with cash, rather than more expensive lease-purchases that have been utilized in the past, and has budgeted and forecasted accordingly.



Expenditure assumptions for the Budget include:

- Salaries and wages assume full staffing to provide service levels in accordance with the System Optimization Plan (SOP). While it is anticipated that the job market will remain competitive and will prolong RTD's ability to attract and maintain full staffing levels, funding has been made available in these appropriations. In addition, the Collective Bargaining Agreement (CBA) includes wage increases with provisions for incentive pay for represented employees until such time that adequate staffing levels are achieved. The compensation increases in 2023 shown below are primarily driven by annual increases and additional RTD police officers, which is partially offset by the decrease in contracted security services included in Outside Services
- Benefits include the following:
 - A \$1 million increase for represented employee health and welfare benefit increases
 - A \$3 million increase for non-represented health benefits due to an 8% premium increase as well as realignment of the plan to provide a more attractive second option based on benefits survey feedback from employees. The second option had shifted significant premium costs from RTD to employees during the prior three years resulting in employee dissatisfaction. While this increase is relatively immaterial, it follows no net increase in non-represented health and welfare costs in 2022 while also contributing to an increase in employee satisfaction
 - Dental and vision plans for employees remain largely unchanged for 2023, however, the non-represented vision plan will shift to a new provider with no material change in cost while also providing more options and flexibility for employees. This change resulted from feedback received from employees through a benefits survey
 - Represented employee retirement plans include RTD contributions to the defined benefit pension of 15% with employee contributions remaining at 5% per the CBA. This plan will be closed to new entrants in 2023. In addition, provisions have been included to fund the new defined contribution plan at 9% with up to a 5% match for new employees beginning January 1, 2023. The defined benefit pension plan is 82% funded, up from 53% funded in 2022, due to the 2022 one-time cash infusion of \$160 million, and 2023 contributions are not anticipated to change materially from 2022 while also maintaining adequate funding levels
 - The non-represented employee defined benefit pension plan is funded with a \$15 million contribution based on the unanimous recommendation from the Plan Trustees. The actuarial recommended contribution for 2023 is \$8.5 million, however, the Trustees recognized the need to fund ongoing annual benefits of \$10 million plus \$5 million representing the average annual lump sum withdrawals in order to avoid selling securities in the existing down markets. This plan is 82% funded, up from 78% funded in 2022, and currently has 143 active participants. This plan has been closed to new employees since January 1, 2008 and funding requirements will tail off over the next several years
 - The non-represented employee defined contribution plan assumes RTD funding of 9% of wages which is the same amount contributed in 2022. Board policy is to contribute 7-9% of wages each year. Only non-represented employees hired January 1, 2008 and thereafter participate in this retirement plan
 - RTD will continue to offer the 457(b) retirement plan to all employees except represented employees hired in 2023 since they may contribute to the new defined contribution plan.

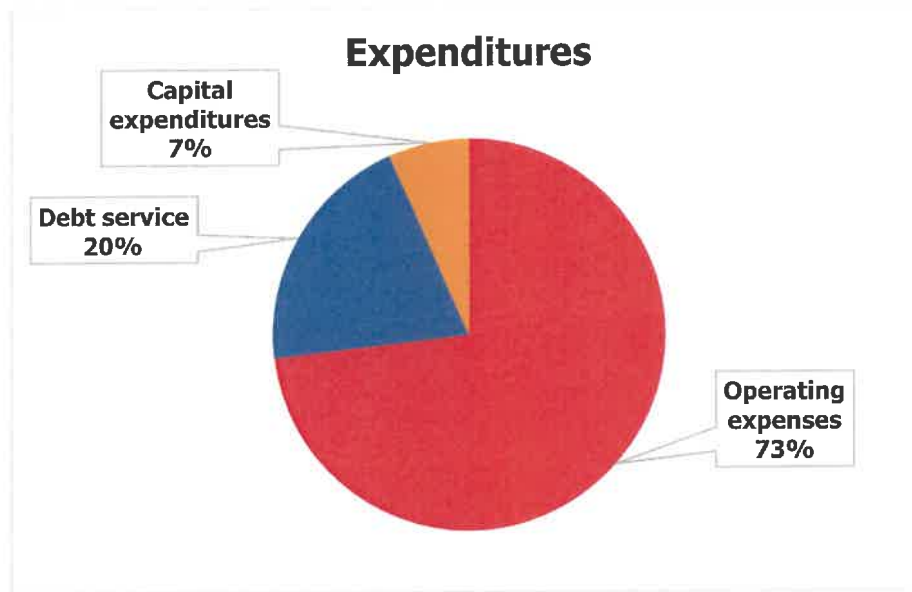
This is a voluntary plan for which only employee, and no RTD, contributions may be made up to Internal Revenue Service annual limits. RTD will continue to fund the administrative costs

