NEW ISSUE—BOOK-ENTRY ONLY

RATINGS: S&P: "AA+"
Moody's: "Aa2"
Fitch: "AA"
See "RATINGS"

*In the opinion of Butler Snow LLP, Bond Counsel, interest on the 2021A Bonds is includable in gross income for federal and Colorado income tax purposes. In the opinion of Butler Snow LLP, Bond Counsel, assuming continuous compliance with certain covenants described herein, interest on the 2021B Bonds is excludable from gross income under federal income tax laws pursuant to Section 103 of the Internal Revenue Code of 1986, as amended to the date of delivery of the 2021B Bonds (the "**Tax Code**"), and interest on the 2021B Bonds is excludable from alternative minimum taxable income as defined in Section 55(b)(2) of the Tax Code, and interest on the 2021B Bonds is excludable from Colorado taxable income and Colorado alternative minimum taxable income under Colorado income tax laws in effect as of the date hereof. See "TAX MATTERS."*

REGIONAL TRANSPORTATION DISTRICT
(Colorado)

$422,405,000
Taxable Sales Tax Revenue Refunding Bonds
(FasTracks Project)
Series 2021A
(Green Bonds – Climate Bond Certified)

$411,630,000
Tax-Exempt Sales Tax Revenue Refunding Bonds
(FasTracks Project)
Series 2021B
(Green Bonds – Climate Bond Certified)

Dated: Date of Delivery **Due: November 1, as shown on inside front cover**

The 2021A Bonds and 2021B Bonds captioned above (collectively, the "**Bonds**") are issued and secured pursuant to an Indenture of Trust dated the date of issuance (the "**Indenture**") between the Regional Transportation District (the "**District**" or "**RTD**") and The Bank of New York Mellon Trust Company, N.A., as trustee (the "**Trustee**"). Interest on the Bonds is payable on November 1, 2021 and each May 1 and November 1 thereafter.

The Bonds are issuable in registered form and are initially to be registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("**DTC**"), as securities depository for the Bonds. Purchases by beneficial owners of the Bonds are to be made in book-entry form in the principal amount of $5,000 or any integral multiple thereof. Beneficial owners are not to receive certificates evidencing their interests in the Bonds. See "THE BONDS – Book-Entry Form."

MATURITY SCHEDULES

See Inside Front Cover

The Bonds are subject to redemption prior to their maturity date as more fully described in "THE BONDS – Prior Redemption."

The Bonds are issued for the purpose of (a) financing the purchase of certain of the District's outstanding sales tax revenue bonds, (b) refunding, paying and discharging certain of the District's outstanding sales tax revenue bonds and the RTD TIFIA Bond (as further defined and described herein), and (c) funding costs of issuance of the Bonds. See "PLAN OF FINANCE."

The Bonds are special and limited obligations of the District payable solely from and secured by (a) a non-exclusive first lien upon the revenues received by the District from its 0.4% sales tax, (b) a non-exclusive subordinate lien upon the revenues received by the District from an additional 0.6% sales tax and (c) other legally available moneys and investments held in certain funds created under the Indenture. The Bonds do not constitute a general obligation of the District within the meaning of any constitutional or statutory debt limitation or provision and are not payable in whole or in part from the proceeds of ad valorem property taxes. See "SECURITY FOR THE BONDS."

THE PURCHASE AND OWNERSHIP OF THE BONDS INVOLVES INVESTMENT RISK. PROSPECTIVE PURCHASERS SHOULD GIVE PARTICULAR ATTENTION TO THE MATTERS DISCUSSED UNDER "RISK FACTORS."

This cover page contains certain information for quick reference only. It is not a summary of this issue. Investors should read this entire Official Statement including Appendices to obtain information essential to making an informed investment decision.

The Bonds are offered when, as and if executed and delivered and accepted by the Underwriters and subject to the approving legal opinion of Butler Snow LLP, Denver, Colorado, as Bond Counsel, and to certain other conditions. Hogan Lovells US LLP, Denver, Colorado, has acted as Disclosure Counsel to the District in connection with this Official Statement. Certain legal matters will be passed upon for the District by its General Counsel, Melanie J. Snyder, Esq., and for the Underwriters by Ballard Spahr LLP, Denver, Colorado. Hilltop Securities Inc. is serving as Municipal Advisor to the District in connection with the issuance of the Bonds. It is expected that the Bonds in book-entry form will be available for deposit with and delivery to DTC on or about March 11, 2021.

GOLDMAN SACHS & CO. LLC

RBC CAPITAL MARKETS **STIFEL** **HARVESTONS SECURITIES**

The date of this Official Statement is February 18, 2021.

MATURITY SCHEDULES[1]

Taxable 2021A Bonds
(CUSIP 6-digit issue number: 759136)[2]

Maturity (November 1)	Principal Amount	Interest Rate	Price	Yield	CUSIP[2]
2025	$12,000,000	0.700%	100%	0.700%	VC5
2026	61,145,000	0.900	100	0.900	VD3
2027	48,150,000	1.179	100	1.179	VE1
2028	10,835,000	1.329	100	1.329	VF8
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2031	54,685,000	1.837	100	1.837	VG6
2032	50,935,000	1.967	100	1.967	VH4
2033	37,780,000	2.067	100	2.067	VJ0
2034	9,160,000	2.187	100	2.187	VK7
2035	7,330,000	2.287	100	2.287	VL5
2036	66,215,000	2.337	100	2.337	VM3
2037	64,170,000	2.387	100	2.387	VN1

Tax-Exempt 2021B Bonds
(CUSIP 6-digit issue number: 759136)[2]

Maturity (November 1)	Principal Amount	Interest Rate	Price	Yield	CUSIP[2]
2028	$36,835,000	5.000%	132.016%	0.690%	UU6
2029	38,815,000	5.000	134.791	0.820	UV4
2030	9,150,000	5.000	137.328	0.940	UW2
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2038	3,175,000	4.000	123.219[C]	1.520	UX0
2039	24,655,000	4.000	122.692[C]	1.570	UY8
2040	17,500,000	4.000	122.273[C]	1.610	UZ5

$77,770,000 2.000% Term Bond maturing November 1, 2041 – Yield: 2.200%, Price: 96.695% CUSIP: VA9
$203,730,000 2.250% Term Bond maturing November 1, 2045 – Yield: 2.300%, Price: 99.062% CUSIP: VB7

[C] Priced to the first optional call date of May 1, 2031

(1) This information is provided by the Municipal Advisor.

(2) CUSIP is a registered trademark of the American Bankers Association. CUSIP Global Services is managed on behalf of the American Bankers Association by S&P Global Market Intelligence. None of RTD, the Municipal Advisor or the Underwriters takes any responsibility for the accuracy of CUSIP numbers, which are included solely for the convenience of the owners of the Bonds. The CUSIP number for any maturity of the Bonds may be changed after the issuance of the Bonds as the result of various subsequent actions, including, without limitation, a refunding of all or a portion of such maturity or the procurement of secondary market insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Bonds.

No dealer, salesman or other person has been authorized to give any information or to make any representation with respect to the Bonds that is not contained in this Official Statement and, if given or made, such other information or representation must not be relied upon as having been authorized by the District, Hilltop Securities Inc. (the "**Municipal Advisor**") or the underwriters listed on the cover hereof (collectively, the "**Underwriters**"). The information contained in this Official Statement is subject to change, and neither the delivery of this Official Statement nor any sale made after any such delivery creates any implication that there has been no change since the date of this Official Statement. This Official Statement does not constitute an offer to sell or the solicitation of any offer to buy, and there is to be no sale of any of, the Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation, or sale.

The information set forth herein has been furnished by the District and includes information obtained from other sources, all of which are believed to be reliable. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the District since the date hereof. Such information and expressions of opinion are made for the purpose of providing information to prospective investors and are not to be used for any other purpose or relied on by any other party.

The order and placement of materials in this Official Statement, including the appendices, are not to be deemed a determination of relevance, materiality or importance, and this Official Statement including the appendices, must be considered in its entirety. The captions and headings in this Official Statement are for convenience only and in no way define, limit or describe the scope or intent, or affect the meaning or construction, of any provisions or sections of this Official Statement. The offering of the Bonds is made only by means of this entire Official Statement.

The Underwriters have provided the following sentence for inclusion in this Official Statement. The Underwriters have reviewed the information in this Official Statement in accordance with, and as part of, their responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriters do not guarantee the accuracy or completeness of such information.

In connection with the offering of the Bonds, the Underwriters may overallot or effect transactions which stabilize or maintain the market price of such Bonds at levels above those which might otherwise prevail in the open market. Such stabilization, if commenced, may be discontinued at any time.

References to website addresses presented herein are for informational purposes only and may be in the form of a hyperlink solely for the reader's convenience. Unless specified otherwise, such websites and the information or links contained therein are not incorporated into, and are not part of this Official Statement for purposes of, and as that term is defined, SEC Rule 15c2-12.

THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

THIS OFFICIAL STATEMENT IS BEING PROVIDED TO PROSPECTIVE PURCHASERS EITHER IN BOUND PRINTED FORM ("**ORIGINAL BOUND FORMAT**") OR IN ELECTRONIC FORMAT ON THE FOLLOWING WEBSITE: HTTP://WWW.MERITOS.COM. THIS OFFICIAL STATEMENT MAY BE RELIED UPON ONLY IF IT IS IN ITS ORIGINAL BOUND FORMAT OR IF IT IS PRINTED IN FULL DIRECTLY FROM SUCH WEBSITE.

INFORMATION CONCERNING OFFERING RESTRICTIONS IN CERTAIN JURISDICTIONS OUTSIDE THE UNITED STATES

REFERENCES HEREIN TO THE "ISSUER" MEAN THE REGIONAL TRANSPORTATION DISTRICT (COLORADO) AND REFERENCES TO "BONDS" OR "SECURITIES" MEAN THE 2021A BONDS AND 2021B BONDS OFFERED HEREBY. NEITHER THE ISSUER NOR THE MUNICIPAL ADVISOR OR UNDERWRITERS ASSUME ANY RESPONSIBILITY FOR THIS SECTION.

Minimum Unit Sales

THE BONDS WILL TRADE AND SETTLE ON A UNIT BASIS (ONE UNIT EQUALING ONE BOND OF $5,000 PRINCIPAL AMOUNT). FOR ANY SALES MADE OUTSIDE THE UNITED STATES, THE MINIMUM PURCHASE AND TRADING AMOUNT IS 30 UNITS (BEING 30 BONDS IN AN AGGREGATE PRINCIPAL AMOUNT OF $150,000). FOR ANY SALES MADE IN KOREA, THE BONDS WILL TRADE AND SETTLE ON A UNIT BASIS (ONE UNIT EQUALING ONE BOND OF $2,100,000 PRINCIPAL AMOUNT) AND THERE IS NO MINIMUM PURCHASE OR TRADING AMOUNT.

Notice to Prospective Investors in the European Economic Area and United Kingdom

THE BONDS ARE NOT INTENDED TO BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO AND SHOULD NOT BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO ANY RETAIL INVESTOR IN ANY MEMBER STATE OF THE EUROPEAN ECONOMIC AREA OR THE UNITED KINGDOM (EACH, A "**RELEVANT STATE**"). FOR THESE PURPOSES, A RETAIL INVESTOR MEANS A PERSON WHO IS ONE (OR MORE) OF: (I) A RETAIL CLIENT AS DEFINED IN POINT (11) OF ARTICLE 4(1) OF DIRECTIVE 2014/65/EU (AS AMENDED, "**MIFID II**"); (II) A CUSTOMER WITHIN THE MEANING OF DIRECTIVE 2016/97/EU (AS AMENDED), WHERE THAT CUSTOMER WOULD NOT QUALIFY AS A PROFESSIONAL CLIENT AS DEFINED IN POINT (10) OF ARTICLE 4(1) OF MIFID II; OR (III) NOT A QUALIFIED INVESTOR AS DEFINED IN REGULATION 2017/1129 (EU) (AS AMENDED OR SUPERSEDED, THE "**PROSPECTUS REGULATION**"). CONSEQUENTLY, NO KEY INFORMATION DOCUMENT REQUIRED BY REGULATION (EU) NO 1286/2014 (AS AMENDED, THE "**PRIIPS REGULATION**") FOR OFFERING OR SELLING THE BONDS OR OTHERWISE MAKING THEM AVAILABLE TO RETAIL INVESTORS IN A RELEVANT STATE HAS BEEN PREPARED AND THEREFORE OFFERING OR SELLING THE BONDS OR OTHERWISE MAKING THEM AVAILABLE TO ANY RETAIL INVESTOR IN A RELEVANT STATE MAY BE UNLAWFUL UNDER THE PRIIPS REGULATION. THIS OFFICIAL STATEMENT HAS BEEN PREPARED ON THE BASIS THAT ANY OFFER OF BONDS IN ANY RELEVANT STATE WILL BE MADE PURSUANT TO AN EXEMPTION UNDER THE PROSPECTUS REGULATION FROM THE REQUIREMENT TO PUBLISH A PROSPECTUS FOR OFFERS OF BONDS. THIS OFFICIAL STATEMENT IS NOT A PROSPECTUS FOR THE PURPOSES OF THE PROSPECTUS REGULATION.

Notice to Prospective Investors in United Kingdom

EACH UNDERWRITER HAS REPRESENTED AND AGREED THAT:

(A) IT HAS ONLY COMMUNICATED OR CAUSED TO BE COMMUNICATED AND WILL ONLY COMMUNICATE OR CAUSE TO BE COMMUNICATED AN INVITATION OR INDUCEMENT TO ENGAGE IN INVESTMENT ACTIVITY (WITHIN THE MEANING OF

SECTION 21 OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (AS AMENDED, THE "**FSMA**")) RECEIVED BY IT IN CONNECTION WITH THE ISSUE OR SALE OF THE BONDS IN CIRCUMSTANCES IN WHICH SECTION 21(1) OF THE FSMA DOES NOT APPLY TO THE ISSUER; AND

(B) IT HAS COMPLIED AND WILL COMPLY WITH ALL APPLICABLE PROVISIONS OF THE FSMA WITH RESPECT TO ANYTHING DONE BY IT IN RELATION TO THE BONDS IN, FROM OR OTHERWISE INVOLVING THE UNITED KINGDOM.

Notice to Prospective Investors in Switzerland

THIS OFFICIAL STATEMENT IS NOT INTENDED TO CONSTITUTE AN OFFER OR SOLICITATION TO PURCHASE OR INVEST IN THE BONDS. THE BONDS MAY NOT BE PUBLICLY OFFERED, SOLD OR ADVERTISED DIRECTLY OR INDIRECTLY, IN, INTO OR FROM SWITZERLAND WITHIN THE MEANING OF THE SWISS FINANCIAL SERVICES ACT ("**FINSA**") AND NO APPLICATION HAS OR WILL BE MADE TO ADMIT THE BONDS TO TRADING ON ANY TRADING VENUE (EXCHANGE OR REGULATED TRADING FACILITY) IN SWITZERLAND. NEITHER THIS OFFICIAL STATEMENT NOR ANY OTHER OFFERING OR MARKETING MATERIAL RELATING TO THE BONDS CONSTITUTES A PROSPECTUS OR A KEY INFORMATION DOCUMENT PURSUANT TO THE FINSA OR A LISTING PROSPECTUS WITHIN THE MEANING OF THE LISTING RULES OF THE SIX SWISS EXCHANGE LTD. OR ANY REGULATED TRADING FACILITY IN SWITZERLAND, AND NEITHER THIS OFFICIAL STATEMENT NOR ANY OTHER OFFERING OR MARKETING MATERIAL RELATING TO THE BONDS MAY BE PUBLICLY DISTRIBUTED OR OTHERWISE MADE PUBLICLY AVAILABLE IN SWITZERLAND.

ACCORDINGLY, THIS OFFICIAL STATEMENT IS COMMUNICATED IN OR FROM SWITZERLAND TO A LIMITED NUMBER OF SELECTED INVESTORS ONLY. NEITHER THIS OFFICIAL STATEMENT NOR ANY OTHER OFFERING OR MARKETING MATERIAL RELATING TO THE OFFERING, NOR THE ISSUER, NOR THE BONDS HAVE BEEN OR WILL BE FILED WITH OR APPROVED BY ANY SWISS REGULATORY AUTHORITY. THE BONDS ARE NOT SUBJECT TO SUPERVISION BY ANY SWISS REGULATORY AUTHORITY, AN INVESTOR IN THE BONDS WILL NOT BENEFIT FROM PROTECTION OR SUPERVISION BY SUCH AUTHORITY.

THE BONDS DO NOT CONSTITUTE COLLECTIVE INVESTMENTS WITHIN THE MEANING OF THE SWISS FEDERAL ACT ON COLLECTIVE INVESTMENT SCHEMES ("**CISA**"). ACCORDINGLY, HOLDERS OF THE BONDS DO NOT BENEFIT FROM PROTECTION UNDER THE CISA OR FROM THE SUPERVISION OF THE SWISS FINANCIAL MARKET SUPERVISORY AUTHORITY. INVESTORS ARE EXPOSED TO THE DEFAULT RISK OF THE ISSUER.

Notice to Prospective Investors in Hong Kong

THE BONDS MAY NOT BE OFFERED OR SOLD IN HONG KONG BY MEANS OF ANY DOCUMENT OTHER THAN (I) IN CIRCUMSTANCES WHICH DO NOT CONSTITUTE AN OFFER TO THE PUBLIC WITHIN THE MEANING OF THE COMPANIES (WINDING UP AND MISCELLANEOUS PROVISIONS) ORDINANCE (CAP. 32 OF THE LAWS OF HONG KONG) ("**COMPANIES (WINDING UP AND MISCELLANEOUS PROVISIONS) ORDINANCE**") OR WHICH DO NOT CONSTITUTE AN INVITATION TO THE PUBLIC WITHIN THE MEANING OF THE SECURITIES AND FUTURES ORDINANCE (CAP. 571 OF THE LAWS OF HONG KONG)

("**SECURITIES AND FUTURES ORDINANCE**"), OR (II) TO "PROFESSIONAL INVESTORS" AS DEFINED IN THE SECURITIES AND FUTURES ORDINANCE AND ANY RULES MADE THEREUNDER, OR (III) IN OTHER CIRCUMSTANCES WHICH DO NOT RESULT IN THE DOCUMENT BEING A "PROSPECTUS" AS DEFINED IN THE COMPANIES (WINDING UP AND MISCELLANEOUS PROVISIONS) ORDINANCE, AND NO ADVERTISEMENT, INVITATION OR DOCUMENT RELATING TO THE BONDS MAY BE ISSUED OR MAY BE IN THE POSSESSION OF ANY PERSON FOR THE PURPOSE OF ISSUE (IN EACH CASE WHETHER IN HONG KONG OR ELSEWHERE), WHICH IS DIRECTED AT, OR THE CONTENTS OF WHICH ARE LIKELY TO BE ACCESSED OR READ BY, THE PUBLIC IN HONG KONG (EXCEPT IF PERMITTED TO DO SO UNDER THE SECURITIES LAWS OF HONG KONG) OTHER THAN WITH RESPECT TO BONDS WHICH ARE OR ARE INTENDED TO BE DISPOSED OF ONLY TO PERSONS OUTSIDE HONG KONG OR ONLY TO "PROFESSIONAL INVESTORS" IN HONG KONG AS DEFINED IN THE SECURITIES AND FUTURES ORDINANCE AND ANY RULES MADE THEREUNDER.

Notice to Prospective Investors in Singapore

THIS OFFERING CIRCULAR HAS NOT BEEN REGISTERED AS A PROSPECTUS WITH THE MONETARY AUTHORITY OF SINGAPORE. ACCORDINGLY, THIS OFFERING CIRCULAR AND ANY OTHER DOCUMENT OR MATERIAL IN CONNECTION WITH THE OFFER OR SALE, OR INVITATION FOR SUBSCRIPTION OR PURCHASE, OF THE BONDS MAY NOT BE CIRCULATED OR DISTRIBUTED, NOR MAY THE BONDS BE OFFERED OR SOLD, OR BE MADE THE SUBJECT OF AN INVITATION FOR SUBSCRIPTION OR PURCHASE, WHETHER DIRECTLY OR INDIRECTLY, TO PERSONS IN SINGAPORE OTHER THAN (I) TO AN INSTITUTIONAL INVESTOR (AS DEFINED IN SECTION 4A OF THE SECURITIES AND FUTURES ACT, CHAPTER 289 OF SINGAPORE (THE "**SFA**")) UNDER SECTION 274 OF THE SFA, (II) TO A RELEVANT PERSON (AS DEFINED IN SECTION 275(2) OF THE SFA) PURSUANT TO SECTION 275(1) OF THE SFA, OR ANY PERSON PURSUANT TO SECTION 275(1A) OF THE SFA, AND IN ACCORDANCE WITH THE CONDITIONS SPECIFIED IN SECTION 275 OF THE SFA OR (III) OTHERWISE PURSUANT TO, AND IN ACCORDANCE WITH THE CONDITIONS OF, ANY OTHER APPLICABLE PROVISION OF THE SFA, IN EACH CASE SUBJECT TO CONDITIONS SET FORTH IN THE SFA.

WHERE THE BONDS ARE SUBSCRIBED OR PURCHASED UNDER SECTION 275 OF THE SFA BY A RELEVANT PERSON WHICH IS A CORPORATION (WHICH IS NOT AN ACCREDITED INVESTOR (AS DEFINED IN SECTION 4A OF THE SFA)) THE SOLE BUSINESS OF WHICH IS TO HOLD INVESTMENTS AND THE ENTIRE SHARE CAPITAL OF WHICH IS OWNED BY ONE OR MORE INDIVIDUALS, EACH OF WHOM IS AN ACCREDITED INVESTOR, THE SECURITIES (AS DEFINED IN SECTION 239(1) OF THE SFA) OF THAT CORPORATION SHALL NOT BE TRANSFERABLE FOR 6 MONTHS AFTER THAT CORPORATION HAS ACQUIRED THE BONDS UNDER SECTION 275 OF THE SFA EXCEPT: (1) TO AN INSTITUTIONAL INVESTOR UNDER SECTION 274 OF THE SFA OR TO A RELEVANT PERSON (AS DEFINED IN SECTION 275(2) OF THE SFA), (2) WHERE SUCH TRANSFER ARISES FROM AN OFFER IN THAT CORPORATION'S SECURITIES PURSUANT TO SECTION 275(1A) OF THE SFA, (3) WHERE NO CONSIDERATION IS OR WILL BE GIVEN FOR THE TRANSFER, (4) WHERE THE TRANSFER IS BY OPERATION OF LAW, (5) AS SPECIFIED IN SECTION 276(7) OF THE SFA, OR (6) AS SPECIFIED IN REGULATION 32 OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005 OF SINGAPORE ("**REGULATION 32**").

WHERE THE BONDS ARE SUBSCRIBED OR PURCHASED UNDER SECTION 275 OF THE SFA BY A RELEVANT PERSON WHICH IS A TRUST (WHERE THE TRUSTEE IS NOT AN

ACCREDITED INVESTOR (AS DEFINED IN SECTION 4A OF THE SFA)) WHOSE SOLE PURPOSE IS TO HOLD INVESTMENTS AND EACH BENEFICIARY OF THE TRUST IS AN ACCREDITED INVESTOR, THE BENEFICIARIES' RIGHTS AND INTEREST (HOWSOEVER DESCRIBED) IN THAT TRUST SHALL NOT BE TRANSFERABLE FOR 6 MONTHS AFTER THAT TRUST HAS ACQUIRED THE BONDS UNDER SECTION 275 OF THE SFA EXCEPT: (1) TO AN INSTITUTIONAL INVESTOR UNDER SECTION 274 OF THE SFA OR TO A RELEVANT PERSON (AS DEFINED IN SECTION 275(2) OF THE SFA), (2) WHERE SUCH TRANSFER ARISES FROM AN OFFER THAT IS MADE ON TERMS THAT SUCH RIGHTS OR INTEREST ARE ACQUIRED AT A CONSIDERATION OF NOT LESS THAN S$200,000 (OR ITS EQUIVALENT IN A FOREIGN CURRENCY) FOR EACH TRANSACTION (WHETHER SUCH AMOUNT IS TO BE PAID FOR IN CASH OR BY EXCHANGE OF SECURITIES OR OTHER ASSETS), (3) WHERE NO CONSIDERATION IS OR WILL BE GIVEN FOR THE TRANSFER, (4) WHERE THE TRANSFER IS BY OPERATION OF LAW, (5) AS SPECIFIED IN SECTION 276(7) OF THE SFA, OR (6) AS SPECIFIED IN REGULATION 32.

Notice to Prospective Investors in Indonesia

THIS OFFICIAL STATEMENT HAS NOT BEEN AND WILL NOT BE DISTRIBUTED IN THE REPUBLIC OF INDONESIA AND THE BONDS HAVE NOT BEEN AND WILL NOT BE OFFERED OR SOLD IN THE REPUBLIC OF INDONESIA OR TO INDONESIAN CITIZENS WHEREVER THEY ARE DOMICILED, OR TO INDONESIAN RESIDENTS IN A MANNER WHICH CONSTITUTES A PUBLIC OFFERING UNDER LAW NO. 8 OF 1995 ON CAPITAL MARKETS AND THE APPLICABLE REGULATIONS OF THE FINANCIAL SERVICES AUTHORITY (OTORITAS JASA KEUANGAN) (OR PREVIOUSLY, THE CAPITAL MARKETS AND FINANCIAL INSTITUTIONS SUPERVISORY BODY (BADAN PENGAWAS PASAR MODAL DAN LEMBAGA KEUANGAN)).

Notice to Prospective Investors in Japan

THE SECURITIES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE FINANCIAL INSTRUMENTS AND EXCHANGE ACT OF JAPAN (ACT NO. 25 OF 1948, AS AMENDED), OR THE FIEA. THE SECURITIES MAY NOT BE OFFERED OR SOLD, DIRECTLY OR INDIRECTLY, IN JAPAN OR TO OR FOR THE BENEFIT OF ANY RESIDENT OF JAPAN (INCLUDING ANY PERSON RESIDENT IN JAPAN OR ANY CORPORATION OR OTHER ENTITY ORGANIZED UNDER THE LAWS OF JAPAN) OR TO OTHERS FOR REOFFERING OR RESALE, DIRECTLY OR INDIRECTLY, IN JAPAN OR TO OR FOR THE BENEFIT OF ANY RESIDENT OF JAPAN, EXCEPT PURSUANT TO AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE FIEA AND OTHERWISE IN COMPLIANCE WITH ANY RELEVANT LAWS AND REGULATIONS OF JAPAN.

Notice to Prospective Investors in Canada

THE BONDS MAY BE SOLD IN CANADA ONLY TO PURCHASERS PURCHASING, OR DEEMED TO BE PURCHASING, AS PRINCIPAL THAT ARE ACCREDITED INVESTORS, AS DEFINED IN NATIONAL INSTRUMENT 45-106 PROSPECTUS EXEMPTIONS OR SUBSECTION 73.3(1) OF THE SECURITIES ACT (ONTARIO), AND ARE PERMITTED CLIENTS, AS DEFINED IN NATIONAL INSTRUMENT 31-103 REGISTRATION REQUIREMENTS, EXEMPTIONS AND ONGOING REGISTRANT OBLIGATIONS. ANY RESALE OF THE BONDS MUST BE MADE IN ACCORDANCE WITH AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE PROSPECTUS REQUIREMENTS OF APPLICABLE SECURITIES LAWS.

SECURITIES LEGISLATION IN CERTAIN PROVINCES OR TERRITORIES OF CANADA MAY PROVIDE A PURCHASER WITH REMEDIES FOR RESCISSION OR DAMAGES IF THIS OFFERING CIRCULAR (INCLUDING ANY AMENDMENT THERETO) CONTAINS A MISREPRESENTATION, PROVIDED THAT THE REMEDIES FOR RESCISSION OR DAMAGES ARE EXERCISED BY THE PURCHASER WITHIN THE TIME LIMIT PRESCRIBED BY THE SECURITIES LEGISLATION OF THE PURCHASER'S PROVINCE OR TERRITORY. THE PURCHASER SHOULD REFER TO ANY APPLICABLE PROVISIONS OF THE SECURITIES LEGISLATION OF THE PURCHASER'S PROVINCE OR TERRITORY FOR PARTICULARS OF THESE RIGHTS OR CONSULT WITH A LEGAL ADVISOR.

PURSUANT TO SECTION 3A.3 OF NATIONAL INSTRUMENT 33-105 UNDERWRITING CONFLICTS (NI 33-105), THE UNDERWRITERS ARE NOT REQUIRED TO COMPLY WITH THE DISCLOSURE REQUIREMENTS OF NI 33-105 REGARDING UNDERWRITER CONFLICTS OF INTEREST IN CONNECTION WITH THIS OFFERING.

Notice to Prospective Investors in Taiwan

THE OFFER OF THE BONDS HAS NOT BEEN AND WILL NOT BE REGISTERED OR FILED WITH, OR APPROVED BY, THE FINANCIAL SUPERVISORY COMMISSION OF TAIWAN AND/OR OTHER REGULATORY AUTHORITY OF TAIWAN PURSUANT TO RELEVANT SECURITIES LAWS AND REGULATIONS OF TAIWAN, AND THE BONDS, INCLUDING ANY COPY OF THIS OFFICIAL STATEMENT OR ANY OTHER DOCUMENTS RELATING TO THE BONDS, MAY NOT BE OFFERED, ISSUED, SOLD, DELIVERED OR DISTRIBUTED IN TAIWAN THROUGH A PUBLIC OFFERING OR IN CIRCUMSTANCES WHICH CONSTITUTE AN OFFER WITHIN THE MEANING OF THE SECURITIES AND EXCHANGE ACT OF TAIWAN THAT REQUIRES THE REGISTRATION OR FILING WITH OR APPROVAL OF THE FINANCIAL SUPERVISORY COMMISSION OF TAIWAN. THE BONDS MAY BE MADE AVAILABLE OUTSIDE TAIWAN FOR PURCHASE BY INVESTORS RESIDING IN TAIWAN (EITHER DIRECTLY OR THROUGH PROPERLY LICENSED TAIWAN INTERMEDIARIES), BUT MAY NOT BE OFFERED OR SOLD IN TAIWAN EXCEPT TO QUALIFIED INVESTORS VIA A TAIWAN LICENSED INTERMEDIARY. ANY SUBSCRIPTIONS OF BONDS SHALL ONLY BECOME EFFECTIVE UPON ACCEPTANCE BY THE ISSUER OR THE RELEVANT DEALER OUTSIDE TAIWAN AND SHALL BE DEEMED A CONTRACT ENTERED INTO IN THE JURISDICTION OF INCORPORATION OF THE ISSUER OR RELEVANT DEALER, AS THE CASE MAY BE, UNLESS OTHERWISE SPECIFIED IN THE SUBSCRIPTION DOCUMENTS RELATING TO THE BONDS SIGNED BY THE INVESTORS.

Notice to Prospective Investors in the Republic of Korea

THE BONDS HAVE NOT BEEN AND WILL NOT BE REGISTERED WITH THE FINANCIAL SERVICES COMMISSION OF KOREA FOR PUBLIC OFFERING IN KOREA UNDER THE FINANCIAL INVESTMENT SERVICES AND CAPITAL MARKETS ACT AND ITS SUBORDINATE DECREES AND REGULATIONS (COLLECTIVELY THE "**FSCMA**"). THE BONDS MAY NOT BE OFFERED, SOLD OR DELIVERED, DIRECTLY OR INDIRECTLY, OR OFFERED OR SOLD TO ANY PERSON FOR REOFFERING OR RESALE, DIRECTLY OR INDIRECTLY, IN KOREA OR TO ANY RESIDENT OF KOREA EXCEPT AS OTHERWISE PERMITTED UNDER THE APPLICABLE LAWS AND REGULATIONS OF KOREA, INCLUDING THE FSCMA AND THE FOREIGN EXCHANGE TRANSACTION LAW AND ITS SUBORDINATE DECREES AND REGULATIONS (COLLECTIVELY, THE "**FETL**"). WITHOUT PREJUDICE TO THE FOREGOING, THE NUMBER OF BONDS OFFERED IN KOREA OR TO A RESIDENT IN KOREA SHALL BE LESS THAN FIFTY AND FOR A PERIOD IN ONE YEAR FROM THE ISSUE

DATE OF THE BONDS, NONE OF THE BONDS MAY BE DIVIDED RESULTING IN AN INCREASED NUMBER OF THE BONDS. FURTHERMORE, THE BONDS MAY NOT BE RESOLD TO KOREAN RESIDENTS UNLESS THE PURCHASER OF THE BONDS COMPLIES WITH ALL APPLICABLE REGULATORY REQUIREMENTS (INCLUDING BUT NOT LIMITED TO GOVERNMENT REPORTING REQUIREMENTS UNDER THE FETL) IN CONNECTION WITH THE PURCHASE OF THE BONDS.

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REGIONAL TRANSPORTATION DISTRICT
1660 Blake Street
Denver, Colorado 80202

BOARD OF DIRECTORS

Directors	Director Districts
Angie Rivera-Malpiede, Chair	District C
Lynn Guissinger, First Vice Chair	District O
Shelley Cook, Second Vice Chair	District L
Paul Rosenthal, Treasurer	District E
Vince Buzek, Secretary	District J
Kate Williams	District A
Shontel Lewis	District B
Bobby Dishell	District D
Bob Broom	District F
Julien Bouquet	District G
Doug Tisdale	District H
Erik Davidson	District I
Troy Whitmore	District K
Marjorie Sloan	District M
Margaret "Peggy" Caitlin	District N

General Manager and Chief Executive Officer
Debra A. Johnson

General Counsel to Board of Directors and the District
Melanie J. Snyder, Esq.

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Denver, Colorado

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Hilltop Securities Inc.
Dallas, Texas

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OFFICIAL STATEMENT

REGIONAL TRANSPORTATION DISTRICT
(Colorado)

$422,405,000	**$411,630,000**
Taxable Sales Tax Revenue Refunding Bonds	**Tax-Exempt Sales Tax Revenue Refunding Bonds**
(FasTracks Project)	**(FasTracks Project)**
Series 2021A	**Series 2021B**
(Green Bonds – Climate Bond Certified)	**(Green Bonds – Climate Bond Certified)**

INTRODUCTION

This Official Statement, which includes the cover page, inside front cover and the appendices, provides certain information in connection with the offering of $422,405,000 aggregate principal amount of Taxable Sales Tax Revenue Refunding Bonds (FasTracks Project), Series 2021A **(Green Bonds – Climate Bond Certified)** (the "**2021A Bonds**") and $411,630,000 aggregate principal amount of Tax-Exempt Sales Tax Revenue Refunding Bonds (FasTracks Project), Series 2021B **(Green Bonds – Climate Bond Certified)** (the "**2021B Bonds**," and, together with the 2021A Bonds, the "**Bonds**") of the Regional Transportation District ("**RTD**" or the "**District**"), a public body politic and corporate and political subdivision of the State of Colorado (the "**State**"), organized and existing under the terms of the Regional Transportation District Act, Section 32-9-101 et seq., Colorado Revised Statutes, as amended (the "**Act**"). The Bonds are being issued by the District pursuant to an Indenture of Trust, dated the date of issuance (the "**Indenture"**), between the District and The Bank of New York Mellon Trust Company, N.A., as trustee (the "**Trustee**"). Capitalized terms used herein and not otherwise defined shall have the meanings set forth in **Appendix E** – "FORM OF THE INDENTURE."

At an election held within the District on November 2, 2004 (the "**2004 Election**"), voters in the District approved a ballot referendum allowing for an increase in the RTD sales tax rate from 0.6% (the "**0.6% Sales Tax**") to 1.0% effective January 1, 2005. The additional four-tenths of one percent sales tax rate increase approved at the 2004 Election is referred to herein as the "**0.4% Sales Tax**." At the 2004 Election, the District was also authorized to issue debt in the amount of $3.477 billion, with a maximum total repayment cost of $7.129 billion, and a maximum annual repayment cost of $309.738 million, with the proceeds of such debt and increased taxes to be spent on the construction and operation of a multi-year comprehensive transit expansion plan known as "**FasTracks**." The District has entered into obligations in the aggregate principal amount of approximately $2.785 billion with a total repayment cost of $6.684 billion pursuant to the authorization of the 2004 Election. Since the Bonds are being issued to (i) purchase certain outstanding Sales Tax Revenue Bonds (FasTracks Project), Series 2012A (the "**Series 2012A Bonds**") and (ii) refund certain Series 2012A Bonds and prepay in whole the RTD TIFIA Bond (as further defined and collectively described herein, the "**Refunded Bonds**") at a lower interest rate, the District will utilize some of the remaining electoral authorization in connection with the issuance of the Bonds but will reduce the annual total repayment cost currently utilized. The District has also reserved certain amounts of its electoral authority committed under outstanding agreements. See "CONSTITUTIONAL REVENUE, SPENDING AND DEBT LIMITATIONS."

The Bonds are being issued for the purpose of (a) financing the purchase of certain Series 2012A Bonds, (b) refunding, paying and discharging the Refunded Bonds (the "**Refunding Project**"), and (c) funding costs of issuance of the Bonds. See "PLAN OF FINANCE."

The Bonds are special and limited obligations of the District payable solely from and secured by (a) a non-exclusive first lien upon the revenues generated by the 0.4% Sales Tax increase (the "**0.4% Sales Tax revenues**"), (b) a non-exclusive subordinate lien upon the revenues received by the District from the 0.6% Sales Tax (the "**0.6% Sales Tax revenues**") and (c) other legally available moneys and investments held in certain funds created under the Indenture, and subject only to the provisions of the Indenture permitting application of such amounts for the purposes described in the Indenture (collectively, the "**Pledged Revenues**"). The 0.4% Sales Tax revenues and 0.6% Sales Tax revenues are collectively referred to herein as the "**Sales Tax Revenues**." The Bonds do not constitute a general obligation of the District within the meaning of any constitutional or statutory debt limitation or provision, and are not payable in whole or in part from the proceeds of ad valorem property taxes. See "SECURITY FOR THE BONDS."

The District has previously pledged all of the proceeds from the imposition of the 0.6% Sales Tax to the payment of the following obligations of the District that have a lien on the 0.6% Sales Tax revenues superior or senior to the lien thereon of the Bonds outstanding as of December 31, 2020 in the aggregate principal amount of $38,490,000: (a) the Sales Tax Revenue Refunding Bonds, Series 2007A; and (b) the Sales Tax Revenue Refunding Bonds, Series 2013A (collectively, the "**Senior Bonds**"). The Senior Bonds were issued pursuant to a Sales Tax Revenue Bond Resolution, adopted October 27, 1977, as amended and supplemented (the "**Senior Bond Resolution**"). See "DEBT STRUCTURE OF RTD" for additional information relating to the Senior Bonds.

The Board of Directors of RTD (the "**Board**") has covenanted in the Indenture that no additional securities are to be issued by the District with a pledge of and lien on the 0.6% Sales Tax revenues that is senior to the lien thereon of the Bonds except for obligations issued by the District to refund Senior Bonds for interest expense savings as more fully described herein. As discussed elsewhere in this Official Statement, any such refunding Senior Bonds to be issued by the District will be secured by the 0.6% Sales Tax revenues and will not be secured by the 0.4% Sales Tax revenues. The Indenture also permits the District to enter into Senior Financial Products Agreements and Senior Credit Facility Obligations in connection with the Senior Bonds. The Senior Bonds and any such securities issued in the future secured by a lien on the 0.6% Sales Tax revenues that are senior to the lien thereon of the Bonds are described herein as "**Senior Debt**" (and more specifically defined in **Appendix E** hereto). Upon satisfaction of certain conditions, the District may also, and expects to, issue additional securities with a pledge of and lien on the Sales Tax Revenues on a parity with the Bonds. See "SECURITY FOR THE BONDS – Additional Securities."

The Bonds are to be secured with a pledge of and lien on the Sales Tax Revenues on a parity with the following obligations issued and outstanding as of December 31, 2020 in the aggregate principal amount of $2,015,958,142 (collectively, the "**Parity Bonds**"):

Parity Bonds
(as of December 31, 2020)

Name of Parity Bonds	Original Principal Amount	Outstanding Principal Amount
RTD Sales Tax Revenue Refunding Bonds (FasTracks Project), Series 2007A	$363,725,000	$220,480,000
RTD Taxable Sales Tax Revenue Bonds (FasTracks Project) (Direct Pay Build America Bonds), Series 2010B	300,000,000	300,000,000
RTD TIFIA Bond [(1)]	280,000,000	341,878,142[(2)]
RTD Sales Tax Revenue Bonds (FasTracks Project), Series 2012A[(1)]	474,935,000	474,935,000
RTD Sales Tax Revenue Refunding Bonds (FasTracks Project), Series 2013A	204,820,000	204,820,000
RTD Sales Tax Revenue Bonds (FasTracks Project), Series 2016A	194,965,000	194,965,000
RTD Sales Tax Revenue Bonds (FasTracks Project), Series 2017A	82,895,000	76,675,000
RTD Sales Tax Revenue Bonds (FasTracks Project), Series 2017B	119,465,000	119,465,000
RTD Taxable Sales Tax Revenue Refunding Bonds (FasTracks Project), Series 2019A	82,740,000	82,740,000

(1) These Parity Bonds are the Refunded Bonds or the tendered bonds to be purchased as described in "PLAN OF FINANCE."
(2) Includes capitalized interest.
Source: The District

Indentures of Trust relating to the Parity Bonds (other than the RTD TIFIA Bond defined herein) have been entered between the District and The Bank of New York Mellon Trust Company, N.A., as trustee, and are referred to collectively herein as the "**Parity Indentures**." The RTD TIFIA Bond which is being refunded as part of the Refunding Project was issued pursuant to a TIFIA Loan Agreement, dated as of December 1, 2011, as amended, between the District and the United States Department of Transportation, a department of the United States Federal Government, acting by and through the Federal Highway Administrator (the "**TIFIA Loan Agreement**"). See "THE SYSTEM – FasTracks – Eagle P3 Project" for details related to the TIFIA Loan Agreement (which will be terminated in connection with the issuance of the Bonds as part of the Refunding Project).