- Materials and supplies consist of consumable items such as fuel, fluids and parts. Diesel fuel purchases have been contracted at \$2.94 per gallon for 7 million gallons, up from \$2.30 per gallon in 2022. Contracting fuel purchases provides budget certainty, particularly in the volatile fuel pricing environment. Diesel and gasoline expenses typically account for 2% of operating expenses and the increases will add approximately \$4.5 million to these costs in 2023. This increase in cost is offset by lower fuel usage cost savings in 2022 that will fall to the fund balance as well as a decrease in budgeted parts costs resulting from lower trends, supply chain constraints and increased focus on utilization of parts inventory
- Services consist of contracted specialties within IT, legal and the security realm. Additionally, these expenses contain inflationary increases which are offset by reductions resulting in a \$6.1 million decrease in 2023. The majority of the decrease is due to lower anticipated project activity as well as a reduction in contracted security needs which will be replaced with RTD police officers. Project activity is expected to be lower in alignment with current experience as well as people power and supply chain challenges
- Insurance costs have decreased over past years due to effective claims management. The 2023 budgeted costs include additional funding for commuter rail liability insurance coverage. While this appears to be a net increase from 2021, insurance costs are relatively flat over an extended period since 2022 commuter rail insurance was funded with a 15-month appropriation from 2021
- Other expenses primarily contain expenditures for utilities and purchased transportation and, to a lesser degree, various minor business expenses
 - Utilities include projected amounts for traction power commensurate with planned rail service levels and in alignment with 2022 usage
 - Purchased transportation includes contractual increases and are aligned with expected revenue service hours and contract amendments resulting from higher wages
 - Outside Services includes \$2m for design and project support for a battery electric bus facility
 - Travel and training and budgets have been maintained from 2022 to 2023 to contribute to employee development and industry participation after elimination in 2020 and 2021. Expenses for each Board Director have been budgeted at \$10,000 per individual for travel and \$1,680 for telephone
 - Funding for an on-call ("bench") contract is included to address specialty consulting engagements, if necessary
 - A budget of \$250,000 is available for employee engagement to be used for outreach and recognition programs. All other discretionary spending will continue to be limited
- Debt service represents a significant portion of RTD's annual expenditures. Debt service consists of principal and interest payments on bonds, certificates of participation (COPs) and lease-purchase agreements. Debt service payments for 2023 will total \$225.8 million, down from \$235.2 million in 2022 as a result of refinancings for interest savings. The Base System bond payments will expire in 2024, at which point, the Base System will be subject to the Taxpayer Bill of Rights (TABOR)

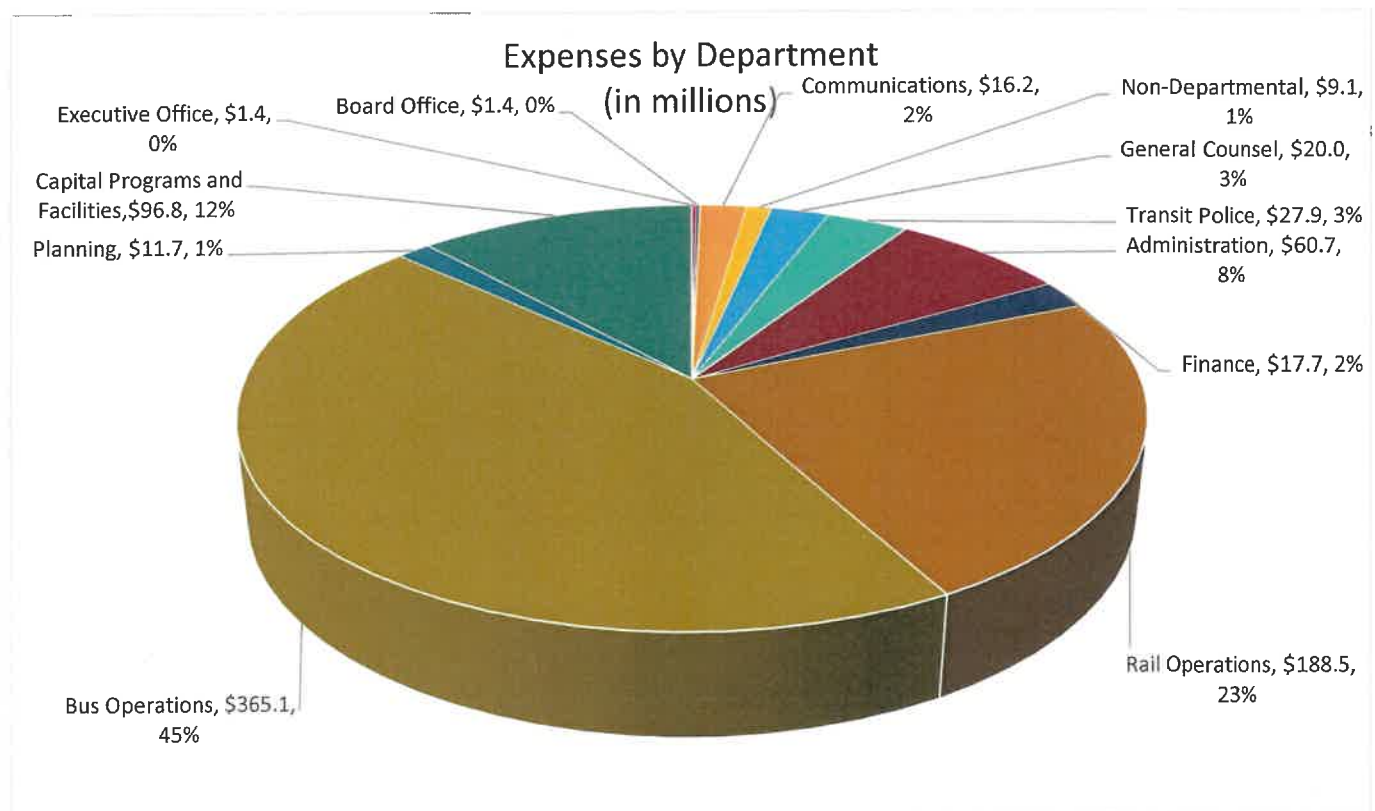


restrictions. The Board TABOR Ad Hoc Committee will resume meeting in January 2023 to continue to investigate options to mitigate these impacts

RTD's 2023 budgeted expenditures by category are depicted below:

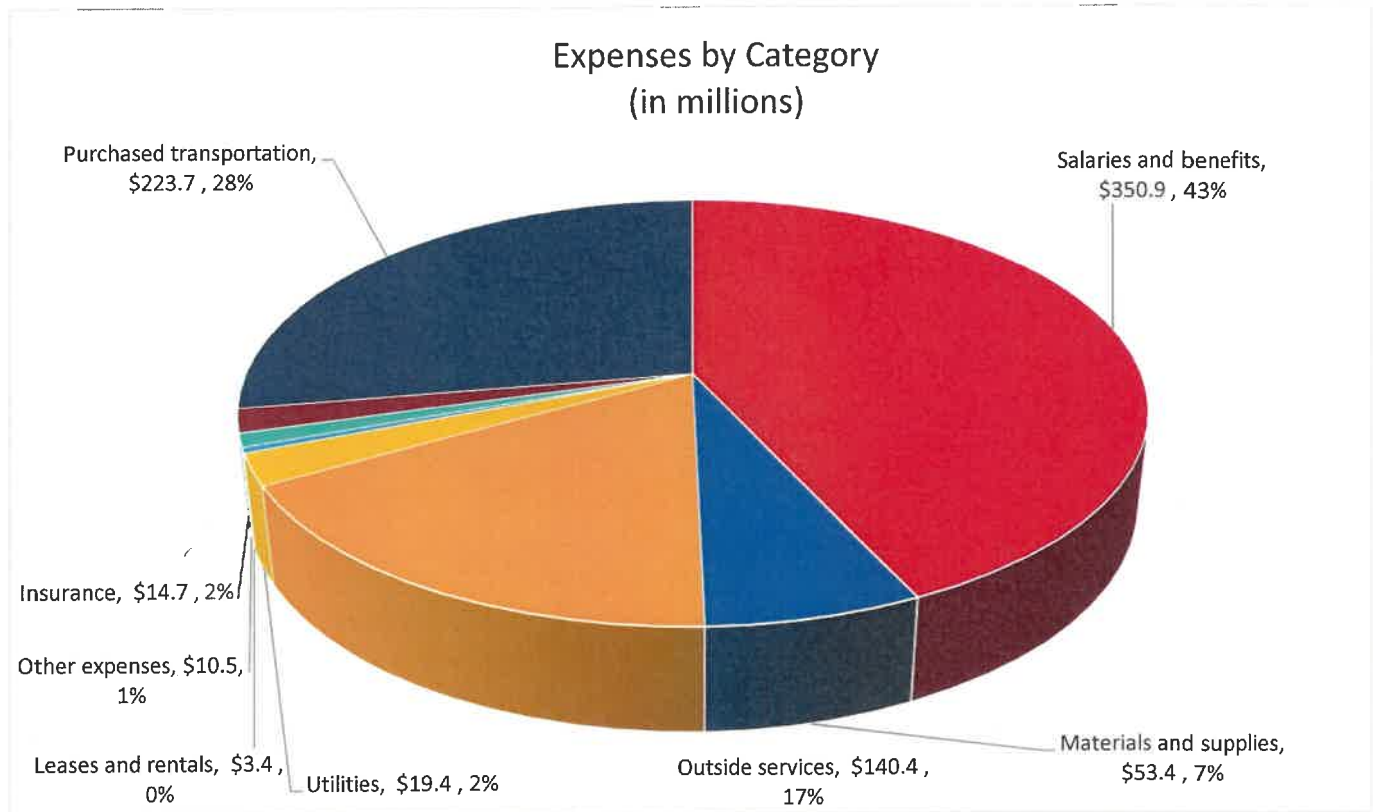


RTD's 2023 budgeted operating expenses by department are depicted below:





RTD's 2023 budgeted operating expenses by category are depicted below:





Asset Management Plan

RTD's 2023 asset management plan expenditures are shown below:

Department/Division	Description	Location	(in thousands)
Bus	Transit Buses - 40 ft	District-wide	12,283
Bus	Transit Buses - 30 ft	District-wide	6,766
Facilities	Hoist Replacement	District Shops – Operations Center	4,000
Facilities	HVAC Replacement - Elati, Security Command Center, Navajo	Elati Light Rail Division Safety and Security Navajo	1,364
Facilities	Roof Repair	Mariposa	399
Information Technology	Network	District-wide	664
Information Technology	Telecom	District-wide	55
Information Technology	Server Replacement	District-wide	364
Intelligent Transport Systems	Mobile Data Terminal Replacement	District-wide	1,827
Light Rail Infrastructure	Rail Replacements - Central Corridor	Central Rail Line	400
Light Rail Infrastructure	Grade Crossing Replacement	Central Platte Valley (CPV) Rail Line	400
Public Facilities	Parking Structure Repair	District-wide	800
Public Facilities	Bridge Repair	I-225 Rail Line/Southeast Rail Line	370
Public Facilities	Parking Structure PM Program	District-wide	353
SCADA	SCADA Equipment	District-wide	80
Support Fleet	Unleaded Vehicles	District-wide	276
Support Fleet	Diesel Vehicles	District-wide	66
Treasury	Currency Counter Replacement	District-wide	80
			<u>30,546</u>



Headcount

The following table includes the budgeted headcounts. Comparable data from prior years is not available due to reductions in force, attrition and change in service levels. New and vacant positions contained herein only include those that directly contribute to RTD's core mission, transit service delivery. Contracted service providers employ approximately 1,300 individuals not reflected below.

Department	Headcount		
	Represented Employees	Non-Represented Employees	Total
Administration	34	220	254
Board Office	-	4	4
Capital Programs	150	96	246
Communications	52	67	119
Executive Office	-	4	4
Finance	44	68	112
General Counsel	-	25	25
Operations	1,980	436	2,416
Transit Police	-	122	122
Planning	-	13	13
Total	2,260	1,055	3,315



Comparative Cash Flow Information

	2022 Amended Budget	2023 Proposed Budget	Change	% Change
1 Fares	\$ 98,180	\$ 89,515	\$ (8,665)	-8.8%
2 Sales and use taxes	799,069	852,827	53,758	6.7%
3 Grant revenue and other income	116,435	176,104	59,669	51.2%
4 COVID-19 relief grants	101,412	-	(101,412)	-100.0%
5 Total revenue	1,115,096	1,118,446	3,350	0.3%
6 Salaries and benefits	319,700	350,927	31,227	9.8%
7 Materials and supplies	55,562	53,446	(2,116)	-3.8%
8 Outside services	146,574	140,425	(6,149)	-4.2%
9 Utilities	19,729	19,432	(297)	-1.5%
10 Leases and rentals	4,555	3,356	(1,199)	-26.3%
11 Other expenses	8,773	10,455	1,682	19.2%
12 Insurance	13,120	14,700	1,580	12.0%
13 Purchased transportation	207,773	223,696	15,923	7.7%
14 Total operating expenses	775,786	816,438	40,652	5.2%
15 Debt service	235,168	225,760	(9,408)	-4.0%
16 Capital expenditures	152,871	75,868	(77,003)	-50.4%
17 Total non-operating expenditures	388,039	301,628	(86,411)	-22.3%
18 Contribution to reserves	-	32,054	32,054	0.0%
19 Net Cash Flow	<u>\$ (48,729)</u>	<u>\$ (31,674)</u>	<u>\$ 17,055</u>	<u>-35.0%</u>





Financial Position and Key Metrics

Fund balances (reserves) and debt service coverage ratios meet the 2023 Fiscal Policy targets. The Unrestricted Fund will change subsequent to the financial close-out of 2022 and completion of the financial audit.

Not reflected in the above cash flows are the following which will be paid from reserves:

- \$15 million to the City and County of Denver (CCD) to return remaining Eagle P3 project contingency that was advanced to RTD through an Intergovernmental Agreement (IGA)
- 50% of the Railroad Rehabilitation and Improvement Financing (RRIF) loan credit risk premium, or \$15.3 million, to CCD, less withholding for Denver Union Station enhancements
- Potential legal settlements

	Reserves			
	2022 Amended Budget	2023 Proposed Budget	Change	% Change
FasTracks Internal Savings Account (FISA)	\$ 148,293	\$ 168,907	\$ 20,614	13.9%
Board appropriated fund	51,616	51,616	-	0.0%
Capital replacement fund	12,915	34,915	22,000	170.3%
Operating reserve	193,946	204,000	10,054	5.2%
Unrestricted fund	50,663	56,931	6,268	12.4%
<i>Months of operating expenses</i>	3.0	3.0	-	
Total reserves	\$ 457,433	\$ 516,369	\$ 58,936	12.9%