The Bank of New York Mellon Trust Company, N.A. serves as trustee (the "**Senior Debt Trustee**") for the Senior Bonds, eight series of Parity Bonds (but not the RTD TIFIA Bond) and future Senior Debt and Parity Bonds. The Indenture requires that any entity that serves as trustee for the Senior Debt, the Parity Bonds or as trustee for any obligation payable on parity with the Bonds will also serve as trustee under the Indenture, and the Senior Debt Trustee therefore has been selected to serve as Trustee for the Bonds. The District, in accordance with the authority granted by the Act to pledge the Sales Tax Revenues to the payment of securities of the District, has assigned its rights to receive from the Colorado Department of Revenue (the "**Department of Revenue**") payment of the 0.6% Sales Tax revenues to the Senior Debt Trustee for the benefit of the owners of the Senior Debt. The District has also assigned to the Trustee its rights to receive payment from the Department of Revenue of the 0.4% Sales Tax revenues for the benefit of the owners of the Bonds and any other securities payable from the 0.4% Sales Tax revenues, including the Parity Bonds. In each month, after making in full all deposits or payments required by the Senior Bond Resolution, the Senior Debt Trustee is required to remit any remaining 0.6% Sales Tax revenues to the Trustee to fund any requirements under the Parity Indentures, including the Indenture, and the TIFIA Loan Agreement not otherwise funded by the 0.4% Sales Tax revenues. See "SECURITY FOR THE BONDS – Flow of Funds."

The District has previously pledged the Sales Tax Revenues on a basis subordinate to the Parity Bonds, including the Bonds, in connection with its Concession and Lease Agreement dated as of July 9, 2010, as amended (the "**P3 Concession Agreement**") with Denver Transit Partners, LLC ("**Denver Transit Partners**"). See "DEBT STRUCTURE OF RTD" and "THE SYSTEM – FasTracks – Eagle P3 Project."

In connection with the issuance of the Bonds, the District will deliver a Continuing Disclosure Agreement in substantially the form attached as **Appendix A**. See "CONTINUING DISCLOSURE AGREEMENT."

This Official Statement includes financial, demographic and other information about the District. Prospective purchasers are encouraged to read this Official Statement and the appendices hereto in their entirety. This Official Statement also contains descriptions of the Bonds, the Indenture and other documents and information pertaining to the Bonds. The description of the Bonds, the Indenture and such other documents entered into in connection with the Bonds, and the Refunding Project do not purport to be definitive or comprehensive, and all references to those documents are qualified in their entireties by reference to those documents. Copies of the above-mentioned documents may be obtained from Brenden Morgan, Senior Manager of Debt and Investments, Regional Transportation District, 1660 Blake Street, Denver, Colorado 80202, (303) 299-2313 or at the offices of the District's Municipal Advisor, Hilltop Securities Inc., 1201 Elm Street, Suite 3500, Dallas, Texas 75270, Attention: Mike Newman, (214) 953-8875.

PLAN OF FINANCE

General

The plan of finance, including the District's purchase of Tendered 2012 Bonds and refunding of the Refunded 2012 Bonds and the RTD TIFIA Bond as described below, is expected to realize savings for the District in every fiscal year. To the extent possible, the District intends to have such savings reflected in the debt service due in fiscal years 2021-2024. The following table sets forth the estimated sources and uses of funds in connection with the execution and delivery of the Bonds:

Sources	
Principal Amount of 2021A Bonds	$422,405,000.00
Principal Amount of 2021B Bonds	411,630,000.00
Net Original Issue Premium	34,461,137.20
Other Legally Available Funds	1,482,672.28
Total	$869,978,809.48
Uses	
Purchase of Tendered 2012 Bonds[1]	$ 97,138,960.17
Deposit to 2021A Escrow Account[2]	420,390,442.67
Prepayment of RTD TIFIA Bond[2]	348,274,435.95
Costs of Issuance[3]	4,174,970.69
Total	$869,978,809.48

(1) See "Purchase of Tendered 2012 Bonds" under this caption.
(2) See "The Refunding Project" under this caption.
(3) Includes Underwriters' discount. See "UNDERWRITING."

Purchase of Tendered 2012 Bonds

The District intends to use certain proceeds of the Bonds (expected to be proceeds of the 2021B Bonds), together with other available funds of the District, to finance the purchase of certain Series 2012A Bonds in the aggregate principal amount of $89,285,000 which are being tendered to the District by the holders thereof in response to the District's Invitation to Tender Bonds (the "**Invitation**") dated January 27, 2021 (the "**Tendered 2012 Bonds**"). See "– General" under this caption and **Appendix F** hereto for details. The District will have the right to accept or decline any offer by a holder of Series 2012A Bonds to tender their Series 2012A Bonds. Any offer accepted by the District will be subject to the sale of the Bonds and the application of proceeds thereof to purchase the Tendered 2012 Bonds and defease all of the Series 2012A Bonds not tendered to their optional redemption date. Furthermore, the District has reserved the right to decline any tender offer and defease the Series 2012A Bonds in full to their optional redemption date at this time or at any time in the future.

Goldman Sachs & Co. LLC, an underwriter of the Bonds, is acting as the dealer manager in connection with the Invitation by the District.

The Refunding Project

Defeasance of Series 2012A Bonds

The District intends to use certain proceeds of the 2021A Bonds to finance a refunding and defeasance of $385,650,000 aggregate principal amount of the Series 2012A Bonds (referred to herein as the "**Refunded 2012 Bonds**"). See "– General" under this caption and **Appendix F** hereto for details.

The Bond Resolution authorizes the execution and delivery of an Escrow Agreement, dated as of the date of delivery of the 2021A Bonds (the "**2021A Escrow Agreement**"), between the District and The Bank of New York Mellon Trust Company, N.A., as escrow agent (the "**Escrow Agent**"). The 2021A Escrow Agreement directs that net proceeds of the 2021A Bonds be deposited in the 2021A Escrow Account established pursuant to the 2021A Escrow Agreement (the "**Escrow Account**") in an amount sufficient, together with any earnings on such deposit, to pay the principal of, interest on and redemption premium, if any, due in connection with the prior redemption of the Refunded 2012 Bonds. An independent certified public accountant will verify that the deposit made to the Escrow Account, together with the earnings thereon, will be sufficient to pay all principal, interest and redemption premium, if any, on such Refunded 2012 Bonds as the same become due upon prior redemption. See "VERIFICATION." The Refunded 2012 Bonds will be called for redemption on November 1, 2022 at a redemption price equal to the principal amount thereof, plus accrued interest thereon to the redemption date, without premium.

Repayment of RTD TIFIA Bond

The District intends to use certain proceeds of the 2021B Bonds, together with other legally available funds of the District, to prepay in whole the RTD TIFIA Bond which evidences a loan from the United States Department of Transportation acting by and through the Federal Highway Administration to the District in connection with the Eagle P3 Project as described in "THE SYSTEM – Eagle P3 Project." Prepayment of the RTD TIFIA Bond is to occur on the date of delivery of the Bonds.

THE BONDS

Authority

The District is authorized by a resolution (the "**Bond Resolution**") adopted by the Board to enter into the Indenture. The Bonds are issued pursuant to the Indenture, the Act and Section 11-57-201 et seq., Colorado Revised Statutes, as amended.

Description

The Bonds are dated, mature and bear interest and are subject to the other terms and conditions as described on the cover page and inside front cover hereof.

Climate Bond Certification

The information set forth below concerning (i) the Climate Bonds Initiative ("**CBI**") and the process for obtaining certification from CBI, and (2) Kestrel Verifiers in its role as a verifier with respect to the certification of the Bonds as Climate Bond Certified, all as more fully described below, has been extracted from materials provided by CBI and Kestrel Verifiers. Additional information relating to CBI and the certification process can be found at www.climatebonds.net. The CBI website is included for reference only and the information contained therein is not incorporated by reference in this Official Statement.

In connection with the Bonds and the transit projects financed or refinanced with the proceeds thereof, RTD applied to the CBI for designation of the Bonds as "Climate Bond Certified." CBI is an independent not-for-profit organization that works solely on mobilizing the bond market for climate change solutions. CBI has established a certification program that provides criteria for eligible projects to be considered a Certified Climate Bond. Rigorous scientific criteria ensure that financed activities are consistent with the 2 degrees Celsius warming limit established in the 2016 Paris Agreement which exists within the United Nations Framework Convention on Climate Change, to address greenhouse-gas-emissions mitigation, adaptation, and finance. The CBI certification program is used globally by bond issuers, governments, investors and the financial markets to prioritize investments which genuinely contribute to addressing climate change.

The CBI standards use credible, science-based, widely supported guidelines about what should and should not be considered a qualifying climate-aligned investment to assist investors in making informed decisions about the environmental credentials of a bond. In order to receive the CBI certification, RTD engaged Kestrel Verifiers, a third-party CBI Approved Verifier, to provide verification to the CBI Certification Board that the Bonds meet the CBI standards and relevant sector criteria. Kestrel Verifiers reviewed and provided verification to CBI, and CBI certified the bonds as Climate Bonds on January 27, 2021. Within 24 months of issuance, Kestrel Verifiers will also provide a Post-Issuance Report to CBI as to whether the proceeds of the Bonds have been applied in accordance with the terms thereof.

The terms "Climate Bond Certified" and "Green Bonds" are solely for identification purposes and are not intended to provide or imply that the owners of the Bonds are entitled to any security other than that described under the heading "SECURITY FOR THE BONDS."

The certification of the Bonds as Climate Bonds by the Climate Bonds Initiative is based solely on the Climate Bond Standard and does not, and is not intended to, make any representation or give any assurance with respect to any other matter relating to the Bonds, the transit projects financed or refinanced with the proceeds thereof, or Sales Tax Revenues, including but not limited to the Official Statement, the transaction documents, RTD or the management of RTD.

The certification of the Bonds as Climate Bonds by the Climate Bonds Initiative was addressed solely to RTD's Board of Directors and is not a recommendation to any person to purchase, hold or sell the Bonds and such certification does not address the market price or suitability of the Bonds for a particular investor. The certification also does not address the merits of the decision by RTD or any third party to participate in any nominated project and does not express and should not be deemed to be an expression of an opinion as to RTD or any aspect of the transit projects financed or refinanced with the proceeds thereof (including but not limited to the sufficiency of the Sales Tax Revenues) other than with respect to conformance with CBI's standards for Certified Climate Bonds.

In issuing or monitoring, as applicable, the certification, CBI and Kestrel Verifiers have assumed and relied upon and will assume and rely upon the accuracy and completeness in all material respects of the information supplied or otherwise made available to CBI and Kestrel Verifiers by the District and its consultants. The Underwriters have not provided any information to CBI or Kestrel Verifiers regarding the Bonds and the projects financed or refinanced with proceeds thereof. CBI does not assume or accept any responsibility to any person for independently verifying (and it has not verified) such information or to undertake (and it has not undertaken) any independent evaluation of any nominated project or RTD.

In addition, CBI does not assume any obligation to conduct (and it has not conducted) any physical inspection of any nominated project. The certification may only be used with the Bonds and may not be used for any other purpose without CBI's prior written consent.

The certification does not and is not in any way intended to address the likelihood of timely payment of interest when due on the Bonds and/or the payment of principal at maturity or any other date.

The certification may be withdrawn at any time in the Climate Bonds Initiative's sole and absolute discretion and there can be no assurance that such certification will not be withdrawn.

RTD has engaged Kestrel Verifiers to provide a verification on the Bond's conformance with the Climate Bond Standard V3.0. Kestrel Verifiers has determined that the projects to be financed or refinanced with the proceeds of the Bonds satisfy the Climate Bond Standard V3.0 and the Transport Sector Criteria (Version 2). Accredited as an "Approved Verifier" by the Climate Bonds Initiative, Kestrel Verifiers is qualified to evaluate bonds against the Climate Bonds Initiative Standards and Criteria in all sectors worldwide. Kestrel's Climate Bond Verifier's report can be found in **Appendix G**.

Prior Redemption

Optional Redemption

2021A Bonds. The 2021A Bonds are subject to redemption prior to maturity at the option of the District, in whole or in part, on any Business Day (defined below) at a price equal to the greater of the following:

(a) 100% of the principal amount of the 2021A Bonds to be redeemed; or

(b) the sum of the present value of the remaining scheduled payments of principal and interest to the maturity date of the 2021A Bonds to be redeemed, not including any portion of those payments of interest accrued and unpaid as of the date on which the 2021A Bonds are to be redeemed, discounted to the date on which the 2021A Bonds are to be redeemed on a semi-annual basis, assuming a 360-day year containing twelve 30-day months, at the Treasury Rate, plus the "Basis Point Adjustment" for the applicable maturity set forth below; plus, in each case, accrued and unpaid interest on the 2021A Bonds to be redeemed to the redemption date (the "**Optional Redemption Make-Whole Price**").

Maturity (November 1)	Basis Point Adjustment
2025	5 basis points
2026	10 basis points
2027	5 basis points
2028	10 basis points
2031	10 basis points
2032	15 basis points
2033	15 basis points
2034	15 basis points
2035	15 basis points
2036	20 basis points
2037	20 basis points

For purpose of determining the Optional Redemption Make-Whole Price, "Treasury Rate" is, as of any redemption date, the yield to maturity as of such redemption date of United States Treasury securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15 (519) that has become publicly available at least two Business Days prior to the redemption date (excluding inflation-indexed securities) (or, if such Statistical Release is no longer published, any publicly available source of similar market data)) most nearly equal to the period from the redemption date to the maturity date of the 2021A Bonds to be redeemed; provided, however that if the period from the redemption date to such maturity date is less than one year, the weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of one year shall be used.

The Optional Redemption Make-Whole Price shall be calculated by a qualified, independent entity appointed by the Chief Financial Officer.

For purposes of this redemption provision, "Business Day" means any day other than a Saturday, Sunday, legal holiday, or other day on which banking institutions in San Francisco, California, or such other place as the Trustee designates in writing to the owners of the outstanding Bonds as its principal corporate trust office, are authorized or required by law to close and other than a day on which the New York Stock Exchange is closed.

Notwithstanding the foregoing or any other provisions to the contrary contained in the Indenture, the 2021A Bonds shall be subject to optional redemption prior to maturity only if on such redemption date the Optional Redemption Make Whole Price is less than or equal to the sum of one hundred seven percent (107%) of the principal amount of the 2021A Bonds to be redeemed plus accrued interest to the redemption date. If the Optional Redemption Make Whole Price exceeds such amount, the 2021A Bonds shall not be subject to optional redemption on such redemption date pursuant to such provision and shall only be subject to optional redemption pursuant to such provision at such time as the Optional Redemption Make Whole Price is less than or equal to such sum.

The 2021A Bonds are also subject to redemption prior to their maturity date at the option of the District on May 1, 2031, and on any date thereafter, in whole or in part, in any order of maturity and by lot within a maturity (giving proportionate weight to 2021A Bonds in denominations larger than $5,000), at a redemption price equal to the principal amount of each 2021A Bond, or portion thereof, so redeemed plus accrued interest thereon to the redemption date, without premium.

2021B Bonds. The 2021B Bonds are subject to redemption prior to their maturity date at the option of the District on May 1, 2031, and on any date thereafter, in whole or in part, in any order of maturity and by lot within a maturity (giving proportionate weight to 2021B Bonds in denominations larger than $5,000), at a redemption price equal to the principal amount of each 2021B Bond, or portion thereof, so redeemed plus accrued interest thereon to the redemption date, without premium.

Partial Redemption. If less than all Outstanding Bonds are to be redeemed, the Trustee, upon written instruction from the District, shall select the Bonds to be redeemed from the maturity dates selected by the District and by lot within each maturity in such manner as the Trustee shall determine; provided, that the portion of any Bond to be redeemed in part shall be in the principal amount of $5,000 or any integral multiple thereof.

Mandatory Sinking Fund Redemption

The 2021B Bonds maturing on November 1, 2041 and November 1, 2045 are subject to mandatory sinking fund redemption at a price equal to the principal amount thereof plus accrued interest thereon to the redemption date. Such 2021B Bonds are to be selected by lot in such manner as the Trustee shall determine (giving proportionate weight to Bonds in denominations larger than $5,000).

As and for a sinking fund for the redemption of the 2021B Bonds maturing on November 1, 2041, the District shall deposit in the Bond Fund, on or before November 1 in the following year, monies which are sufficient to redeem (after credit as provided in the Indenture) the following principal amount of the 2021B Bonds:

Redemption Date	Principal Amount
2040	$29,490,000

The remaining $48,280,000 of the 2021B Bonds maturing on November 1, 2041, shall be paid upon presentation and surrender at maturity on November 1, 2041 redeemed pursuant to optional redemption prior to maturity.

The 2021B Bonds maturing on November 1, 2045 are subject to mandatory sinking fund redemption at a price equal to the principal amount thereof plus accrued interest thereon to the redemption date. Such 2021B Bonds are to be selected by lot in such manner as the Trustee shall determine (giving proportionate weight to Bonds in denominations larger than $5,000).

As and for a sinking fund for the redemption of the 2021B Bonds maturing on November 1, 2045, the District shall deposit in the Bond Fund, on or before November 1 in each of the following years, monies which are sufficient to redeem (after credit as provided in the Indenture) the following principal amount of the 2021B Bonds:

Redemption Date	Principal Amount
2042	$49,245,000
2043	50,355,000
2044	51,485,000

The remaining $52,645,000 of the 2021B Bonds maturing on November 1, 2045, shall be paid upon presentation and surrender at maturity on November 1, 2045 redeemed pursuant to optional redemption prior to maturity.

Notice of Redemption

Notice of the prior redemption of any Bonds shall be given by the Trustee in the name of the District by mailing a copy of the redemption notice by certified or first-class postage prepaid mail, not more than 60 nor less than 30 days prior to the redemption date to the registered owners of the Bonds to be redeemed at their addresses as shown on the registration records kept by the Trustee, as registrar, or in the event that the Bonds to be redeemed are registered in the name of the securities depository, such notice may, in the alternative, be given by electronic means in accordance with the requirements of the securities depository. Failure to give such notice in such manner to the registered owner of any Bond or any defect therein shall not affect the validity of the proceedings for the redemption of any other Bonds.

Any notice of redemption may contain a statement that the redemption is conditioned upon the receipt of funds by the Paying Agent on or before the redemption date sufficient to pay the principal of, interest on and any redemption premium due on the Bonds so called for redemption, and that if such funds are not available, such redemption shall be cancelled by written notice to the registered owners of the Bonds called for redemption in the same manner as the original redemption notice was mailed.

If the Depository Trust Company ("DTC") or its nominee is the registered owner of any Bonds to be redeemed, notice of redemption will only be given to DTC or its nominee as the registered owner of such Bond. Any failure on the part of DTC or failure on the part of a nominee of a Beneficial Owner (having received notice from a DTC Participant or otherwise) to notify the Beneficial Owner of any Bond to be redeemed shall not affect the validity of the redemption of such Bond. See "THE BONDS – Book-Entry Form."

Debt Service Requirements

The Debt Service Requirements of the Bonds, the Outstanding Parity Bonds (reflecting the Refunding Project) and the Senior Bonds are set forth in the following table:

TABLE I

Fiscal Year Ending 12/31	Debt Service Requirements of the Senior Bonds	Debt Service Requirements of the Parity Bonds[1][2]	Debt Service Requirements of the Bonds			Total Debt Service Requirements of the Bonds and Parity Bonds[1][2]	Total Debt Service Requirements of the Senior Bonds, Parity Bonds and Bonds[1][2]
			Principal	Interest	Total		
12/31/2021	$14,495,578	$ 61,548,050	$ --	$12,632,770	$ 12,632,770	$ 74,180,820	$ 88,676,398
12/31/2022	9,583,950	61,603,800	--	19,773,032	19,773,032	81,376,831	90,960,781
12/31/2023	9,582,400	61,601,050	--	19,773,032	19,773,032	81,374,081	90,956,481
12/31/2024	9,588,275	61,602,298	--	19,773,032	19,773,032	81,375,330	90,963,605
12/31/2025	--	61,827,277	12,000,000	19,773,032	31,773,032	93,600,309	93,600,309
12/31/2026	--	61,827,177	61,145,000	19,689,032	80,834,032	142,661,209	142,661,209
12/31/2027	--	104,905,616	48,150,000	19,138,727	67,288,727	172,194,343	172,194,343
12/31/2028	--	104,908,867	47,670,000	18,571,038	66,241,038	171,149,905	171,149,905
12/31/2029	--	104,906,117	38,815,000	16,585,291	55,400,291	160,306,408	160,306,408
12/31/2030	--	111,156,865	9,150,000	14,644,541	23,794,541	134,951,406	134,951,406
12/31/2031	--	105,823,691	54,685,000	14,187,041	68,872,041	174,695,732	174,695,732
12/31/2032	--	105,819,192	50,935,000	13,182,478	64,117,478	169,936,670	169,936,670
12/31/2033	--	109,188,266	37,780,000	12,180,586	49,960,586	159,148,852	159,148,852
12/31/2034	--	109,191,018	9,160,000	11,399,674	20,559,674	129,750,692	129,750,692
12/31/2035	--	109,591,766	7,330,000	11,199,345	18,529,345	128,121,110	128,121,110
12/31/2036	--	100,938,734	66,215,000	11,031,707	77,246,707	178,185,441	178,185,441
12/31/2037	--	93,510,495	64,170,000	9,484,263	73,654,263	167,164,758	167,164,758
12/31/2038	--	85,575,254	3,175,000	7,952,525	11,127,525	96,702,779	96,702,779
12/31/2039	--	64,293,773	24,655,000	7,825,525	32,480,525	96,774,298	96,774,298
12/31/2040	--	42,889,553	46,990,000	6,839,325	53,829,325	96,718,878	96,718,878
12/31/2041	--	36,889,802	48,280,000	5,549,525	53,829,525	90,719,327	90,719,327
12/31/2042	--	36,889,053	49,245,000	4,583,925	53,828,925	90,717,978	90,717,978
12/31/2043	--	36,889,552	50,355,000	3,475,913	53,830,913	90,720,465	90,720,465
12/31/2044	--	36,889,052	51,485,000	2,342,925	53,827,925	90,716,977	90,716,977
12/31/2045	--	36,890,304	52,645,000	1,184,513	53,829,513	90,719,816	90,719,816
12/31/2046	--	94,224,750	--	--	--	94,224,750	94,224,750
12/31/2047	--	70,831,823	--	--	--	70,831,823	70,831,823
12/31/2048	--	70,920,223	--	--	--	70,920,223	70,920,223
12/31/2049	--	71,015,803	--	--	--	71,015,803	71,015,803
12/31/2050	--	71,116,584	--	--	--	71,116,584	71,116,584
Total	$43,250,203	$2,285,265,804	$834,035,000	$302,772,797	$1,136,807,797	$3,422,073,601	$3,465,323,804

(1) Does not include Build America Bond subsidy expected to be paid by federal government in connection with the Series 2010B Bonds.
(2) Reflects the Refunding Project and the issuance of the Bonds. See "PLAN OF FINANCE."
Source: The Municipal Advisor.

Payment and Registration

The Bonds are issuable in fully registered form and are initially to be registered in the name of Cede & Co., as nominee for DTC, as securities depository for the Bonds (the "**Securities Depository**"). Purchases by beneficial owners ("**Beneficial Owners**") of the Bonds are to be made in book-entry form in the principal amount of $5,000 or any integral multiple thereof. Principal of or redemption price and final installment of interest on the Bonds are payable upon presentation and surrender thereof to, and all other interest is payable by, the Paying Agent, by check or draft mailed to the registered owners at the addresses appearing on the registration records of the Paying Agent on the 15th day of the calendar month next preceding such interest payment date. The Paying Agent may make payments of interest on any Bond by such alternative means as may be mutually agreed to by the Paying Agent and the registered owner of such Bond. Notwithstanding the foregoing, so long as the Bonds are registered in the name of DTC or its nominee, payments to Beneficial Owners are to be made as described in "Book-Entry Form" under this caption. The Trustee is acting as Paying Agent under the Indenture.

Neither the District nor the Trustee has any responsibility or obligation for the payment to the participants of the Securities Depository ("**Participants**"), any Beneficial Owner or any other person of the principal of or interest on the Bonds.

Neither the District nor the Trustee has any responsibility or obligation with respect to the accuracy of the records of the Securities Depository or its Participants regarding any ownership interest in the Bonds or the delivery to any Participant, Beneficial Owner or any other person of any notice with respect to the Bonds.

Transfer and Exchange

The Bonds are transferable only upon the registration books of the District, which are to be kept for such purposes at the principal corporate trust office of the Registrar, by the registered owner or his, her or its duly authorized attorney. The registered owner of any Bond or Bonds may also exchange such Bond or Bonds for another Bond or Bonds of authorized denominations of the same aggregate principal amount, maturing in the same year and bearing interest at the same per annum interest rate as the Bond or Bonds surrendered. The Registrar may impose reasonable charges in connection with such exchanges and transfers of Bonds, which charges (as well as any tax or other governmental charge required to be paid with respect to such exchange or transfer) are to be paid by the registered owner requesting such exchange or transfer. In the case of every transfer or exchange, the Registrar is to authenticate and deliver to the new registered owner a new Bond or Bonds of the same aggregate principal amount, maturing in the same year and bearing interest at the same per annum interest rate as the Bond or Bonds surrendered. Notwithstanding the foregoing, so long as the Bonds are registered in the name of DTC or its nominee, transfers by Beneficial Owners are to be made as described in "Book-Entry Form" under this caption. The Trustee is acting as Registrar under the Indenture.

The Registrar shall not be required to transfer or exchange any Bond or portion thereof during a period beginning at the opening of business 15 days before the day of mailing of notice of prior redemption and ending at the close of business on the day of such mailing, or any Bond or portion thereof after the mailing of notice calling such Bond or portion thereof for prior redemption, except for the unredeemed portion of the Bonds being redeemed in part.

Neither the District nor the Trustee has any responsibility or obligation with respect to the accuracy of the records of the Securities Depository or its Participants regarding any ownership interest in the Bonds or transfers thereof.

Defeasance and Discharge

The Indenture provides the District with the right to discharge the pledge and lien created by the Indenture with respect to any Bonds by depositing in an escrow fund with the Trustee or other depository sufficient moneys or securities which are direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States ("**Federal Securities**") (or ownership interests in any of the foregoing) and which are not callable prior to their scheduled maturities by the issuer thereof, or both, to pay when due the Debt Service Requirements on such Bonds on or prior to the maturity or redemption thereof. See **Appendix E** – "FORM OF THE INDENTURE – Defeasance."

Book-Entry Form

The following description of the procedures and record keeping with respect to beneficial ownership interests in the Bonds, payment of interest and other payments on the Bonds, confirmation and transfer of beneficial ownership interests in the Bonds and other related transactions is based solely on information furnished by DTC.

DTC will act as securities depository for the Bonds. The Bonds are to be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully registered Bond certificate is to be issued for each maturity of the Bonds, each in the aggregate principal amount of such maturity, and is to be deposited with DTC.

DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934, as amended. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non U.S. equity, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's Participants ("**Direct Participants**") deposit with DTC. DTC also facilitates the post trade settlement among Direct Participants of sales and other securities transactions, in deposited securities, through electronic computerized book-entry transfers and pledges between Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of the Depository Trust & Clearing Corporation ("**DTCC**"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others, such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("**Indirect Participants**"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com and www.dtc.org. The District undertakes no responsibility for and makes no representations as to the accuracy or the completeness of the content of such material contained in such websites as described in the preceding sentence, including, but not limited to, updates of such information or links to other internet sites accessed through the aforementioned websites.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which are to receive a credit for the Bonds on DTC's records. The ownership interest of each Beneficial Owner is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners are not to receive written confirmation from DTC of their purchases. Beneficial Owners are, however, expected to receive written confirmations providing details of the transactions, as well as periodic statements of their holdings, from the Direct or Indirect Participants through which the Beneficial Owners entered into the transactions. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners are not to receive certificates representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners are governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of the Bonds may wish to take certain steps to augment transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the underlying documents. For example, Beneficial Owners of the Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Trustee and request that copies of notices be provided directly to them.

Redemption notices are to be sent to DTC. If less than all of the Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of interest of each Direct Participant to be redeemed.

Neither DTC nor Cede & Co. (nor such other DTC nominee) will consent or vote with respect to Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an omnibus proxy to the District as soon as possible after the record date. The omnibus proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the omnibus proxy).

Principal, interest and redemption payments on the Bonds are to be made to Cede & Co. or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the District or the Trustee on payment date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners are governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name" and are the responsibility of such Participants and not of DTC, its nominee, the Trustee or the District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal, interest and redemption payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the District or the Trustee, disbursement of such payments to Direct Participants is the responsibility of DTC, and disbursement of such payments to the Beneficial Owners is the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Bonds at any time by giving reasonable notice to the District or the Trustee. Under such circumstances, in the event that a successor securities depository is not obtained, the Bonds are required to be printed and delivered.

The District may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, certificates will be printed and delivered to DTC (or a successor securities depository).

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the District believes to be reliable, but neither the District nor the Underwriters take any responsibility for the accuracy thereof.

SECURITY FOR THE BONDS

The Bonds are special and limited obligations of the District payable solely from and secured by the Pledged Revenues. The Bonds are not general obligations of RTD. The Bonds are not payable in whole or in part from the proceeds of general property taxes, nor is the full faith and credit of RTD pledged to pay the Bonds. See **Appendix E** – "FORM OF THE INDENTURE."

Flow of Funds

The Indenture provides for payments, in the sequence described below, into and out of the following funds held by the Trustee and for the stated purposes.

0.4% Sales Tax revenues

All amounts received by the Trustee from the 0.4% Sales Tax revenues are to be deposited to the 0.4% Sales Tax Increase Fund. Amounts deposited in the 0.4% Sales Tax Increase Fund are to be applied each month by the Trustee to the following purposes in the following order of priority:

Bond Fund. First, from moneys on deposit in the 0.4% Sales Tax Increase Fund, there is to be credited to the 2021A Bond Account and the 2021B Bond Account, concurrently on a *pari passu* basis with any payments required to be made with respect to any parity obligations (including the Parity Bonds), the following amounts:

Interest Payments. Commencing with the month immediately succeeding the delivery of the Bonds, an amount in equal monthly installments necessary, together with any other moneys from time to time available therefor from whatever source, to pay the next installment of interest due on the Bonds then outstanding.

Principal Payments. Commencing with the month immediately succeeding the delivery of the Bonds, or commencing one year next prior to the first principal payment date of the Bonds, whichever commencement date is later, an amount in equal monthly installments necessary, together with any other moneys from time to time available therefor from whatever source, to pay the next installment of principal (whether at maturity or on a Redemption Date) due on the Bonds then outstanding.

Moneys on deposit in the 2021A Bond Account and the 2021B Bond Account secure only the payment of the Bonds and not the payment of any Parity Bonds.

Parity Bond Reserve Funds. Second, from any moneys remaining in the 0.4% Sales Tax Increase Fund there shall be made any payments required to be made to any reserve funds established in connection with any parity obligations (including the Parity Bonds) and concurrently with any repayment or similar obligations payable to any surety provider issuing any reserve fund insurance policy with respect to any Parity Bonds. There is no reserve fund established for the Bonds.

Parity Bond Rebate Funds. Third, from any moneys remaining on deposit in the 0.4% Sales Tax Increase Fund, there shall be made any payments required to be made pursuant to any Parity Bond Indentures, including the Bond Indenture, with respect to any rebate funds established thereby.

Interest on Reserve Fund Insurance Policy Draws on Parity Bonds. Fourth, from any moneys remaining on deposit in the 0.4% Sales Tax Increase Fund, there shall be paid to any surety provider issuing any reserve fund insurance policy with respect to any Parity Bonds, interest on any amounts drawn under any such reserve fund insurance policy until such interest has been paid in full.

Payment of Subordinate Lien Obligations. Fifth, and subject to the provisions of the Indenture, any moneys remaining on deposit in the 0.4% Sales Tax Increase Fund after the foregoing payments have been made may be used by the District for the payment of Subordinate Lien Obligations, including reasonable reserves for such Subordinate Lien Obligations and for rebate of amounts to the United States Treasury with respect to such Subordinate Lien Obligations, any Subordinate Credit Facility Obligations and any payments on Financial Products Agreements or Financial Products Termination Payments which have a lien on Pledged Revenues subordinate and junior to the lien thereon of the Bonds. See "DEBT STRUCTURE OF RTD" and "THE SYSTEM – FasTracks – Eagle P3 Project."

Remaining Revenues. In each month, after making in full the deposits or payments required from moneys on deposit in the 0.4% Sales Tax Increase Fund, any amounts remaining on deposit in the 0.4% Sales Tax Increase Fund are to be remitted by the Trustee to the District free and clear of the lien of the Indenture, unless otherwise directed by the District in writing. See "DEBT STRUCTURE OF RTD" for a description of outstanding and anticipated debt obligations of RTD.

0.6% Sales Tax revenues

All amounts received by the Senior Debt Trustee from the 0.6% Sales Tax revenues are to be applied first as required by the Senior Bond Resolution so long as any Senior Debt remains outstanding. In each month, after making in full all deposits or payments required by the Senior Bond Resolution, any remaining 0.6% Sales Tax revenues are to be remitted by the Senior Debt Trustee to the Trustee, free and clear of the lien of the Senior Bond Resolution, for deposit by the Trustee into the 0.6% Sales Tax Fund. Amounts on deposit in the 0.6% Sales Tax Fund are to be applied each month by the Trustee for the following purposes in the following order of priority:

Insufficiency of Moneys on Deposit in 0.4% Sales Tax Increase Fund. First, to the extent that moneys on deposit in the 0.4% Sales Tax Increase Fund are insufficient in any month to make any of the deposits or payments required to be made as set forth in "Flow of Funds – 0.4% Sales Tax revenues," any moneys on deposit in the 0.6% Sales Tax Fund are to be used in such month to make such deposits or payments in the order of priority set forth in "Flow of Funds – 0.4% Sales Tax revenues" under this caption.

Remaining Revenues. In each month, after making in full the deposits or payments required by the Indenture from moneys on deposit in the 0.6% Sales Tax Fund, any amounts remaining on deposit in the 0.6% Sales Tax Fund are to be remitted by the Trustee to the District free and clear of the lien of the Indenture, unless otherwise directed by the District in writing. See "DEBT STRUCTURE OF RTD" for a description of outstanding and anticipated debt obligations of RTD.

The flow of funds under the Indenture is illustrated on the following page:

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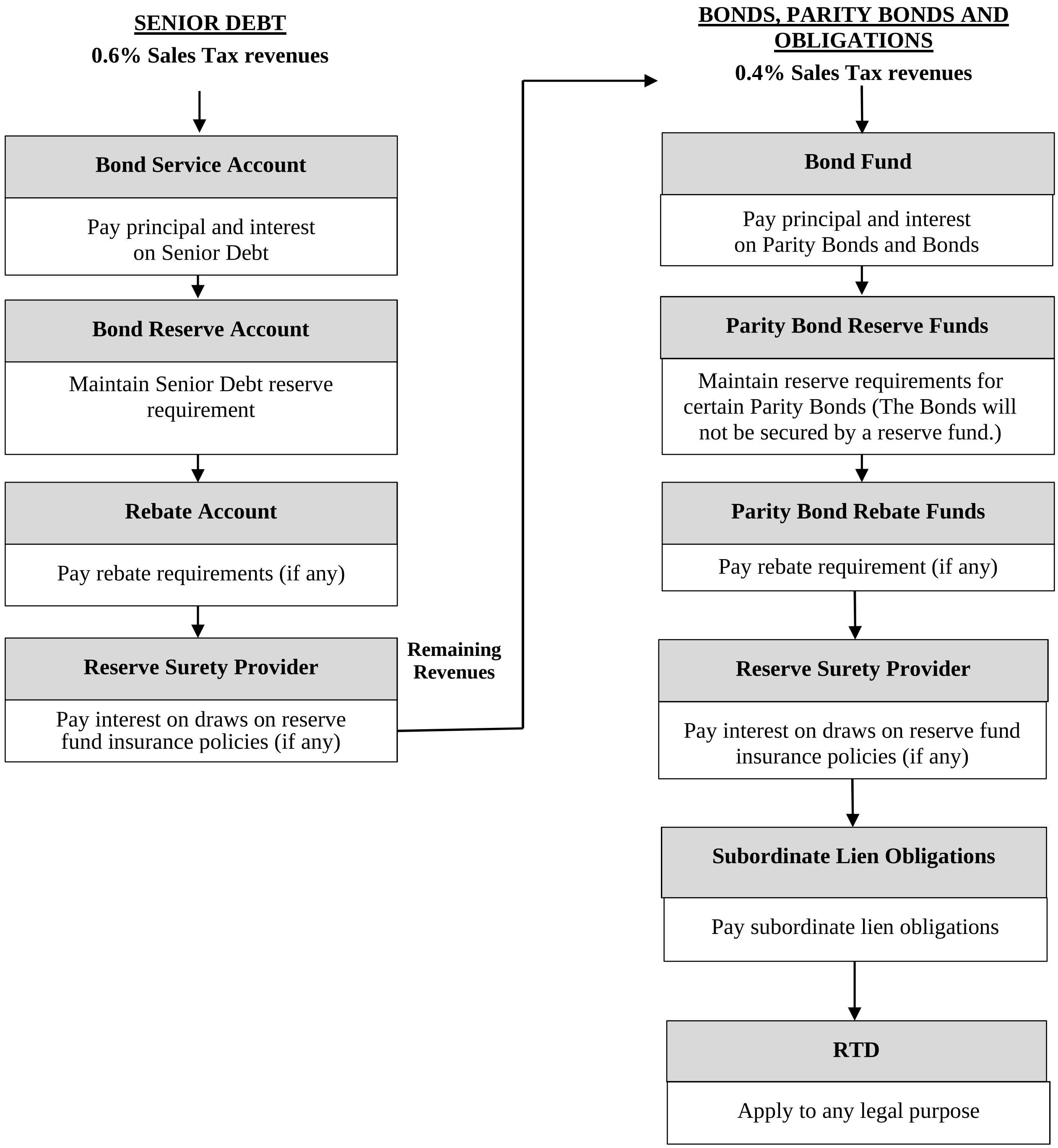
SENIOR DEBT
0.6% Sales Tax revenues
Bond Service Account
Pay principal and interest on Senior Debt
Bond Reserve Account
Maintain Senior Debt reserve requirement
Rebate Account
Pay rebate requirements (if any)
Reserve Surety Provider
Pay interest on draws on reserve fund insurance policies (if any)
Remaining Revenues
BONDS, PARITY BONDS AND OBLIGATIONS
0.4% Sales Tax revenues
Bond Fund
Pay principal and interest on Parity Bonds and Bonds
Parity Bond Reserve Funds
Maintain reserve requirements for certain Parity Bonds (The Bonds will not be secured by a reserve fund.)
Parity Bond Rebate Funds
Pay rebate requirement (if any)
Reserve Surety Provider
Pay interest on draws on reserve fund insurance policies (if any)
Subordinate Lien Obligations
Pay subordinate lien obligations
RTD
Apply to any legal purpose

Debt Service Coverage

Based upon the Debt Service Requirements of the Senior Bonds set forth in **Table I**, the Combined Maximum Annual Debt Service Requirements on the Senior Bonds is $14.495 million (in Fiscal Year 2021). Based upon the Debt Service Requirements of the Bonds and Parity Bonds set forth in **Table I**, the Combined Maximum Annual Debt Service Requirement on the Bonds and Parity Bonds is $178.185 million (in Fiscal Year 2036) and the combined Average Annual Debt Service Requirements on the Bonds and Parity Bonds is $114.069 million. Based upon the Debt Service Requirements of the Senior Bonds, the Bonds and the Parity Bonds set forth in **Table I**, the Combined Maximum Annual Debt Service Requirement on the Senior Bonds, the Bonds and the Parity Bonds is $178.185 million (in Fiscal Year 2036).

The District collected annual 0.4% Sales Tax revenues and annual 0.6% Sales Tax revenues of $263.767 million and $395.651 million, respectively, for 2019, totaling $659.418 million.

If the residual amount ($381.156 million) obtained by subtracting the Combined Maximum Annual Debt Service Requirements of the Senior Bonds ($14.495 million) from the 2019 annual 0.6% Sales Tax revenues ($395.651 million) is added to the 2019 annual 0.4% Sales Tax revenues ($263.767 million), the resulting approximation of Pledged Revenues in the amount of $644.922 million would yield a debt service coverage of the Combined Maximum Annual Debt Service Requirements on the Bonds and Parity Bonds ($178.185 million) of 3.62x and a debt service coverage of the combined Average Annual Debt Service Requirements on the Bonds and Parity Bonds ($114.069 million) of 5.65x.

Based solely on the 0.4% Sales Tax revenues collected for 2019 ($263.767 million), the District's combined maximum annual debt service coverage on the Bonds and Parity Bonds ($178.185 million) would be 1.48x and its combined average annual debt service coverage on the Bonds and Parity Bonds ($114.069 million) would be 2.31x.

The following table sets forth historical debt service coverage on the Senior Bonds having a lien on the 0.6% Sales Tax revenues that is senior to the lien thereon of the Bonds, the amount of Pledged Revenues generated for the past five years and pro forma historical debt service coverage on the Bonds and Parity Bonds based on Combined Maximum Annual Debt Service Requirements on the Bonds and Parity Bonds:

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TABLE II
Historical and Pro Forma Debt Service Coverage and Available Pledged Revenues
(In Thousands of Dollars)

Year	0.6% Sales Tax Revenues	Total Senior Obligations Debt Service Requirements	Senior Obligations Debt Service Coverage	Remaining 0.6% Sales Tax Revenues[1]	0.4% Sales Tax Revenues	Total Pledged Revenues	Bonds and Parity Bonds Combined Maximum Annual Debt Service Requirements[2]	Bonds and Parity Bonds Pro Forma Debt Service Coverage
2015	$324,911	$28,769	11.29	$296,142	$216,607	$512,749	$178,185	2.88x
2016	338,159	28,766	11.76	309,393	225,439	534,832	178,185	3.00
2017	358,912	28,625	12.54	330,287	239,275	569,562	178,185	3.20
2018	380,515	28,376	13.41	352,139	253,677	605,816	178,185	3.40
2019	395,651	19,980	19.80	375,671	263,767	639,438	178,185	3.59

(1) Such remaining amounts are required to be used to pay debt service on the Bonds and any Parity Bonds if the 0.4% Sales Tax revenues are not sufficient in a particular year. See "Flow of Funds" under this caption.

(2) See Table I.

Source: District Comprehensive Annual Financial Reports for the fiscal years ended December 31, 2015-2019.