	Debt Service Coverage Ratio (target 1.2X)			
	2022 Amended Budget	2023 Proposed Budget	Change	% Change
Revenues	\$ 1,115,096	\$ 1,118,446	\$ 3,350	0.3%
Less operating expenses	775,786	814,438	38,652	5.0%
Available	339,310	304,008	(35,302)	-10.4%
Debt service	235,168	225,760	(9,408)	-4.0%
Debt service coverage ratio	1.44	1.35		





Regional Transportation District
2023 Proposed Budget
Operating Expense

Department	2022 Amended Budget	2023 Proposed Budget	\$ Change	% Change
Executive Office				
Salary and Benefits	1,218,110	1,363,942	145,832	12.0%
Materials and Supplies	2,600	1,500	(1,100)	-42.3%
Services	152,000	15,000	(137,000)	-90.1%
Other Expenses	14,500	5,000	(9,500)	-65.5%
Total	1,387,210	1,385,442	(1,768)	-0.1%
Board Office				
Salary and Benefits	562,870	824,646	261,776	46.5%
Materials and Supplies	3,250	0	(3,250)	-100.0%
Services	105,000	394,000	289,000	275.2%
Utilities	24,220	25,700	1,480	6.1%
Other Expenses	236,000	190,500	(45,500)	-19.3%
Total	931,340	1,434,846	503,506	54.1%
Communications				
Salary and Benefits	11,251,612	12,227,928	976,316	8.7%
Materials and Supplies	233,200	181,720	(51,480)	-22.1%
Services	4,272,500	3,721,125	(551,375)	-12.9%
Utilities	12,600	9,602	(2,998)	-23.8%
Leases and Rentals	9,600	0	(9,600)	-100.0%
Other Expenses	146,000	50,325	(95,675)	-65.5%
Total	15,925,512	16,190,700	265,188	1.7%
Non-Departmental				
Salary and Benefits	(5,689,996)	0	5,689,996	-100.0%
Services	2,569,888	2,665,074	95,186	3.7%
Leases and Rentals	3,403,880	832,301	(2,571,579)	-75.5%
Other Expenses	7,495,108	5,615,000	(1,880,108)	-25.1%
Total	7,778,880	9,112,375	1,333,495	17.1%
General Counsel				
Salary and Benefits	3,586,961	4,367,145	780,184	21.8%
Materials and Supplies	1,500	1,500	0	0.0%
Services	715,452	780,000	64,548	9.0%
Other Expenses	135,000	140,000	5,000	3.7%
Insurance	13,970,000	14,700,000	730,000	5.2%
Total	18,408,913	19,988,645	1,579,732	8.6%



Regional Transportation District
2023 Proposed Budget
Operating Expense

Department	2022 Amended Budget	2023 Proposed Budget	\$ Change	% Change
Transit Police				
Salary and Benefits	6,436,315	12,244,140	5,807,825	90.2%
Materials and Supplies	111,000	837,000	726,000	654.1%
Services	22,363,701	14,605,603	(7,758,098)	-34.7%
Utilities	5,280	5,280	0	0.0%
Other Expenses	55,000	225,000	170,000	309.1%
Total	28,971,296	27,917,023	(1,054,273)	-3.6%
Administration				
Salary and Benefits	30,381,754	33,833,464	3,451,710	11.4%
Materials and Supplies	2,343,205	1,677,150	(666,055)	-28.4%
Services	24,923,233	22,178,938	(2,744,295)	-11.0%
Utilities	1,735,780	1,291,224	(444,556)	-25.6%
Leases and Rentals	100,000	70,000	(30,000)	-30.0%
Other Expenses	1,340,900	1,685,120	344,220	25.7%
Total	60,824,872	60,735,896	(88,976)	-0.1%
Finance				
Salary and Benefits	10,818,849	13,721,477	2,902,628	26.8%
Materials and Supplies	888,060	574,800	(313,260)	-35.3%
Services	4,113,734	3,336,935	(776,799)	-18.9%
Utilities	25,680	24,000	(1,680)	-6.5%
Leases and Rentals	0	10,000	10,000	
Other Expenses	4,310	12,100	7,790	180.7%
Total	15,850,633	17,679,312	1,828,679	11.5%
Rail Operations				
Salary and Benefits	68,188,607	76,210,279	8,021,672	11.8%
Materials and Supplies	12,635,478	7,404,527	(5,230,951)	-41.4%
Services	20,483,052	20,264,174	(218,878)	-1.1%
Utilities	11,040,369	10,896,300	(144,069)	-1.3%
Leases and Rentals	72,600	74,800	2,200	3.0%
Other Expenses	546,624	237,454	(309,170)	-56.6%
Purchased Transportation	61,638,003	73,383,277	11,745,274	19.1%
Total	174,604,733	188,470,811	13,866,078	7.9%