The Board has covenanted in the Indenture that no additional securities will be issued by the District with a pledge of and lien on the 0.6% Sales Tax revenues or the 0.4% Sales Tax revenues that is superior or senior to the lien thereon of the Bonds, except for obligations issued by the District to refund, in whole or in part, outstanding Senior Debt, provided that after the issuance of such refunding bonds, the debt service payable in each Bond Year on all Senior Debt outstanding after the issuance of such refunding bonds shall not exceed the debt service payable in each Bond Year on all Senior Debt outstanding prior to the issuance of such refunding bonds. The Indenture also permits the District to enter into Senior Financial Products Agreements and Senior Credit Facility Obligations in connection with the Senior Debt. As discussed elsewhere in this Official Statement, any such refunding Senior Bonds to be issued by the District will be secured by the 0.6% Sales Tax revenues and will not be secured by the 0.4% Sales Tax revenues. Except for refunding Senior Bonds as described in this paragraph, no securities may be issued by the District that have a lien on the 0.6% Sales Tax revenues that is superior or senior to the lien thereon of the Bonds.

Additional Securities

The Indenture permits the issuance, upon certain conditions, of securities having a lien upon all or a portion of the Pledged Revenues on a parity with that of the Bonds (the "**Additional Parity Bonds**"), provided that all of the following conditions are met and a certificate signed by the District Representative is received by the Trustee to the effect that: (a) RTD is not in default under any provisions of the Senior Bond Resolution, the Indenture or other resolution or indenture relating to Parity Bonds as of the date of issuance of the proposed Additional Parity Bonds; and (b) during 12 consecutive calendar months of the 18 calendar months next preceding the authentication and delivery of the proposed Additional Parity Bonds, the Sales Tax Revenues, including any sales tax imposed and received by the District for at least 12 consecutive months preceding the issuance of the Additional Parity Bonds and included as Pledged Revenues and any estimated revenues which would have been received during said 12-month period from Additional Tax imposed during said 12-month period, and certain investment proceeds were at least equal to 200% of the Combined Maximum Annual Debt Service Requirements of the Senior Bonds, the Bonds, the outstanding Parity Bonds, and the proposed Additional Parity Bonds. The District may issue Additional Parity Bonds in the future. See "DEBT STRUCTURE OF RTD." The Indenture sets forth the mechanics and assumptions to be applied in the case of variable rate bonds and Financial Products

Agreements for purposes of the computations required prior to the issuance of Additional Parity Bonds. See **Appendix E** – "FORM OF THE INDENTURE."

The District may enter into Parity Credit Facility Obligations and Parity Financial Products Agreements relating to the Bonds, any Parity Bonds and any Additional Parity Bonds without satisfying the above conditions and solely as is determined by the Board to be in the best interest of the District and in accordance with the provisions of the Act and the Constitution and laws of the State; provided that no termination payment required under any such Parity Financial Products Agreements shall be secured by a lien on the Pledged Revenues that is senior to or on a parity with the lien thereon of the Bonds.

The Indenture also provides that the District may issue Additional Parity Bonds for the purpose of refunding less than all of the Bonds and Parity Bonds without satisfying the conditions set forth in subparagraph (b) set forth on the preceding page, provided that the debt service payable on all Bonds and Parity Bonds outstanding after the issuance of such Additional Parity Bonds in each Bond Year does not exceed the debt service payable on all Bonds and Parity Bonds outstanding prior to the issuance of such Additional Parity Bonds in each Bond Year. See **Appendix E** – "FORM OF THE INDENTURE."

While the District has agreed in the Indenture not to issue additional bonds with a lien on the Sales Tax Revenues superior to the Bonds (except for bonds issued to refund Senior Bonds as described herein), the District is permitted under the Indenture to enter into Senior Credit Obligations and Senior Financial Products Agreements with a lien on the 0.6% Sales Tax revenues superior to the lien of the Bonds so long as such obligations are entered into in connection with the Senior Bonds. The Senior Bonds and any Senior Credit Obligations or Senior Financial Products Agreements are not secured by or payable from the 0.4% Sales Tax revenues.

The District's authority to issue securities having a lien upon all or a portion of the Pledged Revenues is also restricted by the provisions of (a) the TIFIA Loan Agreement (which will be terminated in connection with the issuance of the Bonds as part of the Refunding Project), and (b) the P3 Concession Agreement.

Events of Default

The following events each constitute an Event of Default under the Indenture:

1. if payment of the principal of any Bond is not made when it becomes due and payable at maturity or upon call for redemption;

2. if payment of interest on any Bond is not made when it becomes due and payable;

3. default in the performance or observance of any other covenants, agreements or conditions on the part of the District set forth in the Indenture (other than the covenant relating to the continuing disclosure agreement), or the Bonds and failure to remedy the same within 30 days after notice thereof pursuant to the Indenture, as such 30-day period may be extended as described below; or

4. the District files a petition or answer seeking reorganization or arrangement under the United States Bankruptcy Code or any other applicable law of the United States of America, or if a court of competent jurisdiction approves a petition, filed with or without the consent of the District, seeking reorganization of the District under the United States Bankruptcy Code or any other applicable law of the United States, or if, under the provisions of any other law for the relief or aid of debtors, any court of competent jurisdiction shall assume custody or control of the District, or of any of the Pledged Revenues

and any such petition filed against the District or order or decree is not dismissed, stayed or otherwise nullified within sixty days after such action is taken.

No default in the performance or observance of any covenants, agreements or conditions by the District as set forth in paragraph (3) above will constitute an Event of Default until actual notice of the default by registered or certified mail is given to the District by the Trustee or by the Owners of not less than 25% in aggregate principal amount of all Outstanding Bonds, and the District has had 30 days after receipt of the notice to correct the default or cause the default to be corrected, and has not corrected the default or caused the default to be corrected within the applicable period; provided, however, if the default cannot be corrected within the applicable period, it will not constitute an Event of Default if the District institutes corrective action within the applicable period and diligently pursues it until the default is corrected.

Bondholders' Remedies

The Indenture provides for specific remedies to be exercised by the Trustee, in its discretion, and upon the written request of the owners of not less than 25% in aggregate principal amount of the Bonds outstanding. The debt service requirements of the Bonds may not be accelerated upon the occurrence of an Event of Default or for any other reason. Neither the Trustee nor the bondholders may foreclose on RTD property or sell such property in order to pay the principal of or interest on the Bonds. Upon the occurrence of an Event of Default under the Indenture, the rights and remedies of the owners of the Bonds will be subject to the superior rights and priority of the owners of any Senior Bonds then outstanding with respect to the 0.6% Sales Tax revenues if such Event of Default also constitutes an event of default under the Senior Bond Resolution. See **Appendix E** – "FORM OF THE INDENTURE – Remedies."

In addition, the opinion of Bond Counsel is expected to state that the rights of the owners of the Bonds and the enforceability of the Bonds, the Bond Resolution and the Indenture are limited by bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditors' rights generally, and by equitable principles, whether considered at law or in equity. See "LEGAL MATTERS" and **Appendix D** – "FORM OF BOND COUNSEL OPINION." Bankruptcy or other legal proceedings, if initiated, could subject the owners of the Bonds to judicial discretion and interpretation of their rights in bankruptcy or otherwise, and consequently may entail risks of delay, limitation, or modification of their rights.

RISK FACTORS

THE PURCHASE OF THE BONDS IS SUBJECT TO CERTAIN RISKS. EACH PROSPECTIVE INVESTOR IN THE BONDS IS ENCOURAGED TO READ THIS OFFICIAL STATEMENT IN ITS ENTIRETY, INCLUDING ALL APPENDICES HERETO. PARTICULAR ATTENTION SHOULD BE GIVEN TO THE FACTORS DESCRIBED BELOW, WHICH, AMONG OTHERS, COULD AFFECT THE PAYMENT OF PRINCIPAL OF AND INTEREST ON THE BONDS AND WHICH COULD ALSO AFFECT THE MARKET PRICE OF THE BONDS TO AN EXTENT THAT CANNOT BE DETERMINED.

The following discussion is not meant to be an exhaustive list of the risks and other factors that should be considered in connection with the purchase of the Bonds and does not necessarily reflect the relative importance of the various risks and other factors. Any one or more of the risks discussed, and others, could adversely affect the District and could lead to substantial decreases in the market value and/or the liquidity of the Bonds. There can be no assurance the other risk factors will not become material in the future.

Special and Limited Obligations

The Bonds are special and limited obligations of the District payable solely from and secured solely by the Pledged Revenues. Therefore, the payment of the principal of and interest on the Bonds is dependent on the District's receipt of its Sales Tax Revenues. Bondholders may not look to any general or other revenues of the District, including without limitation, the proceeds of ad valorem taxes or the fare box revenues, for the payment of the principal of and interest on the Bonds, and the Bonds do not constitute general obligations of the District.

Economic Conditions

Collection of Sales Tax Revenues is subject to the elastic nature of consumer spending and varies, sometimes substantially, with the level of retail activity in the District's service area. Sales Tax Revenues may increase as prices and inflation increase but decrease during adverse economic conditions and reduced consumer confidence and spending. See **Appendix C** for an economic and demographic overview of the Denver Metro Area. Although Colorado employment rates and personal income levels generally exceeded those experienced on a national basis during the current downturn, retail sales in Colorado and in the Denver metropolitan area have experienced a significant decrease. RTD Sales Tax Revenues were down 4.1% for the first 11 months of 2020, as compared to the same period in 2019, with volatility in monthly collections as March was down 17%, April was down 12.9% and the most recent month, November, was down 3.5% compared to 2019. See "THE SALES TAX" and "DEBT STRUCTURE OF RTD." For information about COVID-19, see "– Certain Considerations Relating to COVID-19 and other Public Health Pandemics or Outbreaks" under this caption. RTD Sales Tax Revenues constituted more than 70% of the District's total revenues (excluding federal operating and capital grant revenues) in each of the last three fiscal years, and significant decreases in the amount of available RTD Sales Tax Revenues in any year could negatively affect the level of debt service coverage of the Bonds and the Parity Bonds.

Certain Considerations Relating to COVID-19 and other Public Health Pandemics or Outbreaks

General

In December 2019, a novel strain of the coronavirus (SARS-CoV-2, causing COVID-19) emerged in Wuhan, Hubei Province, China. The virus subsequently spread globally resulting in a worldwide pandemic and caused significant disruptions to the economy. The State and several governmental entities within the District have implemented various safety measures including directives for social distancing and stay-at-home orders to mitigate the spread of COVID-19. The Governor of Colorado issued the first statewide stay at home order for non-essential businesses on March 25, 2020 which was then extended through May 8, 2020. On September 15, the State of Colorado implemented a dial framework to standardize different levels of "openness" at the county level based on feedback from stakeholders and local public health agencies, as well as assessing case interview and outbreak data. The six levels of "openness" in the dial framework allows counties to move more quickly between levels of "openness" as circumstances warrant.

The extent to which COVID-19 impacts RTD's future financial conditions and operations will depend on future developments that are highly uncertain and cannot be predicted with confidence, including the duration of the COVID-19 outbreak. Currently, the COVID-19 pandemic has dramatically altered the behavior of businesses and people in a manner that is having negative effects on global and local economies. These adverse impacts continue to evolve daily within the State and the District's service area. The extent to which a public health pandemic or outbreak other than the COVID-19 pandemic would impact the District's operations and its financial condition are highly uncertain and cannot be predicted with confidence, and could be impacted by the duration and other future developments of such public health pandemic or outbreak. Public health pandemics and outbreaks could alter the behavior of businesses and people in a manner that could have negative effects on global and local economies, including within the State and the District's service area. The continued spread of the coronavirus in the United States could have a material adverse effect on the District's operations and its financial condition as could any public health pandemic or outbreak other than the COVID-19 pandemic.

Impact on Sales Tax Collections

RTD's largest source of revenue is sales and use taxes from a 1.0% tax collected within the District. See "THE DISTRICT SALES TAX." These sales and use taxes are driven by economic activity within the District and have been negatively impacted by the COVID-19 pandemic. The impact of COVID-19 on taxable retail sales in the Denver metropolitan area and on RTD's monthly sales and use tax collections is shown in the tables below.

Taxable Retail Sales (in Thousands)	City and County of Denver	Boulder County	Jefferson County	Adams County	Arapahoe County	Douglas County	City and County of Broomfield	Other	Total Taxable Transactions
January – November 2020	$13,653,754	$5,367,462	$8,718,216	$8,846,271	$10,909,412	$4,109,715	$1,306,694	$153,064	$53,064,588
January – November 2019	16,241,186	5,221,587	8,256,438	8,651,700	10,622,127	4,071,310	1,257,483	139,958	54,461,789
% Change	-16%	3%	6%	2%	3%	1%	4%	9%	-3%

Net RTD Sales and Use Tax Received (in Thousands)	January	February	March	April	May	June	July	August	September	October	November	December	Eleven Month Total Collections[1]
January – November 2020	$49,293	$48,223	$43,604	$46,315	$49,235	$56,393	$55,044	$55,653	$57,796	$56,151	$52,740	N/A [2]	$570,446
January – November 2019	47,010	46,355	52,545	53,173	54,360	57,730	57,419	57,893	56,984	56,651	54,676	64,624	594,796
Change	$2,283	$1,868	$(8,941)	$(6,858)	$(5,125)	$(1,337)	$(2,375)	$(2,240)	$812	$(500)	$(1,935)		$(24,348)
% Change	4.9%	4.0%	-17.0%	-12.9%	-9.4%	-2.3%	-4.1%	-3.9%	1.4%	-0.9%	-3.5%		-4.1%

(1) Reflects total of eleven months of collections through November 2019 and November 2020, respectively. Total for 2019 does not include December 2019 collections for comparability purposes.
(2) December 2020 sales and use tax not yet available.

Although RTD sales and use tax collections have rebounded since the lows experienced during the Stay at Home Order, RTD sales and use tax collections remain volatile and difficult to forecast, particularly due to the uncertain economic impact of COVID-19. RTD has budgeted $655 million in sales and use tax collections for 2021, which would be a 0.6% reduction from actual collections of $659 million in 2019.

Impact on Ridership and Fares

These COVID-19 measures have severely reduced ridership within the District, and RTD has experienced an approximate 70% reduction in ridership beginning in mid-March 2020. In response, RTD has implemented additional safety precautions for its employees and riders and has evaluated service levels, costs, and impacts to revenue. On April 5, 2020, RTD suspended the collection of fares in response to State social distancing measures and required rear-door boarding on all buses. On April 19, 2020, RTD reduced its transit services by approximately 40% to reduce costs and adjust services to the lower demand. While fare collection was suspended, RTD acquired additional Personal Protective

Equipment for employees, required passengers to wear facial coverings and installed see-through shields to separate bus operators from passengers. On July 1, 2020, RTD reinstated fare collection and front door boarding on buses. As of November 30, 2020, year to date ridership had declined by approximately 49.1%, and fare revenue had declined approximately 45%, as compared to the same 11-month period in 2019. The impact of COVID-19 on RTD's monthly ridership and fare revenue is shown in the tables below.

Ridership (in Thousands)	January	February	March	April	May	June	July	August	September	October	November
January – November 2020	8,733	8,283	5,991	2,899	3,108	3,492	3,415	3,489	3,448	3,574	3,075
January – November 2019	8,270	7,792	8,244	8,986	9,111	8,640	8,952	9,609	9,356	9,759	8,534
Change	463	491	(2,253)	(6,087)	(6,003)	(5,148)	(5,537)	(6,120)	(5,908)	(6,185)	(5,459)
% Change	5.6%	6.3%	-27.3%	-67.7%	-65.9%	-59.6%	-61.9%	-63.7%	63.2%	63.4%	-64.0%

Fare Revenue (in Thousands)	January	February	March	April	May	June	July	August	September	October	November
January – November 2020	$12,205	$11,974	$9,801	$854	$(126)	$651	$7,253	$6,161	$7,040	$7,315	$6,667
January – November 2019	11,680	11,043	12,210	12,866	13,225	12,481	13,275	14,684	13,796	13,615	12,127
Change	$525	$931	$(2,409)	$(12,012)	$(13,351)	$(11,830)	$(6,022)	$(8,523)	$(6,756)	$(6,300)	$(5,460)
% Change	4.5%	8.4%	-19.7%	-93.4%	-101.0%	-94.8%	-45.4%	-58.0%	-49.0%	-46.5%	-45.0%

RTD's ridership and fare revenue remain significantly lower than before the COVID-19 pandemic, and it is uncertain when each may begin to recover to prior levels. RTD is prepared to restore service as demand warrants. See "THE SYSTEM." However, the Bonds are payable from Sales Tax Revenues not ridership and fare revenue, as described in "SECURITY FOR THE BONDS."

Federal Funding

RTD was awarded a $232.3 million grant through the 2020 Coronavirus Aid, Relief and Economic Security Act (the "**CARES Act**"). This funding was awarded to RTD to offset the negative economic impact of COVID-19. RTD has drawn the entirety of this grant. On January 11, 2021, RTD was notified by the U.S. Department of Transportation's Federal Transit Administration ("**FTA**") that RTD was awarded approximately $203.4 million through the Coronavirus Response and Relief Supplemental Appropriations Act of 2021 ("**CRRSAA**"), as part of $14 billion to be allocated in support of U.S. public transit systems to help offset impacts from the COVID-19 pandemic. RTD is the urbanized area dedicated recipient of the funding, which encompasses approximately $190.9 million apportioned for the Denver-Aurora area and $12.5 million for the Boulder area. These grant funds were not anticipated in RTD's 2021 Adopted Budget.

Cost Reduction Measures

RTD has implemented significant measures as directed by the RTD Board of Director's COVID-19 Budget Reduction Principles to reduce expenditures in 2020 in response to lower revenues including service reductions, project delays and furloughs. RTD expects to implement, as necessary, additional cost reduction measures in 2021 and subsequent years, including staffing reductions, continued deferment of projects and other measures.

Cash and Liquidity

As of December 31, 2019, RTD had approximately $420 million of unrestricted cash and investments, which is equal to 239 days of cash on hand. RTD also had $239 million of restricted cash and investments.

Staffing Shortages

As with many other employers, transit operators nationwide may experience a labor shortage to operate their respective modes of transportation during periods of low unemployment. The District has experienced a shortage of bus drivers and light rail operators in recent years due to the status of the U.S. labor market. The District has taken retention and mitigation efforts to address this issue in the past, and there is no certainty whether and within what time period the District may once again experience a labor shortage to operate its respective modes of transportation. In the event of a prolonged shortage, the District may adjust its operations. The ultimate impact of such staffing shortages on the operations and financial status of the District cannot be determined at this time.

Effect of Internet Sales

The future level of taxable retail sales that occurs within the District may be affected by the level of internet sales (also known as e-commerce). Such e-commerce vendors may compete with local retail businesses and may reduce the taxable retail sales that otherwise would occur within the District. Historically, taxes have often not been collected from the vendor in connection with such internet sales, and the District is not in a position to enforce and collect the use tax in such situations. In 2018, the U.S. Supreme Court allowed states to collect sales taxes from out-of-state retailers and this right was codified by Colorado law in 2019. The ultimate impact of internet sales on the level of taxable retail sales which occurs within the District cannot be determined at this time, but such impact could be material, notwithstanding the recent Colorado legislative changes.

Sales Tax is Subject to Change by General Assembly or by the Voters

RTD is an entity created by statute and its powers are susceptible to changes in statutes enacted by the General Assembly or initiated by the voters. See "RTD – Organization." In particular, because current legislation requires the sales tax imposed by the District to be imposed upon the same transactions or incidents upon which the State imposes a sales tax, with certain exceptions the District is not able to prevent the State from enacting exemptions that would diminish the District's sales tax base. Although in 1983 the General Assembly increased the District's sales tax rate when it enacted new sales tax exemptions and on other occasions has created for the District exceptions to new tax exemptions, the General Assembly also has created tax exemptions that do reduce the District's sales tax base and could adversely affect the Pledged Revenues. See "RTD."

Cybersecurity Threats

Computer hacking, cyber attacks or other malicious activities could disrupt the District's services. Further, security breaches such as leakage, or loss of confidential or proprietary data and failure or disruption of information technology systems could materially and adversely affect the District's reputation, which could lead to significant capital outlays and decreased ridership insurance may not cover. See "RTD – Cybersecurity."

No Secondary Market

There can be no assurance that a secondary market for the Bonds will be established or maintained. Accordingly, each purchaser should expect to bear the risk of the investment represented by the Bonds to maturity.

THE SALES TAX

General

Pursuant to the Act, in September 1973, District voters authorized RTD to issue bonds for the purpose of developing a public multi-modal mass transportation system for RTD, such bonds to be payable from District-wide sales taxes imposed at the rate of 0.5% upon every taxable transaction. Effective May 1, 1983, after the State General Assembly eliminated food and utilities from the sales tax base of RTD, the Act was amended to empower RTD to impose the sales tax at the rate of 0.6% throughout the District. At the 2004 Election, District voters approved a ballot measure authorizing RTD to increase the rate of the 0.6% Sales Tax by 0.4%, up to a total of 1.0% in connection with financing FasTracks. See "THE SYSTEM – FasTracks – General." The sales tax and use tax imposed by RTD are collectively referred to herein as the "**Sales Tax**."

The sales tax, which has been imposed and collected in the District since January 1, 1974, is imposed upon every transaction or other incident with respect to which the State imposes a sales tax. Reference is made to Article 26 of Title 39, Colorado Revised Statutes, as amended (the "**Sales Tax Act**") for a complete description of the transactions subject to or exempt from the State sales tax. The sales tax must be collected at the time of the transaction. One exception to the sales tax being collected at the time of sale applies to the purchase of used automobiles from private parties. If the buyer and seller both live within the District, the sales tax is collected by the county motor vehicle registrar in the county in which the buyer resides at the time that the vehicle is registered and remitted to RTD. If one party lives within the District and one or more parties live outside the District, no sales tax is collected, but a use tax will be collected by the County motor vehicle registrar in the County in which the buyer resides at the time the vehicle is registered and remitted to RTD. For discussion about the boundaries of the District in which the Sales Tax is levied, see "RTD – Organization."

In 1989, the Colorado Supreme Court held that the Act implicitly authorized RTD to impose a use tax. Under Colorado law, a use tax is considered supplementary to, and not separate from, a sales tax. Reference is made to the Sales Tax Act for a complete description of the transactions subject to or exempt from the State use tax. The components of use tax liability to RTD are (1) tangible personal property (2) purchased at retail (3) without prior payment of sales or use tax and (4) use or consumption in the District. Beginning in April 1989, the State Department of Revenue began collecting a use tax for RTD.

Manner of Collection of the Sales Tax

The Sales Tax. The collection, administration and enforcement of the District's Sales Tax are performed by the Executive Director of the Department of Revenue (the "**Executive Director**") in the same manner as the collection, administration and enforcement of the State sales tax. Legislation enacted in 1987 requires the Executive Director to charge RTD for the cost of collection, administration and enforcement after crediting RTD with interest earnings on amounts collected.

Any person engaged in the business of selling at retail must obtain a license therefor from the State. The State license is in force and effect until December 31 of the year following the year in which it is issued. Each individual vendor in the District is liable for the amount of tax due on all taxable sales made by such vendor. Before the twentieth day of each month, a vendor, if reporting monthly, must make a return and remit the amount due for the preceding calendar month to the Executive Director. Some small businesses are permitted to remit sales tax collections quarterly. The Executive Director may extend the time for making a return and paying the taxes due. A vendor is entitled to withhold an amount equal to 3.33% of the total amount to be remitted to the Executive Director each month in order to cover the vendor's expenses. If any vendor is delinquent in remitting the tax, other than in unusual circumstances shown to the satisfaction of the Executive Director, the vendor will not be allowed to retain any amounts to cover the vendor's expenses.

The Executive Director is required to furnish the District a monthly listing of all returns filed by retailers in the District. The District must notify the Executive Director within 90 days of any retailers omitted from the listing or thereafter will be precluded from making any further claims based upon such omission. The District receives sales taxes so collected in the form of monthly distributions made to the District by the Executive Director. Historically, RTD has received Sales Tax proceeds on or about the fifth business day of the second month following receipt thereof by the State Department of Revenue. The District has assigned its rights to receive the 0.6% Sales Tax revenues and 0.4% Sales Tax revenues to the Trustee for the Senior Debt and the Trustee, respectively. See "DEBT STRUCTURE OF RTD."

The Use Tax. Motor vehicles are registered by the county where its owner resides. Consequently, the motor vehicle use tax is collected by each county within the District during its licensing process and is then remitted to the District periodically pursuant to agreements entered into between such counties, the District and the Executive Director. Other use taxes are collected by the State Department of Revenue and distributed to the District on a monthly basis.

Remedies for Delinquent Taxes

Failure by a retailer to pay the appropriate sales taxes collected is punishable pursuant to State law. A statutorily prescribed rate of interest is due on deficiencies from the first date prescribed for payment. Any vendor receiving a deficiency notice regarding the payment of sales taxes to the District has the right to request the Executive Director to conduct a hearing on the deficiency, and may thereafter appeal the decision to the district court. Conviction of a violation of any of the State's sales tax statutory provisions is punishable by a fine of no more than $300, or imprisonment for no more than 90 days, or both. Violations also are subject to prosecution and punishment by the State for the violation of State law.

Further, if any part of the deficiency is due to negligence or intentional disregard of the regulations with knowledge thereof, but without intent to defraud, 10% of the total amount of the deficiency, plus interest, is to be added to the amount due. If the deficiency is due to fraud with intent to evade the tax, 100% of the total amount of the deficiency is to be added to the amount due, with an additional 3% per month added from the date the return was due until paid. In both instances, the additional amount and interest become due and payable 10 days after written notice and demand by the Executive Director.

The sales tax imposed constitutes a first lien upon the goods and business fixtures of or used by any retailer under lease, title retaining contract or other contract arrangement, except for the stock of goods sold or for sale in the ordinary course of business. Such lien takes precedence over other liens or claims of whatsoever kind or nature. Exempted from the lien are identifiable real or personal property leased to a retailer if the lessee has no right to become the owner and properly registered motor vehicles to the extent an interest is not credited to the lessee.

If any tax, penalty or interest imposed and shown due by returns filed by the taxpayer, or shown as assessments duly made, are not paid within five days after the same are due, the Executive Director issues a notice of the amount due, including a statement as to the lien claimed by the District on the property. If such amount remains unpaid, the Executive Director then issues a warrant to any authorized revenue collector or to the county sheriff commanding him to levy upon, seize and sell sufficient property of the tax debtor to satisfy the amount due, subject to valid preexisting claims or liens. A statutory limitation provides that except in the case of the filing of a false or fraudulent return with the intent to evade tax, no action to collect Sales Taxes due may be commenced more than three years after the date on which the tax is payable.

Sales Tax Data

The following table sets forth the District's Sales Tax collections for the past five years:

TABLE III
Historical Sales Tax Revenues
(In Thousands of Dollars)

Year	0.6% Sales Tax Collections	0.4% Sales Tax Collections	Total Sales Tax Collections	Percent Change
2015	$324,911	$216,607	$541,518	5.2%
2016	338,159	225,439	563,598	4.1
2017	358,912	239,275	598,187	6.1
2018	380,515	253,677	634,192	6.0
2019	395,651	263,767	659,418	4.0

Source: District Comprehensive Annual Financial Reports for the fiscal years ended December 31, 2015-2019.

In the aggregate, the 20 largest retail sales taxpayers in the District accounted for 2.9% of Sales Tax Revenues through November 30, 2020, equal to $13,089,258. See "RISK FACTORS – Certain Considerations Relating to COVID-19 and other Public Health Pandemics or Outbreaks – Impact on Sales Tax Collections."

The following table of the District's principal Sales Tax generators by type of business is based on Sales Tax Revenues remittances to the District for 2019. Because of the confidential nature of the gross sales of the individual entities, the identity of vendors may not be divulged under State law.

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TABLE IV
Fifteen Largest Categories of Generators of Sales Tax 2019

Type of Business	Percent of Total Sales Tax Collections*
Miscellaneous	28.9%
Food Services and Drinking Places	12.2
Motor Vehicle and Parts Dealers	9.8
General Merchandise Stores	6.8
Miscellaneous Store Retailers	5.9
Food and Beverage Stores	5.2
Merchant Wholesalers, Durable Goods	5.2
Building Materials and Garden	5.1
Clothing and Clothing Accessory Stores	4.1
Accommodation	3.9
Rental and Leasing Services	3.6
Telecommunications	2.7
Furniture and Home Furnishing Stores	2.6
Sporting Goods, Hobby, Book and Music Stores	2.1
Utilities	1.9
Total	**100.0%**

Source: State of Colorado, Department of Revenue; The District.
* Numbers may not add due to rounding

Certain counties, municipalities and special districts located within the District also impose sales taxes. A statutorily created special district, the Scientific and Cultural Facilities District, covers generally the same geographical area as RTD and is empowered to levy a 0.1% sales tax. The total sales tax levy in the District, including the State sales tax, RTD Sales Tax and any locally imposed sales tax, ranges from 4.00% in Weld County to 9.25% in the City of Commerce City.

The following table shows taxable retail sales within RTD's service area for the years 2010 through 2019:

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TABLE V

Historical RTD Net Taxable Retail Sales[1]
(In Millions of Dollars)

Year	City and County of Denver	Boulder County	Jefferson County	Adams County[2]	Arapahoe County[2]	Douglas County[2]	City and County of Broomfield[2]	Other[3]	Total Taxable Transactions	Percent Annual Increase or Decrease
2010	$9,766	$3,391	$5,656	$4,433	$6,817	$2,390	$ 935	$ 718	$34,106	5.6%
2011	11,239	3,721	6,001	4,749	7,486	2,778	944	1,041	37,959	11.3
2012	12,415	3,851	6,202	5,323	8,109	2,912	991	1,036	40,839	7.6
2013	12,861	4,033	6,538	5,731	8,456	3,108	1,004	--	41,731	2.2
2014	14,254	4,359	7,013	6,436	9,211	3,318	1,045	--	45,636	9.4
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

(1) This table represents net taxable retail sales that are subject to sales tax but does not reflect sales subject to use tax. See "RISK FACTORS – Certain Considerations Relating to COVID-19 and other Public Health Pandemics or Outbreaks" for a discussion of the impact of COVID-19 on sales tax collections in 2020.
(2) Only a portion of each of these counties lies within the District.
(3) Represent taxable transactions that occur within RTD's service area but sales tax collections that occur outside RTD's service area.
Source: Colorado Department of Revenue.

RTD

General

RTD was created in 1969 by the State General Assembly to develop, operate, and maintain a mass transportation system for the Denver metropolitan area. RTD is a public body politic and corporate and a political subdivision of the State, organized and existing under the terms of the Act. In 1974, the Act was amended, and RTD became an operating entity charged with the responsibility for developing, maintaining and operating a mass transportation system (the "**System**") for the benefit of the inhabitants in its service area. The RTD service area encompasses portions of an eight-county region comprising the Denver metropolitan area. Over one-half of the population of the State currently resides in the Denver metropolitan area.

Pursuant to the Act, in September 1973, the voters of RTD authorized RTD to issue bonds for the purpose of developing a public multi-modal mass transportation system for RTD, such bonds to be payable from the proceeds of a District-wide sales tax. Thereafter, RTD began negotiations for the acquisition of the existing public and private transit operations throughout the District. By the end of 1976, RTD had consolidated seven public and private transit systems into a single system. The largest of these systems, Denver Metro Transit, owned by the City and County of Denver, was acquired in 1974. RTD's area consists of the City and County of Denver, most of the City and County of Broomfield, the Counties of Boulder and Jefferson, the western portions of Adams and Arapahoe Counties, the southwestern portions of Weld County, and the northeastern and Highlands Ranch areas of Douglas County. RTD currently services 2,342 square miles and 40 cities and towns. Over 3.2 million people, approximately 57% of the population of the State, reside within the District. The legislature can provide for elections within RTD's boundaries that, if successful, add territory to RTD. Territory may also be added to the District in certain circumstances by petition of the owners of the land sought to be included in the District or by a petition followed by an election held in the area sought to be included in the District. See "RTD SERVICE AREA AND DIRECTOR DISTRICTS MAP."

In June 2020, State officials formed an RTD Accountability Committee in partnership with members of the RTD Board of Directors. The mission of the Committee is to provide feedback and a set of recommendations to RTD for financial, operational and governance improvement. This is an independent Committee of 11 people with diverse backgrounds and expertise selected by the Colorado Governor (5 members) and the State legislature (6 members). The group is expected to complete its work and present a final report to state officials and the RTD Board by July 2021. Among the areas the Committee will review include the following:

- Recent financials from the District including any recent audits and a thorough review of the District's use of federal CARES Act funds.

- Structure of RTD governance and executive leadership.

- The District's short-term and long-term prioritization of resources to maximize the District's limited dollars for the benefit of taxpayers.

- How RTD can better serve all riders including those with disabilities, how it can better serve transit-dependent populations, a review of the District's plans for how to expand ridership, how the District is addressing coverage gaps, how the District is prioritizing route planning, and how the District is serving its entire service area.

- A determination of the long-range financial stability of the District, and how the District can achieve stability and growth while still meeting its core mission.

The Committee has continued to meet since August 10, 2020 in virtual meetings facilitated by the Denver Regional Council of Governments ("**DRCOG**"). The Committee released its preliminary report in January 2021, which is under review by RTD.

Powers

As described under "THE SALES TAX," the District has the power to impose the Sales Tax. Under the Act, RTD can use Sales Tax Revenues to pay the costs of operations of RTD, to defray the cost of capital projects, to pay the principal of and premium and interest on securities of RTD and to pay amounts due in connection with financial products and credit agreements of RTD.

Since RTD is an entity created by statute, its powers are susceptible to changes in statute. In particular, because current legislation requires the Sales Tax imposed by RTD to be imposed upon the same transactions or incidents with respect to which the State imposes a sales tax, RTD is unable to prevent the State from enacting exemptions that would diminish its tax base. However, when the State enacted significant new sales tax exemptions in 1983, it also increased RTD's sales tax rate. Historically, legislation that has broadened State sales tax exemptions has allowed RTD to continue to collect sales tax on such transactions. Any increase in the sales tax imposed by the State would require voter approval.

RTD, with voter approval, also has the power to levy and cause to be collected general ad valorem taxes not to exceed one-half of one mill on all taxable property within RTD whenever RTD anticipates a deficit in operating or maintenance expenses. See "FINANCIAL INFORMATION CONCERNING RTD – Major Revenue Sources" and "CONSTITUTIONAL REVENUE, SPENDING AND DEBT LIMITATIONS." Although the Act allows RTD to levy this tax, RTD has not exercised its power to levy a general ad valorem property tax since 1976, and has no present intention of doing so in the reasonably foreseeable future. Voter approval would be required to levy such a tax pursuant to the Colorado Constitution. See "CONSTITUTIONAL REVENUE, SPENDING AND DEBT LIMITATIONS."

RTD also has the power to increase or decrease the fares for services and facilities provided by RTD; sue and be sued; purchase, trade, maintain and dispose of its real property and personal property; condemn property for public use; accept grants and loans from the federal government; establish, maintain and operate a mass transportation system and all the necessary facilities relating to such system; and exercise all rights and powers necessary or incidental to, or implied from, its specific powers.

Board of Directors

RTD is governed by a fifteen-member elected Board with each member elected from one of the fifteen districts (the "**Director Districts**") comprising RTD's geographical area. After each federal census the fifteen Director Districts are apportioned so that each Director District represents, to the extent practicable, one-fifteenth of the total population in RTD's geographical area.

The regular term of office for each Director is four years, with approximately one-half of the Directors being elected every two years. If a vacancy arises on the Board, which vacancy can occur if a Director from one Director District changes his or her residence to a place outside the Director District, or if a Director resigns, or if a Director is recalled from office by the electors of the Director District, the vacancy is to be filled by appointment for the balance of the term by the board of county commissioners of the county where the Director District is located or, in the case of a Director elected in Denver, by the

Mayor of the City and County of Denver with the approval of the City Council of the City and County of Denver. If the vacancy occurs in a Director District that crosses county boundaries, the vacancy is to be filled by an appointee of the board of county commissioners of the county wherein the largest number of registered electors of the Director District reside; however, if the largest number of registered electors reside in the City and County of Denver, the Mayor of the City and County of Denver, with the approval of the City Council of the City and County of Denver, is to appoint someone to fill the vacancy.

The Board has the authority to exercise all the powers, duties, functions, rights and privileges vested in RTD, including the power to delegate executive and administrative powers to officers and employees of RTD. Most actions of the Board require the affirmative vote of a Board majority. Legislation enacted in the 1990 session of the State General Assembly requires an affirmative vote of two-thirds of the Board to approve any action relating to the authorization of the construction of a fixed-guideway mass-transit system and prohibits the Board from taking any such action until such systems have been approved by the metropolitan planning organization, currently DRCOG.

The members of the Board are as follows:

Current Board of Directors

Name	District	Expiration of Present Term (December 31)	Occupation
Angie Rivera-Malpiede, Chair	District C	2022	VP at Foundation for Sustainable Urban Communities
Lynn Guissinger, First Vice Chair	District O	2022	Small Business Owner
Shelley Cook, Second Vice Chair	District L	2022	Non-Profit Professional
Paul Rosenthal, Treasurer	District E	2024	Educator
Vince Buzek, Secretary	District J	2022	Attorney
Kate Williams	District A	2024	Non-Profit Professional
Shontel Lewis	District B	2022	Non-Profit Professional
Bobby Dishell	District D	2024	Educator
Bob Broom	District F	2024	Retired Investment Banker
Julien Bouquet	District G	2024	Educator
Doug Tisdale	District H	2024	Attorney
Erik Davidson	District I	2024	Small Business Owner
Troy Whitmore	District K	2022	Public Affairs Officer
Marjorie Sloan	District M	2024	Attorney
Margaret "Peggy" Catlin	District N	2022	Small Business Owner

Principal Officials

The following is a list of the current administrative and management personnel most involved in the management of RTD, their background and experience, and a description of their jobs:

Ms. Debra A. Johnson – Chief Executive Officer and General Manager. Ms. Johnson was selected as General Manager and CEO of RTD by the Board on August 25, 2020 and began her contract in November 2020. She is responsible for RTD's budget, capital projects, and service delivery, which include bus, light rail, and commuter rail options across the Denver metro region. Ms. Johnson joined RTD from Long Beach Transit, where she served as Deputy CEO of the Southern California agency from May 2014 to October 2020. Prior to that, Ms. Johnson held executive positions at the Los Angeles County Metropolitan Transportation Authority, the San Francisco Municipal Transportation Agency, and Washington Metropolitan Area Transit Authority. She moved into public sector service after beginning her transportation career in the private sector in the Bay Area. Ms. Johnson holds a Master of Arts in public administration from California State University Hayward (now CSU East Bay) and a Bachelor of

Arts in international relations from the University of California Davis. She is an alumna of civic leadership programs in San Francisco and Long Beach, as well as the Eno Center for Transportation's Executive Development Program. Ms. Johnson's leadership and work have been recognized with several recent honors. In 2019, she received a Women In Action Award from the Los Angeles African American Women's Public Policy Institute and a Women Who Move the Nation award from Conference of Minority Transportation Officials ("**COMTO**"). The Greater Los Angeles African American Chamber of Commerce honored Ms. Johnson with a community service award in 2017. In 2016, she was given a Women Leading the Way Leadership Award from Upgrade LA and an Outstanding Transportation Executive Leadership Award from COMTO's Southern California chapter. Beginning in 2019 through 2021, Ms. Johnson is serving on the American Public Transportation Association (APTA) Emerging Leaders Committee and she is a board member of the American Public Transportation Foundation.

Mr. Doug MacLeod – Acting Chief Financial Officer. Mr. MacLeod was appointed as the Acting Chief Financial Officer in November 2020. As the RTD Acting Chief Financial Officer, he directs the activities of the Finance and Treasury divisions. Mr. MacLeod has 29 years of experience in finance and accounting in both the private and public sector with 10 years at RTD, most recently as the Controller. Mr. MacLeod has an undergraduate degree in Accounting from Fort Lewis College and an MBA in Finance and Accounting from Regis University. He also has an active Certified Public Accountant license with the state of Colorado. Mr. MacLeod replaced Ms. Heather McKillop who resigned effective November 18, 2020 to take a new position at a different transit agency.

Ms. Melanie J. Snyder – General Counsel. Ms. Snyder began her role as RTD General Counsel in June 2020. Ms. Snyder has over 15 years of experience representing a variety of clients in both the public and private sectors. As RTD General Counsel, she advises the Chief Executive Officer and General Manager and elected Board of Directors, and oversees the Legal Services, Risk Management, and Information Governance Management Divisions. Ms. Snyder previously served as Chief Deputy Attorney General and Chief of Staff overseeing the management of the largest law firm in the State of Colorado. Prior to joining the Attorney General's Office, Ms. Snyder practiced commercial litigation at large and small Denver firms. She received her J.D. from the University of San Diego School of Law and B.A. degrees in Political Science and Psychology from the University of Arizona.

Mr. Michael Ford – Chief Operations Officer. Mr. Ford was appointed to the newly created position of Chief Operations Officer on January 29, 2018, and brings a lifetime commitment to regional, local and individual mobility. Mr. Ford's innovative approaches to service delivery and commitment to mobility for all citizens have been instrumental in achieving success leading transportation organizations in the Northwest, California, and Michigan. While CEO for the Ann Arbor Transportation Authority, the organization garnered national attention for the fourth highest growth in ridership, launching new services and securing new funding with overwhelming community support at the ballot box. The breadth of Mr. Ford's over 30 years of experience in public and private transportation includes properties from the Northwest to the Midwest; providing service through multiple transportation modes including, but not limited to, light rail, streetcar, fixed route service, ADA, specialized shuttles and commuter rail. Mr. Ford is originally from Seattle, Washington and holds a Master of Business Administration degree from City University in Seattle and a Bachelor of Arts degree in Philosophy and Sociology from Pacific University in Forest Grove, Oregon. As the RTD Chief Operations Officer he directs the activities of the following divisions: Bus Operations, Rail Operations, ADA Paratransit Services, Service Planning and Development.