Regional Transportation District
2023 Proposed Budget
Operating Expense

Department	2022 Amended Budget	2023 Proposed Budget	\$ Change	% Change
Bus Operations				
Salary and Benefits	166,770,083	165,598,457	(1,171,626)	-0.7%
Materials and Supplies	34,682,816	40,794,675	6,111,859	17.6%
Services	10,038,293	7,965,905	(2,072,388)	-20.6%
Utilities	217,360	196,800	(20,560)	-9.5%
Other Expenses	188,950	199,850	10,900	5.8%
Purchased Transportation	140,161,959	150,313,138	10,151,179	7.2%
Total	352,059,461	365,068,825	13,009,364	3.7%
Planning				
Salary and Benefits	1,956,267	2,259,233	302,966	15.5%
Materials and Supplies	33,000	63,000	30,000	90.9%
Services	6,567,278	9,346,213	2,778,935	42.3%
Utilities	2,116	2,116	0	0.0%
Other Expenses	3,500	500	(3,000)	-85.7%
Total	8,562,161	11,671,062	3,108,901	36.3%
Capital Programs and Facilities				
Salary and Benefits	25,142,363	28,276,093	3,133,730	12.5%
Materials and Supplies	2,089,143	1,909,945	(179,198)	-8.6%
Services	54,846,577	55,152,242	305,665	0.6%
Utilities	6,970,807	6,981,170	10,363	0.1%
Leases and Rentals	969,300	2,369,300	1,400,000	144.4%
Other Expenses	94,200	96,000	1,800	1.9%
Total	90,112,390	94,784,750	4,672,360	5.2%
RTD				
Salary and Benefits	320,623,795	350,926,804	30,303,009	9.5%
Materials and Supplies	53,023,252	53,445,817	422,565	0.8%
Services	151,150,708	140,425,209	(10,725,499)	-7.1%
Utilities	20,034,212	19,432,192	(602,020)	-3.0%
Leases and Rentals	4,555,380	3,356,401	(1,198,979)	-26.3%
Other Expenses	10,260,092	10,454,849	194,757	1.9%
Insurance	13,970,000	14,700,000	730,000	5.2%
Purchased Transportation	201,799,962	223,696,415	21,896,453	10.9%
Total	775,417,400	816,437,687	41,020,287	5.3%

2023 Proposed Budget New Capital Projects



PROJECT

Base System

Facilities Construction & Maintenance

HOIST AT DISTRICT SHOPS	\$	4,000,000
-------------------------	----	-----------

Rapid Transit Development

SH119 BRT		28,000,000
-----------	--	------------

LRT Construction

CENTRAL LINE RAIL REPLACEMENT		400,000
SCADA EQUIPMENT REPLACEMENT		80,300
SOUTHEAST RAIL BRIDGE REPAIR		370,000
CENTRAL PLATTE VALLEY (CPV) GRADE CROSSING REPLACEMENT		400,000

Fleet Modernization & Expansion

DIESEL BUSES 40' 30'		21,614,079
----------------------	--	------------

Capital Support & Equipment: Operations

ACCOUNT-BASED FARE COLLECTION SYSTEM		1,000,000
ABT HARDWARE SUPPORT & SERVICES		125,000
ABT MYRIDE MERCHANDISING AND RETAIL NETWORK		250,000
NMCR CAPITAL MAINTENANCE EQUIPMENT		1,800,000
ORACLE ERP UPGRADE IMPLEMENTATION		3,750,000
SERVER EQUIPMENT REPLACEMENT		364,000
WRECKER VEHICLE PURCHASE - CBA REQUIREMENT		350,000
NETWORK EQUIPMENT REPLACEMENT		664,000
HVAC REPLACEMENT		1,364,000
BURNHAM YARD ACQUISITION		6,877,320
MCCASLIN LANDSCAPE REPLACEMENT - MARSHALL FIRE		350,000
TELECOM EQUIPMENT REPLACEMENT		55,100
MOBILE DATA TERMINAL REPLACEMENT		1,827,000
UNIVERSITY OF DENVER BIKE SHELTER		150,000
SUPPORT VEHICLES		341,700
BLANK OUT SCREENS - WELTON STREET		1,656,000
CURRENCY SORTER REPLACEMENT		80,000