Mr. Mike Meader – Assistant General Manager, Safety, Security, and Asset Management. Mr. Meader has over 20 years of executive level experience developing policy and leading safety and security programs. He has broad-based experience in strategic planning, performance management, asset management, and performance improvement. Prior to joining RTD, Mr. Meader worked for Qognify

Security where he was responsible for the development and strategic leadership of transportation safety, security and operational/asset management technology solutions. He has worked with transit systems across the United States and has presented at national conferences. Prior to Qognify, Mr. Meader worked for the Cintas Corporation at the executive level. Mr. Meader is a graduate of the United States Air Force Academy where he was class president and served as a Safety Officer/Aircraft Commander and Instructor Pilot for the US Air Force for nine years. Mr. Meader has a bachelor's degree in mechanical engineering from the Air Force Academy and a Master of Business Administration from the University of Colorado.

Mr. Bill Van Meter – Assistant General Manager, Planning. Mr. Van Meter was appointed to the position of Assistant General Manager, Planning for the District in April 2010 after being appointed as Acting Assistant General Manager, Planning in September 2008. Mr. Van Meter has over 25 years of experience in the transportation planning field, with extensive experience in public transit and roadway planning, managing multi-modal transportation studies, and Federal Transit Administration New Starts and Small Starts grant funding programs. Mr. Van Meter has been with RTD since 1991, and prior to his appointment to his current position, he held progressively responsible positions at RTD, most recently in the position of Senior Manager of Systems Planning. Prior to his employment with RTD, Mr. Van Meter was employed as a transportation planner with the South Central Regional Council of Governments in Connecticut. He holds bachelor's and master's degrees in Economic Geography from the University of Illinois at Urbana-Champaign.

Mr. Henry Stopplecamp, P.E. – Assistant General Manager, Capital Programs. Mr. Stopplecamp was appointed to Assistant General Manager, Capital Programs in 2015 and is responsible for all aspects of FasTracks, including fixed guideway design and construction support for light rail, commuter rail corridors and the required freight railroad relocation along with bus infrastructure requirements. Mr. Stopplecamp is a graduate of Montana State University with undergraduate and graduate degrees in Civil Engineering. He is currently registered as a Professional Engineer in the state of Colorado. Prior to his career at RTD, Mr. Stopplecamp worked for the Burlington Northern Santa Fe ("**BNSF**") railroad handling wastewater treatment operations, large-scale remediation projects, emergency response, and track construction and maintenance. Over the last nineteen years with RTD, he has worked on all capital expansion projects from the Southwest Rail Corridor through FasTracks. Mr. Stopplecamp led the technical portion of the right-of-way acquisition for FasTracks from the BNSF and Union Pacific railroads. He is currently an integral part of the FasTracks program providing oversight and support to the program along with supporting RTD with ongoing Base System (as defined herein) projects.

Mr. Dave Jensen – Assistant General Manager, Rail Operations. With over 30 years of management experience, Mr. Jensen began his rail career in 1987 and supervisory/management career in 1989. Mr. Jensen was appointed to Assistant General Manager, Rail Operations in 2018. Mr. Jensen's experience includes rail systems management, rail performance and needs assessments, team building, training needs assessments, training course development, and management. He has provided consultation and assistance to numerous transit agencies in the United States and internationally, including properties in Hong Kong, Canada, Argentina, Los Angeles, Salt Lake City, Washington D.C., New Jersey, Houston and Virginia. Mr. Jensen has experience as an auditor for peer reviews for APTA. He has provided certifications, training and consultation to streetcar new start agencies in Kansas City, Cincinnati and Detroit. He has testified in numerous court cases as an expert witness and "person most knowledgeable" on light rail operations, rules, policies, procedures and training. Mr. Jensen earned the U.S. Department of Transportation Transit Safety and Security (TSSP) certification in 2017. Mr. Jensen is also certified by the following FTA courses and certified as an instructor in 2015: "Transit Rail System Safety," "FTA Instructor's Course," "Effectively Managing Transit Emergencies," "Rail Transit Incident Investigation," "SMS Principles for Transit," and "Transit System Security."

Mr. Fred Worthen – Assistant General Manager, Bus Operations. Mr. Worthen began his role as Assistant General Manager, Bus Operations in 2018. He has over 18 years of management experience of transit systems, and over 30 years' experience in transportation operations and service planning, including fixed route services, maintenance, operations training, contracted transportation services, alternative transportation services and special transit services. Prior to joining RTD, Mr. Worthen served as the Director of Transportation for Washington State Community Transit in the State of Washington and Assistant Director of Administrative Operations for the Capital Metropolitan Transportation Authority in Austin, Texas. He earned a Bachelor of Science in political science with an emphasis in Urban Studies at Texas A&M University.

Ms. Pauletta Tonilas – Assistant General Manager, Communications. Ms. Tonilas began her role as Assistant General Manager, Communications in February 2019. She recently returned to RTD, having previously served the agency for 12 years as Senior Manager of Public Relations, Public Information Manager for the FasTracks program, and Public Information Manager for the T-REX light rail/highway expansion project. Pauletta has over 30 years of experience in all facets of communications, and, in her current role, oversees the following divisions: Community Engagement, Customer Care, Digital Communications, Government Relations, Marketing, Market Development, Market Research, Project Outreach, Public Relations and Special Events. Before returning to RTD, Pauletta served as Chief Communications Officer at the Los Angeles County Metropolitan Transportation Authority – LA Metro – where she led all Metro's communications efforts including the public education program that contributed to the successful passage of the Measure M transportation sales tax ballot measure in 2016. During her career, Pauletta also served as Public Information Officer for the City of Englewood, Colorado, and spent nine years as a television news anchor and reporter. She earned a Bachelor of Arts in Journalism at Colorado State University, is a Denver native, and the proud recipient of the 2009 WTS Colorado Woman of the Year Award.

Mr. Brenden R. Morgan – Senior Manager, Debt & Investments. Mr. Morgan assumed the role of Senior Manager of Debt and Investments for RTD in 2012 and oversees the capital financing and investment management activities of the District. Mr. Morgan has over 20 years of diversified experience in various public and corporate finance and accounting roles. He previously served as the debt manager for Jefferson County, Colorado. Prior to his roles in Colorado local government, Mr. Morgan worked in corporate finance and the financial services industry. Mr. Morgan has an undergraduate degree in Finance from Seton Hall University in South Orange, New Jersey.

Employee and Labor Relations

As of December 31, 2020, RTD employed over 2,840 persons of whom about 1,932 are represented by Local 1001 of the Amalgamated Transit Union (the "**Union**"), which bargains collectively on behalf of these employees. The Union members operate the bus and rail services and provide other administrative services. On March 1, 2018, RTD and the Union entered into a three-year collective bargaining agreement which expires on February 28, 2021. This agreement automatically continues year to year unless either party provides advance notice. In January 2021, RTD received from the Union a notice regarding the extension of the agreement for one year, which must be approved by Union members. In addition to District employees, approximately 1,608 non-District employees provide contracted services including commuter-rail, fixed-route bus, and paratransit services.

Retirement Plans

Pension/retirement plans have been established covering substantially all of RTD's employees. Union-represented employees participate in a pension trust, established through a collective bargaining agreement, and administered by a Board of Trustees representing both the Union and RTD. Both RTD and the employees contribute to this plan (the "**Union Plan**"). As of the actuarial valuation date of December 31, 2019, the Union Plan had a net pension liability of $268 million as described in Note F to the 2019 Comprehensive Annual Financial Report attached as **Appendix B** hereto. The funded ratio of the actuarial value of assets to the actuarial accrued liability for the Union Plan was 43.9%. The actuarial valuations have been performed by Gabriel Roeder Smith & Company for the Union Plan. Under the current collective bargaining agreement, RTD is required to contribute 13% (and the employees to contribute 5%) of eligible employee's qualifying wages to the Union Plan respectively for the years 2018 through 2020. In addition to the 13% contribution, RTD also contributes a lump sum in each of the three years of the collective bargaining agreement of $6.2 million pursuant to the terms of such agreement. RTD's contribution obligations under the Union Plan are based on the current collective bargaining agreement and are limited to its negotiated contributions to the defined benefit plan. RTD is current with respect to those negotiated contributions. The collective bargaining agreement expires February 28, 2021 but continues year to year unless either party provides advance notice. It is unknown if RTD's contribution to the Union Plan under any subsequent collective bargaining agreement will change and whether such a change will impact, if at all, the financial position of RTD. See "Employee and Labor Relations" under this caption. It is anticipated that in the future increased contributions will need to be made by RTD to the Union Plan to permit the Union Plan to meet its obligations.

Non-represented salaried personnel hired prior to January 1, 2008 are covered under a non-contributory defined benefit plan to which RTD contributed annually as described below (the "**Salaried Pension Plan**"). Through 2008, the amounts contributed by RTD fully funded the Salaried Pension Plan. Due to the loss in investments in the Salaried Pension Plan starting in 2009 caused by the recession, the actuary recommended contributions of percentages higher than 9% of payroll costs in years 2010, 2011 and 2012. Accordingly, the 9% of payroll costs contributions made by RTD to the Salaried Pension Plan during those years were less than the actuarially recommended amounts. Beginning in 2013, RTD contributed a fixed dollar amount of $3.1 million to the Salaried Pension Plan, rather than a percentage of payroll costs. The $3.1 million was the RTD contribution for 2013, 2014, and 2015. For 2016, the actuarial recommended contribution was $6.77 million due to increases in salaries and decreases in the annual rate of return on investments. RTD did not contribute the $6.77 million but did raise its contribution to $4.1 million for 2016. For 2017, the actuarial recommended contribution was $7.63 million. RTD contributed $4.6 million in 2017. For 2018, the actuarial recommended contribution was $7.3 million and RTD contributed $5.1 million. In 2019, the actuarial recommended contribution is $8.0 million, and RTD contributed $5.1 million. In 2020, the actuarial recommended contribution is $8.1 million, and RTD contributed $6.1 million. In 2021, the actuarial recommended contribution is $8.6 million, and RTD has budgeted to contribute $6.1 million. The Salaried Pension Plan is qualified with the Internal Revenue Service. As of the actuarial valuation date of December 31, 2019, the funded ratio of the actuarial value of assets to the actuarial accrued liability for the Salaried Pension Plan was 71.8%. The actuarial valuation for the Salaried Pension Plan was performed by Rael & Letson. For further information regarding the District's Salaried Pension Plan, see Note F to the 2019 Comprehensive Annual Financial Report attached as **Appendix B** hereto. It is anticipated that in the future increased contributions will need to be made by RTD to the Salaried Pension Plan to permit the Salaried Pension Plan to meet its obligations.

Non-represented salaried personnel hired on or after January 1, 2008 are covered under a non-contributory defined contribution plan providing for a 7% to 9% contribution by RTD based on the earnings of the employee. The Board adopts a percentage amount for contribution each year. RTD closed the Salaried Pension Plan to non-represented salaried personnel hired on or after January 1, 2008 and initiated this defined contribution plan to ensure the long-term fiscal soundness of both plans while controlling the cost of pension benefits. RTD also has a deferred compensation plan, created in accordance with §457 of the Internal Revenue Code of 1986, as amended, which is available to substantially all employees and permits employees to defer a portion of their compensation to future years.

Other Postemployment Benefits

The District is not presently obligated to contribute funds towards Other Postemployment Benefits ("**OPEBs**") for any of its employees and therefore does not have an unfunded liability relating to OPEBs.

Insurance

Under the provisions of the Colorado Governmental Immunity Act, the maximum liability to RTD for a personal injury claim is $387,000 per person, or $1,093,000 per occurrence, under the current law. However, RTD may be unable to rely upon the defense of governmental immunity and might be subject to liability in excess of the maximum limits established by the Colorado Governmental Immunity Act in the event of suits alleging causes of action founded upon various federal laws, such as suits filed pursuant to 42 U.S.C. Section 1983 alleging the deprivation of federal constitutional or statutory rights of an individual and suits alleging anti-competitive practices and violation of the anti-trust laws by RTD in the exercise of its delegated powers. See "GOVERNMENTAL IMMUNITY."

RTD maintains an excess liability policy with limits of $50 million and a self-insured retention of $1,000,000. Coverage under this policy includes bodily injury, personal and advertising injury, public officials' liability and property damage. However, RTD maintains higher limits on portions of railroad rights of way that it owns or to which it has operating rights. Additionally, RTD carries an all risk property policy on its assets with a per occurrence limit of $500 million and a $100,000 deductible.

RTD's policy is to recognize claims as they arise, not when they are resolved. RTD anticipates claims by budgeting the expected losses in the current year, including an actuarially determined amount for "Incurred But Not Reported" ("**IBNR**") claims; such amounts are reflected as liabilities in RTD's comprehensive annual financial reports. For 2019, RTD recognized insurance costs of $10.8 million. RTD maintained reserve funds for existing liabilities (as of December 31, 2019) in the amount of $4.9 million and workers' compensation claims (as of December 31, 2019) in the amount of $3.4 million.

Intergovernmental Agreements

Under State law, intergovernmental relationships and agreements are permitted among political subdivisions, agencies, departments of the United States, the State and any political subdivision of an adjoining state. Governments may cooperate or contract with one another for the provision of any function, service or facility that each of them is authorized to provide separately. At any given time, RTD has numerous intergovernmental agreements ("**IGAs**") for various purposes with municipalities, the State or its agencies such as the Department of Transportation, and the federal government, particularly the Federal Transit Administration ("**FTA**"). The District has entered into IGAs with the various municipalities, counties and other governmental bodies concerning the design, construction, operation and maintenance of RTD's light rail, commuter rail, and bus rapid transit corridors and extensions. See "THE SYSTEM – FasTracks – FasTracks Corridors." The terms of the IGAs govern permitting, plan review, use of public rights-of-way and crossings. RTD also entered into an IGA with the Colorado Department of Transportation ("**CDOT**") and the Colorado High-Performance Transportation Enterprise ("**HPTE**") in relation to the construction and management of the managed lanes from Federal Boulevard to Table Mesa along U.S. 36. See "THE SYSTEM – FasTracks – FasTracks Corridors – Flatiron Flyer (U.S. 36 Bus Rapid Transit Corridor)." Agreements with FTA usually involve grant funding and application of grant funds. Other than full funding grant agreements with FTA and annual grant agreements with FTA for

Section 5307 funds and Section 5337 State of Good Repair funding, no other financially or operationally significant IGAs with FTA exist as of the date hereof.

Cybersecurity

RTD recognizes that cyber security threats create risk to the organization's short-term financial stability/liquidity and long-term health. This risk is managed by the Cyber Security Division which monitors, reports and researches cybersecurity attacks on the organization, performs risk assessment, provides cybersecurity planning and sets vendor requirements for new procurements. RTD maintains cybersecurity Policies and Procedures which include topics such as computer system and network configuration, electronic data protection and cybersecurity incident response. RTD maintains strong controls, procedures and a well-trained staff to identify these attacks. Annual cybersecurity training for all RTD employees who are computer users is mandatory. RTD maintains cybersecurity insurance at a level reasonably expected to be sufficient to protect it in the case of such an attack.

RTD SERVICE AREA AND DIRECTOR DISTRICTS MAP

The following map shows the service area of the District as well as the Director Districts identified as District A through District O.

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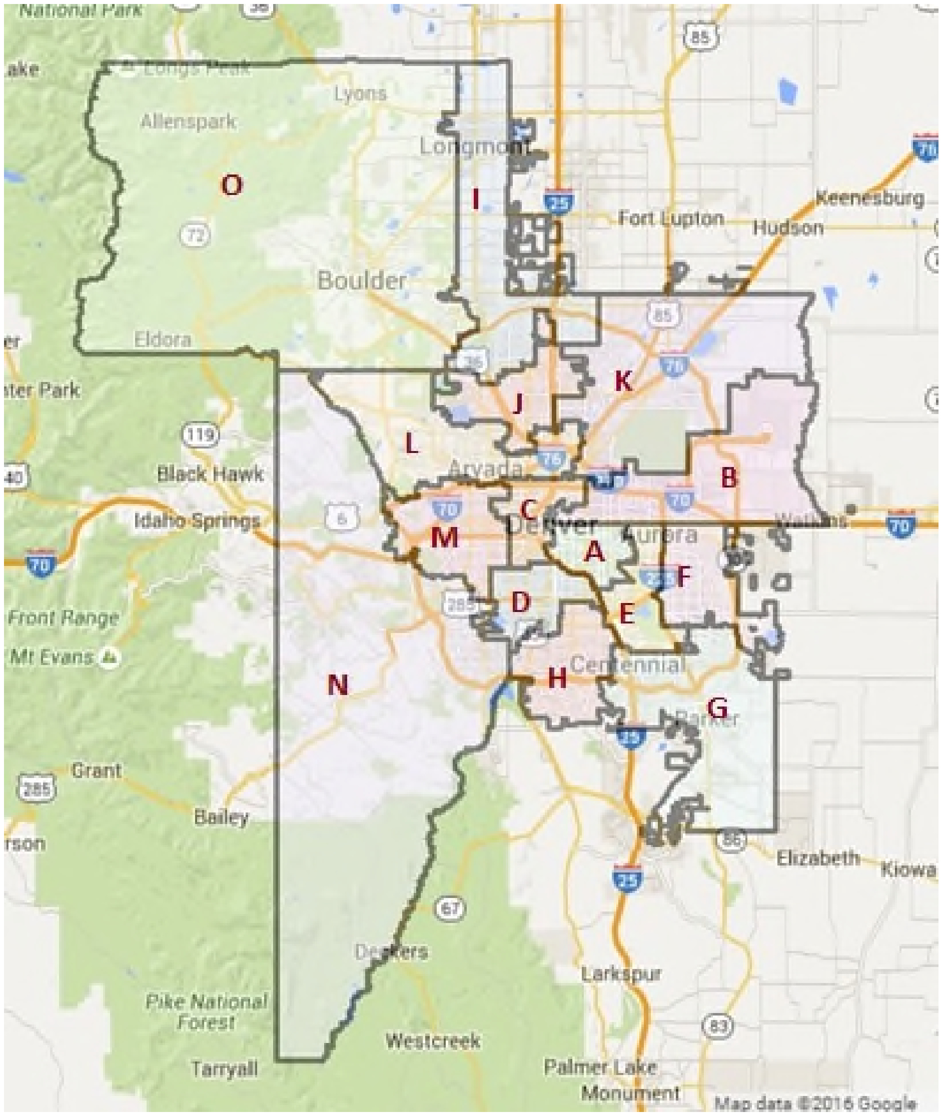
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Centennial
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Idaho Springs
Front Range
Mt Evans
Grant
Bailey
Elizabeth
Kiowa
Larkspur
Westcreek
Tarryall
Pike National Forest
Palmer Lake
Monument
Map data ©2016 Google

THE SYSTEM

Long-Term Financial Planning

Regional Transportation Plan

The long-term goals and policies of RTD are incorporated in a plan known as the Metro Vision Regional Transportation Plan (the "**Regional Plan**"). The Regional Plan is mandated by the United States Department of Transportation which has recognized DRCOG, a voluntary association of Denver metropolitan area county and municipal governments, as the entity charged with preparing the Regional Plan. DRCOG, in coordination with the CDOT, RTD and local governments, has developed the Regional Plan to provide a coordinated system of transit and roadway improvements to meet the transportation needs of the Denver metropolitan area through the year 2040 within projected available revenues. By inclusion in the Regional Plan, RTD's capital projects may become eligible for federal assistance.

The Regional Plan includes those regional transportation facilities that can be provided through the year 2040, based on reasonably expected revenues. The Regional Plan focus is on improving facilities for a variety of transportation modes; improving the intermodal connections between the various transportation modes; and providing programs and services to support the transportation system. The Regional Plan consists of a network of highways of various roadway classifications, high occupancy vehicle and rail rapid transit facilities, bus service, specialized services for the elderly and disabled, airports of various classifications, provisions for freight travel, a regional bicycle network, sidewalks for pedestrians, and intermodal facilities to provide connections among and between transportation modes. The most recent amended 2040 Metro Vision Regional Transportation Plan was adopted by the DRCOG Board of Directors on May 15, 2019. See "FasTracks" under this caption.

DRCOG is now in the process of updating the Regional Plan to a horizon year of 2050. RTD, the Colorado Department of Transportation and local governments submitted their candidate projects for consideration to DRCOG in September 2019. DRCOG staff is now in the process of screening projects and will continue formulation of the plan through the winter. The DRCOG Board is expected to adopt the plan in the spring of 2021.

RTD typically updates its input to the Regional Plan annually through its Long-Range Financial Plan. RTD's 2020 update to the Long-Range Financial Plan has been suspended in order to reallocate resources to the District's COVID response. RTD expects to resume work on the Long-Range Financial Plan in 2021 to prepare a plan for the 2022-2050 period.

Mid-Term Financial Plan

The Mid-Term Financial Plan ("**MTFP**") is RTD's six-year capital and operating plan adopted annually by the Board in connection with the District's estimated capital and operational expenditures for all programs, including FasTracks. Further discussion of the planning and coordination of FasTracks expenditures are described in "FasTracks" under this caption.

The MTFP includes projections of annual service levels, the capital requirements to maintain these service levels, and the funding mechanisms through which the operating and capital programs are to be achieved. In addition, the MTFP is a component of the comprehensive six-year Transportation Improvement Program (the "**TIP**") adopted biennially by DRCOG for the Denver metropolitan area, as required by federal regulations. An RTD capital project must be included in the TIP in order to be eligible for federal funds. The six-year MTFP is revised annually by the staff and approved by the Board in response to factors such as changes in RTD's goals and objectives, strategic plans, changes in demographics and development in RTD's service area, or unforeseen circumstances affecting forecast revenues. As a result, the six-year MTFP may include substantial changes from year to year, with projects being added, deleted and modified on a regular basis.

RTD adopted the most recent six-year MTFP on October 31, 2019, which covers the period from 2020 through 2025. The 2020-2025 MTFP contemplates that over such six-year period, RTD intends to replace a total of approximately 187 40' transit buses, 50 medium 30' transit buses, 6 intercity buses, 352 ADA cut-away buses, and 50 FlexRide cut-away buses as they reach the end of their useful lives, and to purchase 10 cut-away buses to expand its ADA and FlexRide services. The plan also calls for the purchase of 17 electric 40' transit buses to replace existing buses reaching the end of their useful lives, with the difference in cost between these buses and diesel buses to be funded from revenues awarded to RTD by the Federal Transit Administration under the Volkswagen settlement program and the Low or No Emission Vehicle program. Due to uncertainties caused by COVID, the RTD Board has decided to adopt a two-year MTFP in 2020 and prepare its next six-year MTFP for the period 2022-2027 in 2021. The two-year MTFP was adopted by the RTD Board in November 2020.

Financial Policies of the District

The information set forth below regarding the financial policies of the District is subject to change by the Board at any time. The financial policies speak only as of the date of this Official Statement and may be revised or updated by the District.

The District complies with the following policies when budgeting: (a) 1.20x net revenue coverage test (all annual revenues remaining after operating and maintenance expenses to annual debt service requirements net of excess appropriations required for variable rate debt, of which RTD has none) for all outstanding debt and annually appropriated obligations; (b) operations and maintenance, capital expenditures and certificates of participation related to operations not constituting part of the FasTracks transit expansion plan (the "**Base System**") may not be paid from the 0.4% Sales Tax revenues; and (c) all other appropriated payments are made from available revenues. RTD maintains a commitment to the FTA to operate federal projects in transit use for the useful life of the assets or to repay all federal dollars relating to the asset.

In December 2012, the Board approved the establishment of the FasTracks Internal Savings Account ("**FISA**"), into which certain funds made available by the reduction of existing budgeted items are required to be deposited to be used to fund the FasTracks program. The District also maintains a TABOR reserve in an amount equal to 3% of non-federal revenues pursuant to State statute. The District endeavors to maintain an available fund balance for the Base System equal to three months of Base System operating expenses and an available fund balance for the FasTracks system equal to three months of operating expenses in each instance excluding depreciation. See Note B to **Appendix B** – "REGIONAL TRANSPORTATION DISTRICT DENVER, COLORADO COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR FISCAL YEAR ENDED DECEMBER 31, 2019 AND 2018" for a discussion of the deposits and investments of the District. As of December 31, 2020, $123.5 million (unaudited) was on deposit in the FISA.

FasTracks Program

The District is planning and constructing the build-out of FasTracks described in "FasTracks" under this caption. Each year, as part of the MTFP process, RTD conducts a comprehensive evaluation of the entire FasTracks program. On May 15, 2019, the DRCOG Board of Directors approved the most recent amended 2040 Metro Vision Regional Transportation Plan, which includes all elements of the FasTracks program that have been completed, or are currently under construction, using currently identified revenues. RTD does not currently anticipate receiving funding to complete any additional corridors within the time horizon of the current Regional Plan. However, the Regional Plan can be further amended over time as new funding sources or additional revenues become available. See "FasTracks – FasTracks Corridors" under this caption.

Unsolicited Proposals

A third party may, from time to time, provide an unsolicited proposal ("**Unsolicited Proposal**") to the District on its own initiative for the purpose of obtaining a contract with RTD for goods or services or with respect to real property owned by RTD. An Unsolicited Proposal to provide goods or services is distinguishable from a project that is already part of the District's long-term budget planning process if it uses innovative and unique solutions to offer added value such as enhanced financing options or materially advanced delivery dates. An Unsolicited Proposal for real property may be an offer to acquire excess District property or an offer for joint development of District property. The District's policies regarding Unsolicited Proposals provide that once an Unsolicited Proposal is received by the District, it is analyzed to determine whether it meets certain threshold requirements. If such threshold requirements are met, the Unsolicited Proposal is evaluated to determine whether, among other things, the proposal: (a) offers benefits to the District, its passengers, and the community; (b) can be accommodated in the District's long-term budget without displacing other planned expenditures; (c) is consistent with the District's and the Board's objectives and goals; or (d) offers unique goods and services that the District did not intend to purchase through the normal contract process. If it is determined that the Unsolicited Proposal satisfies certain evaluation requirements, the District will (unless the Unsolicited Proposal offers a proprietary concept that is essential to contract delivery) publicize its interest in the offer, goods, or services described in the Unsolicited Proposal and seek competing proposals from all interested parties. Receipt of an Unsolicited Proposal does not obligate the District to accept the proposed offer, goods, or services or take any other action described in the Unsolicited Proposal and no Unsolicited Proposal is approved or selected for contract award unless and until the process described above has been undertaken by the District. The District has received and expects in the future to receive Unsolicited Proposals. All such proposals have been and will be handled as outlined herein.

Fleet Composition

As of October 1, 2020, the District operated 1,035 fixed-route transit buses (432 of which are leased to private carriers), 201 light rail vehicles, 406 Access-a-Ride paratransit vehicles and Flex Ride vehicles, and 66 commuter rail vehicles (operated as part of the Eagle P3 Project as described in " - FasTracks – Eagle P3 Project" under this caption). The RTD fleet includes 30- and 40-foot transit coaches, 60-foot articulated coaches, over-the-road coaches, specially designed low-floor coaches for use on the 16th Street Free Mall Ride, 85-foot articulated light rail vehicles and vans and buses used for Access-a-Ride paratransit service mandated by the Americans with Disabilities Act of 1990. As of October 1, 2020, which is the most recent calculation of the RTD peak fleet requirements, the System had a peak fleet requirement (pre COVID-19 service levels) of 412 fixed-route buses and 89 light rail vehicles. For a discussion of the effect of COVID-19 on the District's operations, see "RISK FACTORS – Certain Considerations Relating to COVID-19 and other Public Health Pandemics or Outbreaks."

TABLE VI

RTD Active Fleet as of October 1, 2020

Fixed Route Bus Fleet[1]	Number
40' Transit Coaches	659
60' Articulated Buses	116
Intercity Coaches	174
16th Street Free Mall Ride Shuttles	36
30' Transit Buses	50
Total Fixed Route Bus Fleet	1,035
Access-a-Ride Fleet[2]	343
Flex Ride Fleet[3]	63
Light Rail Vehicle Fleet	201
Commuter Rail	66
TOTAL ACTIVE FLEET	1,708

(1) Certain vehicles in the Fixed Route Bus Fleet are owned by RTD and operated by private contractors.
(2) All paratransit vehicles are owned by RTD and operated by private contractors.
(3) All Flex Ride vehicles are owned by RTD and operated by private contractors.
Source: The District.

Transit Services

In order to meet the needs of the residents within RTD's geographical area, RTD provided various transit services on 142 routes as of December 31, 2020, including those operated by private contractors. RTD, upon action of its Board, has the authorization to reduce services with no other approval required. The information below describes the transit services offered by RTD as of December 31, 2020. See "RISK FACTORS – Certain Considerations Relating to COVID-19 and other Public Health Pandemics or Outbreaks."

1. ***Local*** – routes operating along major streets within the Denver metropolitan area and the cities of Boulder and Longmont, making frequent stops for passengers.

2. ***Limited*** **–** routes serving high-density corridors with less frequent stops than local routes.

3. ***Regional*** – routes connecting outlying areas of RTD's geographical area to downtown Denver, Boulder and other employment centers.

4. ***SkyRide*** – routes serving Denver International Airport.

5. ***Light Rail*** – rail service for approximately 48 miles of light rail track as further described in "FasTracks" under this caption.

6. ***16th Street Mall Shuttle*** – a free shuttle service operating along the 16th Street Mall in downtown Denver.

7. ***Free MetroRide*** – a free bus operating along 18th and 19th Streets during weekday rush hours (5:00 a.m. – 9:00 a.m. and 2:30 p.m. – 6:35 p.m.). This service was suspended in 2020.

8. ***Access-a-Ride*** – door-to-door paratransit service for people with disabilities provided under the requirements of the Americans with Disabilities Act of 1990.

9. ***Flex Ride (previously called Call-n-Ride)*** – curb-to-curb service that responds to passenger requests. Typically operated in lieu of fixed route service with small vehicles in areas and/or times of low demand.

10. ***Special*** – for example, SeniorRide – pre-scheduled trips in off-peak hours to recreational events for elderly persons in the Denver metropolitan area, and the cities of Boulder and Longmont, seven days a week.

11. ***Commuter Rail*** – RTD began offering commuter rail service from Denver Union Station to Denver International Airport on April 22, 2016, commuter rail service from Denver Union Station to Westminster on July 25, 2016, commuter rail service from Denver Union Station to Wheat Ridge on April 26, 2019, and commuter rail service from Denver Union Station to north Adams County on September 21, 2020. See "FasTracks – FasTracks Corridors – University of Colorado A Line (East Corridor)", "– B Line (Northwest Rail Corridor)," "– G Line (Gold Line Rail Corridor)" and "– N Line (North Metro Corridor)" under this caption.

State law permits RTD to contract with private operators for the provision of up to 58% of its vehicular services. RTD is currently in compliance with this limitation.

RTD may, but currently does not, provide charter service to the extent that such service cannot be provided by private operators. Pursuant to federal regulations, charter service operated by RTD cannot interfere with its regularly scheduled services, and the rate charged by RTD must recover the fully allocated cost of operating the service.

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The following table shows additional operating data concerning the System as of December 31, 2019:

TABLE VII
Historical Operating Data
(As of December 31, 2019)

Total Miles	64,369,963
Passenger Stops	9,800
Number of routes	
Local	107
Regional	23
SkyRide	3
Commuter Rail	2
Light Rail	9
Downtown Circulators	2
Call-n-Ride (now called FlexRide)	3
Ridership average weekday, including Mall Shuttle	221,938
Ridership average weekday, all services	321,891
Total annual boardings, revenue service	95,041,000
Daily miles operated (average weekday)	141,621
Diesel fuel consumption, gallons (excluding purchased transportation)	5,178,000
Total active buses	1,030
Wheelchair lift equipped buses	1,030
Number of employees (actual staff)	
Salaried	870
Represented (includes part-time drivers)	2,018
Fleet requirements (during peak hours)	841
Operating facilities	7

Source: District Comprehensive Annual Financial Report for the fiscal year ended December 31, 2019.

Passenger, Maintenance and Administrative Facilities

Patrons who are residents within the geographical area of the District using RTD service may park at no charge in Park-n-Ride lots for up to 24 hours. Patrons residing outside of the District geographic boundaries or District residents parking for more than 24 hours must pay a nominal parking fee. By providing the Park-n-Ride lots, RTD can provide local and regional services in low-density areas and more frequent long-haul services for patrons. As of December 31, 2019, RTD had 89 Park-n-Ride lots providing a total of 36,021 parking spaces.

RTD currently owns four bus maintenance facilities. RTD also owns two light rail maintenance facilities, two administrative buildings, one commuter rail maintenance facility and three passenger terminals located throughout the District.

FasTracks

General

Prior to January 1, 2005, the District imposed the 0.6% Sales Tax. At an election held on November 2, 2004 (the "**2004 Election**"), voters in the District approved a ballot question allowing for the additional 0.4% Sales Tax effective January 1, 2005. In connection therewith, the ballot question also authorized RTD to issue up to $3.477 billion of additional debt obligations, with a maximum total repayment cost of $7.129 billion and a maximum annual repayment cost of $309.738 million, to finance FasTracks. The proceeds of the debt and the increased 0.4% Sales Tax authorized at the 2004 Election are required to be used and spent for the construction and operation of FasTracks. At the time that all debt related to FasTracks is repaid, the District's Sales Tax rate will be reduced to a rate sufficient to operate the transit system financed through FasTracks, but not below 0.6%.

In April 2004, CDOT and RTD executed an intergovernmental agreement that is intended to establish a coordinated process to facilitate the implementation of the FasTracks plan and preserve the ability to pursue planned highway and transit improvements in corridors where both highway and transit improvements are likely to occur. The Board has formally resolved to analyze the FasTracks program annually to determine both local and federal sources of funds and adjust the corridor improvements accordingly. The Board has further resolved that construction of FasTracks improvements within a corridor are not to start until there is a firm commitment of all required funding sources and intergovernmental agreements are in place with local governments concerning permits, design and plan review.

The FasTracks program consists of nine rail corridors (new or extended); one bus rapid transit ("**BRT**") corridor; redevelopment of Denver Union Station; a new Commuter Rail Maintenance Facility ("**CRMF**") and an expanded light rail maintenance facility. At completion, the Plan will add approximately 94 miles of commuter rail (University of Colorado A Line, G Line, N Line and B Line); approximately 28 miles of light rail (Southeast and Southwest Corridor Extensions, Central Corridor Extension, R Line and W Line); Park-n-Ride improvements at and/or relocations of existing Park-n-Ride lots along U.S. 36 (U.S. 36 BRT – Phase 1); and 18 miles of BRT (U.S. 36 BRT – Phase 2). See "FasTracks Project Map" under this caption.

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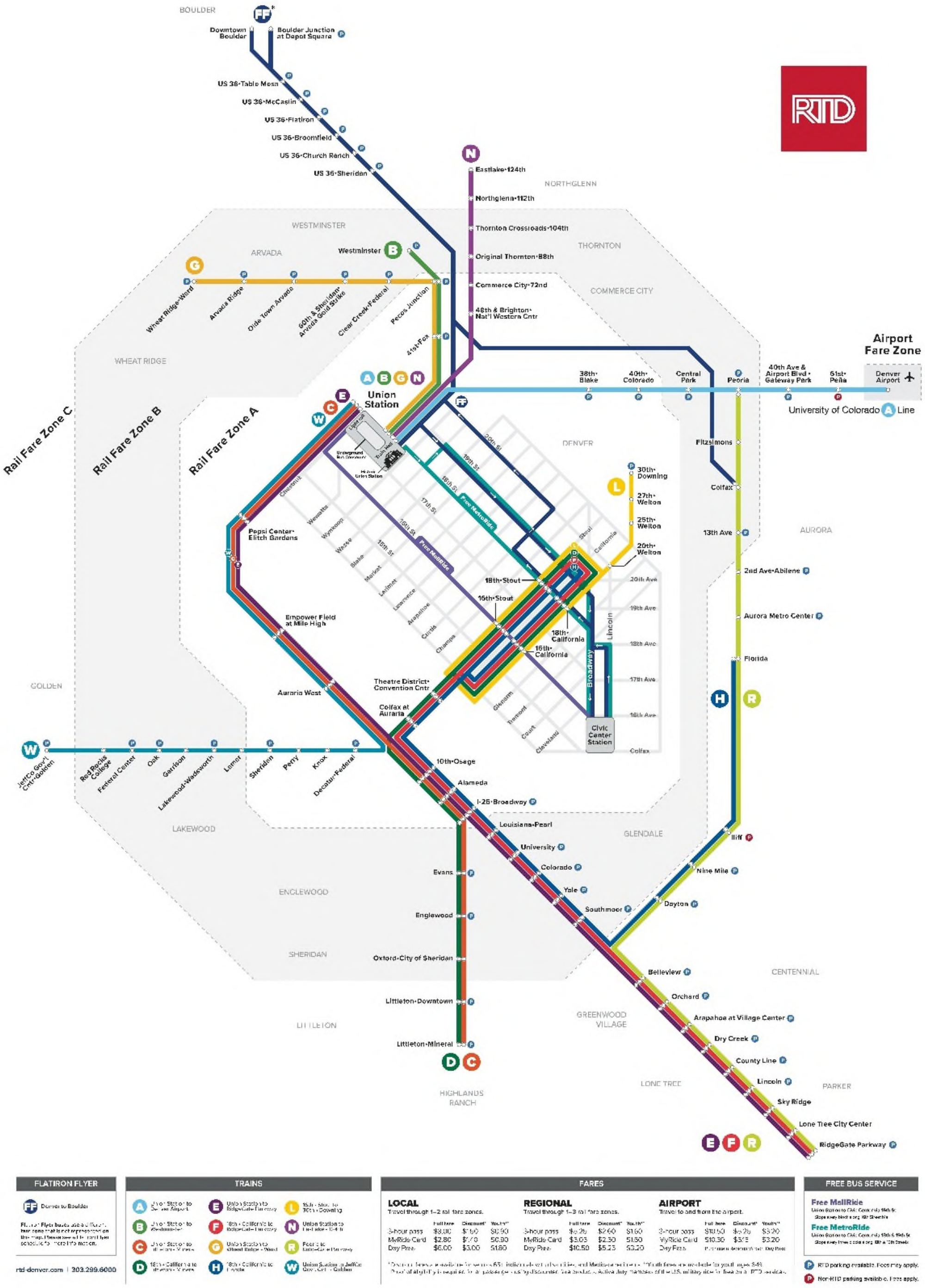
FasTracks Project Map



The seven corridors and three extensions further described in "FasTracks Corridors" under this caption are currently in service.

FasTracks Corridors

W Line (West Corridor). The W Line, formally known as the "West Corridor", is a 12.1-mile light rail transit corridor between Denver Union Station and the Jefferson County Government Center in Golden, serving Denver, Lakewood, the Denver Federal Center, Golden and Jefferson County. In January 2009, the District was awarded a full funding grant agreement through the FTA's New Starts program for the W Line. Under the award, the District received approximately $308.7 million. The funds were expended on the light rail line approved as part of the District's FasTracks program. The W Line opened for revenue service on April 26, 2013.

Flatiron Flyer (U.S. 36 Bus Rapid Transit Corridor). The Flatiron Flyer, previously referred to as the "U.S. 36 Bus Rapid Transit Corridor", delivers 18 miles of bus rapid transit service between downtown Denver and Boulder along U.S. Highway 36. RTD entered into an IGA with CDOT and the High Performance Transportation Enterprise, which constructed managed lanes from Federal Boulevard to Table Mesa Drive along U.S. 36. RTD provided $120 million of funding for Phase 1, from Federal Boulevard to 88th Street, and an additional $15 million for Phase 2 from 88th Street to Table Mesa Drive. The westbound lane from Federal Boulevard to 88th Street opened to traffic on April 30, 2015, and the eastbound lane opened on May 8, 2015. Phase 2 opened at the end of 2015. RTD opened the Flatiron Flyer for service on January 3, 2016 and the managed lane opened to traffic on January 12, 2016.

University of Colorado A Line (East Corridor). The University of Colorado A Line, formally referred to as the "East Corridor", is a 22.8-mile commuter rail transit corridor extending from Denver Union Station to Denver International Airport with six intermediate stations in locations throughout the City and County of Denver and the City of Aurora. The University of Colorado A Line was delivered as part of the first phase of the Eagle P3 Project described in "Eagle P3 Project" under this caption. On August 31, 2011, the FTA granted a combined $1.03 billion Full Funding Grant Agreement for the University of Colorado A Line and the G Line (Gold Line Rail Corridor). The University of Colorado A Line opened for revenue service on April 22, 2016 under a five-year Federal Railroad Administration waiver.

B Line (Northwest Rail Corridor). The B Line, formally the "Northwest Rail Corridor", is a 41-mile commuter rail transit corridor between Denver Union Station and Longmont. The District will build the B Line in phases. The first phase of the B Line running from Denver Union Station to Westminster referred to as the Northwest Rail Electrified Segment opened for revenue service on July 25, 2016 under a temporary Federal Railroad Administration waiver pending final certification. The current waiver expires on September 28, 2022. The Northwest Rail Electrified Segment is part of the Eagle P3 Project. Construction of Phase 2 of the B Line from Westminster to Longmont is subject to future funding.

R Line (I-225 Corridor). The R Line, which is part of the I-225 Corridor, is a 10.5-mile light rail transit extension that connects the existing I-225 Corridor with the University of Colorado A Line, and includes eight new stations, improvements to the existing I-225 Corridor, facility improvements, and equipment acquisition. The R Line opened for revenue service on February 24, 2017.

G Line (Gold Line Rail Corridor). The G Line, formally referred to as the "Gold Line", is a 11.2-mile commuter rail corridor from Denver Union Station passing through northern Denver, unincorporated Adams County, the City of Arvada and the City of Wheat Ridge. On August 31, 2011 the FTA granted a combined $1.03 billion Full Funding Grant Agreement to the G Line and the University of Colorado

A Line. The G Line opened for revenue service on April 26, 2019 under the same FRA waiver as the University of Colorado A Line.

<u>N Line (North Metro Corridor)</u>. The N Line, formally referred to as the "North Metro Corridor," is an 18-mile commuter rail transit corridor between Denver Union Station and 162nd Avenue, passing through Denver, Commerce City, Thornton, Northglenn and unincorporated Adams County. The District completed an environmental impact study ("**EIS**") for the N Line and a Record of Decision (ROD) was signed with FTA in April 2011. The ROD was rescinded in November 2014 following RTD's decision to complete the corridor without federal funding. RTD issued a Request for Proposals to design, build and finance the N Line in June 2013 following receipt and analysis of an unsolicited proposal to construct the N Line. RTD awarded a $343 million contract to Regional Rail Partners ("**RRP**") to design and build the N Line to 124th Avenue. Design and construction on the N Line to 124th Avenue began in 2014. The N Line opened for revenue service to 124th Avenue on September 21, 2020. Construction of the N Line north of 124th Avenue is subject to future funding.

<u>Southeast Rail Extension (E, F, R Line Extension)</u>. The Southeast Rail Extension (E, F and R Line Extension) added 2.3 miles of light rail to the 19.1-mile Southeast Rail Line, extending service on the E, F, and R light rail lines to the Ridgegate station in Douglas County. RTD obtained a Small Starts Construction Grant (SSCG) of $92 million for the Southeast Rail Extension in May 2016. RTD also received contributions from the local jurisdictions along the corridor including $23.1 million in cash, reallocation of $1.9 million in federal grants to the project, plus right-of-way donations, permit fee waivers, and other in-kind donations worth an additional $3 million of the cost of the project. The Southeast Rail Extension opened for revenue service on May 17, 2019.

<u>L Line Extension (Central Rail Extension)</u>. The Central Rail Extension, known as the L Line extension, is a future light rail extension project that will improve access between and among the northeast Denver neighborhoods, the downtown transit network, and the full RTD transit system. The L Line extension will connect the L line that currently ends at the 30th and Downing Station with the University of Colorado A Line's 38th and Blake Station. This is expected to provide northeast neighborhoods with more direct access to the University of Colorado A Line, which connects Denver Union Station with Denver International Airport, while also providing University of Colorado A Line passengers and the northeast neighborhoods with a second rail connection into a different part of downtown Denver. Construction of the L Line extension is subject to future funding.

<u>Southwest Rail Extension.</u> The Southwest Light Rail Line opened in July 2000 as an 8.7-mile extension from I-25/Broadway to Mineral Avenue in Littleton. The Southwest Light Rail Line has five stations with nearly 2,600 parking spaces. The Southwest Rail Extension is a future light rail extension project that is expected to add the following to the Southwest Light Rail Line: (i) 2.5 miles of track; (ii) an end-of-line station at C-470/Lucent Boulevard; and (iii) 1,000 space Park-n-Ride facility at the end-of-line station. An intermediate station located near the southeast corner of the C-470/US 85 Interchange is also being considered as part of this current phase of study. Completion of the Southwest Rail Extension is subject to future funding.

Eagle P3 Project

The District served as the "conduit issuer" of its Tax-Exempt Private Activity Bonds (Denver Transit Partners Eagle P3 Project), Series 2010 (the "**P3 Conduit Bonds**") in the aggregate principal amount of $397,835,000. The proceeds of the P3 Conduit Bonds were loaned to Denver Transit Partners ("**DTP**") pursuant to a Loan Agreement (the "**P3 Loan Agreement**") between the District and DTP to pay a portion of the costs of certain FasTracks projects (the "**Eagle P3 Project**"). In December 2020, the District issued new conduit bonds to refinance such P3 Conduit Bonds in the aggregate principal amount of $311,785,000 (the "**2020 P3 Conduit Bonds**"). The 2020 P3 Conduit Bonds are secured solely by loan payments required under the P3 Loan Agreement to be made by DTP in amounts and on the dates required to pay the principal of and interest on the 2020 P3 Conduit Bonds. The 2020 P3 Conduit Bonds do not constitute indebtedness of RTD or a multiple-fiscal year obligation of RTD within the meaning of the provisions of the State Constitution or the laws of the State.

The District and DTP entered into the P3 Concession Agreement in July 2010 in order to generate the revenues necessary to meet DTP's obligations under the P3 Loan Agreement. Under the P3 Concession Agreement, DTP agreed to design, construct, finance, operate and maintain the Eagle P3 Project in return for payments by the District in the form of construction payments (the "**Construction Payments**") and service payments (the "**Service Payments**"). The District made monthly Construction Payments to DTP during the design and construction phase of the Eagle P3 Project, and, commencing with the revenue service of the University of Colorado A Line Project, began making monthly Service Payments to DTP. As part of the Eagle P3 Project, the District received a federal grant in the amount of $1.03 billion. The full grant has been appropriated by the federal government and RTD expects to receive the remaining eligible grant funds during 2021.

Service Payments have two components. One portion (the "**TABOR Portion of Service Payments**"), structured to exceed scheduled debt service on the 2020 P3 Conduit Bonds, is secured by a subordinate pledge of Sales Tax Revenues available after payment of the Bonds and the Parity Bonds. See "DEBT STRUCTURE OF RTD." Payment of the TABOR Portion of Service Payments by the District utilizes $589,913,540 of the principal electoral authorization received at the 2004 Election. The second portion (the "**Appropriation Portion**") is structured to cover operations and maintenance costs of the Eagle P3 Project and is subject to annual appropriation by the District. The P3 Concession Agreement provides that any TABOR Portion not paid due to insufficiency of Sales Tax Revenues is to be paid from available funds of the District, if appropriated. As required by the P3 Concession Agreement, RTD has reserved a certain amount of its electoral authority received pursuant to the 2004 Election to secure the ability of RTD to satisfy its obligation to pay a termination amount to DTP upon the occurrence of certain events under, and in the amounts calculated in accordance with, the P3 Concession Agreement. In the event of a termination of the P3 Concession Agreement, any payment obligation by RTD for such termination amount under the P3 Concession Agreement will be subordinate to the Bonds and the Parity Bonds. The P3 Concession Agreement is not subject to termination for convenience by either party. See "LITIGATION."

In order to assist in the financing of a portion of the costs of the Eagle P3 Project, the District entered into a loan agreement with the United States Department of Transportation (the "**USDOT**") in December 2011 (as previously defined, the "**TIFIA Loan Agreement**") pursuant to which the USDOT agreed to loan the District an amount not to exceed $280 million, to be evidenced by a bond (the "**RTD TIFIA Bond**") as further described in "DEBT STRUCTURE OF RTD." As of January 15, 2015, the District had drawn the full $280 million under the TIFIA Loan Agreement. Interest accrued and capitalized at an interest rate of 3.14% until November 1, 2020 at which time interest became payable on a current basis. The RTD TIFIA Bond is on parity with the Bonds and is being prepaid by the District with proceeds of the 2021B Bonds as described in "PLAN OF FINANCE."

Denver Union Station

Under the FasTracks program, the existing Denver Union Station has been developed into a multimodal transportation hub, integrating light rail, commuter rail and intercity rail (Amtrak) as well as regional, limited and local bus service, the 16th Street Mall shuttle, Free Metro Ride, and intercity buses, taxis, shuttles, vans, limousines, bicycles and pedestrians (the "**DUS Project**"). Certain improvements to

Denver Union Station and related facilities were delivered as part of the Eagle P3 Project described in "- Eagle P3 Project" under this caption.

The light rail station realignment opened to passengers on August 15, 2011 and the bus facility opened to passengers on May 11, 2014. Amtrak resumed rail service from Denver Union Station on February 28, 2014 and RTD began commuter rail operations on April 22, 2016 with the opening of the University of Colorado A Line. A renovated and modernized Denver Union Station opened in July 2014.

Commuter Rail Maintenance Facility

A commuter rail maintenance facility was designed to service the four commuter rail corridors (University of Colorado A Line, G Line, N Line and B Line) included in the FasTracks program. The facility covers approximately 31 acres and is located northwest of downtown Denver. It includes facilities to allow for command and control of the commuter rail operations and security with communication links to the District's light rail transit operation control center and security command center. The Commuter Rail Maintenance Facility, which was completed in March 2015 and is LEED gold certified, was delivered as part of the Eagle P3 Project described in "Eagle P3 Project" under this caption.

Reimagine RTD

As RTD approached the end of construction on FasTracks projects for the foreseeable future, it initiated a new strategic planning initiative called Reimagine RTD in 2019. This was an opportunity for RTD to involve elected officials, stakeholders, taxpayers, customers and employees in a comprehensive effort to look at the future of RTD and transit within its service area and shape that direction.

Reimagine RTD was originally intended to be a two-year effort established to explore near-term service delivery options and plan for the next 30 years of transit in the RTD's service area. Some of the items RTD staff and a consultant team were expected to investigate include restructuring RTD's bus and rail services to better meet the needs of customers and residents of the District, identifying opportunities for finishing FasTracks, addressing the fiscal sustainability of RTD, and identifying future challenges and opportunities related to mobility options, technology, workforce and other issues.

While Reimagine RTD began prior to the COVID-19 pandemic as a bold effort to reshape metro transit, the world has changed as a result of the COVID-19 pandemic, and as a result Reimagine RTD has been put on hold until Spring 2021 at the earliest.

DEBT STRUCTURE OF RTD

Generally

Subject to certain exceptions, including refinancing at a lower interest rate, the State Constitution provides that local governmental entities such as RTD may not issue bonds or other multiple-fiscal year financial obligations without the approval of the voters at an election called to approve the debt. See "CONSTITUTIONAL REVENUE, SPENDING AND DEBT LIMITATIONS." The Act does not provide any limitation as to the amount of debt which may be issued by RTD. Certificates of Participation and Lease Purchase Agreements subject to annual appropriation are not debt or other multiple-fiscal year financial obligations for purposes of State law and therefore do not require voter approval. The following table summarizes the District's authorized and outstanding Sales Tax Revenue Bonds, Certificates of Participation and Lease Purchase Agreements as of December 31, 2020.

TABLE VIII
Statement of Obligations
As of December 31, 2020

Sales Tax Revenue Bonds (0.6% Sales Tax)[1] – Senior Bonds	**Outstanding[2][7]**
RTD Sales Tax Revenue Refunding Bonds, Series 2007A	$37,335,000
RTD Taxable Sales Tax Revenue Refunding Bonds, Series 2013A	1,155,000
SUBTOTAL	$38,490,000
Sales Tax Revenue Bonds (FasTracks – 0.4% Sales Tax)[3] – Subordinate Bonds	
RTD Sales Tax Revenue Refunding Bonds (FasTracks Project), Series 2007A	220,480,000
RTD Taxable Sales Tax Revenue Bonds (FasTracks Project) (Direct Pay Build America Bonds), Series 2010B	300,000,000
RTD TIFIA Bond [4][7]	341,878,142
RTD Sales Tax Revenue Bonds (FasTracks Project), Series 2012A[7]	474,935,000
RTD Sales Tax Revenue Refunding Bonds (FasTracks Project), Series 2013A	204,820,000
RTD Sales Tax Revenue Bonds (FasTracks Project), Series 2016A	194,965,000
RTD Sales Tax Revenue Bonds (FasTracks Project), Series 2017A	76,675,000
RTD Sales Tax Revenue Bonds (FasTracks Project), Series 2017B	119,465,000
RTD Sales Tax Revenue Refunding Bonds (FasTracks Project), Series 2019A	82,740,000
SUBTOTAL	$2,015,958,142
Eagle P3 Project	
TABOR Portion of Service Payments[5]	$570,431,487
Lease Purchase Agreements[6]	
Lease Purchase Agreement II (Taxable Refunding Certificates of Participation), Series 2007A	$ 1,690,000
Taxable Certificates of Participation, Series 2010B	100,000,000
Certificates of Participation, Series 2013A	125,960,000
Certificates of Participation, Series 2014A	440,915,000
Certificates of Participation, Series 2015A	106,950,000
Lease Purchase Agreement, Series 2016	25,734,309
Lease Purchase Agreement, Series 2017	152,525,000
Certificates of Participation, Series 2020A	63,440,000
SUBTOTAL	$1,017,214,309
TOTAL	$3,642,093,938

(1) Secured by a first lien on the original 0.6% Sales Tax and any additional revenues legally available to RTD that the Board in its discretion pledges by supplemental resolution to the payment of such bonds. The Board has not pledged any additional revenues to secure these outstanding Senior Bonds. Further, the Board has covenanted that no additional securities are to be issued by the District with a pledge of the lien on the 0.6% Sales Tax revenues that is senior to the Parity Bonds except for obligations issued by the District to refund Senior Bonds for interest rate savings.
(2) RTD is current on payment of its outstanding obligations. None of the outstanding obligations bear interest at a variable rate or are subject to acceleration.
(3) Secured by first lien on 0.4% Sales Tax and subordinate lien on 0.6% Sales Tax.
(4) Amount reflects the original par amount of the loan ($280,000,000) plus accreted interest through 11/1/2020. Interest accreted at a 3.14% interest rate until November 1, 2020, and the District pays current interest thereafter.
(5) See "THE SYSTEM – FasTracks – Eagle P3 Project." Secured by a lien on the Sales Tax Revenues that is subordinate to the lien thereon of the Senior Bonds and the Subordinate Bonds shown in this **Table VIII**.
(6) Paid with annually appropriated lease payments by the District. Not secured by Sales Tax Revenues.
(7) These are the Refunded Bonds. This table does not include the Bonds, nor does it reflect the refunding or tender of Series 2012A Bonds. See "PLAN OF FINANCE."

Source: The District.

At the 2004 Election, the electors of the District authorized the District to incur $3.477 billion of indebtedness to finance FasTracks. See "THE SYSTEM – FasTracks." The District has entered into obligations in the aggregate principal amount of approximately $2.785 billion pursuant to such authorization. Such amount includes commitments under outstanding agreements to reserve certain amounts of its electoral authority. The District is further limited in its ability to issue additional FasTracks indebtedness by maximum annual and maximum total debt service limitations authorized at the 2004 Election as discussed herein.

In connection with the Eagle P3 Project, the District issued the P3 Conduit Bonds in the aggregate principal amount of $397,835,000, which have been refunded with proceeds of the District's 2020 P3 Conduit Bonds issued on December 18, 2020 in the aggregate principal amount of $311,785,000. The 2020 P3 Conduit Bonds do not constitute indebtedness of RTD as a multiple-fiscal year obligation of RTD within the meaning of any provisions of the State Constitution or the laws of the State. RTD also has pledged both the 0.4% Sales Tax revenues and 0.6% Sales Tax revenues (to the extent needed) in connection with the P3 Concession Agreement relating to the Eagle P3 Project on a subordinate basis to the Senior Bonds and Subordinate Bonds as shown in **Table VIII**. See "THE SYSTEM – FasTracks – Eagle P3 Project."

Under the authority conferred at the 2004 Election and in order to assist in the financing of a portion of the costs related to Eagle P3 Project, the District entered into the TIFIA Loan Agreement pursuant to which the USDOT loaned a maximum amount of $280,000,000 to the District, which loan is evidenced by the RTD TIFIA Bond. The District has drawn the full $280 million under the TIFIA Loan Agreement. Interest accreted at an interest rate of 3.14% until November 1, 2020 at which time interest became payable on a current basis. The RTD TIFIA Bond is on parity with the Subordinate Bonds as shown in **Table VIII**. The District intends to prepay the RTD TIFIA Bond with proceeds of the 2021B Bonds.

The District has entered into a number of transactions in which certain of its light rail vehicles have been leased to and subleased back from certain U.S. and foreign companies and has entered into a transaction in which its maintenance facilities have been sold to and leased back from one of these companies. As part of each of these transactions, the District irrevocably set aside certain monies (which were received from each counterparty as payment for its leasing of the buses, light rail vehicles and the real property) with a third-party trustee. The monies held by such trustee will be utilized to make the lease payments owed by the District with respect to its leasing of these assets and the lease payments owed by the District under the transactions are therefore considered fully funded and economically defeased. The vehicles expected to be acquired as part of the fleet expansion and replacement program in the Mid-Term Financial Plan are expected to be funded from cash on hand. See **Appendix B** – "REGIONAL TRANSPORTATION DISTRICT DENVER, COLORADO COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR ENDED DECEMBER 31, 2019 AND 2018" and "THE SYSTEM – Long-Term Financial Planning – Mid-Term Financial Plan."

The remaining elements of the FasTracks Program to be constructed consist of the Central Rail Extension, the portion of the N Line north of 124th Street, Southwest Rail Extension and the remainder of the B Line. While it is the goal of the District to build as much of the FasTracks Program as fast as it can, the District will only build what it can fund on a responsible basis in a manner that will not put the District's System at risk or in which the District will incur leverage in an amount that may jeopardize its ability to operate and maintain the District's System. The District has the capacity to issue additional FasTracks debt and will seek to maximize the benefit of its remaining capacity. The District may also enter into additional lease purchase agreements or certificates of participation financings in connection with its FasTracks program. The District will also continue to seek opportunities from both the federal and local governments, and through public-private partnerships, to complete the FasTracks program. RTD also continues to evaluate refunding opportunities that will result in a reduction in interest expense.

Debt Service Requirements and Annual Appropriations

Debt service requirements for obligations secured by Sales Tax Revenues of the District and for annual amounts subject to appropriation by the District in connection with Certificates of Participation and Lease Purchase Agreements are set forth in the following table:

TABLE IX
Annual Debt Service Requirements and Amounts Subject to Appropriation[1]

	Sales Tax Secured Obligations [2]					Appropriations Obligations		
		0.4% FasTracks Sales Tax Obligations						
Year	0.6% Sales Tax Obligations	FasTracks Bonds [3][4]	TABOR Portion of Eagle P3 Service Pmts	Subtotal	Total Sales Tax Secured Obligations	Certificates of Participation[5]	Non-Tabor Portion of Eagle P3 Service Payments	Total Appropriation Obligations
2021	$14,495,579	$74,260,714	$ 44,880,209	$119,140,923	$133,636,502	$ 108,882,891	$ 42,929,281	$ 151,812,172
2022	9,583,950	81,456,726	43,234,830	124,691,556	134,275,506	105,304,383	42,976,608	148,280,991
2023	9,582,400	81,453,976	44,406,755	125,860,731	135,443,131	104,681,566	44,375,139	149,056,705
2024	9,588,275	81,455,226	45,826,936	127,282,162	136,870,437	104,660,321	52,916,967	157,577,288
2025	--	93,454,976	48,428,598	141,883,574	141,883,574	104,650,848	68,941,545	173,592,393
2026	--	142,518,976	43,140,457	185,659,433	185,659,433	83,593,138	45,473,216	129,066,354
2027	--	172,174,421	44,091,582	216,266,003	216,266,003	82,651,388	43,727,773	126,379,161
2028	--	171,129,982	45,295,081	216,425,063	216,425,063	61,300,513	46,825,191	108,125,704
2029	--	160,286,485	46,770,639	207,057,124	207,057,124	61,303,995	52,648,306	113,952,301
2030	--	134,931,485	60,039,255	194,970,740	194,970,740	61,300,102	75,692,613	136,995,715
2031	--	174,675,810	47,877,776	222,553,586	222,553,586	61,304,388	45,285,059	106,589,447
2032	--	169,916,747	54,081,444	223,998,191	223,998,191	61,271,235	42,872,897	104,144,132
2033	--	159,128,930	66,573,884	225,702,814	225,702,814	61,274,437	43,272,245	104,546,682
2034	--	129,730,768	83,080,124	212,810,892	212,810,892	61,288,974	53,004,179	114,293,153
2035	--	128,101,189	95,939,624	224,040,813	224,040,813	61,295,461	79,102,485	140,397,946
2036	--	178,165,519	42,464,776	220,630,295	220,630,295	48,910,427	52,419,271	101,329,698
2037	--	167,144,836	47,911,070	215,055,906	215,055,906	48,904,956	48,306,955	97,211,911
2038	--	96,682,857	55,842,154	152,525,011	152,525,011	48,915,538	50,119,391	99,034,929
2039	--	79,538,025	72,221,724	151,759,749	151,759,749	48,920,552	57,871,536	106,792,088
2040	--	100,832,825	80,883,662	181,716,487	181,716,487	48,921,919	73,447,043	122,368,962
2041	--	94,833,275	76,367,926	171,201,201	171,201,201	32,515,550	53,273,799	85,789,349
2042	--	94,831,925	11,621,992	106,453,917	106,453,917	32,511,075	45,831,896	78,342,971
2043	--	94,834,413	13,706,348	108,540,761	108,540,761	32,515,450	66,801,535	99,316,985
2044	--	94,830,925	23,750,516	118,581,441	118,581,441	32,515,325	63,196,154	95,711,479
2045	--	94,833,763	--	94,833,763	94,833,763	--	--	--
2046	--	94,224,750	--	94,224,750	94,224,750	--	--	--
2047	--	70,831,823	--	70,831,823	70,831,823	--	--	--
2048	--	70,920,223	--	70,920,223	70,920,223	--	--	--
2049	--	71,015,803	--	71,015,803	71,015,803	--	--	--
2050	--	71,116,584	--	71,116,584	71,116,584	--	--	--
Total	$43,250,203	$3,429,313,957	$1,238,437,362	$4,667,751,319	$4,711,001,523	$1,599,397,432	$1,291,311,084	$2,850,708,516

(1) Amounts may not add to column totals due to rounding.
(2) See "DEBT STRUCTURE OF RTD – Generally."
(3) The Series 2010B FasTracks Bonds are Build America Bonds. This table reflects total interest to be paid. The refundable tax credit anticipated to be received from the United States Department of the Treasury has not been subtracted from the amounts shown. See "FINANCIAL INFORMATION CONCERNING RTD – Federal Funding." See "DEBT STRUCTURE OF RTD – Generally."
(4) Debt Service includes the impact of the 2021A and 2021B Bonds.
(5) The Series 2010B Certificates are Build America Bonds. This table reflects total interest to be paid. The refundable tax credit anticipated to be received from the United States Department of the Treasury has not been subtracted from the amounts shown. See "FINANCIAL INFORMATION CONCERNING RTD – Federal Funding."

FINANCIAL INFORMATION CONCERNING RTD

Budget Policy

RTD annually prepares and adopts an official budget in accordance with the State Local Government Budget Law. RTD's Fiscal Year begins on January 1 and ends on December 31 (the "**Fiscal Year**"). Prior to October 15 of each Fiscal Year, the General Manager submits an operating and capital budget for the ensuing Fiscal Year to the Board for its approval. The Board may accept the budget with a majority vote or may vote to override all or any part of the proposed budget. After the budget is approved (on or before December 31), in conjunction with an appropriation resolution by the Board, which must also approve subsequent amendments thereto, the General Manager is empowered to administer the operating and capital budget. If the Board fails to adopt a budget by the required date, RTD has authority to begin making expenditures limited to 90% of the prior year's approved appropriation for operations and maintenance.

RTD also maintains budgetary controls. These controls ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Board. The budget sets forth proposed outlays for operations, planning, administration, development, debt service, and capital projects. The level of budgetary control (that is, the level at which expenditures may not legally exceed the appropriated amount) is established at the fund level.

Unused appropriations lapse at year-end, except that the Board has the authority, as stated in the adopted appropriation resolution, to carry-over the unused portions of the funds for capital projects not completed for a period, not to exceed three years. RTD's policy also authorizes the General Manager to approve certain line-item transfers within the budget.

RTD administration utilizes multi-year planning and forecasting methods for budgeting and for capital projects planning. Such methods are believed to be effective in more accurately forecasting RTD's financial needs and in programming the capital improvements program to meet its infrastructure requirements. The use of a six-year mid-term operating and capital improvement forecast and a 30-year long term forecast in financial planning has enabled RTD to plan necessary revenue measures to meet future operational and capital needs. See "THE SYSTEM – Long-Term Financial Planning."

Major Revenue Sources

According to its audited financial statements for the year ended December 31, 2019, RTD derived 61.5% of its combined operating and non-operating income from Sales Tax Revenues, 11.6% from capital grants and local contributions, 15.0% from operating revenues, 8.0% from federal operating assistance, 1.6% from investment income, and 2.2% from other sources.

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The following table summarizes certain information relating to RTD's primary sources of revenue and capital receipts, including Sales Tax Revenues, for the years 2010 to 2019:

TABLE X
Revenue and Capital Receipts by Source[1]
(In Thousands of Dollars)

Year	Operating Revenues[2]	Sales Tax Revenues	Federal Operating Assistance	Investment Income	Other[4]	Total Revenue	Federal Capital Grants	Local Capital Contributions	Total Revenue and Capital Receipts
2010	$102,356	$397,549	$92,655	$ 8,065	$ 3,653	$604,278	$102,213	$ 5,265	$ 711,756
2011	113,379	415,180	89,592	6,484	11,356	635,991	186,073	52,219	874,283
2012	118,262	449,787	68,927	2,613	14,494	654,083	193,991	117,685	965,759
2013	123,040	468,586	88,243	2,040	28,170	710,079	159,783	82,783	952,645
2014	124,903	514,721	75,544	165	16,861	732,194	171,549	34,882	938,625
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	24,130	948,423	116,303	8,194	1,072,920
2019%[3]	15.0%	61.5%	8.0%	1.6%	2.2%	88.4%	10.8%	0.8%	100.0%

(1) Data is taken from the financial records of RTD and is presented on the accrual basis.
(2) Comprised almost entirely of passenger fare revenues and advertising revenues.
(3) Represents 2019 percentage of Total Revenue and Capital Receipts.
(4) Other is comprised of "Other Income" and "Gain/Loss on Capital Assets." Please see the Summary of Statements of Revenue, Expenses, and Changes in Net Position table in the Regional Transportation District, Denver, Colorado, Comprehensive Annual Financial Report in **Appendix B** hereto.

Source: District Comprehensive Annual Financial Reports for the years ended December 31, 2010-2019.

Fare Structure

Passenger fare revenues are derived from fares charged to the users of the RTD System. Fares may be paid with exact change, prepaid tickets, a monthly pass valid for unlimited rides during the months for the level of service purchased, or annual passes which are sold to specific groups. Passes include those sold to employers for use by employees ("**EcoPass**"), passes sold to organized neighborhood groups ("**Neighborhood EcoPass**"), and passes sold to students at participating colleges or universities ("**CollegePass**"). The RTD fare structure includes free transfers between routes in the same or lower fare classes. Discounted fares also are available for youth, students, seniors, people with disabilities, and those qualifying for the low-income fare program. RTD does not refund or replace lost or stolen ticket books or passes. Most RTD prepaid fare media are available through various outlets throughout the District's geographical area as well as by mobile ticketing and smart card. EcoPass, Neighborhood EcoPass, and CollegePass program annual passes are sold directly to participating organizations, and each individual participant is given a photo ID pass.

Subject only to Board approval, the District has the flexibility to make fare and service adjustments in the event of a sales tax or fare box revenue decline or operating expense increase, or for any other reason. As a recipient of federal grants, RTD is obligated to consider comments received from a public involvement process prior to implementing any fare increases. The current MTFP assumes future fare increases every three years corresponding to the projected increase in the Denver-Boulder Consumer Price Index.

On September 28, 2018, the Board approved revised fares and changes in fare structure that took effect in 2019 as set forth in Tables XI and XII below which provided enhanced revenues and modified certain fare offerings.

TABLE XI
Fares as of January 1, 2019

	Three-Hour Fare	Three-Hour Smart Card Fare	Day Pass	Monthly Pass	Senior[1]/ Disabled Fair	Youth Fare
Mall Shuttle and Free Metro Ride	Free	Free	Free	Free	Free	Free
Local – Bus and Rail	$ 3.00	$ 2.80	$ 6.00	$114.00	50% Discount	70% Discount
Regional – Bus and Rail	5.25	5.05	10.50	200.00	50% Discount	70% Discount
Airport	10.50	10.30	--	--	50% Discount	70% Discount

(1) Seniors include age 65 and older.
Source: The District

TABLE XII
New LiVE[1] Fare Program as of July 29, 2019

	Three-Hour Fare	Three-Hour Smart Card Fare	Day Pass
Mall Shuttle and Free Metro Ride	Free	Free	Free
Local – Bus and Rail	$ 1.80	$ 1.80	$ 3.60
Regional – Bus and Rail	3.15	3.15	6.30
Airport	6.30	6.30	--

(1) LiVE fares offer a 40% discount from full fares for those meeting certain household income requirements.
Source: The District

[Remainder of page left blank intentionally]

The following table summarizes RTD's ridership and fare revenue for the years 2010 to 2019, and through November 30, 2020:

TABLE XIII
RTD Annual Ridership and Fare Revenue[3]
(In Thousands)

Year	Revenue Boardings[1]	Fare Revenue	Percent Change in Fare Revenue
2010	83,732	$ 97,942	1.1%
2011	83,428	108,497	10.8
2012	85,442	112,929	4.1
2013	87,820	117,841	4.3
2014	91,049	120,497	2.3
2015	88,927	120,530	0.0
2016[2]	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[3]	46,009	69,745	(54.8)[4]

(1) Number reflects revenue boardings in thousands of people. Includes Access-a-Ride boardings and vanpool boardings.
(2) The W Line opened in April 2013, the R Line opened in February 2017, the University of Colorado A Line opened in April 2016, and the B Line opened in July 2016.
(3) Through November 30, 2020. See "RISK FACTORS – Certain Considerations Related to COVID-19."
(4) This is the percentage change between fare revenue for 11 months in 2020 and fare revenue for the full year in 2019.
Source: District Comprehensive Annual Financial Reports for the fiscal years ended December 31, 2010-2019; the District.

Advertising and Ancillary Revenues

RTD receives additional operating revenue from advertising on its buses and trains and from naming rights. RTD sells signs on the exterior and interior of its vehicles and allows advertisers to wrap buses and trains with advertising themes. RTD also receives ancillary non-operating revenue from parking fees and charges, leases of retail space at facilities, and other sources.

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The following table shows RTD's advertising income and ancillary non-operating revenues for the years 2010 to 2019, and through November 30, 2020:

TABLE XIV
RTD Advertising and Ancillary Revenues
(In Thousands of Dollars)

Year	Advertising Revenue	Ancillary Revenues
2010	$3,301	$ 2,892
2011	3,992	2,528
2012	3,524	2,214
2013	2,924	20,123[1]
2014	4,324	2,085
2015	4,160	1,186
2016	3,722	2,081
2017	4,280	2,879
2018	4,433	3,102
2019	4,482	2,071
2020[2]	4,109	1,557

(1) The 2013 increase is due to the sale of an air rights easement above Civic Center Station.
(2) Through November 30, 2020. Advertising and Ancillary Revenues for 2020 are projected to be less than 2019.
Source: District Comprehensive Annual Financial Reports for the fiscal years ended December 31, 2010-2019; the District.

Federal Funding

RTD is a designated recipient of federal funds from the FTA. These grants are reserved for capital, planning, technical assistance or operating assistance projects. The following table shows RTD's grant receipts from FTA for the years 2010 to 2019, and through November 30, 2020:

TABLE XV
RTD Federal & Local Grant Receipts
(In Thousands of Dollars)

Year	Federal Capital	Local Contributions	Grant Operating Assistance
2010	$102,213	$ 5,285	$92,655
2011	186,073	52,219	89,592
2012	193,991	117,685	68,927
2013	159,783	82,783	88,243
2014	171,549	34,882	75,544
2015	157,616	11,697	73,383
2016	185,324	16,911	77,335
2017	75,500	10,895	80,412
2018	52,229	28,773	86,403
2019	116,303	8,194	86,263
2020[1]	64,079	29,954	311,848

(1) Through November 30, 2020. In 2020, RTD received additional federal funding from the CARES Act, which totaled $232 million for the year. RTD has also been awarded $203 million under the CRRSAA, but none of such grant has been disbursed to date and it is not reflected in this Table XV. See "RISK FACTORS – Certain Considerations Relating to COVID-19 and other Public Health Pandemics or Outbreaks – *Federal Funding*."
Source: District Comprehensive Annual Financial Reports for the fiscal years ended December 31, 2010-2019; the District.

As a condition of receipt of FTA grants, RTD is typically required to augment these grants with certain amounts of its own locally generated funds. As of November 30, 2020, RTD had a commitment to provide $88,842,607 in local funds in order to receive $166,675,800 in federal and state grant funds. FTA operating assistance is allocated nationally on a formula basis and cannot exceed 50% of an agency's total operating budget.

As a designated recipient, RTD must comply with prevailing statutes, regulations, administrative requirements, executive orders, and FTA guidance. These include, but are not limited to, requirements in the areas of labor, seniors and disabled, civil rights, charter bus service, financial reporting, privatization, public participation, and environmental regulations. The grant agreements contain substantial conditions and limitations concerning the payment of federal funds, and such payments also may be subject to continuing appropriations by the United States Congress.

The sequestration provisions of the Budget Deficit Control Act of 2011 went into effect on March 1, 2013 and are currently scheduled to remain in effect through federal fiscal year 2029 absent a change in federal legislation. As a result of sequestration, the Build America Bond subsidy received by RTD related to the Tax Credit Obligations payable in federal fiscal year 2016 was reduced by 6.8% ($599,855), the amount payable in federal fiscal year 2017 was reduced by 6.9% ($608,676), the amount payable in federal fiscal year 2018 was reduced by 6.6% ($582,212), the amount payable in federal fiscal year 2019 was reduced by 6.2% ($546,927), the amount payable in federal fiscal year 2020 was reduced by 5.9% ($520,462) and the amount payable in federal fiscal year 2021 is to be reduced by 5.7% ($502,820). The RTD annual operating assistance grants of approximately $93.3 million in 2019 are exempt from sequestration. RTD was awarded a $232.3 million grant through the Cares Act which amount has been fully received by RTD. RTD has recently been awarded $203 million through the CRRSAA, although none of this grant has been disbursed to date. See "RISK FACTORS – Certain Considerations Relating to COVID-19 and other Public Health Pandemics or Outbreaks – Federal Funding." While the RTD Full Funding Grant Agreements ("**FFGAs**"), are subject to sequestration, RTD received its full appropriation of $13.4 million for 2019. FTA's stated policy is to honor existing FFGA commitments before new funding recommendations, which would mitigate impacts for projects with existing FFGAs. RTD expects any reduction in cash flow from an award to be temporary, and receipts would most likely be made whole over the remainder of the annual FFGA allocation. Overall, RTD does not anticipate that sequestration will have a material impact on cash flows over time and will not impact its ability to complete its projects on time.

Investment Income

For the year ended December 31, 2018, RTD earned investment income in the amount of $13,409,000, representing approximately 1.4% of 2018 revenues. For the year ended December 31, 2019, RTD earned investment income in the amount of $17,669,000, representing approximately 1.6% of 2019 revenues. See **Table X** herein for further information.

Financial Summary

The following tables summarize certain financial information regarding RTD. The data for the five years ended December 31, 2019 has been prepared by RTD from its audited financial statements for the years ended December 31, 2015-2019. For detailed financial information, see **Appendix B** – "REGIONAL TRANSPORTATION DISTRICT DENVER, COLORADO COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR ENDED DECEMBER 31, 2019 AND 2018."

TABLE XVI
Summary of Statements of Revenues and Expenses and Changes in Net Position
For the Years Ended December 31, 2015-2019[1]
(In Thousands of Dollars)

	Years ended December 31				
	2015[2]	**2016**	**2017**	**2018**	**2019**
Operating Revenues:					
Passenger Fares	$120,530	$134,622	$140,217	$143,231	$154,390
Other	5,347	5,803	7,159	7,535	6,553
Total Operating Revenues	125,877	140,425	147,376	150,766	160,943
Operating Expenses:					
Salaries, wages, fringe benefits	227,207	260,039	263,977	236,892	251,074
Materials and supplies	58,884	52,180	44,686	51,335	54,983
Services	79,749	58,560	77,323	81,189	96,085
Utilities	13,673	14,220	16,503	16,419	17,823
Insurance	8,102	10,382	13,319	9,941	10,833
Purchased transportation	113,216	156,605	159,051	176,416	203,559
Leases and rentals	3,462	3,288	2,829	1,996	3,204
Miscellaneous	4,531	4,183	4,213	4,317	5,053
Total Operating Expenses	508,824	559,457	581,901	578,505	642,614
Operating loss before depreciation	(382,947)	(419,032)	(434,525)	(427,739)	(481,671)
Depreciation	152,531	222,154	248,633	285,653	355,417
Operating Loss	(535,478)	(641,186)	(683,158)	(713,392)	(837,088)
Nonoperating Income (expense):					
Sales and use tax revenues	541,518	563,598	598,187	634,192	659,418
Grant operating assistance	73,383	77,335	80,412	86,403	86,263
Interest income	3,164	6,371	63,030	13,409	17,669
Other income	10,322	9,927	10,596	12,618	26,582
Gain/loss capital assets	1,085	5,664	4,022	(1,449)	(2,452)
Interest expense	(79,686)	(77,272)	(65,346)	(62,770)	(200,845)
Other expense/Unrealized loss	(1,422)	(1,258)	(2,981)	(16)	(672)
Total Nonoperating Income	548,364	584,365	687,920	682,387	585,963
Net income before capital grants and local contributions	12,886	(56,821)	4,762	(31,005)	(251,125)
Capital grants and local contributions	169,313	202,235	86,395	81,002	124,497
Increase in Net Position	182,199	145,414	91,157	49,997	(126,628)
Net Position, Beginning of Year (as previously reported)	3,181,074	3,176,938	3,322,352	3,413,509	3,463,506
Change in accounting principle [2]	(186,335)				
Net Position at End of Year	**$3,176,938**	**$3,322,352**	**$3,413,509**	**$3,463,506**	**$3,336,878**

[1] Financial data is from the District's Comprehensive Annual Financial Reports for the fiscal years ended December 31, 2015-2019.
[2] In 2015, the District adopted Government Accounting Standards Board (GASB) Statement No. 68, Accounting for Financial Reporting for Pensions, as amended by GASB Statement No. 71 Pension Transition for Contributions Made Subsequent to the Measurement Date. GASB 68 requires governments providing defined benefit pensions to recognize the long-term obligation for pension benefits as a liability.
Source: District Comprehensive Annual Financial Reports for the fiscal years ended December 31, 2015-2019.

TABLE XVII
Comparison of Budgeted[1] and Actual Revenues and Expenses
2015-2019; 2020 Amended Budget
(In Thousands of Dollars)

		2019		2018		2017		2016		2015	
	2020 Amended Budget	2019 Amended Budget	2019 Actual	2018 Amended Budget	2018 Actual	2017 Amended Budget	2017 Actual	2016 Amended Budget	2016 Actual	2015 Amended Budget	2015 Actual
Operating Revenues:											
Passenger fares	93,824	$163,600	$154,390	$146,785	$143,231	$142,500	$140,217	$130,173	$134,622	$123,373	$120,530
Other	5,513	5,616	6,553	5,666	7,535	6,023	7,159	4,797	5,803	5,245	5,347
Total operating revenues	**99,337**	**169,216**	**160,943**	**152,451**	**150,766**	**148,523**	**147,376**	**134,970**	**140,425**	**128,618**	**125,877**
Operating Expenses:											
Salaries, wages, fringe benefits	285,448	279,004	251,074	258,452	236,892	238,452	263,977	222,966	260,039	202,135	227,207
Materials and supplies	62,766	63,563	54,983	60,853	51,335	55,853	44,686	60,001	52,180	67,741	58,884
Services	120,156	139,262	96,085	148,405	81,189	154,405	77,323	139,385	58,560	139,607	79,749
Utilities	18,857	19,926	17,823	18,149	16,419	22,149	16,503	19,382	14,220	15,015	13,673
Insurance	13,795	14,151	10,833	11,485	9,941	8,485	13,319	7,665	10,382	7,595	8,102
Purchased transportation	218,503	211,016	203,559	187,209	176,416	174,209	159,051	175,696	156,605	114,214	113,216
Leases and rentals	4,358	3,090	3,204	3,712	1,996	3,712	2,829	3,557	3,288	3,415	3,462
Miscellaneous	9,302	7,204	5,053	12,102	4,317	14,432	4,213	9,601	4,183	5,824	4,531
Total Operating Expenditures	**733,185**	**737,216**	**642,614**	**700,367**	**578,505**	**671,697**	**581,901**	**638,253**	**559,457**	**555,546**	**508,824**
Operating Loss	**(633,848)**	**(568,000)**	**(481,671)**	**(547,916)**	**(427,739)**	**(523,174)**	**(434,525)**	**(503,283)**	**(419,032)**	**(426,928)**	**(382,947)**
Nonoperating revenue (expense):											
Sales and Use Tax	500,954	662,376	659,418	622,834	634,192	586,053	598,187	569,763	563,598	551,368	541,518
Grant operating assistance	321,569	92,013	86,263	102,681	86,403	103,785	80,412	96,767	77,335	78,832	73,383
Investment income	3,748	15,695	17,669	11,732	13,409	4,197	63,030	3,840	6,371	4,310	3,164
Other income	12,969	12,871	25,582	13,246	12,618	11,244	10,596	20,200	9,927	11,020	10,322
Gain/loss on capital assets	0	--	(3,124)	--	(1,449)	--	4,022	--	5,664	--	1,085
Interest expense	(168,977)	(152,155)	(200,845)	(153,248)	(62,770)	(129,719)	(65,346)	(117,313)	(77,272)	(95,365)	(79,686)
Other expense	--	--	--	--	(16)	--	(2,981)	--	(1,258)	--	(1,422)
Total Nonoperating Revenue	**670,263**	**630,800**	**585,963**	**597,245**	**682,387**	**575,560**	**687,920**	**573,257**	**584,365**	**550,165**	**548,364**
Proceeds from issuance of long-term debt	--	--	(96,071)	--	(5,805)	457,091	402,435	457,091	314,174	457,091	299,688
Capital Outlay:											
Capital expenses		693,520	350,221	849,538	335,080	1,055,839	451,245	1,396,223	693,159	1,687,076	870,055
Less capital grants	379,950	(266,591)	(124,497)	(311,134)	(81,002)	(418,898)	(86,395)	(258,089)	(202,235)	(206,451)	(169,313)
		426,929	225,724	538,404	254,078	636,941	364,850	1,138,134	490,924	1,480,625	700,742
Long-term debt principal payment	146,675	76,771	146,475	58,065	64,700	58,065	489,841	61,698	133,098	58,942	54,348
Excess (deficit) of revenue and non- operating income over (under) expenses, capital outlay and debt principal payments	**(190,210)**	**$(440,900)**	**(363,978)**	**$(547,140)**	**(69,935)**	**$(185,529)**	**(198,861)**	**$(672,767)**	**(144,515)**	**$(959,239)**	**(289,985)**
Increases (decreases) to reconcile budget basis to GAAP basis:											
Capital expenditures			350,221		335,080		451,245		693,159		870,055
Long-term debt proceeds			96,071		5,805		(402,435)		(314,174)		(299,688)
Long-term debt principal			146,475		64,700		489,841		133,098		54,348
Depreciation			(355,417)		(285,653)		(248,633)		(222,154)		(152,531)
NET INCOME			**$ (126,628)**		**$ 49,997**		**$ 91,157**		**$145,414**		**$182,199**

(1) The District'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 payments, and exclude depreciation and gains and losses on disposition of property and equipment.
(2) The District typically amends its budget mid-year to make necessary incremental changes which are supported by identified revenue resources. The District's intent is to always maintain a balanced budget.
Source: District Comprehensive Annual Financial Reports for the fiscal years ended December 31, 2015-2019. The District's 2020 Amended Budget was adopted July 21, 2020.