Total Base System

\$	75,868,499
----	-------------------



2023 Proposed Budget Capital Carry-Forward Expenditures

Description

BASE SYSTEM

FACILITIES CONSTRUCTION & MAINTENANCE

ELEVATORS (3) REPLACEMENT	\$ 105,225
ENGINE STAND	39,689
HVAC 601 REPLACEMENT IN UPHOLSTRY SHOP	41,104
WATER JET CUTTER	23,401
DISTRICT SHOPS SUPPORT VEHICLE MAINTENANCE LIFT	243,535
BUS WASH	1,700,000
TRIPLE PIT	3,000,000
SIDE LIFT AND JIB CRANE FOR ELECTRIC BUSES	350,000
LIFTS/HOISTS	2,979,052
EAST METRO ROOF	3,963,690
BUS OPERATIONS WHEEL HOISTS	590,000
EAST METRO HOIST REPLACEMENT	1,500,000
CHARGING INFRASTRUCTURE FOR ELECTRIC BUSES	1,210,790
9-MILE DRIVER RELIEF STATION	143,080
FIRE PROTECTION UPGRADES - ALARM PANEL	39,375
PARTICULATE SENSORS REPLACEMENT WITH CO NO2 SENSORS	205,522
ROOF REPLACEMENT@PLATTE	129,609
ROOF REPLACEMENT@EAST METRO	1,646,551
CASCADING OP BLDGS DUS/FED STN	129,850
BLAKE ENTRYWAY REMODEL	36,423
FIRE PROTECTION FOR ZEE & SCC FACILITIES	10,940
HVAC UNIT REPLACEMENT - SCC FACILITIES	270,262
MEZZANINE ADDITION FOR OPERATOR TRAINING - ELATI	1,701,150
TOTAL FACILITIES CONSTRUCTION & MAINTENANCE	20,059,247

TRANSFER STATIONS

CIVIC CENTER STATION REBUILD	11,175
TOTAL TRANSFER STATIONS	11,175

PARK - N - RIDES

HWY 287 & NIWOT RD	72,930
THORNTON PNR PLAZA UPGRADES	604,910
LAFAYETTE PNR RECONSTRUCTION	1,731,100
WESTMINSTER CENTER PNR SOUTHSIDE	1,915,717
TOTAL PARK - N - RIDES	4,324,656

CAPITAL SUPPORT PROJECTS

16TH STREET MALL PAVER REPAIR	12,321,579
BLANK OUT SCREENS - WELTON STREET	3,816,737
COLFAX AVE./TRANSIT PRIORITY PROJ. FTA LOP	599,904
SH119 BUS RAPID TRANSIT (BRT)	5,052,618
SH119 BUS RAPID TRANSIT - ENVIRONMENTAL	485,668
TOTAL CAPITAL SUPPORT PROJECTS	22,276,507

LRT CONSTRUCTION

DOWNTOWN TRACK & SWITCHES REPLACEMENT	625,814
CENTRAL LINE TRACK REPLACEMENT	2,500,000
OCS WIRE REPLACEMENT ON CENTRAL RAIL LINE	385,354
RAIL REPLACEMENT @ CENTRAL CORRIDOR	438,463
TOTAL LRT CONSTRUCTION	3,949,632



2023 Proposed Budget Capital Carry-Forward Expenditures

Description

RAIL TRANSIT

CAB SIGNALING ON LRVS	3,015,588
HEAVY EQUIPMENT FOR LR MAINTENANCE	265,858
LRV PURCHASE OF 27 VEHICLES	16,687,414
PENTA PA/VMS UPGRADES	54,232
POWER SWITCHING ON EMERGENCY CROSSOVERS	479,196
SUBSTATION PLC UPGRADE	39,001
YARD ELECTRIC SWITCH HEATERS MARIPOSA	32,630
TOTAL RAIL TRANSIT	20,573,920

FLEET MODERNIZATION & EXPANSION

ACCESS-a-RIDE & FLEXRIDE BUSES	6,279,089
ELECTRIC BUSES	20,376,000
HOP BUSES	482,140
TRANSIT BUSES 40 FT	64,378,122
TOTAL FLEET MODERNIZATION & EXPANSION	91,515,351