Fiscal Year 2020 Amended Budget
(In Thousands of Dollars)

COMBINED	2019 Actual	2020 Adopted Budget	2020 Amended Budget	$ Change 2020 Amended Budget vs. 2020 Adopted Budget	% Change 2020 Amended Budget vs. 2020 Adopted Budget
Operating Revenue:					
Farebox Revenues	$154,390	$158,116	$93,824	$(64,292)	-40.7%
Advertising Revenues	4,482	3,400	3,400	--	0.0%
Joint Venture Revenue	(201)	1,002	1,002	--	0.0%
Other Operating Revenues	2,271	1,111	1,111	--	0.0%
Total Operating Revenue	**160,942**	**163,629**	**99,337**	**(64,292)**	**-39.3%**
Operating Expenses (excluding Depreciation):					
Bus Operations	182,671	167,014	168,651	1,637	1.0%
Rail Operations	139,364	169,720	175,723	6,003	3.5%
Private Carrier Operations	94,315	120,501	119,154	(1,347)	-1.1%
Access-a-Ride	45,362	54,184	46,602	(7,582)	-14.0%
Planning	6,724	5,154	11,415	6,261	121.5%
Capital Programs & Facilities	62,330	53,961	68,840	14,879	27.6%
Safety, Security & Asset Management	33,950	39,853	39,504	(349)	-0.9%
General Counsel	15,995	17,391	17,111	(280)	-1.6%
Finance & Administration	53,547	56,253	55,090	(1,163)	-2.1%
Communications	13,257	14,771	16,189	1,418	9.6%
Executive Office	6,809	6,730	6,647	(83)	-1.2%
Board Office	878	1,170	1,192	22	1.9%
Other Non-Departmental	10,846	9,605	7,068	(2,537)	-26.4%
FasTracks Service Increases	--	--	--	--	0.0%
Allocated Expenditures	(23,433)	--	--	--	0.0%
Expense Projects Carry-forward	--	23,437	--	(23,437)	-100.0%
Total Operating Expenses (excluding Depreciation)	**642,615**	**739,744**	**733,186**	**(6,558)**	**-0.9%**
Operating Income/(Loss)	**(481,673)**	**(576,115)**	**(633,849)**	**(57,734)**	**10.0%**
Non-Operating Revenues:					
Sales Tax	604,792	597,262	454,082	(143,180)	-24.0%
Use Tax	54,625	67,481	46,873	(20,608)	-30.5%
Grant Revenue - Operating	86,263	92,231	321,569	229,338	248.7%
Grant Revenue - Capital	120,782	218,109	231,088	12,979	6.0%
Investment Income	17,669	7,496	3,748	(3,748)	-50.0%
Other Income	24,209	12,969	12,969	--	0.0%
Total Non-Operating Revenues	**908,340**	**995,547**	**1,070,328**	**74,781**	**7.5%**
Income Before Debt Service and Cap Ex	**426,667**	**419,432**	**436,479**	**17,047**	**4.1%**
Debt and Reserves:					
Debt Payments	(146,675)	(88,174)	(88,174)	--	0.0%
Interest Expense	(201,585)	(170,384)	(168,977)	1,407	-0.8%
Financing Proceeds	93,030	--	--	--	0.0%
Drawdown/(Increase) in Capital Replacement Reserve	--	--	--	--	0.0%
Drawdown/(Increase) in FasTracks Debt Service Reserve	--	--	--	--	0.0%
Drawdown/(Increase) in FasTracks Construction Reserve	--	--	--	--	0.0%
Drawdown (Increase) in FasTracks Internal Savings Account	--	(11,461)	(16,101)	(4,640)	40.5%
Drawdown/(Increase) in FasTracks Management Reserve	--	--	--	--	0.0%
Contributed Capital	3,704	116,790	79,025	(37,765)	-32.3%
Increase / (Decrease) in Debt and Reserves	**(251,526)**	**(153,229)**	**(194,227)**	**(40,998)**	**26.8%**
Capital Expenditures:					
Prior Year Approved Capital Carryforward	315,916	573,644	450,456	(123,188)	-21.5%
Facilities Construction & Maintenance	--	6,069	6,552	483	8.0%
Bus Infrastructure	--	--	--	--	0.0%
Park-n-Rides	--	--	--	--	0.0%
Capital Support Projects	--	3,601	3,584	(17)	-0.5%
Rail Construction	--	1,282	1,282	--	0.0%
Rail Transit	--	1,282	1,282	--	0.0%
Fleet Modernization & Expansion	--	20,504	20,504	--	0.0%
Capital Support Equipment	--	933	933	--	0.0%
Treasury	--	5,155	5,155	--	0.0%
Systems Planning	--	--	--	--	0.0%
Unallocated Capital	--	--	--	--	0.0%
Fastracks Program	--	854	59,179	58,325	6829.6%
Net Capital Expenditures	**315,916**	**613,324**	**548,927**	**(64,397)**	**-10.5%**
Current Activity	**$(140,775)**	**$(347,121)**	**$(306,675)**	**$40,446**	**-11.7%**

Management's Discussion of Fiscal Year 2021 Budget

Summary

The Fiscal Year 2021 Budget of RTD adopted by the Board on November 17, 2020 (the "**Fiscal Year 2021 Budget**") is available at https://www.rtd-denver.com/sites/default/files/files/2020-10/2021-RTD-Budget-Detail_0.pdf. The Fiscal Year 2021 Budget includes the projected operating and non-operating revenue shown below (in thousands) which are estimated, not appropriated.

Operating Revenue, Non-Operating Revenue

BASE SYSTEM (0.6%)	**2020 Amended Budget $000s**	**2021 Adopted Budget $000s**	**Change**
Farebox Revenue	$ 65,677	$ 60,961	$ (4,716)
Other Operating Revenue	4,541	3,932	(609)
Sales/Use Tax	300,573	393,025	92,452
Grant Revenue	297,019	118,510	(178,509)
Investment Income	704	--	(704)
Other Income	3,392	3,170	(222)
Base System Revenue	**$671,905**	**$579,598**	**$(92,308)**
FASTRACKS PROJECT (0.4%)			
Farebox Revenue	$ --	$ --	$ --
Other Operating Revenue	--	--	--
Sales/Use Tax	49,970	148,376	98,406
Grant Revenue	255,638	66,772	(188,866)
Investment Income	3,044	--	(3,044)
Other Income	8,274	8,319	45
FasTracks Project Revenue	**$316,926**	**$223,467**	**$(93,459)**
FASTRACKS OPERATIONS			
Farebox Revenue	$ 28,147	$ 27,501	$ (646)
Other Operating Revenue	972	874	(98)
Sales/Use Tax	150,412	113,641	(36,771)
Grant Revenue	--	--	--
Investment Income	--	--	--
Other Income	1,303	442	(861)
FasTracks Operations Revenue	**$180,834**	**$142,458**	**$(38,376)**
Total FasTracks Revenue	**$497,760**	**$365,925**	**$(131,835)**
DISTRICT-WIDE			
Farebox Revenue	$ 93,824	$ 88,462	$ (5,362)
Other Operating Revenue	5,513	4,806	(707)
Sales/Use Tax	500,954	655,041	154,087
Grant Revenue	552,657	185,282	(367,375)
Investment Income	3,748	--	(3,748)
Other Income	12,969	11,931	(1,038)
District-Wide Revenue	**$1,169,665**	**$945,522**	**$(224,143)**

The Fiscal Year 2021 Budget appropriation includes the projected operating expenses, debt service and reserves, capital expenditures, and fund balances shown below (in thousands).

Operating Expenses, Debt Service, Capital Expenditures, Fund Balances

BASE SYSTEM (0.6%)	2020 Amended Budget $000s	2021 Adopted Budget $000s	Change
Operating Expense	$543,976	$474,409	$ (69,567)
Interest Expense	16,760	14,340	(2,420)
New Capital	39,292	17,099	(22,193)
Debt Payments	65,793	63,931	(1,862)
FasTracks Internal Savings Account	--	--	--
Board Appropriated Fund	26,400	26,200	(200)
Capital Replacement Fund	--	--	--
Unrestricted Operating Reserve	15,400	15,400	--
Unrestricted Fund	39,689	83,400	43,711
Base System (0.6%) Appropriation	**$747,310**	**$694,779**	**$(52,531)**
Base System Previously Approved Capital	**$109,915**	**$133,626**	**$ 23,711**
Total Base System Appropriation	**$857,225**	**$828,405**	**$(28,820)**
FASTRACKS PROJECT (0.4%)			
Operating Expense	$ 9,006	$ 4,973	$ (4,003)
Interest Expense	152,217	161,384	9,167
New Capital	59,179	--	(59,179)
Debt Payments	22,381	23,860	1,479
FasTracks Management Reserve	890	--	(890)
FasTracks Internal Savings Account	119,646	137,304	17,658
Board Appropriated Fund	751	414	(337)
Capital Replacement Fund	751	414	(337)
Unrestricted Fund	751	414	(337)
FasTracks Project (0.4%) Appropriation	**$365,572**	**$328,763**	**$(36,809)**
FasTracks Project Previously Approved Capital	**$340,541**	**$318,598**	**$(21,943)**
Total FasTracks Project Appropriation	**$706,113**	**$647,361**	**$(58,752)**
FASTRACKS OPERATIONS			
Operating Expense	$180,204	$150,006	$(30,198)
Interest Expense	--	--	--
New Capital	--	--	--
Debt Payments	--	--	--
Board Appropriated Fund	15,017	12,501	(2,516)
Capital Replacement Fund	15,017	12,501	(2,516)
Unrestricted Fund	15,017	12,501	(2,516)
FasTracks Operations Appropriation	**$225,255**	**$187,509**	**$(37,746)**
FasTracks Operations Previously Approved Capital	**$ --**	**$ --**	**$ --**
Total FasTracks Operations Appropriation	**$225,255**	**$187,509**	**$(37,746)**
Total FasTracks Appropriation	**$931,368**	**$834,870**	**$(96,498)**
DISTRICT-WIDE			
Operating Expense	$733,186	$629,388	$ (103,798)
Interest Expense	168,977	175,724	6,747
New Capital	98,471	17,099	(81,372)
Debt Payments	88,174	87,791	(383)
FasTracks Management Reserve	890	--	(890)
FasTracks Internal Savings Account	119,646	137,304	17,658
Board Appropriated Fund	42,168	39,115	(3,053)
Capital Replacement Fund	15,768	12,915	(2,853)
Unrestricted Operating Reserve	15,400	15,400	--
Unrestricted Fund	55,457	96,315	40,858
District-Wide Appropriation	**$1,338,137**	**$1,211,051**	**$(127,086)**
District-Wide Previously Approved Capital	**$ 450,456**	**$ 452,224**	**$ 1,768**
Total District-Wide Appropriation	**$1,788,593**	**$1,663,275**	**$(125,318)**

Overview of the Fiscal Year 2021 Budget

Revenues of $945.5 million on a combined basis are expected to decrease $224.1 million (-19.2%) in 2021 from the 2020 Amended Budget. This is due to (i) a decrease in farebox revenue of $5.4 million, (ii) a decrease in grant revenue of $367.4 million, (iii) a decrease in investment income of $3.7 million, and (iv) a decrease in other income of $1.7 million, offset by (v) an increase in sales/use tax revenue of $154.1 million.

- Combined (Base System and FasTracks) farebox revenue of $88.5 million is budgeted to decrease $5.4 million or 5.7% from the 2020 Amended Budget. Planned service levels in 2021 will be approximately 55% of pre-pandemic levels.
    - On the Base System, farebox revenue is forecast at $61.0 million, a decrease of $4.7 million from the 2020 Amended Budget.
    - For FasTracks, farebox revenue is forecast at $27.5 million, a decrease of $0.6 million from the 2020 Amended Budget.
- Ridership is expected to continue to decrease through much of 2021 due to the effects of the pandemic.
- Sales and use tax revenue of $655.0 million in 2020 is forecast to increase 5.5% or $34.0 million over the earlier 2020 estimate. The Fiscal Year 2021 Budget incorporates the most recent September quarterly sales/use tax forecast by the CU-Leeds School of Business.
- Total grant revenue, including new and carry-forward amounts, is estimated at $185.3 million, a decrease of $367.4 million from the 2020 Amended Budget.
    - Total Base System grants are estimated at $118.5 million in 2021, and of that amount $114.9 million is new grants while projected carry-forward grant funding is $3.6 million. Base System grants are projected to decrease $178.5 million from the 2020 Amended Budget reflecting the receipt of the CARES Act grant funding in 2020. The forecast assumes no additional CARES Act or other federal grant funding for 2021. Large grants for the Base System include formula FTA grants for capital maintenance (5307), fixed guideway (5337), and bus facilities (5339), state FASTER grants, and VW settlement funds.
    - FasTracks grants are budgeted at $66.8 million, which is a decrease of $188.9 million from the 2020 Amended Budget reflecting the receipt of the CARES Act grant funding in 2020. Of the amount, all $66.8 million is the projected carry-forward grant funding to 2021, with no new grant funding. Operating grant revenue is estimated to decrease $82.0 million while capital grant revenue is estimated to decrease $106.9 million from the 2020 Amended Budget. The carryforward is made up of final draws on the FFGA for the Eagle project and Small Starts funding for SERE.
- Combined investment income is budgeted at $0 due to expectation of minimal investable fund balances.

- Other operating income and other income totaling $16.7 million is budgeted to decrease $1.7 million from the 2020 Amended Budget. This recurring miscellaneous revenue is mostly increased at the CPI and includes advertising revenue, joint venture revenue, parking income, rental income, third-party reimbursement, and other items. Included in other income is the Build America bonds subsidy (FasTracks Project), payment by the University of Colorado for naming rights on the A Line which discontinues in April 2021 (FasTracks Operations), DUS rental income (Base System and FasTracks Operations), and Greyhound rental income (Base System).

Operating expenditures are budgeted at $629.4 million on a combined basis in 2021 (excluding depreciation), which is $103.8 million lower than the 2020 Amended Budget. Base System operating expenses are budgeted to decrease $69.6 million, FasTracks Project operating expenses are budgeted to decrease $4.0 million, and FasTracks Operations operating expenses are budgeted to decrease $30.2 million.

On the Base System, departmental operating expenses are targeted amounts derived from the 2021-2022 Mid-Term Financial Plan, plus operating/expense projects carry-forward from 2020, and other miscellaneous revisions unknown at the time of the MTFP.

For FasTracks Operations, operating expenses include full allocation from Base to FasTracks for costs of operating FasTracks services, which is a full allocation including administrative and support costs, and which totals $31.0 million for 2021. FasTracks Operations also includes a $58.1 million estimated service payment to Denver Transit Operators for commuter rail operations.

The operating/expense project carry-forward to 2021 is $10.4 million for Base System, $0.09 million for FasTracks Project, and $2.6 million for FasTracks Operations.

Diesel fuel is budgeted at $2.03 per gallon, compared to a lock price of $2.00 per gallon in 2020. Gasoline is budgeted at an average cost of $2.50/gallon in 2020, which is down from $2.90 in the 2020 budget. Total fuel usage is expected to be lower in 2021 due to service reductions.

Interest expense in 2021 is budgeted at $175.7 million on a combined basis, an increase of $6.7 million over the 2020 Amended Budget. Of total interest expense, $14.3 million is budgeted for Base System and $161.4 million is budgeted for FasTracks. The increase is mainly due to the payment, as opposed to capitalization, of interest beginning on the TIFIA loan in 2021 for $10.7 million. FasTracks interest expense includes the TABOR interest expense of $35.6 million.

Principal payments on debt will be $87.8 million on a combined basis, which is down $0.4 million from the 2020 Amended Budget. Base System principal payments of $63.9 million are $1.9 million lower than the 2020 Amended Budget due to scheduled principal amortization on current debt and an anticipated refunding of outstanding debt. FasTracks principal payments of $23.9 million are $1.5 million higher than the 2020 Amended Budget due to scheduled principal amortization on current debt offset by the Refunding Project. The TABOR principal payment of $10.7 million is included in the FasTracks debt payment. No new debt issuances are planned in 2021 for either the Base System or FasTracks. Both will draw from previously issued debt to fund major capital purchases and/or construction.

Capital expenditures are comprised of both the capital carry-forward from 2020 (previously approved capital) arising from timing of project completion, and new capital for 2021. The capital carry-forward is $452.2 million made up of $133.6 million on the Base System and $318.6 million on FasTracks.

New capital spending of $17.1 million on a combined basis will decrease $81.4 million from the 2020 Amended Budget. Base System new capital expenditures account for the entire $17.1 million, consisting of the electric bus purchases project of $16.1 million funded by revenues awarded to RTD by the FTA under the Volkswagen settlement program and the Low or No Emission Vehicle Program, and $1.0 million in an innovative mobility project fully-funded by grants. FasTracks new capital expenditures are estimated at zero. The Base System electric buses project was approved as part of the MTFP.

Fund balance and reserve accounts include an increase of $43.7 million to the Base System unrestricted year-end fund balance for a total fund balance of $83.4 million. The actual amount realized may be lower or higher than projected due to lower or higher fare revenue and sales tax revenue in 2021, which will become evident in the 2021 amended budget. Also on the Base System, the Board-appropriated fund is budgeted at $26.2 million, the capital replacement fund is budgeted to remain at $0, and the unrestricted operating reserve is budgeted to be unchanged at $15.4 million. The total of these fund balances is budgeted at $125.0 million for the Base System.

In FasTracks Project and FasTracks Operations, the three key reserve funds (Board-appropriated, capital replacement, and unrestricted fund) are maintained at 3 months of operating expenses and total $38.7 million in the 2021 budget. The FasTracks Internal Savings Account (FISA) is budgeted at $137.3 million in 2021, an increase of $17.6 million. Other designated reserve funds (unrestricted) are estimated at $164.8 million.

On a District-wide basis, the total of the Board-appropriated fund, the capital replacement fund, the unrestricted operating reserve and the unrestricted fund balance is budgeted to increase $34.9 million over the 2020 Amended Budget. These fund balances are maintained in accordance with fiscal policies for the Base System, FasTracks Project and FasTracks Operations per the District's Fund Balance Policy.

Financial Impact

The Fiscal Year 2021 Budget is balanced, and the total proposed current year appropriation for the Fiscal Year 2021 Budget (combined Base and FasTracks) is $1.211 billion. This includes an operating expense budget of $629.4 million, interest expense of $175.7 million, new capital expenditures of $17.1 million, debt payments of $87.8 million, FasTracks Internal Savings Account of $137.3 million, Board-appropriated fund of $39.1 million, capital replacement fund of $12.9 million, unrestricted operating reserve of $15.4 million, and estimated unrestricted fund balance of $96.3 million. The previously approved capital (capital carry-forward) is $452.2 million. The sum of the budget appropriation and capital carry-forward is $1.663 billion.

ECONOMIC AND DEMOGRAPHIC OVERVIEW

Appendix C contains an economic and demographic overview of the Denver Metropolitan Area as of January 2021 (the "**Overview**"). The Overview has been prepared at the request of RTD by Development Research Partners which has consented to the inclusion of the Overview in this Official Statement. Neither RTD, the Municipal Advisor nor the Underwriters assumes responsibility for the accuracy, completeness or fairness of the information contained in the Overview. The information in **Appendix C** – "AN ECONOMIC AND DEMOGRAPHIC OVERVIEW OF THE DENVER METROPOLITAN AREA" has been included in this Official Statement in reliance upon the authority of Development Research Partners as experts in the preparation of economic and demographic analyses. Potential investors should read the Overview in its entirety for information with respect to the economic and demographic status of the Denver Metropolitan Area.

FORWARD LOOKING STATEMENTS

The statements contained in this Official Statement, particularly the information contained under the captions "THE SYSTEM – Long-Term Financial Planning" and "– FasTracks" and "FINANCIAL INFORMATION CONCERNING RTD – Management's Discussion of Fiscal Year 2021 Budget" and in any other information provided by the District, that are not purely historical, are forward looking statements, including statements regarding the District's expectations, hopes, intentions, or strategies regarding the future. Readers should not place undue reliance on forward-looking statements. All forward-looking statements included in this Official Statement are based on information available to the District on the date hereof, and the District assumes no obligation to update any such forward-looking statements. The District's actual results could differ materially from those discussed in such forward-looking statements.

The forward-looking statements, included herein, are necessarily based on various assumptions and estimates and are inherently subject to various risks and uncertainties, including risks and uncertainties relating to the possible invalidity of the underlying assumptions and estimates and possible changes or developments in social, economic, business, industry, market, legal, regulatory circumstances and conditions and actions taken or omitted to be taken by third parties, including customers, suppliers, business partners and competitors, and legislative, judicial, and other governmental authorities and officials. Assumptions related to the foregoing involve judgments with respect to, among other things, future economic, competitive, and market conditions of future business decisions, all of which are difficult or impossible to predict accurately and many of which are beyond the control of the District. Any of such assumptions could be inaccurate and, therefore, there can be no assurance that the forward-looking statements included in this Official Statement will prove to be accurate.

CONSTITUTIONAL REVENUE, SPENDING AND DEBT LIMITATIONS

On November 3, 1992, the voters of the State approved an amendment to the State Constitution (the "**Amendment**") that limits the powers of public entities to borrow, tax and spend.

The Amendment requires voter approval prior to the imposition by RTD of a new tax, tax rate increase, mill levy increase, valuation for assessment ratio increase, tax extension or other change in tax policy that results in a net gain of tax revenues or the creation by RTD of any multiple-fiscal year direct or indirect debt or other financial obligation, subject to certain exceptions, including refinancing at a lower interest rate. Elections for such voter approval may be held only at a State general election or on the first Tuesday of November of odd-numbered years.

In the absence of voter approval, the Amendment also limits, with certain adjustments, annual percentage increases in RTD property tax revenues and total revenues, subject to certain exceptions, to the total of inflation plus changes in the actual value of real property within its boundaries. Revenues collected by RTD in excess of the limit are required to be refunded during the next calendar year. In addition, in the absence of voter approval, the Amendment limits, with certain adjustments, annual percentage increases in RTD spending, subject to certain exceptions, to the total of inflation plus the changes in the actual value of real property within its boundaries. If revenues fall in any calendar year, the lower total becomes the new RTD base for computing the next year's limits. On November 2, 1999, the voters of the District voted to exempt RTD from the revenue and spending limitations of the Amendment for the purpose of repaying any debt incurred to finance the Southeast Rail Line or operating such line. This vote related to the 0.6% Sales Tax revenues and the exemption approved by the voters of the District will continue as long as any Senior Bonds remain outstanding, but in no event beyond

December 31, 2026. Following the expiration, the revenue and spending limitations of the Amendment will apply to the 0.6% Sales Tax revenues. On November 2, 2004, the voters of the District exempted the District from any revenue and spending limitations on the 0.4% Sales Tax revenues and related investment income.

LITIGATION

There is no litigation pending or threatened in writing relating in any manner to the authorization, execution or delivery or the legality of the Bonds or the power of RTD to apply Sales Tax Revenues under the Indenture.

Litigation between the District and Denver Transit Partners ("**DTP**"), the concessionaire that designed, built and financed, and is operating and maintaining, three lines of RTD's commuter rail system pursuant to the P3 Concession Agreement, is currently pending before the Colorado District Court (the "**Court**"). DTP filed "Change in Law" and "Force Majeure" claims concerning DTP's failure to obtain timely approvals from the Colorado Public Utilities Commission and the Federal Railroad Administration and RTD filed related counterclaims. If successful, this lawsuit could entitle DTP to relief under the P3 Concession Agreement, damages, and prejudgment interest totaling over $111 million, including crossing guard expenses and refunding of certain deductions made to payments from RTD to DTP pursuant to stipulations with RTD for permission to commence operations of the University of Colorado A Line and B Line under regulatory waivers. Trial for the litigation concluded on October 16, 2020 and, as of the date of this Official Statement, the District and DTP are waiting for a Court decision. In the event that the Court awards damages to and enters a judgment in favor of DTP, RTD expects to pay such judgment from any available funds of the District, which would not include Sales Tax Revenues pledged to pay debt service on the Bonds.

The District is involved in various other claims and lawsuits arising in the ordinary course of the District's business.

The District believes that its insurance coverage (including self-insurance) is adequate and that any liability assessed against the District as a result of claims or lawsuits (including the litigation between the District and DTP described above) that are not covered by insurance would not materially adversely affect the financial condition of the District or its ability to perform its obligations under the Indenture.

GOVERNMENTAL IMMUNITY

The Colorado Governmental Immunity Act, Title 24, Article 10, Part 1, Colorado Revised Statutes, as amended (the "**Governmental Immunity Act**"), provides in part, that public entities are immune from liability in all claims for injury which lie in tort or could lie in tort (regardless of the type of action of the form of relief chosen by the claimant), except to the extent specifically excluded by the Governmental Immunity Act. These exclusions include claims resulting from: (a) the operation, by a public employee during the course of his or her employment, of a motor vehicle (including a light rail car or engine) that is owned or leased by a public entity; (b) the operation by a public entity of a public hospital, correctional facility or jail; (c) a dangerous condition of a public building or public facility operated by a public entity, including a public water, gas, sanitation, electrical, power or swimming facility; (d) a dangerous condition of a public highway, road or street which physically interferes with the movement of traffic, a dangerous condition caused by a failure to realign traffic signs turned without authorization in a manner which reassigns the right-of-way on intersecting public highways, roads or streets or by a failure to repair traffic control signals on which conflicting directions are displayed or a dangerous condition caused by an accumulation of snow and ice which interferes with access to public buildings when a public entity has actual notice of such condition, has a reasonable time to act and fails to use existing means available to it for removal or mitigation; or (e) the operation and maintenance by a public entity of any public water, gas, sanitation, electrical, power or swimming facility. The Governmental Immunity Act defines "dangerous condition" as a physical condition or use which constitutes an unreasonable risk to the health or safety of the public which is or should have been known to exist and which is proximately caused by the negligent act or omission of the public entity. The maximum amounts that may be recovered under the Governmental Immunity Act, whether from one or more public entities and public employees, are as follows: (a) for any injury to one person in any single occurrence, the sum of $350,000 for claims accruing before January 1, 2018, or the sum of $387,000 for claims accruing on or after January 1, 2018 and before January 1, 2022; or (b) for an injury to two or more persons in any single occurrence, the sum of $990,000 for claims accruing before January 1, 2018, except in such instance, no person may recover in excess of $350,000; or the sum of $1,093,000 for claims accruing on or after January 1, 2018, and before January 1, 2022, except in such instance, no person may recover in excess of $387,000. The Governmental Immunity Act also specifies the sources from which judgments against public entities may be collected and provides that public entities are not liable either directly or by indemnification for punitive or exemplary damages or for damages for outrageous conduct, except as may be otherwise determined by a public entity pursuant to the Governmental Immunity Act.

RTD may be subject to civil liability and may not be able to claim sovereign immunity for actions founded upon various federal laws. Examples of such civil liability include, but are not limited to, suits filed pursuant to 42 U.S.C. Section 1983 alleging the deprivation of federal constitutional or statutory rights of an individual. In addition, RTD may be enjoined from engaging in anti-competitive practices which violate the antitrust laws. However, the Governmental Immunity Act provides that it applies to any action brought against a public entity or a public employee in any Colorado state court having jurisdiction over any claim brought pursuant to any federal law, if such action lies in tort or could lie in tort.

Pursuant to the Governmental Immunity Act, a public entity may prospectively waive its immunity. RTD has waived sovereign immunity for certain types of claims. Specifically, RTD has waived immunity for claims arising from the construction of light rail lines, up to the limits of its insurance policy covering such claims. See "RTD – Insurance."

CONTINUING DISCLOSURE AGREEMENT

Pursuant to the requirements of the Securities and Exchange Commission Rule 15c2-12 (17 C.F.R. Part 240, § 240.15c2-12) ("**Rule 15c2-12**"), RTD has agreed in a Continuing Disclosure Agreement, dated the date of issuance of the Bonds (the "**Continuing Disclosure Agreement**"), between RTD and Digital Assurance Certification, L.L.C., as dissemination agent (the "**Dissemination Agent**"), to provide certain financial information, other operating data and notices of material events for the benefit of the owners of the Bonds. A form of the Continuing Disclosure Agreement is attached hereto as **Appendix A**. A failure by RTD or the Dissemination Agent to comply with the Continuing Disclosure Agreement does not constitute an Event of Default under the Indenture. Nevertheless, such a failure must be reported in accordance with Rule 15c2-12 and must be considered by any broker, dealer or municipal securities dealer before recommending the purchase or sale of the Bonds in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the Bonds and their market price.

Continuing disclosure agreements entered by the District for past issuances require that filings made by the District be linked with related CUSIP numbers. At the time of filing, the 2017 and 2018 audited financial statements and annual financial report were not linked with three CUSIPs for the District's Series 2010A Certificates of Participation. This linking has been corrected by the District.

LEGAL MATTERS

Legal matters relating to the execution and delivery of the Bonds are subject to the approving opinion of Butler Snow LLP, Denver, Colorado, as Bond Counsel, which is to be delivered with the Bonds.

Hogan Lovells US LLP, Denver, Colorado, has been retained to assist the District in preparation of this Official Statement.

Certain legal matters will be passed upon for RTD by Melanie J. Snyder, General Counsel for the District, and for the Underwriters by Ballard Spahr LLP, Denver, Colorado.

The legal fees to be paid to Butler Snow LLP in connection with the execution and delivery of the Bonds are contingent upon the sale and delivery of the Bonds. The legal fees to be paid to Hogan Lovells US LLP in connection with the preparation of this Official Statement and the legal fees to be paid to Ballard Spahr LLP are also contingent upon the sale and delivery of the Bonds.

TAX MATTERS

2021A Bonds

The following is a summary of certain material federal income tax consequences of the purchase, ownership and disposition of the Series 2021A Bonds for the investors described below and is based on the advice of Butler Snow LLP, as Bond Counsel. This summary is based upon laws, regulations, rulings and decisions currently in effect, all of which are subject to change. The discussion does not deal with all federal tax consequences applicable to all categories of investors, some of which may be subject to special rules, including but not limited to, partnerships or entities treated as partnerships for federal income tax purposes, pension plans and foreign investors, except as otherwise indicated. In addition, this summary is generally limited to investors that are "U.S. holders" (as defined below) who will hold the Series 2021A Bonds as "capital assets" (generally, property held for investment) within the meaning of Section 1221 of the Tax Code (hereinafter defined). Investors should consult their own tax advisors to determine the federal, state, local and other tax consequences of the purchase, ownership and disposition of Series 2021A Bonds. Prospective investors should note that no rulings have been or will be sought from the Internal Revenue Service (the "**Service**") with respect to any of the federal income tax consequences discussed below, and no assurance can be given that the Service will not take contrary positions.

As used herein, a "U.S. holder" is a "U.S. person" that is beneficial owner of a Series 2021A Bond. A "non U.S. holder" is a holder (or beneficial owner) of a Series 2021A Bond that is not a U.S. person. For these purposes, a "U.S. Person" is a citizen or resident of the United States, a corporation or partnership created or organized in or under the laws of the United States or any political subdivision thereof (except, in the case of a partnership, to the extent otherwise provided in the Treasury Regulations), an estate the income of which is subject to United States federal income taxation regardless of its source or a trust if (i) a United States court is able to exercise primary supervision over the trust's administration and (ii) one or more United States persons have the authority to control all of the trust's substantial decisions.

General Matters

Although the Series 2021A Bonds are issued by the District, interest on the Series 2021A Bonds (including original issue discount treated as interest) is not excludable from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended to the date hereof (the "**Tax Code**") and is not excludable from gross income for Colorado income tax purposes. Interest on the Series 2021A Bonds (including original issue discount treated as interest) will be fully subject to federal and Colorado income taxation. Thus, owners of the Series 2021A Bonds generally must include interest (including original issue discount treated as interest) on the Series 2021A Bonds in gross income for federal and Colorado income tax purposes.

To ensure compliance with Treasury Circular 230, Owners of the Series 2021A Bonds should be aware and are hereby put on notice that: (a) the discussion in this Official Statement with respect to U.S. federal income tax consequences of owning the Series 2021A Bonds is not intended or written to be used, and cannot be used, by any taxpayer for the purpose of avoiding penalties that may be imposed on the taxpayer; (b) such discussion was written in connection with the promotion or marketing (within the meaning of Treasury Circular 230) of the transactions or matters addressed by such discussion; and (c) each taxpayer should seek advice based on its particular circumstances from an independent tax advisor.

Taxation of Interest Income of the Series 2021A Bonds

Payments of interest with regard to the Series 2021A Bonds will be includible as ordinary income when received or accrued by the holders thereof in accordance with their respective methods of accounting and applicable provisions of the Tax Code. If the Series 2021A Bonds are deemed to be issued with original issue discount, Section 1272 of the Tax Code requires the current ratable inclusion in income of original issue discount greater than a specified de minimis amount using a constant yield method of accounting. In general, original issue discount is calculated, with regard to any accrual period, by applying the instrument's yield to its adjusted issue price at the beginning of the accrual period, reduced by any qualified stated interest (as defined in the Tax Code) allocable to the period. The aggregate original issue discount allocable to an accrual period is allocated to each day included in such period. The holder of a debt instrument must include in income the sum of the daily portions of original issue discount attributable to the number of days he owned the instrument. The legislative history of the original issue discount provisions indicates that the calculation and accrual of original issue discount should be based on the prepayment assumptions used by the parties in pricing the transaction.

Payments of interest received with respect to the Series 2021A Bonds will also constitute investment income for purposes of certain limitations of the Tax Code concerning the deductibility of investment interest expense. Potential holders of the Series 2021A Bonds should consult their own tax advisors concerning the treatment of interest payments with regard to the Series 2021A Bonds.

A purchaser (other than a person who purchases a Series 2021A Bond upon issuance at the issue price) who buys a Series 2021A Bond at a discount from its principal amount (or its adjusted issue price if issued with original issue discount greater than a specified de minimis amount) will be subject to the market discount rules of the Tax Code. In general, the market discount rules of the Tax Code treat principal payments and gain on disposition of a debt instrument as ordinary income to the extent of accrued market discount. Each potential investor should consult his tax advisor concerning the application of the market discount rules to the Series 2021A Bonds.

Sale or Exchange of the Series 2021A Bonds

If an Owner sells a Series 2021A Bond, such person will recognize gain or loss equal to the difference between the amount realized on such sale and the Owner's basis in such Series 2021A Bond. Ordinarily, such gain or loss will be treated as a capital gain or loss. If the terms of a Series 2021A Bond were materially modified, in certain circumstances, a new debt obligation would be deemed created and exchanged for the prior obligation in a taxable transaction. Among the modifications which may be treated as material are those which relate to redemption provisions and, in the case of a nonrecourse obligation, those which involve the substitution of collateral. Each potential holder of a Series 2021A Bond should consult its own tax advisor concerning the circumstances in which the Series 2021A Bonds would be deemed reissued and the likely effects, if any, of such reissuance. The legal defeasance of the Series 2021A Bonds may result in a deemed sale or exchange of such Series 2021A Bonds under certain circumstances. Owners of such Series 2021A Bonds should consult their tax advisors as to the federal income tax consequences of such a defeasance.

Backup Withholding

Certain purchasers may be subject to backup withholding at the application rate determined by statute with respect to interest paid with respect to the Series 2021A Bonds, if the purchasers, upon issuance, fail to supply the indenture trustee or their brokers with their taxpayer identification numbers, furnish incorrect taxpayer identification numbers, fail to report interest, dividends or other "reportable payments" (as defined in the Tax Code) properly, or, under certain circumstances, fail to provide the indenture trustee with a certified statement, under penalty of perjury, that they are not subject to backup withholding.

Tax Treatment of Original Issue Discount

The Series 2021A Bonds that have an original yield above their interest rate, as shown on the inside cover page of this Official Statement, are being sold at a discount (the "**Discounted 2021A Bonds**"). The difference between the initial public offering prices, as set forth on the inside cover hereof, of the Discounted 2021A Bonds and their stated amounts to be paid at maturity, constitutes original issue discount treated in the same manner for federal income tax purposes as interest, as described above.

In the case of an owner of a Discounted 2021A Bond, the amount of original issue discount which is treated as having accrued with respect to such Discounted 2021A Bond is added to the cost basis of the owner in determining, for federal income tax purposes, gain or loss upon disposition of a Discounted 2021A Bond (including its sale, redemption or payment at maturity). Amounts received upon disposition of a Discounted 2021A Bond which are attributable to accrued original issue discount will be treated as taxable interest, rather than as taxable gain, for federal income tax purposes.

Original issue discount is treated as compounding semiannually, at a rate determined by reference to the yield to maturity of each individual Discounted 2021A Bond, on days which are determined by reference to the maturity date of such Discounted 2021A Bond. The amount treated as original issue discount on a Discounted 2021A Bond for a particular semiannual accrual period is equal to (a) the product of (i) the yield to maturity for such Discounted 2021A Bond (determined by compounding at the close of each accrual period) and (ii) the amount which would have been the tax basis of such Discounted 2021A Bond at the beginning of the particular accrual period if held by the original purchaser, (b) less the amount of any interest payable for such Discounted 2021A Bond during the accrual period. The tax basis is determined by adding to the initial public offering price on such Discounted 2021A Bond the sum of the amounts which have been treated as original issue discount for such purposes during all prior periods. If a Discounted 2021A Bond is sold between semiannual compounding dates, original issue discount which would have been accrued for that semiannual compounding period for federal income tax purposes is to be apportioned in equal amounts among the days in such compounding period.

The Tax Code contains additional provisions relating to the accrual of original issue discount in the case of owners of a Discounted 2021A Bond who purchase such Discounted 2021A Bonds after the initial offering. Owners of Discounted 2021A Bonds including purchasers of the Discounted 2021A Bonds in the secondary market should consult their own tax advisors with respect to the determination for federal income tax purposes of original issue discount accrued with respect to such obligations as of any date and with respect to the state and local tax consequences of owning a Discounted 2021A Bond.

Tax Treatment of Bond Premium

The Series 2021A Bonds that have an original yield below their interest rate, as shown on the inside cover page of this Official Statement, are being sold at a premium (collectively, the "**Premium 2021A Bonds**"). An amount equal to the excess of the issue price of a Premium 2021A Bond over its stated redemption price at maturity constitutes premium on such Premium 2021A Bond. An initial purchaser of such Premium 2021A Bond must amortize any premium over such Premium 2021A Bond's term using constant yield principles, based on the purchaser's yield to maturity (or, in the case of Premium 2021A Bonds callable prior to their maturity, by amortizing the premium to the call date, based upon the purchaser's yield to the call date and giving effect to any call premium). As premium is amortized, it offsets the interest allocable to the corresponding payment period and the purchaser's basis in such Premium 2021A Bond is reduced by a corresponding amount resulting in an increase in the gain (or decrease in the loss) to be recognized for federal income tax purposes upon a sale or disposition of such Premium 2021A Bond prior to its maturity. Even though the purchaser's basis may be reduced, no federal income tax deduction is allowed. The same treatment is afforded to the Premium 2021A Bonds purchased at a premium in the secondary market. Purchasers of Premium 2021A Bonds should consult with their own tax advisors with respect to the determination and treatment of amortizable premium for federal income tax purposes and with respect to the state and local tax consequences of owning such Premium 2021A Bonds.

State, Local or Foreign Taxation

No representations are made regarding the tax consequences of purchase, ownership or disposition of the Series 2021A Bonds under the tax laws of any state, locality or foreign jurisdiction. Investors considering an investment in the Series 2021A Bonds should consult their own tax advisors regarding such tax consequences.

Tax-Exempt Investors

In general, an entity which is exempt from federal income tax under the provisions of Section 501 of the Tax Code is subject to tax on its unrelated business taxable income. An unrelated trade or business is any trade or business which is not substantially related to the purpose which forms the basis for such entity's exemption. However, under the provisions of Section 512 of the Tax Code, interest may be excluded from the calculation of unrelated business taxable income unless the obligation which gave rise to such interest is subject to acquisition indebtedness. Therefore, except to the extent any Owner of a Series 2021A Bond incurs acquisition indebtedness with respect to a Series 2021A Bond, interest paid or accrued with respect to such Owner may be excluded by such tax-exempt Owner from the calculation of unrelated business taxable income. Each potential tax-exempt Owner of a Series 2021A Bond is urged to consult its own tax advisor regarding the application of these provisions.

2021B Bonds

General Matters

In the opinion of Butler Snow LLP, Bond Counsel, under existing laws, regulations, rulings and judicial decisions, interest on the 2021B Bonds (including any original issue discount properly allocable to the owner of a 2021B Bond) is excludable from gross income under federal income tax laws pursuant to Section 103 of the Tax Code, interest on the 2021B Bonds is excludable from alternative minimum taxable income as defined in Section 55(b)(2) of the Tax Code, and interest on the 2021B Bonds is excludable from Colorado taxable income and Colorado alternative minimum taxable income under Colorado income tax laws in effect as of the date hereof. The opinions described above assume the accuracy of certain representations and compliance by the District with covenants designed to satisfy the requirements of the Tax Code that must be met subsequent to the issuance of the 2021B Bonds. Failure to comply with such requirements could cause interest on the 2021B Bonds to be included in gross income for federal income tax purposes retroactive to the date of issuance of the 2021B Bonds. The District has covenanted to comply with such requirements. Bond Counsel has expressed no opinion regarding other federal tax consequences arising with respect to the 2021B Bonds.

The accrual or receipt of interest on the 2021B Bonds may otherwise affect the federal income tax liability of the owners of the 2021B Bonds. The extent of these other tax consequences will depend on such owners' particular tax status and other items of income or deduction. Bond Counsel has expressed no opinion regarding any such consequences. Purchasers of the 2021B Bonds, particularly purchasers that are corporations (including S corporations and foreign corporations operating branches in the United States of America), property or casualty insurance companies, banks, thrifts or other financial institutions, certain recipients of social security or railroad retirement benefits, taxpayers entitled to claim the earned income credit, taxpayers entitled to claim the refundable credit in Section 36B of the Tax Code for coverage under a qualified health plan or taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry tax-exempt obligations, should consult their tax advisors as to the tax consequences of purchasing or owning the 2021B Bonds.

Bond Counsel has expressed no opinion regarding other tax consequences arising with respect to the 2021B Bonds under the laws of the State of Colorado or any other state or jurisdiction.

Original Issue Discount

The 2021B Bonds that have an original yield above their respective interest rates, as shown on the inside cover of this Official Statement (collectively, the "**Discount 2021B Bonds**"), are being sold at an original issue discount. The difference between the initial public offering prices of such Discount 2021B Bonds and their stated amounts to be paid at maturity constitutes original issue discount treated in the same manner for federal income tax purposes as interest, as described above.

The amount of original issue discount that is treated as having accrued with respect to a Discount 2021B Bond or is otherwise required to be recognized in gross income is added to the cost basis of the owner of the 2021B Bond in determining, for federal income tax purposes, gain or loss upon disposition of such Discount 2021B Bond (including its sale, redemption or payment at maturity). Amounts received on disposition of such Discount 2021B Bond that are attributable to accrued or otherwise recognized original issue discount will be treated as federally tax-exempt interest, rather than as taxable gain, for federal income tax purposes.

Original issue discount is treated as compounding semiannually, at a rate determined by reference to the yield to maturity of each individual Discount 2021B Bond, on days that are determined by reference to the maturity date of such Discount 2021B Bond. The amount treated as original issue discount on such Discount 2021B Bond for a particular semiannual accrual period is equal to (a) the product of (i) the yield to maturity for such Discount 2021B Bond (determined by compounding at the close of each accrual period) and (ii) the amount that would have been the tax basis of such Discount 2021B Bond at the beginning of the particular accrual period if held by the original purchaser, less (b) the amount of any interest payable for such Discount 2021B Bond during the accrual period. The tax basis for purposes of the preceding sentence is determined by adding to the initial public offering price on such Discount 2021B Bond the sum of the amounts that have been treated as original issue discount for such purposes during all prior periods. If such Discount 2021B Bond is sold between semiannual compounding dates, original issue discount that would have been accrued for that semiannual compounding period for federal income tax purposes is to be apportioned in equal amounts among the days in such compounding period.

Owners of Discount 2021B Bonds should consult their tax advisors with respect to the determination and treatment of original issue discount accrued as of any date, with respect to when such original issue discount must be recognized as an item of gross income and with respect to the state and local tax consequences of owning a Discount 2021B Bond. Subsequent purchasers of Discount 2021B Bonds that purchase such Discount 2021B Bonds for a price that is higher or lower than the "adjusted issue price" of the Discount 2021B Bonds at the time of purchase should consult their tax advisors as to the effect on the accrual of original issue discount.

Original Issue Premium

The 2021B Bonds that have an original yield below their respective interest rates, as shown on the inside cover of this Official Statement (collectively, the "**Premium 2021B Bonds**"), are being sold at a premium. An amount equal to the excess of the issue price of a Premium 2021B Bond over its stated redemption price at maturity constitutes premium on such Premium 2021B Bond. A purchaser of a Premium 2021B Bond must amortize any premium over such Premium 2021B Bond's term using constant yield principles, based on the purchaser's yield to maturity (or, in the case of Premium 2021B Bonds callable prior to their maturity, generally by amortizing the premium to the call date, based on the purchaser's yield to the call date and giving effect to any call premium). As premium is amortized, the amount of the amortization offsets a corresponding amount of interest for the period, and the purchaser's basis in such Premium 2021B Bond is reduced by a corresponding amount resulting in an increase in the gain (or decrease in the loss) to be recognized for federal income tax purposes upon a sale or disposition of such Premium 2021B Bond prior to its maturity. Even though the purchaser's basis may be reduced, no federal income tax deduction is allowed. Purchasers of the Premium 2021B Bonds should consult their tax advisors with respect to the determination and treatment of premium for federal income tax purposes and with respect to the state and local tax consequences of owning a Premium 2021B Bond.

Backup Withholding

As a result of the enactment of the Tax Increase Prevention and Reconciliation Act of 2005, interest on federally tax-exempt obligations such as the 2021B Bonds is subject to information reporting in a manner similar to interest paid on taxable obligations. Backup withholding may be imposed on payments to any owner of the 2021B Bonds that fail to provide certain required information including an accurate taxpayer identification number to any person required to collect such information pursuant to Section 6049 of the Tax Code. The reporting requirement does not in and of itself affect or alter the excludability of interest on the 2021B Bonds from gross income for federal income tax purposes or any other federal tax consequence of purchasing, holding or selling federally tax-exempt obligations.

Changes in Federal and State Tax Law

From time to time, there are legislative proposals in the Congress and in the states that, if enacted, could alter or amend the federal and state tax matters referred to under this heading "TAX MATTERS" or adversely affect the market value of the Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether if enacted it would apply to bonds issued prior to enactment. In addition, regulatory actions are from time to time announced or proposed and litigation is threatened or commenced which, if implemented or concluded in a particular manner, could adversely affect the market value of the Bonds. It cannot be predicted whether any such regulatory action will be implemented, how any particular litigation or judicial action will be resolved, or whether the Bonds or the market value thereof would be impacted thereby. Purchasers of the Bonds should consult their tax advisors regarding any pending or proposed legislation, regulatory initiatives or litigation. The opinions expressed by Bond Counsel are based on existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of issuance and delivery of the Bonds, and Bond Counsel has expressed no opinion as of any date subsequent thereto or with respect to any pending legislation, regulatory initiatives or litigation.

PROSPECTIVE PURCHASERS OF THE BONDS ARE ADVISED TO CONSULT THEIR OWN TAX ADVISORS PRIOR TO ANY PURCHASE OF THE BONDS AS TO THE IMPACT OF THE TAX CODE UPON THEIR ACQUISITION, HOLDING OR DISPOSITION OF THE BONDS.

VERIFICATION

Causey, Demgen & Moore P.C. (the "**Verification Agent**") will independently verify, and issue a report thereon, the arithmetical accuracy of the computations included in schedules provided to them by the Municipal Advisor to the District on behalf of the District indicating that the amount to be deposited under the Escrow Agreement which, when invested in United States Government Obligations, will be sufficient to pay the redemption price of and interest on the Refunded 2012 Bonds on and to their redemption date. Such verification will be based solely on assumptions and information supplied by the Municipal Advisor to the District on behalf of the District. Furthermore, the Verification Agent will have restricted its procedures to verifying the arithmetical accuracy of such computations and will not have made any study or evaluation of the assumptions and information on which the computations were based and, accordingly, will not express an opinion on such assumptions and information, the reasonableness of such assumptions, or the achievability of future events.

RATINGS

Moody's Investors Service, Inc. ("**Moody's**"), S&P Global Ratings ("**S&P**") and Fitch Ratings, Inc. ("**Fitch**"), have assigned the ratings of "AA+" (stable outlook), "Aa2" (stable outlook) and "AA" (negative outlook), respectively, to the Bonds.

Such ratings reflect only the views of the rating agencies and are not a recommendation to buy, sell or hold the Bonds. Any explanation of the procedures and methods used by each rating agency and the significance of their respective ratings may be obtained from the company furnishing the rating. Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies and assumptions of its own. There is no assurance that the ratings will continue for any given period of time or that the ratings will not be revised downward or withdrawn entirely by such rating agencies, if, in the judgment of such rating agencies, circumstances so warrant. Any such downward revision or withdrawal of the ratings may have an adverse effect on the market price of the Bonds.

UNDERWRITING

The Bonds were purchased by the Underwriters listed on the cover page of this Official Statement at a price equal to $865,254,015.81 (consisting of (i) $422,405,000 aggregate principal amount of the 2021A Bonds, less an underwriting discount of $1,634,600.28; plus (ii) $411,630,000 aggregate principal amount of the 2021B Bonds, less an underwriting discount of $1,607,521.11, plus net original issuance premium of $34,461,137.20). The obligations of the Underwriters to accept delivery of the Bonds are subject to the terms and conditions contained in the Bond Purchase Agreement entered between the Underwriters and the District.

The Underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, advisory, investment management, principal investment, hedging, financing and brokerage activities. Certain of the Underwriters and their respective affiliates have, from time to time, performed, and may in the future perform, various investment banking services for the District, for which they received or will receive customary fees and expenses.

In the ordinary course of their various business activities, the Underwriters and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (which may include bank loans and/or credit default swaps) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments. Such investment and securities activities may involve securities and instruments of the District.

The Underwriters and their affiliates may also communicate independent investment recommendations, market color or trading ideas and or publish or express independent research views in respect of such assets, securities or instruments and may at any time hold, or recommend to clients that they should acquire, long and/or short positions in such assets, securities and instruments.

Goldman Sachs & Co. LLC, an underwriter of the Bonds, is acting as the dealer manager in connection with the Invitation by the District.

MUNICIPAL ADVISOR

RTD has retained Hilltop Securities Inc., Dallas, Texas as Municipal Advisor in connection with the sale of the Bonds. The Municipal Advisor is not obligated to undertake, and has not undertaken to make an independent verification of or to assume any responsibility for the accuracy, completeness or fairness of the information contained in this Official Statement.

The Municipal Advisor provided the following sentence for inclusion in this Official Statement. The Municipal Advisor reviewed the information in this Official Statement in accordance with its responsibilities to the District, and, as applicable, to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Municipal Advisor does not guarantee the accuracy or completeness of such information.

FINANCIAL STATEMENTS

The financial statements of RTD for the years ended December 31, 2019 and 2018, included in **Appendix B** have been audited by RubinBrown LLP, independent certified public accountants, as stated in their report appearing herein. Such financial statements represent the most current audited financial information for the District. RubinBrown LLP has agreed to the use of their name and their audit report on the District's 2019 and 2018 financial statements in this Official Statement. RubinBrown LLP has not performed any procedures with respect to any unaudited financial information of the District included in this Official Statement.

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MISCELLANEOUS

The financial data and other information contained herein has been obtained from RTD's records, audited financial statements and other sources that are believed to be reliable. There is no guarantee that any of the assumptions or estimates contained herein will be realized. All of the summaries of the statutes, documents and resolution provisions contained in this Official Statement are made subject to all of the provisions of such statutes, documents and resolution provisions. These summaries do not purport to be complete statements of such provisions and reference is made to such documents for further information. The authorization, agreements and covenants of RTD are set forth in the Indenture and neither this Official Statement nor any advertisement of the Bonds is to be construed as a contract with the owners of the Bonds.

So far as any statements made in this Official Statement involve matters of opinion, forecasts or estimates, whether or not expressly stated, they are set forth as such and not as representations of fact.

The Appendices are integral parts of this Official Statement and must be read together with all other parts of the Official Statement to make an informed investment decision.

REGIONAL TRANSPORTATION DISTRICT

By: /s/ Angie Rivera-Malpiede
Chair, Board of Directors

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Appendix A

FORM OF CONTINUING DISCLOSURE AGREEMENT

CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement (this "**Disclosure Agreement**"), dated as of March 11, 2021, is executed and delivered by the Regional Transportation District (the "**Issuer**") and Digital Assurance Certification, L.L.C., as exclusive Disclosure Dissemination Agent (the "**Disclosure Dissemination Agent**" or "**DAC**") for the benefit of the Owners (hereinafter defined) of the Bonds (hereinafter defined) and in order to provide certain continuing disclosure with respect to the Bonds in accordance with Rule 15c2-12 of the United States Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time (the "**Rule**").

The services provided under this Disclosure Agreement solely relate to the execution of instructions received from the Issuer through use of the DAC system and do not constitute "advice" within the meaning of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "**Act**"). DAC will not provide any advice or recommendation to the Issuer or anyone on the Issuer's behalf regarding the "issuance of municipal securities" or any "municipal financial product" as defined in the Act and nothing in this Disclosure Agreement shall be interpreted to the contrary. DAC is not a "Municipal Advisor" as such term is defined in Section 15B of the Securities Exchange Act of 1934, as amended, and related rules.

SECTION 1. Definitions. Capitalized terms not otherwise defined in this Disclosure Agreement shall have the meaning assigned in the Rule or, to the extent not in conflict with the Rule, in the Indenture (hereinafter defined). The capitalized terms shall have the following meanings:

"*Annual Filing Date*" means the date, set in Sections 2(a) and 2(f) hereof, by which the Annual Report is to be filed with the MSRB.

"*Annual Financial Information*" means annual financial information as such term is used in paragraph (b)(5)(i) of the Rule and specified in Section 3(a) of this Disclosure Agreement.

"*Annual Report*" means an Annual Report containing Annual Financial Information described in and consistent with Section 3 of this Disclosure Agreement.

"*Audited Financial Statements*" means the annual financial statements of the Issuer for the prior fiscal year, certified by an independent auditor as prepared in accordance with generally accepted accounting principles or otherwise, as such term is used in paragraph (b)(5)(i) of the Rule and specified in Section 3(b) of this Disclosure Agreement.

"*Board*" means the Board of Directors of the Issuer.

"*Bonds*" means the Issuer's Taxable Sales Tax Revenue Refunding Bonds (FasTracks Project), Series 2021A (Green Bonds – Climate Bond Certified), and the Issuer's Tax-Exempt Sales Tax Revenue Refunding Bonds (FasTracks Project), Series 2021B (Green Bonds – Climate Bond Certified), issued pursuant to the Indenture, as listed on the attached Exhibit A, with the 9-digit CUSIP numbers relating thereto.

"*Certification*" means a written certification of compliance signed by the Disclosure Representative stating that the Annual Report, Audited Financial Statements, Notice Event notice, Failure to File Event notice, Voluntary Event Disclosure or Voluntary Financial Disclosure delivered to the Disclosure Dissemination Agent is the Annual Report, Audited Financial Statements, Notice Event notice, Failure to File Event notice, Voluntary Event Disclosure or Voluntary Financial Disclosure required to be submitted to the MSRB under this Disclosure Agreement. A Certification shall accompany each such document submitted to the Disclosure Dissemination Agent by the Issuer and include the full name of the Bonds and the 9-digit CUSIP numbers for all Bonds to which the document applies.

"*Disclosure Dissemination Agent*" means Digital Assurance Certification, L.L.C, acting in its capacity as Disclosure Dissemination Agent hereunder, or any successor Disclosure Dissemination Agent designated in writing by the Issuer pursuant to Section 9 hereof.

"*Disclosure Representative*" means the General Manager or Chief Financial Officer of the Issuer, or his or her designee, or such other person as the Issuer shall designate in writing to the Disclosure Dissemination Agent from time to time as the person responsible for providing Information to the Disclosure Dissemination Agent.

"*Failure to File Event*" means the Issuer's failure to file an Annual Report on or before the Annual Filing Date.

"*Financial Obligation*" as used in this Disclosure Agreement is defined in the Rule as (i) a debt obligation; (ii) derivative instrument entered into in connection with, or pledged as a security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term "Financial Obligation" shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

"*Force Majeure Event*" means: (i) acts of God, war, or terrorist action; (ii) failure or shut-down of the Electronic Municipal Market Access system maintained by the MSRB; or (iii) to the extent beyond the Disclosure Dissemination Agent's reasonable control, interruptions in telecommunications or utilities services, failure, malfunction or error of any telecommunications, computer or other electrical, mechanical or technological application, service or system, computer virus, interruptions in Internet service or telephone service (including due to a virus, electrical delivery problem or similar occurrence) that affect Internet users generally, or in the local area in which the Disclosure Dissemination Agent or the MSRB is located, or acts of any government, regulatory or any other competent authority the effect of which is to prohibit the Disclosure Dissemination Agent from performance of its obligations under this Disclosure Agreement.

"*Indenture*" means the Indenture of Trust, dated as of March 11, 2021, between the Issuer and the Trustee.

"*Information*" means, collectively, the Annual Reports, the Audited Financial Statements, the Notice Event notices, the Failure to File Event notices, the Voluntary Event Disclosures and the Voluntary Financial Disclosures.

"*MSRB*" means the Municipal Securities Rulemaking Board, or any successor thereto, established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934. As of the date hereof, the MSRB's required method of filing is electronically via its Electronic Municipal Market Access (EMMA) system available on the Internet at http://emma.msrb.org.

"*Notice Event*" means any of the events enumerated in paragraph (b)(5)(i)(C) of the Rule and listed in Section 4(a) of this Disclosure Agreement.

"*Obligated Person*" means any person, including the Issuer, who is either generally or through an enterprise, fund, or account of such person committed by contract or other arrangement to support payment of all, or part of the obligations on the Bonds (other than providers of municipal bond insurance, letters of credit, or other liquidity facilities), as shown on Exhibit A.

"*Official Statement*" means the final Official Statement dated February 18, 2021, together with any supplements thereto, delivered in connection with the original issuance and sale of the Bonds.

"*Owner*" means any person (a) having the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries) or (b) treated as the owner of any Bonds for federal income tax purposes.

"*Participating Underwriter*" means the original underwriters of the Bonds required to comply with the Rule in connection with an offering of the Bonds.

"*Rule*" means Rule 15c2-12(b)(5) adopted by the SEC under the Securities Exchange Act of 1934, as the same may be amended from time to time (17 C.F.R. Part 240 § 240.15c2-12).

"*SEC*" means the Securities and Exchange Commission.

"*Trustee*" means The Bank of New York Mellon Trust Company, N.A., and its successors and assigns, as trustee under the Indenture.

"*Voluntary Event Disclosure*" means information of the category specified in any of subsections (e)(vi)(1) through (e)(vi)(10) of Section 2 of this Disclosure Agreement that is accompanied by a Certification of the Disclosure Representative containing the information prescribed by Section 7(a) of this Disclosure Agreement.

"*Voluntary Financial Disclosure*" means information of the category specified in any of subsections (e)(vii)(1) through (e)(vii)(9) of Section 2 of this Disclosure Agreement that is accompanied by a Certification of the Disclosure Representative containing the information prescribed by Section 7(b) of this Disclosure Agreement.

SECTION 2. Provision of Annual Reports.

(a) The Issuer shall provide, annually, an electronic copy of the Annual Report and Certification to the Disclosure Dissemination Agent, together with a copy for the Trustee, not later than the Annual Filing Date. Promptly upon receipt of an electronic copy of the Annual Report and the Certification, the Disclosure Dissemination Agent shall provide an Annual Report to the MSRB not later than nine months after the end of each fiscal year of the Issuer, commencing with the fiscal year ending December 31, 2020. Such date and each anniversary thereof is the Annual Filing Date. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 3 of this Disclosure Agreement.

(b) If on the fifteenth (15th) day prior to the Annual Filing Date, the Disclosure Dissemination Agent has not received a copy of the Annual Report and Certification, the Disclosure Dissemination Agent shall contact the Disclosure Representative by telephone and in writing (which may be by e-mail) to remind the Issuer of its undertaking to provide the Annual Report pursuant to Section 2(a). Upon such reminder, the Disclosure Representative shall either (i) provide the Disclosure Dissemination Agent with an electronic copy of the Annual Report and the Certification no later than two (2) business days prior to the Annual Filing Date, or (ii) instruct the Disclosure Dissemination Agent in writing that the Issuer will not be able to file the Annual Report within the time required under this Disclosure Agreement, state the date by which the Annual Report for such year will be provided and instruct the Disclosure Dissemination Agent to immediately send a Failure to File Event notice to the MSRB in substantially the form attached as Exhibit B, which may be accompanied by a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-1.

(c) If the Disclosure Dissemination Agent has not received an Annual Report and Certification by 6:00 p.m. Eastern time on the Annual Filing Date (or, if such Annual Filing Date falls on a Saturday, Sunday or holiday, then the first business day thereafter) for the Annual Report, a Failure to File Event shall have occurred and the Issuer irrevocably directs the Disclosure Dissemination Agent to immediately send a Failure to File Event notice to the MSRB in substantially the form attached as Exhibit B without reference to the anticipated filing date for the Annual Report, which may be accompanied by a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-1.

(d) If Audited Financial Statements of the Issuer are prepared but not available prior to the Annual Filing Date, the Issuer shall, when the Audited Financial Statements are available, provide at such time an electronic copy to the Disclosure Dissemination Agent, accompanied by a Certification, together with a copy for the Trustee, for filing with the MSRB.

(e) The Disclosure Dissemination Agent shall:

(i) verify the filing specifications of the MSRB each year prior to the Annual Filing Date;

(ii) upon receipt, promptly file each Annual Report received under Sections 2(a) and 2(b) hereof with the MSRB;

(iii) upon receipt, promptly file each Audited Financial Statement received under Section 2(d) hereof with the MSRB;

(iv) upon receipt, promptly file the text of each Notice Event received under Sections 4(a) and 4(b)(ii) hereof with the MSRB, identifying the Notice Event as instructed by the Issuer pursuant to Section 4(a) or 4(b)(ii) hereof (being any of the categories set forth below) when filing pursuant to Section 4(c) of this Disclosure Agreement:

1. "Principal and interest payment delinquencies;"

2. "Non-Payment related defaults, if material;"

3. "Unscheduled draws on debt service reserves reflecting financial difficulties;"

4. "Unscheduled draws on credit enhancements reflecting financial difficulties;"

5. "Substitution of credit or liquidity providers, or their failure to perform;"

6. "Adverse tax opinions, IRS notices or events affecting the tax status of the security;"

7. "Modifications to rights of securities holders, if material;"

8. "Bond calls, if material, and tender offers;"

9. "Defeasances;"

10. "Release, substitution, or sale of property securing repayment of the securities, if material;"

11. "Rating changes;"

12. "Bankruptcy, insolvency, receivership or similar event of the obligated person;"

13. "Merger, consolidation or acquisition of the obligated person, if material;"

14. "Appointment of a successor or additional trustee, or the change of name of a trustee, if material;"

15. "Incurrence of a Financial Obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the obligated person, any of which affect security holders, if material;" and

16. "Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the obligated person, any of which reflect financial difficulties."

(v) upon receipt (or irrevocable direction pursuant to Section 2(c) of this Disclosure Agreement, as applicable), promptly file a completed copy of Exhibit B to this Disclosure Agreement with the MSRB, identifying the filing as "Failure to provide annual financial information as required" when filing pursuant to Section 2(b)(ii) or Section 2(c) of this Disclosure Agreement;

(vi) upon receipt, promptly file the text of each Voluntary Event Disclosure received under Section 7(a) hereof with the MSRB, identifying the Voluntary Event Disclosure as instructed by the Issuer pursuant to Section 7(a) (being any of the categories set forth below) when filing pursuant to Section 7(a) of this Disclosure Agreement:

1. "amendment to continuing disclosure undertaking;"

2. "change in obligated person;"

3. "notice to investors pursuant to bond documents;"

4. "certain communications from the Internal Revenue Service, other than those communications included in the Rule;"

5. "secondary market purchases;"

6. "bid for auction rate or other securities;"

7. "capital or other financing plan;"

8. "litigation/enforcement action;"

9. "change of tender agent, remarketing agent, or other on-going party;" and

10. "other event-based disclosures;"

(vii) upon receipt, promptly file the text of each Voluntary Financial Disclosure received under Section 7(b) hereof with the MSRB, identifying the Voluntary Financial Disclosure as instructed by the Issuer pursuant to Section 7(b) (being any of the categories set forth below) when filing pursuant to Section 7(b) of this Disclosure Agreement:

1. "quarterly/monthly financial information;"

2. "change in fiscal year/timing of annual disclosure;"

3. "change in accounting standard;"

4. "interim/additional financial information/operating data;"

5. "budget;"

6. "investment/debt/financial policy;"

7. "information provided to rating agency, credit/liquidity provider or other third party;"

8. "consultant reports;" and

9. "other financial/operating data."

(viii) provide the Issuer evidence of the filings of each of the above when made, which shall be by means of the DAC system, for so long as DAC is the Disclosure Dissemination Agent under this Disclosure Agreement.

(f) The Issuer may adjust the Annual Filing Date upon change of its fiscal year by providing written notice of such change and the new Annual Filing Date to the Disclosure Dissemination Agent, Trustee and the MSRB, provided that the period between the existing Annual Filing Date and new Annual Filing Date shall not exceed one year.

(g) Anything in this Disclosure Agreement to the contrary notwithstanding, any Information received by the Disclosure Dissemination Agent before 6:00 p.m. Eastern time on any business day that it is required to file with the MSRB pursuant to the terms of this Disclosure Agreement and that is accompanied by a Certification and all other information required by the terms of this Disclosure Agreement will be filed by the Disclosure Dissemination Agent with the MSRB no later than 11:59 p.m. Eastern time on the same business day; provided, however, the Disclosure Dissemination Agent shall have no liability for any delay in filing with the MSRB if such delay is caused by a Force Majeure Event provided that the Disclosure Dissemination Agent uses reasonable efforts to make any such filing as soon as possible.

SECTION 3. Content of Annual Reports.

(a) Each Annual Report shall contain Annual Financial Information with respect to the Issuer, including updates of the type of information identified in Exhibit D hereto, which is contained in the indicated tables in the Official Statement.

(b) Audited Financial Statements will be included in the Annual Report. If audited financial statements are not available, then, unaudited financial statements, prepared in accordance with GAAP will be included in the Annual Report. In such event, Audited Financial Statements (if any) will be provided pursuant to Section 2(d).

Any or all of the items listed above may be included by specific reference from other documents, including official statements of debt issues with respect to which the Issuer is an "obligated person" (as defined by the Rule), which have been previously filed with the Securities and Exchange Commission or available on the MSRB Internet Website. If the document incorporated by reference is a final official statement, it must be available from the MSRB. The Issuer will clearly identify each such document so incorporated by reference.

If the Annual Financial Information contains modified operating data or financial information different from the Annual Financial Information agreed to in the continuing disclosure undertaking related to the Bonds, the Issuer is required to explain, in narrative form, the reasons for the modification and the impact of the change in the type of operating data or financial information being provided.

SECTION 4. Reporting of Notice Events.

(a) The occurrence of any of the following events with respect to the Bonds constitutes a Notice Event:

1. Principal and interest payment delinquencies;

2. Non-payment related defaults, if material;

3. Unscheduled draws on debt service reserves reflecting financial difficulties;

4. Unscheduled draws on credit enhancements reflecting financial difficulties;

5. Substitution of credit or liquidity providers, or their failure to perform;

6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;

7. Modifications to rights of Bond holders, if material;

8. Bond calls, if material, and tender offers;

9. Defeasances;

10. Release, substitution, or sale of property securing repayment of the Bonds, if material;

11. Rating changes;

12. Bankruptcy, insolvency, receivership or similar event of the Obligated Person;

    Note to subsection (a)(12) of this Section 4: For the purposes of the event described in subsection (a)(12) of this Section 4, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an Obligated Person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Obligated Person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Obligated Person.

13. The consummation of a merger, consolidation, or acquisition involving an Obligated Person or the sale of all or substantially all of the assets of the Obligated Person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

14. Appointment of a successor or additional trustee or the change of name of a trustee, if material;

15. Incurrence of a Financial Obligation of an Obligated Person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of an Obligated Person, any of which affect security holders, if material; and

16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of an Obligated Person, any of which reflect financial difficulties.

The Issuer shall, in a timely manner not later than nine (9) business days after its occurrence, notify the Disclosure Dissemination Agent in writing of the occurrence of a Notice Event. Such notice shall instruct the Disclosure Dissemination Agent to report the occurrence pursuant to subsection (c) and shall be accompanied by a Certification. Such notice or Certification shall identify the Notice Event that has occurred (which shall be any of the categories set forth in Section 2(e)(iv) of this Disclosure Agreement), include the text of the disclosure that the Issuer desires to make, contain the written authorization of the Issuer for the Disclosure Dissemination Agent to disseminate such information, and identify the date the Issuer desires for the Disclosure Dissemination Agent to disseminate the information (provided that such date is not later than the tenth business day after the occurrence of the Notice Event).

(b) The Disclosure Dissemination Agent is under no obligation to notify the Issuer or the Disclosure Representative of an event that may constitute a Notice Event. In the event the Disclosure Dissemination Agent so notifies the Disclosure Representative, the Disclosure Representative will within two business days of receipt of such notice (but in any event not later than the tenth business day after the occurrence of the Notice Event, if the Issuer determines that a Notice Event has occurred), instruct the Disclosure Dissemination Agent that either (i) a Notice Event has not occurred and no filing is to be made or (ii) a Notice Event has occurred and the Disclosure Dissemination Agent is to report the occurrence pursuant to subsection (c) of this Section 4, together with a Certification. Such Certification shall identify the Notice Event that has occurred (which shall be any of the categories set forth in Section 2(e)(iv) of this Disclosure Agreement), include the text of the disclosure that the Issuer desires to make, contain the written authorization of the Issuer for the Disclosure Dissemination Agent to disseminate such information, and identify the date the Issuer desires for the Disclosure Dissemination Agent to disseminate the information (provided that such date is not later than the tenth business day after the occurrence of the Notice Event).

(c) If the Disclosure Dissemination Agent has been instructed by the Issuer as prescribed in subsection (a) or (b)(ii) of this Section 4 to report the occurrence of a Notice Event, the Disclosure Dissemination Agent shall promptly file a notice of such occurrence with MSRB in accordance with Section 2 (e)(iv) hereof. This notice may be filed with a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-1.

SECTION 5. CUSIP Numbers. Whenever providing information to the Disclosure Dissemination Agent, including but not limited to Annual Reports, documents incorporated by reference to the Annual Reports, Audited Financial Statements, Notice Event notices, Failure to File Event notices, Voluntary Event Disclosures and Voluntary Financial Disclosures, the Issuer shall indicate the full name of the Bonds and the 9-digit CUSIP numbers for the Bonds as to which the provided information relates.

The Issuer will provide the Dissemination Agent with the CUSIP numbers for (i) new bonds at such time as they are issued or become subject to the Rule and (ii) any Bonds to which new CUSIP numbers are assigned in substitution for the CUSIP numbers previously assigned to such Bonds of which the Issuer has knowledge.

SECTION 6. Additional Disclosure Obligations. The Issuer acknowledges and understands that other state and federal laws, including but not limited to the Securities Act of 1933 and Rule 10b-5 promulgated under the Securities Exchange Act of 1934, may apply to the Issuer, and that the duties and responsibilities of the Disclosure Dissemination Agent under this Disclosure Agreement do not extend to providing legal advice regarding such laws. The Issuer acknowledges and understands that the duties of the Disclosure Dissemination Agent relate exclusively to execution of the mechanical tasks of disseminating information as described in this Disclosure Agreement.

SECTION 7. Voluntary Filing.

(a) The Issuer may instruct the Disclosure Dissemination Agent to file a Voluntary Event Disclosure with the MSRB from time to time pursuant to a Certification of the Disclosure Representative. Such Certification shall identify the Voluntary Event Disclosure (which shall be any of the categories set forth in Section 2(e)(vi) of this Disclosure Agreement), include the text of the disclosure that the Issuer desires to make, contain the written authorization of the Issuer for the Disclosure Dissemination Agent to disseminate such information, and identify the date the Issuer desires for the Disclosure Dissemination Agent to disseminate the information. If the Disclosure Dissemination Agent has been instructed by the Issuer as prescribed in this Section 7(a) to file a Voluntary Event Disclosure, the Disclosure Dissemination Agent shall promptly file such Voluntary Event Disclosure with the MSRB in accordance with Section 2(e)(vi) hereof. This notice may be filed with a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-2.

(b) The Issuer may instruct the Disclosure Dissemination Agent to file a Voluntary Financial Disclosure with the MSRB from time to time pursuant to a Certification of the Disclosure Representative. Such Certification shall identify the Voluntary Financial Disclosure (which shall be any of the categories set forth in Section 2(e)(vii) of this Disclosure Agreement), include the text of the disclosure that the Issuer desires to make, contain the written authorization of the Issuer for the Disclosure Dissemination Agent to disseminate such information, and identify the date the Issuer desires for the Disclosure Dissemination Agent to disseminate the information. If the Disclosure Dissemination Agent has been instructed by the Issuer as prescribed in this Section 7(b) hereof to file a Voluntary Financial Disclosure, the Disclosure Dissemination Agent shall promptly file such Voluntary Financial Disclosure with the MSRB in accordance with Section 2(e)(vii) hereof. This notice may be filed with a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-3.

(c) The parties hereto acknowledge that the Issuer is not obligated pursuant to the terms of this Disclosure Agreement to file any Voluntary Event Disclosure pursuant to Section 7(a) hereof or any Voluntary Financial Disclosure pursuant to Section 7(b) hereof.

(d) Nothing in this Disclosure Agreement shall be deemed to prevent the Issuer from disseminating any other information through the Disclosure Dissemination Agent using the means of dissemination set forth in this Disclosure Agreement or including any other information in any Annual Report, Audited Financial Statements, Notice Event notice, Failure to File Event notice, Voluntary Event Disclosure or Voluntary Financial Disclosure, in addition to that required by this Disclosure Agreement. If the Issuer chooses to include any information in any Annual Report, Audited Financial Statements, Notice Event notice, Failure to File Event notice, Voluntary Event Disclosure or Voluntary Financial Disclosure in addition to that which is specifically required by this Disclosure Agreement, the Issuer shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Report, Audited Financial Statements, Notice Event notice, Failure to File Event notice, Voluntary Event Disclosure or Voluntary Financial Disclosure.

SECTION 8. Termination of Reporting Obligation. The obligations of the Issuer and the Disclosure Dissemination Agent under this Disclosure Agreement shall terminate with respect to the Bonds upon the earliest of: (i) the legal defeasance, prior redemption or payment in full of all of the Bonds, (ii) the date when the Issuer is no longer an "obligated person" within the meaning of the Rule with respect to the Bonds, or (iii) upon delivery by the Disclosure Representative to the Disclosure Dissemination Agent of an opinion of counsel expert in federal securities laws to the effect that continuing disclosure is no longer required.

SECTION 9. Disclosure Dissemination Agent. The Issuer has appointed Digital Assurance Certification, L.L.C. as exclusive Disclosure Dissemination Agent under this Disclosure Agreement. The Issuer may, upon thirty days written notice to the Disclosure Dissemination Agent and the Trustee, replace or appoint a successor Disclosure Dissemination Agent. Upon termination of DAC's services as Disclosure Dissemination Agent, whether by notice of the Issuer or DAC, the Issuer agrees to appoint a successor Disclosure Dissemination Agent or, alternately, agrees to assume all responsibilities of Disclosure Dissemination Agent under this Disclosure Agreement for the benefit of the Owners of the Bonds. Notwithstanding any replacement or appointment of a successor, the Issuer shall remain liable to the Disclosure Dissemination Agent until payment in full for any and all sums owed and payable to the Disclosure Dissemination Agent. The Disclosure Dissemination Agent may resign at any time by providing thirty days' prior written notice to the Issuer. The new Disclosure Dissemination Agent or the Issuer, as the case may be, shall forthwith give notice thereof to the MSRB.

SECTION 10. Remedies in Event of Default. In the event of a failure of the Issuer or the Disclosure Dissemination Agent to comply with any provision of this Disclosure Agreement, the Owners' rights to enforce the provisions of this Agreement shall be limited solely to a right, by action in mandamus or for specific performance, to compel performance of the parties' obligation under this Disclosure Agreement. Any failure by a party to perform in accordance with this Disclosure Agreement shall not constitute a default on the Bonds or under the Indenture or any other document relating to the Bonds, and all rights and remedies shall be limited to those expressly stated herein.

SECTION 11. Duties, Immunities and Liabilities of Disclosure Dissemination Agent.

(a) The Disclosure Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement. The Disclosure Dissemination Agent's obligation to deliver the information at the times and with the contents described herein shall be limited to the extent the Issuer has provided such information to the Disclosure Dissemination Agent as required by this Disclosure Agreement. The Disclosure Dissemination Agent shall have no duty with respect to the content of any disclosures or notice made pursuant to the terms hereof. The Disclosure Dissemination Agent shall have no duty or obligation to review or verify any Information or any other information, disclosures or notices provided to it by the Issuer and shall not be deemed to be acting in any fiduciary capacity for the Issuer, the Owners of the Bonds or any other party. The Disclosure Dissemination Agent shall have no responsibility for the Issuer's failure to report to the Disclosure Dissemination Agent a Notice Event or a duty to determine the materiality thereof. The Disclosure Dissemination Agent shall have no duty to determine, or liability for failing to determine, whether the Issuer has complied with this Disclosure Agreement. The Disclosure Dissemination Agent may conclusively rely upon Certifications of the Issuer at all times.

The obligations of the Issuer under this Section shall survive resignation or removal of the Disclosure Dissemination Agent and defeasance, redemption or payment of the Bonds.

(b) The Disclosure Dissemination Agent may, from time to time, consult with legal counsel (either in-house or external) of its own choosing in the event of any disagreement or controversy, or question or doubt as to the construction of any of the provisions hereof or its respective duties hereunder, and shall not incur any liability and shall be fully protected in acting in good faith upon the advice of such legal counsel. The reasonable fees and expenses of such counsel shall be payable by the Issuer, subject to annual appropriation by the Board of the Issuer.

(c) All documents, reports, notices, statements, information and other materials provided to the MSRB under this Agreement shall be provided in an electronic format and accompanied by identifying information as prescribed by the MSRB. As of the date of this Disclosure Agreement, all documents submitted to the MSRB must be in portable document format (PDF) files configured to permit documents to be saved, viewed, printed and retransmitted by electronic means. In addition, such PDF files must be word-searchable, provided that diagrams, images and other non-textual elements are not required to be word-searchable.

SECTION 12. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Agreement, the Issuer and the Disclosure Dissemination Agent may amend this Disclosure Agreement and any provision of this Disclosure Agreement may be waived, if such amendment or waiver is supported by an opinion of counsel expert in federal securities laws acceptable to both the Issuer and the Disclosure Dissemination Agent to the effect that such amendment or waiver does not materially impair the interests of Owners of the Bonds and would not, in and of itself, cause the undertakings herein (or action of any Participating Underwriter in reliance on the undertakings herein) to violate the Rule if such amendment or waiver had been effective on the date hereof but taking into account any subsequent change in or official interpretation of the Rule; provided neither the Issuer or the Disclosure Dissemination Agent shall be obligated to agree to any amendment modifying their respective duties or obligations without their consent thereto. The Disclosure Dissemination Agent shall provide notice of such amendment or waiver to the MSRB and the Participating Underwriter.

Notwithstanding the preceding paragraph, the Disclosure Dissemination Agent shall have the right to adopt amendments to this Disclosure Agreement necessary to comply with modifications to and interpretations of the provisions of the Rule as announced by the Securities and Exchange Commission from time to time by giving not less than 20 days written notice of the intent to do so together with a copy of the proposed amendment to the Issuer. No such amendment shall become effective if the Issuer shall, within 10 days following the giving of such notice, send a notice to the Disclosure Dissemination Agent in writing that it objects to such amendment.

SECTION 13. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the Issuer, the Trustee of the Bonds, the Disclosure Dissemination Agent, the Participating Underwriter, and the Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

SECTION 14. Governing Law. This Disclosure Agreement shall be governed by the laws of the State of Colorado.

SECTION 15. Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

The Disclosure Dissemination Agent and the Issuer have caused this Continuing Disclosure Agreement to be executed, on the date first written above, by their respective officers duly authorized.

DIGITAL ASSURANCE CERTIFICATION, L.L.C.,
as Disclosure Dissemination Agent

By: ______________________________________
Name:_____________________________________
Title:_____________________________________

REGIONAL TRANSPORTATION DISTRICT

By: ______________________________________
Name:_____________________________________
Title: Chair, Board of Directors

[SEAL]

Attest:

____
Secretary, Board of Directors

EXHIBIT A

NAME AND CUSIP NUMBERS OF BONDS

Name of Issuer:	Regional Transportation District (the "Issuer")
Obligated Person:	Regional Transportation District
Name of Bond Issue:	Regional Transportation District's Taxable Sales Tax Revenue Refunding Bonds (FasTracks Project), Series 2021A (Green Bonds – Climate Bond Certified), dated as of their date of delivery, in the aggregate principal amount of $422,405,000 and Tax-Exempt Sales Tax Revenue Refunding Bonds (FasTracks Project), Series 2021B (Green Bonds – Climate Bond Certified), dated as of their date of delivery, in the aggregate principal amount of $411,630,000 (collectively, the "Bonds").
Date of Issuance:	March 11, 2021.
Date of Official Statement:	February 18, 2021.

Taxable 2021A Bonds
(CUSIP 6-digit issue number: 759136)[(1)]

Maturity (November 1)	Principal Amount	Interest Rate	Price	Yield	CUSIP[(1)]
2025	$12,000,000	0.700%	100%	0.700%	VC5
2026	61,145,000	0.900	100	0.900	VD3
2027	48,150,000	1.179	100	1.179	VE1
2028	10,835,000	1.329	100	1.329	VF8
--	--	--	--	--	--
2031	54,685,000	1.837	100	1.837	VG6
2032	50,935,000	1.967	100	1.967	VH4
2033	37,780,000	2.067	100	2.067	VJ0
2034	9,160,000	2.187	100	2.187	VK7
2035	7,330,000	2.287	100	2.287	VL5
2036	66,215,000	2.337	100	2.337	VM3
2037	64,170,000	2.387	100	2.387	VN1

(1) CUSIP is a registered trademark of the American Bankers Association. CUSIP Global Services is managed on behalf of the American Bankers Association by S&P Global Market Intelligence. None of RTD, the Municipal Advisor or the Underwriters takes any responsibility for the accuracy of CUSIP numbers, which are included solely for the convenience of the owners of the Bonds. The CUSIP number for any maturity of the Bonds may be changed after the issuance of the Bonds as the result of various subsequent actions, including, without limitation, a refunding of all or a portion of such maturity or the procurement of secondary market insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Bonds.

Tax-Exempt 2021B Bonds
(CUSIP 6-digit issue number: 759136)[1]

Maturity (November 1)	Principal Amount	Interest Rate	Price	Yield	CUSIP[1]
2028	$36,835,000	5.000%	132.016%	0.690%	UU6
2029	38,815,000	5.000	134.791	0.820	UV4
2030	9,150,000	5.000	137.328	0.940	UW2
--	--	--	--	--	--
2038	3,175,000	4.000	123.219[c]	1.520	UX0
2039	24,655,000	4.000	122.692[c]	1.570	UY8
2040	17,500,000	4.000	122.273[c]	1.610	UZ5

$77,770,000 2.000% Term Bond maturing November 1, 2041 – Yield: 2.200%, Price: 96.695% CUSIP: VA9
$203,730,000 2.250% Term Bond maturing November 1, 2045 – Yield: 2.300%, Price: 99.062% CUSIP: VB7

[c] Priced to the first optional call date of May 1, 2031

(1) CUSIP is a registered trademark of the American Bankers Association. CUSIP Global Services is managed on behalf of the American Bankers Association by S&P Global Market Intelligence. None of RTD, the Municipal Advisor or the Underwriters takes any responsibility for the accuracy of CUSIP numbers, which are included solely for the convenience of the owners of the Bonds. The CUSIP number for any maturity of the Bonds may be changed after the issuance of the Bonds as the result of various subsequent actions, including, without limitation, a refunding of all or a portion of such maturity or the procurement of secondary market insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Bonds.