CAPITAL SUPPORT EQUIPMENT

ADMIN/POOL/SUPERVISOR VEHICLES - Bus	432,031
FRAME PULLING MACHINE	166,749
INFORMATION SECURITY TECH-SUPERVISORY CONTROLS ENV	153,834
TSP DATA SHARING/MGMT PROJECT	530,000
TSP CONDITIONALITY PROJECT	200,000
STAND SECURITY ARCHITECTURE FOR SUPERVISORY CONTROLS (SC ssa)	179,472
ACCOUNT-BASED FARE COLLECTION SYSTEM	1,281,866
PARATRANSIT SOFTWARE SYSTEM	3,062,690
CAPITAL EQUIPMENT LR	19,903
STAMP VALIDATOR REPLACEMENT	595,000
CAMERA REPLACEMENT - SEC	1,980,000
BOARDROOM VIDEO UPGRADE	153,700
MISC CP EQUIPMENT PURCHASES	19,416
TVM REPLACEMENT (ST80) FOR PCI NON-COMPLIANCE	1,435,780
TELECOM EQUIPMENT REPLACEMENT	184,200
NETWORK EQUIPMENT REPLACEMENT	3,013,700
SERVER EQUIPMENT REPLACEMENT	6,483,500
SOFTWARE ARCHIT DEVELOPT EQUIP	5,656,400
SCHEDULING AND RUN CUTTING SOFTWARE	4,958
DUS BUILDING RENOVATIONS	200,000
RISK MANAGEMENT INFORMATION SYSTEM UPGRADE	7,339
AURORA/EAST BIKE SHELTERS	362,364
AUTOMATED PASSENGER COUNTERS	1,917
BI INITIATIVES	9,423
AUTOMATED SOFTWARE/INTEGRATION TESTING TOOL	107,190
CYBERSECURITY	69,984
DISASTER RECOVERY	265,770
BUS AUDIO/VISUAL PROJECT	2,416,000
ENTERPRISE CONTENT MANAGEMENT	739,626
ENTERPRISE CRM STUDY/REPLACEMENT	444,463
GARAGE CONCENTRATORS	274,982
BACKUP SOLUTION FOR IT	178,718
IN PLANT VEHICLES & EQUIP (BUS)	211,978
INCORPORATE MoD SERVICE INTO OPEN TRIP PLANNER	250,193
INTEGRATION OF NEW PLANNING/SCHEDULING SOFTWARE	14,998
INVENTORY PLANNING/FORECASTING	1,443,929
LAW PRACTICE MANAGEMENT INTEGRITY SYSTEMS	26,732
MOBILE TICKETING	110,000
NETWORK SYSTEMS	168,665
ORACLE BI	13,902
ORACLE ENGINEERED SYSTEMS END OF LIFE REPLACEMENT	168,008



2023 Proposed Budget Capital Carry-Forward Expenditures

Description

ORACLE ERP UPGRADE AND/OR ALTERNATIVE SYSTEM	4,680,374
PASSENGER INFORMATION DISPLAYS	149,953
PIDS PROGRAM INFRASTRUCTURE SUPPORT	359,459
QUOGNIFY VMS SERVER REPLACEMENTS	20
RADIO SYSTEMS/SOFTWARE - CAD/AVL	1,959,783
SHERIDAN/BRMFLD BIKE SHELTERS	100,683
SIGN SHOP MACHINERY	151,358
SMS SOFTWARE SOLUTION	36,453
SUPPORT /SERVICE VEHICLES	98,448
SUPPORT VEHICLES	2,611,400
SUPPORT/SERVICE VEHICLES	152,104
ACCELERATING INNOVATIVE MOBILITY	665,580
THERMAL PRINTERS FOR BUS	11,664
TIME AND ATTENDANCE	124,455
TIS/RTPI + 2 FTE	204,656
TRIP PLANNER ENHANCEMENTS	18,229
TVMS - SE CORRIDOR	281,062
UNIVERSITY SCC	168,878
TOTAL CAPITAL SUPPORT EQUIPMENT	44,813,937
TOTAL BASE SYSTEM	207,524,425
FASTRACKS	
FASTRACKS ADMIN PROJECTS	6,027,193
COMMUTER RAIL MAINTENANCE FACILITY	7,750,586
WEST FEDERAL PROJECT	56,808,604
NORTHWEST RAIL	9,867,248
U.S. 36 B.R.T. PHASE 2	5,895,831
EAST CORRIDOR	109,955,093
GOLD LINE	35,184,688
NORTH METRO	1,821,825
I-225 CORRIDOR	6,751,243
DUS TO CRMF CORRIDOR	2,880,811
P.P.P. PREPARATION	250,000
WEST PARKING GARAGE	1,460,529
CRMF TO PECOS	73,663
DUS ELECTRIFICATION	12,241,389
DUS SYSTEMS-EAGLE	129
LONGMONT STATION	16,402,511
NORTH METRO NON COP	25,702,546
NORTH METRO COP	50,098,331
NORTH METRO O&M INTERFACE	1,540,130
NORTH METRO MOBILIZATION	9,300,009
FLATIRON FLYER POST-OPENING VEHICLE	423,991
TOTAL FASTRACKS	360,436,349
TOTAL BASE SYSTEM	207,524,425
TOTAL FASTRACKS	360,436,349
TOTAL CAPITAL CARRYFORWARD FOR THE 2023 PROPOSED BUDGET	\$ 567,960,774



2023 Proposed Budget Capital Carry-Forward Expenditures

Description

Summary of Changes

2023 PROPOSED BUDGET BASE SYSTEM CAPITAL CARRYFORWARD	\$ 207,524,425
2022 AMENDED BUDGET BASE SYSTEM CAPITAL CARRYFORWARD	107,689,503
Net Change	<u>99,834,922</u>
2023 PROPOSED BUDGET FASTRACKS CAPITAL CARRYFORWARD	360,436,349
2022 AMENDED BUDGET FASTRACKS CAPITAL CARRYFORWARD	382,994,707
Net Change	<u>(22,558,358)</u>
2023 PROPOSED BUDGET TOTAL CAPITAL CARRYFORWARD	567,960,774
2022 AMENDED BUDGET TOTAL CAPITAL CARRYFORWARD	490,684,209
Net Change	<u>\$ 77,276,565</u>