EXHIBIT B

NOTICE TO MSRB OF FAILURE TO FILE ANNUAL REPORT

Issuer:	Regional Transportation District (the "Issuer")
Obligated Person:	Regional Transportation District
Name of Bond Issue:	Regional Transportation District's Taxable Sales Tax Revenue Refunding Bonds (FasTracks Project), Series 2021A (Green Bonds – Climate Bond Certified), dated as of their date of delivery, in the aggregate principal amount of $422,405,000 and Tax-Exempt Sales Tax Revenue Refunding Bonds (FasTracks Project), Series 2021B (Green Bonds – Climate Bond Certified), dated as of their date of delivery, in the aggregate principal amount of $411,630,000 (collectively, the "Bonds").
Date of Issuance:	March 11, 2021.
Date of Disclosure Agreement:	March 11, 2021.
CUSIP Number:	759136 ___.

NOTICE IS HEREBY GIVEN that the Issuer has not provided an Annual Report with respect to the above-named Bonds as required by the Disclosure Agreement between the Issuer and Digital Assurance Certification, L.L.C., as Disclosure Dissemination Agent. The Issuer has notified the Disclosure Dissemination Agent that it anticipates that the Annual Report will be filed by ______________.

Dated: ______________________________

Digital Assurance Certification, L.L.C., as Disclosure Dissemination Agent, on behalf of the Issuer

____

cc:

EXHIBIT C-1
EVENT NOTICE COVER SHEET

This cover sheet and accompanying "event notice" will be sent to the MSRB, pursuant to Securities and Exchange Commission Rule 15c2-12(b)(5)(i)(C) and (D).

Issuer and/or Other Obligated Person's Name: Regional Transportation District (Colorado) (the "Issuer")

Issuer's Six-Digit CUSIP Number: 759136

or Nine-Digit CUSIP Number(s) of the bonds to which this event notice relates: 759136 ___

Number of pages attached: _____

____ Description of Notice Events (Check One):

1._____"Principal and interest payment delinquencies;"
2._____"Non-Payment related defaults, if material;"
3._____"Unscheduled draws on debt service reserves reflecting financial difficulties;"
4._____"Unscheduled draws on credit enhancements reflecting financial difficulties;"
5._____"Substitution of credit or liquidity providers, or their failure to perform;"
6._____"Adverse tax opinions, IRS notices or events affecting the tax status of the security;"
7._____"Modifications to rights of securities holders, if material;"
8._____"Bond calls, if material;" Tender offers;
9._____"Defeasances;"
10.____"Release, substitution, or sale of property securing repayment of the securities, if material;"
11.____"Rating changes;"
12.____"Bankruptcy, insolvency, receivership or similar event of the obligated person;"
13.____"Merger, consolidation, or acquisition of the obligated person, if material;"
14.____"Appointment of a successor or additional trustee, or the change of name of a trustee, if material;"
15.____"Incurrence of a financial obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the obligated person, any of which affect security holders, if material;" and
16.____"Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the obligated person, any of which reflect financial difficulties."

____ Failure to provide annual financial information as required.

I hereby represent that I am authorized by the Issuer or its agent to distribute this information publicly:

Signature:

____

Name: _________________________________Title: _______________________________________

Digital Assurance Certification, L.L.C.
315 E. Robinson Street
Suite 300
Orlando, FL 32801
407-515-1100

Date:

EXHIBIT C-2
VOLUNTARY EVENT DISCLOSURE COVER SHEET

This cover sheet and accompanying "voluntary event disclosure" will be sent to the MSRB, pursuant to the Continuing Disclosure Agreement dated as of March 11, 2021 between the Issuer and DAC.

Issuer's and/or Other Obligated Person's Name: Regional Transportation District (Colorado) (the "Issuer")

Issuer's Six-Digit CUSIP Number: 759136

or Nine-Digit CUSIP Number(s) of the bonds to which this event notice relates: 759136 ___

Number of pages attached: _____

____ Description of Voluntary Event Disclosure (Check One):

1._____"amendment to continuing disclosure undertaking;"
2._____"change in obligated person;"
3._____"notice to investors pursuant to bond documents;"
4._____"certain communications from the Internal Revenue Service;"
5._____"secondary market purchases;"
6._____"bid for auction rate or other securities;"
7._____"capital or other financing plan;"
8._____"litigation/enforcement action;"
9._____"change of tender agent, remarketing agent, or other on-going party;"
10.____"other event-based disclosures."

I hereby represent that I am authorized by the Issuer or its agent to distribute this information publicly:

Signature:

____

Name: _________________________________ Title: ____

Digital Assurance Certification, L.L.C.
315 E. Robinson Street
Suite 300
Orlando, FL 32801
407-515-1100

Date:

EXHIBIT C-3
VOLUNTARY FINANCIAL DISCLOSURE COVER SHEET

This cover sheet and accompanying "voluntary financial disclosure" will be sent to the MSRB, pursuant to the Continuing Disclosure Agreement dated as of March 11, 2021 between the Issuer and DAC.

Issuer and/or Other Obligated Person's Name: Regional Transportation District (Colorado) (the "Issuer")

Issuer's Six-Digit CUSIP Number: 759136

or Nine-Digit CUSIP Number(s) of the bonds to which this event notice relates: 759136 ___

Number of pages attached: _____

____ Description of Voluntary Financial Disclosure (Check One):

1._____"quarterly/monthly financial information;"
2._____"change in fiscal year/timing of annual disclosure;"
3._____"change in accounting standard;"
4._____"interim/additional financial information/operating data;"
5._____"budget;"
6._____"investment/debt/financial policy;"
7._____"information provided to rating agency, credit/liquidity provider or other third party;"
8._____"consultant reports;" and
9._____"other financial/operating data."

I hereby represent that I am authorized by the issuer or its agent to distribute this information publicly:

Signature:

____

Name: ________________________________Title: ____

Digital Assurance Certification, L.L.C.
315 E. Robinson Street
Suite 300
Orlando, FL 32801
407-515-1100

Date:

EXHIBIT D

INDEX OF OFFICIAL STATEMENT TABLES TO BE UPDATED

Table Number	**Table Title**
Table II –	Historical and Pro Forma Debt Service Coverage and Available Pledged Revenues
Table III –	Historical Sales Tax Revenues
Table VII –	Historical Operating Data
Table VIII –	Statement of Obligations
Table X –	Revenue and Capital Receipts by Source
Table XIII –	RTD Annual Ridership and Fare Revenue
Table XIV –	RTD Advertising and Ancillary Revenues
Table XV –	RTD Federal & Local Grant Receipts
Table XVI –	Summary of Statements of Revenues and Expenses and Changes in Net Position
Table XVII –	Comparison of Budgeted and Actual Revenues and Expenses

Appendix B

REGIONAL TRANSPORTATION DISTRICT DENVER, COLORADO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2019 AND 2018

COMPREHENSIVE ANNUAL FINANCIAL REPORT

Fiscal year ended December 31, 2019 and 2018

RTD

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

REGIONAL TRANSPORTATION DISTRICT
DENVER, COLORADO

COMPREHENSIVE ANNUAL FINANCIAL REPORT

Fiscal Year Ended December 31, 2019 and 2018

Prepared by

Finance Division

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(CONTINUED)

Regional Transportation District

June 3, 2020

Board of Directors
Regional Transportation District
Denver, Colorado

In accordance with Colorado statutes and Regional Transportation District (RTD) bylaws, the enclosed Comprehensive Annual Financial Report of the Regional Transportation District as of December 31, 2019, has been compiled. Responsibility for the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with RTD. Management believes the data, as presented, fairly sets forth the financial position and operating results of RTD. Disclosures necessary to enable the reader to gain the maximum understanding of the financial affairs of RTD have been included.

In developing and evaluating RTD's accounting system, consideration has been given to the adequacy of internal accounting controls. These controls are discussed by the Chief Financial Officer in the Letter of Transmittal. Within that framework, we believe RTD's internal accounting controls adequately safeguard assets and provide reasonable assurance of the proper recording of financial transactions.

This report has been prepared according to the guidelines recommended by the Government Finance Officers Association of the United States and Canada. In accordance with these guidelines, the accompanying report is presented in three parts:

1. Introductory Section, including the Chief Financial Officer's Letter of Transmittal.

2. Financial Section containing the independent auditor's report, Management's Discussion and Analysis, the financial statements, notes thereto and supplemental information.

3. Statistical Section, including selected tables of unaudited data depicting the financial history of RTD, demographics, and other miscellaneous information.

Colorado law requires the governing bodies of local governments to have an independent audit of RTD's financial statements performed. RTD has complied with this requirement and has included the report of the independent auditors in the Financial Section of this report.

Preparation of this Comprehensive Annual Financial Report could not have been accomplished without the dedicated efforts of the entire financial staff. Should you have any questions or comments, please contact Heather McKillop, Chief Financial Officer.

Respectfully submitted,
Angie Rivera-Malpiede
Chair, Executive Committee

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Regional Transportation District

June 3, 2020

Ms. Angie Rivera-Malpiede
Chair, Executive Committee
Regional Transportation District

State law requires that all general-purpose local governments publish within seven months of the close of each fiscal year a complete set of financial statements presented in conformance with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the Comprehensive Annual Financial Report of the Regional Transportation District (RTD) for the fiscal year ended December 31, 2019.

This report consists of management's representations concerning the finances of RTD. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of RTD has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient, reliable information for the preparation of RTD's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, RTD's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

RTD's financial statements have been audited by RubinBrown, LLP, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of RTD for the fiscal year ended December 31, 2019, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that RTD's financial statements for the fiscal year ended December 31, 2019, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the Financial Section of this report.

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

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. RTD's MD&A can be found immediately following the report of the independent auditors.

REGIONAL TRANSPORTATION DISTRICT (RTD)

RTD provides public mass transit service 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 component. Thus, the Regional Transportation District 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 now include Jefferson, Boulder, and Denver counties, most of the City and County of Broomfield, and portions of Adams, Douglas, Weld, and Arapahoe counties. Over 3.09 million people reside within RTD's 2,342 square mile area.

Since 1983, RTD has had a fifteen-member Board of Directors that are elected by their constituents to serve four-year terms to govern RTD. There are approximately 200,000 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.

RTD employs over 2,956 men and women, making it one of the largest employers in the eight county areas. In addition, RTD contracts with private carriers to provide access-a-ride, fixed route and commuter rail services employing over 2,058 men and women. Besides its administrative headquarters in Denver, RTD has seven operating facilities (excluding purchased transportation services), including four in Denver, one in Aurora, one in Englewood, and one in Boulder.

The financial reporting entity includes all of 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.

RTD also maintains budgetary controls. These controls ensure compliance with legal provisions embodied in the annual appropriated budget approved by RTD's Board of Directors. The budget sets forth proposed outlays for operations, planning, administration, development, debt service, and capital assets. The level of budgetary control (that is, 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 of RTD are required to submit requests for appropriation to the General Manager on or before August 1st of each year. The General Manager uses these requests as the starting point for developing a proposed budget. The General Manager then presents this proposed budget to the Board of Directors for review prior to October 15th. 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 31st.

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.

RTD's policy also authorizes the General Manager to approve certain line-item transfers within the budget. Budget-to-actual comparisons are provided in the Supplemental 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.

RTD serves the eight-county region considered the Denver metropolitan area. 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. These companies represent a diverse mix of industries and are located throughout the Denver metropolitan area, providing a geographic balance in employment centers.

The Colorado Legislative Council (CLC) in its March 2020 report forecasts that the economy is changing by the hour based on news of the novel coronavirus. The efforts to contain the disease pose a significant downside risk to this economic and revenue forecast.

Economists for CLC reported the following key economic indicators:

Key Economic Indicators	2018 Actual	2019 Forecast	2020 Forecast
Job Growth	5.8%	6.0%	3.5%
Unemployment	3.3%	3.6%	3.2%
Personal Income Growth	5.4%	5.3%	3.5%
Population Growth	1.4%	1.4%	1.3%
Inflation	2.7%	2.3%	2.2%

On November 3, 1992, the voters of Colorado approved a Constitutional Amendment (the “Amendment”) that limits taxes, revenue, and spending for state and local governments effective December 31, 1992. On November 7, 1995, the voters of the District exempted RTD from the revenue and spending limitations concerning the Amendment through December 31, 2005. On November 2, 1999, the voters of the District further exempted RTD from the revenue and spending limitations outlined in the Amendment for the purpose of paying any debt incurred to finance the construction of the Southeast and Southwest light rail lines or to operate such 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 District’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 District from any revenue and spending limitations on the additional tax and on any investment income generated by the increased tax revenue, and allowed RTD to incur debt to finance the capital improvements included in the FasTracks program. At the time that all FasTracks debt is repaid, the District’s sales and use tax rate will be reduced to a rate sufficient to operate the transit system financed through FasTracks.

Long-term Financial Planning

Each year the Board of Directors adopts a financially balanced Mid-Term Financial Plan (MTFP), which is the six-year operating and capital improvement plan for RTD including both the Base System and FasTracks. This plan was previously made up of two separate components known as the Strategic Budget Plan (SBP) for the Base System and the Annual Program Evaluation (APE) for FasTracks. The MTFP is a component of the long-term transportation planning program for the Denver metropolitan area evaluated by the Denver Regional Council of Governments (DRCOG). While the MTFP is developed separately for the Base System and FasTracks, RTD integrates both plans into a single medium and long-term Financial Plan which includes the entirety of RTD in a single report. This financial information forms the basis for the development of RTD’s annual budget.

Long-term financial planning seeks to allocate resources among related and, at times, competing activities and to optimize those resources in a manner consistent with defined organizational goals and objectives.

FINANCIAL INFORMATION

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

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

As part of RTD's single audit, tests are made to determine the adequacy of the internal control structure, including that portion related to federal financial assistance programs, as well as to evaluate RTD's compliance. RTD's single audit for the fiscal year ended December 31, 2019 found no instances of material weakness in the internal control structures or significant violations of applicable laws and regulations. A separate report was prepared for this purpose.

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

Debt Administration: RTD formulates its debt policy to protect its credit ratings and soundly manage its assets and liabilities. Included in this policy is a requirement that debt will not be used to finance current operations. Another requirement precludes financing capital projects beyond the useful life of the project. Additional policies go beyond these essential guidelines and result in further protection. RTD has a dual rating for its 1.0% sales tax credit. Moody's Investors Service rates the sales tax credit as "Aa1", Standard and Poor's Corporation rates the sales tax credit "AAA" and Fitch Ratings rates the sales tax credit "AA" that are secured by the 0.6% sales tax. Moody's Investors Service rates the sales tax credit as "Aa2", Standard and Poor's Corporation rates the sales tax credit "AA+" and Fitch Ratings rates the sales tax credit "AA" that are secured by the 0.4% sales tax.

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

During the year, RTD invested its cash in various investment vehicles including money market funds, U.S. Treasury securities, agency securities, discount notes, commercial paper, repurchase agreements, and variable and fixed rate mortgage-backed securities. The total average return on investments for the year was 1.4%.

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

The areas of self-insurance are worker's compensation, automobile and general liability. RTD is self-insured for liability, the limits of which are $387,000 per person and $1,093,000 per occurrence as specified under the Colorado Governmental Immunity statute. 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 property coverage up to $500,000,000 for buildings, their contents, and rolling stock (other than collision); a Commercial Crime Policy with a limit of $10,000,000; a $5,000 bond for CDL Testing Performance Bond; $2,600,000 Workers' Compensation Bond; Felonious Assault Policy; travel insurance for employees on RTD business; fiduciary coverage on the Trustees of the Union Pension Trust, Salaried Pension Trust, Represented Health and Welfare Union Trust, Legal Trust, and the employees administering the health benefits program for salaried employees with a limit of $8,000,000; Cyber Liability policy with a limit of $10,000,000; Drone policy with a limit of $10,000,000. With the growth of Light Rail Transit (LRT) services, and Commuter Rail Transit (CRT) services. RTD has added Railroad Protective and Railroad Liability commercial insurance policies that provide coverage when required under operational needs.

OTHER INFORMATION

Independent Audit: State statutes require an annual audit by independent certified public accountants. The accounting firm of RubinBrown LLP was selected to perform the 2019 audit. This audit also was designated to meet the requirements of the

Federal Single Audit 2 CFR 200.501, Uniform Grant Guidance and related 2 CFR 200, Uniform Grant Guidance – Uniform Administrative Requirements, Cost Principles and Audit Requirements. The auditor's report on the financial statements and schedules are included in the Financial Section of this report. The auditor's report related specifically to the single audit is included in a separate report.

Awards: The Government Finance Officers Associations (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to RTD for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2018. This is the twenty-seventh consecutive year that RTD has been awarded this prestigious award.

In order to receive the Certificate of Achievement for Excellence in Financial Reporting, RTD must publish an easily readable and efficiently organized Comprehensive Annual 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. We believe our current Comprehensive Annual Financial Report meets the program's requirements and will be submitting it to the GFOA to determine its eligibility for another certificate.

Acknowledgements: Preparation of the Comprehensive Annual Financial Report on a timely basis was made possible by the dedicated services of the entire staff of the Finance Division. Each member of the division has our sincere appreciation for the contributions made in the preparation of this report.

Finally, without the leadership and support of the members of the RTD's Board of Directors, preparation of this report would not have been possible.

Sincerely,

Heather McKillop
Chief Financial Officer

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Board of Directors

RTD's governing body is a 15-member elected Board of Directors, with each member elected from one of the fifteen 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". The following are the members of the Board of Directors as of January 2019:

District A
Kate Williams
Denver/Arapahoe Counties

District B
Shontel Lewis
Denver/Adams Counties

District C
Angie Rivera-Malpiede, Chair
Denver/Jefferson Counties

District D
Jeff Walker
Denver/Jefferson/Arapahoe Counties

District E
Claudia Folska PhD.
Denver/Arapahoe Counties

District F
Bob Broom
Arapahoe County

District G
Ken Mihalik
Arapahoe/Douglas Counties

District H
Doug Tisdale
Arapahoe/Douglas Counties

District I
Judy Lubow
Boulder/Broomfield/Adams/Weld Counties

District J
Vince Buzek, Secretary
Adams/Jefferson Counties

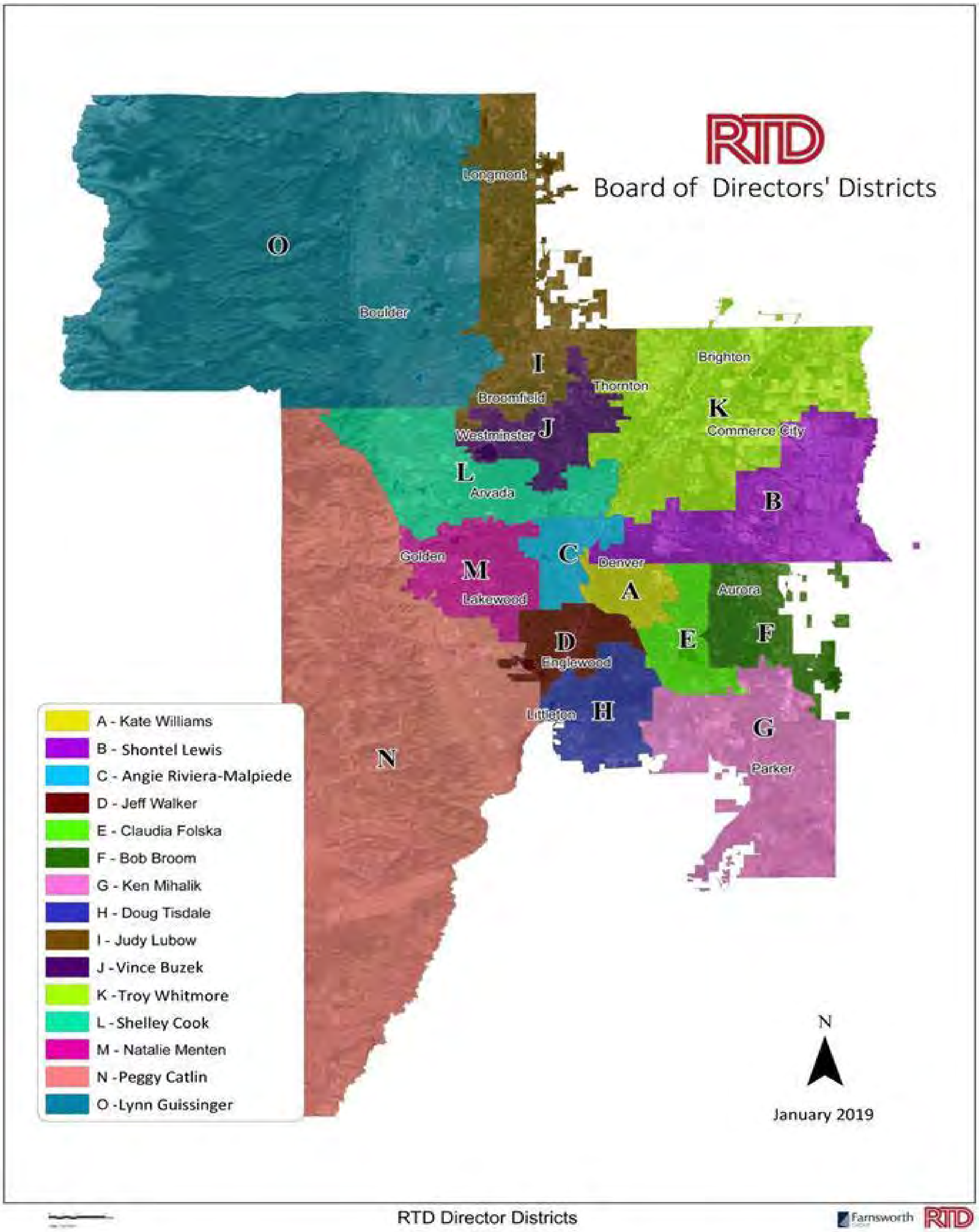
District K
Troy Whitmore
Adams/Weld Counties

District L
Shelley Cook, Second Vice Chair
Jefferson/Adams Counties

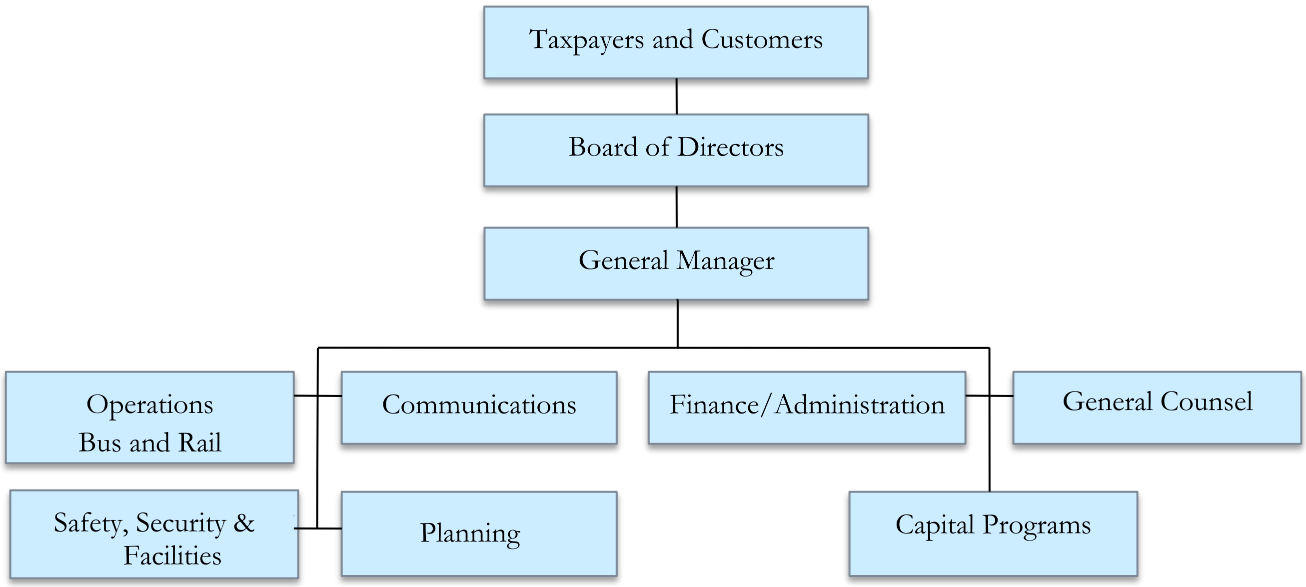
District M
Natalie Menten
Jefferson County

District N
Peggy Catlin, First Vice Chair
Jefferson County

District O
Lynn Guissinger, Treasurer
Boulder County


RTD
Board of Directors' Districts
Longmont
Boulder
O
I
Brighton
Thornton
Broomfield
K
Westminster
J
Commerce City
L
Arvada
B
Golden
C
Denver
M
A
Lakewood
Aurora
D
E
F
Englewood
Littleton
H
G
N
Parker
A - Kate Williams
B - Shontel Lewis
C - Angie Riviera-Malpiede
D - Jeff Walker
E - Claudia Folska
F - Bob Broom
G - Ken Mihalik
H - Doug Tisdale
I - Judy Lubow
J - Vince Buzek
K - Troy Whitmore
L - Shelley Cook
M - Natalie Menten
N - Peggy Catlin
O - Lynn Guissinger
N
January 2019
RTD Director Districts
Farnsworth
RTD

Organization Chart
January 2020



Department Officials

Interim General Manager/Chief Executive Officer
Paul Ballard

AGM, Safety, Security & Asset Management
Michael Meader

Chief Operating Officer, Bus and Rail
Michael Ford

AGM, Bus Operations
Fred Worthen

AGM, Rail Operation
Dave Jensen

AGM, Communications
Pauletta Tonilas

AGM, Planning
William C. Van Meter

AGM, Capital Programs & Facilities
Henry Stopplecamp

Chief Financial Officer/Administration
Heather McKillop

General Counsel
Jennifer Ross-Amato (Acting)

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Regional Transportation District
Colorado

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2018

Christopher P. Morrill

Executive Director/CEO

FINANCIAL SECTION

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RubinBrown

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www.RubinBrown.com

CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS CONSULTANTS

Independent Auditors' Report

Board of Directors
Regional Transportation District
Denver, Colorado

Report On The Financial Statements

We have audited the accompanying financial statements of the Regional Transportation District (RTD) as of and for the years ended December 31, 2019 and 2018 and the related notes to the financial statements, which collectively comprise RTD's basic financial statements as listed in the table of contents.

Management's Responsibility For The Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of RTD as of December 31, 2019 and 2018, and the changes in its financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and pension plan summary information on pages 23 through 35 and 86 through 89, respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by 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.

Supplementary And Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise RTD's basic financial statements. The accompanying budgetary information, introductory section and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The budgetary 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. Such 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 budgetary information is fairly stated, in all material respects, in relation to the financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required By *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 3, 2020 on our consideration of RTD's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is 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 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 RTD's internal control over financial reporting and compliance.

RubinBrown LLP

June 3, 2020

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The management of the Regional Transportation District (RTD) offers users of our financial statements this narrative overview and analysis of the financial activities for the years ended December 31, 2019 and 2018. This discussion and analysis is designed to assist the reader to focus on significant financial activities and identify any significant changes in the financial position of RTD. 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.

Key Reporting Implementations

In fiscal year 2016 RTD implemented the provisions of Governmental Accounting Standards Board (GASB) 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 the 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.

Financial Highlights

As of December 31, 2019 and 2018, total assets and deferred outflows of resources of RTD exceeded total liabilities and deferred inflows of resources by $3,336,878 and $3,463,506 respectively. The amount of unrestricted net position as of December 31, 2019 was $(165,410) compared to $(207,306) in 2018. RTD's unrestricted net position was negatively impacted by the implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* (GASB 68). GASB 68 required RTD to record the amount of unfunded pension liabilities. More information on the pension plans is available in the Notes.

The net position of RTD decreased by $126,628 (3.7%) during the current year compared to an increase of $49,997 (1.5%) in the previous year. The decrease for 2019 was due to additional depreciation on assets that were placed in service during 2018 and 2019 due to the opening of additional rail lines as well as expensing interest costs on the Eagle P3 project that had previously been recorded as prepaid items. The 2018 increase was due to higher operating revenues, sales and use tax collections increases a one-time gain recognized for a bond refunding, net of increases in operating expenses and non-operating expenses.

RTD's sales and use tax revenues are its largest single source of revenues. These tax revenues increased $25,226 (4.0%) in 2019 and increased $36,005 (6.0%) in the previous year. In 2019 and 2018, The District experienced growth in tax revenues due to increased consumer and business-spending activity as the District continues to experience population growth in both years of 1.4%, low unemployment of 3.6% and 3.3% as well as growth in personal income of 5.3% and 5.4%, respectively.

For 2019, total operating expenses exceeded total revenues resulting in a loss before non-operating revenue and expenses of $837,088 compared to a loss of $713,392 for 2018. The increase in operating loss for 2019 and 2018 was mostly due to FasTracks depreciating assets for a full year and betterments for the North Metro. RTD anticipates operating losses, as these losses are subsidized by non-operating sales and use tax, grant revenues and other miscellaneous income.

RTD's total debt decreased $69,194 (2.0%) and decreased $68,788 (2.0%) in 2019 and 2018, respectively. Debt decreased in 2019 and 2018 due to payment of principal.

Capital grants and local contributions increased $43,495 (53.4%) in 2019 and decreased 5,393 (6.2%) in the previous year. The increase in 2019 was a result of Eagle P3 project grant funding. The decrease in 2018 was a result of South East Rail Extension being in final phase of completion.

RTD's capital assets, excluding depreciation, increased $297,820 (3.3%) in 2019 and increased $312,270 (3.6%) in 2018. The increase in both 2019 and 2018 was primarily due to the build-out of the FasTracks project.

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 the same basis of accounting as private-sector business enterprises. Under this method of accounting, an economic resources measurement focus and an accrual basis of accounting is 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 presents information on assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference between the two reported as the net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of RTD is improving or deteriorating. The statements of revenues, expenses, and changes in net position presents 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 reports cash and cash equivalent activities for the fiscal year resulting from operating activities, capital, and related financing activities, noncapital and related financing activities and investing activities. The result of these activities added to the beginning of the year cash balance reconciles to the cash and cash equivalents balance at the end of the current fiscal year. The statements of cash flows, along with the related notes and information in other financial statements, can be used to assess the following: RTD's ability to generate positive cash flows and pay its debt as the debt matures; the reasons for differences between RTD's operating cash flows and operating income (loss); and the effect of investing, capital, and financing activities on RTD's financial position.

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

RTD provides bus, paratransit, and light rail service in a 2,342 square mile area in and around Denver, Colorado. The activities of RTD 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 the majority of current light rail services in the Denver area. The 0.4% sales and use tax funds the FasTracks build-out program and 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 below.3

Statements of Net Position – As of December 31, 2019 and 2018, total assets and deferred outflows of resources of RTD exceeded total liabilities and deferred inflows of resources by $3,336,878 and $3,463,506, respectively. The largest portion of this excess, in 2019 and in 2018, was invested in capital assets, net of related debt. RTD uses these capital assets to provide public transportation services to customers; consequently, these assets are not available for future spending. Although RTD's investment in capital assets is reported net of related debt, it should be noted that funding required to repay this debt will be obtained from other sources such as sales and use tax, since the capital assets themselves cannot be used to pay the related debt. The amount of unrestricted net position as of December 31, 2019 was $(165,410) compared to $(207,306) in 2018. Substantially all of the unrestricted net position, although not legally restricted, has been appropriated or reserved by the RTD Board for future capital acquisition and reserve policy requirements, and debt liquidation during the budget process. The deficit balance in Unrestricted Net Position includes an allowance for a Net Pension Liability of $265,841 in 2019 for the represented employee defined benefit pension plan (see Note I). RTD has recognized this liability in its financial statements in accordance with *GASB Statement 68*; however, RTD is current in making all required contributions under the collective bargaining agreement.

December 31, 2019 and 2018 (Dollars in Thousands)

Condensed Summary Statements of Net Position

	2019	2018	2017
Assets and Deferred Outflows of Resources:			
Current assets	$ 636,702	$ 590,800	$ 509,171
Current assets - restricted	148,698	231,752	270,180
Capital assets (net of accumulated depreciation)	6,841,843	6,851,205	6,804,036
Other noncurrent assets	112,762	146,383	263,293
Total assets	7,740,005	7,820,140	7,846,680
Deferred outflows of resources	106,844	80,739	95,038
Total assets and deferred outflows of resources	7,846,849	7,900,879	7,941,718
Liabilities and Deferred Inflows of Resources:			
Current liabilities	232,739	249,953	255,237
Noncurrent liabilities	4,218,495	4,083,427	4,253,670
Total liabilities	4,451,234	4,333,380	4,508,907
Deferred inflows of resources	58,737	103,993	19,302
Total liabilities and deferred inflows of resources	4,509,971	4,437,373	4,528,209
Net position:			
Net investment in capital assets	2,987,538	3,144,175	3,135,186
Restricted debt service	117,805	139,779	148,627
Restricted TABOR	25,940	24,079	25,735
Restricted Fastracls	369,502	361,275	325,663
Restricted Deposits	1,503	1,504	1,502
Unrestricted	(165,410)	(207,306)	(223,204)
Total net position	$ 3,336,878	$ 3,463,506	$ 3,413,509

In 2019, capital assets net of accumulated depreciation decreased $9,362 for acquisition of revenue equipment, buildings, land, and construction in progress for the projects in the FasTracks program.

Current liabilities decreased $17,214 (6.9%) in 2019 primarily due to lower volume of Ecopass 2020 contracts processed and reduction of construction contract retention.

Noncurrent liabilities and deferred inflows increased $89,812 (2.1%) in 2019 primarily due to change in the Net Pension Liability recognition of deferred resources as require by GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, and GASB Statement 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date.*

The net position of RTD decreased by $126,628 (3.7%) during the current year compared to an increase of $49,997 (1.5%) in the previous year. The decrease for 2019 was due to additional depreciation on assets that were placed in service during 2018 and 2019 due to the opening of additional rail lines as well as expensing interest costs on the Eagle P3 project that had previously been recorded as prepaid items. The 2018 increase was due to higher operating revenues, sales and use tax collections increases a one-time gain recognized for a bond refunding, net of increases in operating expenses and non-operating expenses.

December 31, 2019 and 2018 (Dollars in Thousands)

Statements of Revenues, Expenses, and Changes in Net Position–The following summary of revenues, expenses, and changes in net position shows the activities of RTD resulted in change of net position. The key elements of changes in net position for the fiscal years

Summary of Revenues, Expenses, and Changes in Net Position

	2019	2018	2017
Operating revenue:			
Passenger fares	$ 154,390	$ 143,231	$ 140,217
Advertising and other	6,553	7,535	7,159
Total operating revenue	160,943	150,766	147,376
Operating expenses:			
Salaries and wages	196,505	183,899	172,535
Fringe benefits	54,569	52,993	91,442
Materials and supplies	54,983	51,335	44,686
Services	96,085	81,189	77,323
Utilities	17,823	16,419	16,503
Insurance	10,833	9,941	13,319
Purchased transportation	203,559	176,416	159,051
Leases and rentals	3,204	1,996	2,829
Miscellaneous	5,053	4,317	4,213
Depreciation	355,417	285,653	248,633
Total operating expenses	998,031	864,158	830,534
Operating loss	(837,088)	(713,392)	(683,158)
Nonoperating revenues (expenses):			
Sales and use tax	659,418	634,192	598,187
Grant operating assistance	86,263	86,403	80,412
Investment income	17,669	13,409	63,030
Other income/Gain on Sale of Assets	26,582	12,618	14,618
Interest expense	(200,845)	(62,770)	(65,346)
Other expense/ Unrealized Loss on Assets	(3,124)	(1,465)	(2,981)
Net nonoperating revenue (expenses)	585,963	682,387	687,920
Income before capital contribution	(251,125)	(31,005)	4,762
Capital grants and local contributions	124,497	81,002	86,395
Increase in net position	(126,628)	49,997	91,157
NET POSITION, beginning of year	3,463,506	3,413,509	3,322,352
NET POSITION, end of year	$ 3,336,878	$ 3,463,506	$ 3,413,509

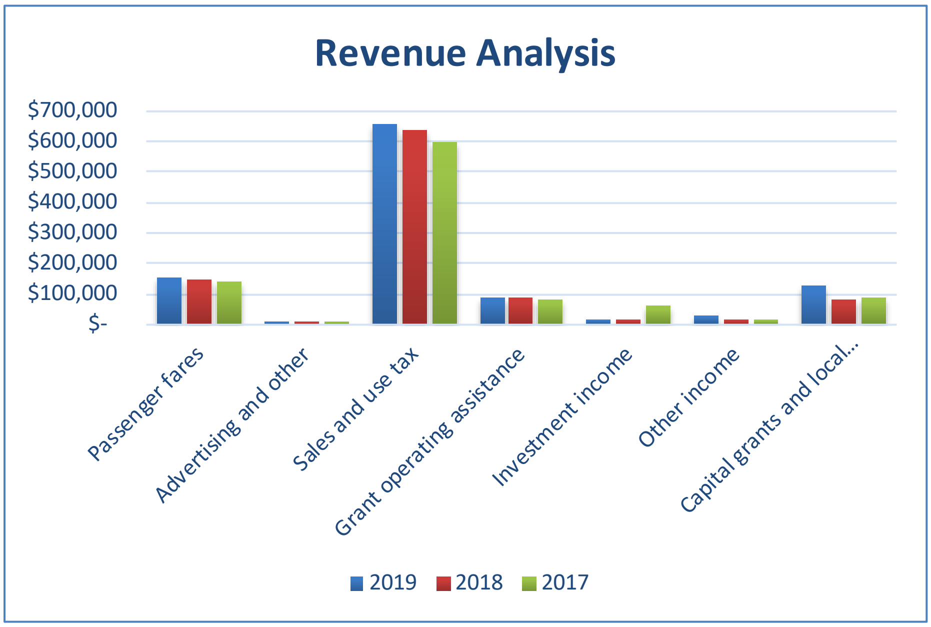
The information contained in the condensed information table is used as the basis for the revenue and expense discussion presented below, surrounding RTD's activities for the fiscal years ended December 31, 2019, 2018 and 2017.

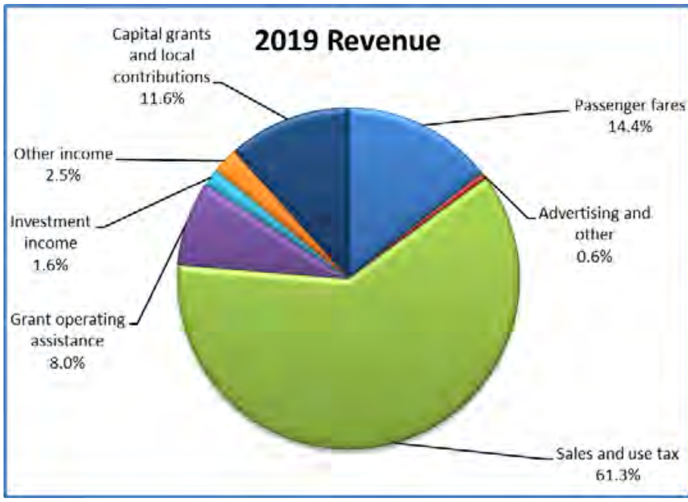
December 31, 2019 and 2018 (Dollars in Thousands)

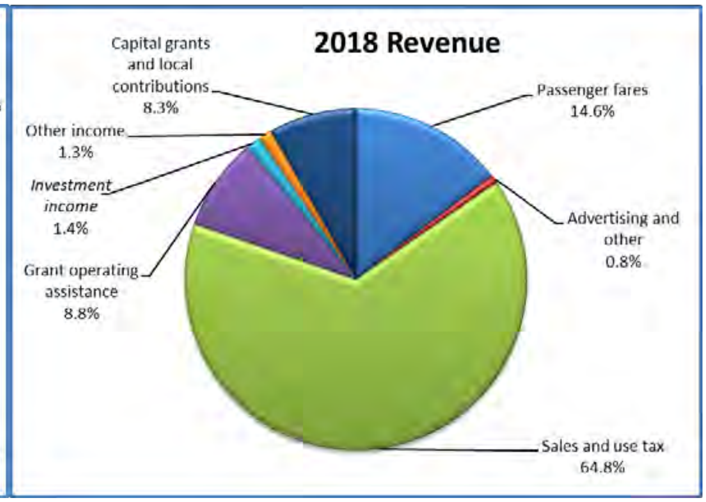
Revenues - The following schedule and charts show the sources of revenue for the years ended December 31, 2019, 2018 and 2017.

Revenue Analysis

	2019	2018	2017
Revenues			
Passenger fares	$ 154,390	$ 143,231	$ 140,217
Advertising and other	6,553	7,535	7,159
Sales and use tax	659,418	634,192	598,187
Grant operating assistance	86,263	86,403	80,412
Investment income	17,669	13,409	63,030
Other income	26,582	12,618	14,618
Capital grants and local contributions	124,497	81,002	86,395
Total Revenues	**$ 1,075,372**	**$ 978,390**	**$ 990,018**







Passenger fares – Passenger fares provided 14.4% and 14.6% of total revenues in 2019 and 2018, respectively. Farebox receipts, monthly and annual pass revenue, and special event fares for bus and rail services are included in passenger fares. Passenger fares increased by $11,159 (7.8%) in 2019 compared to an increase of $3,014 (2.1%) in 2018. Passenger fares changes in 2019 was due to fare increase in addition, the opening of the G Line and growth in the A Line ridership.

Advertising and other – Advertising and other revenue provided 0.6% and 0.8% of total revenues in 2019 and 2018; this includes revenues from advertisements primarily on RTD's buses and external wraps on light rail vehicles. Advertising and other income decreased $982 (13.0%) in 2019 compared to an increase of $376 (5.3%) in 2018. The decrease in 2019 was due …The increase in 2018 was minimal. The increase in 2017 was due to an increase in advertising revenue related to a stronger economy, new rail lines and revenue for lease and naming rights.

Sales and Use Tax – Sales and use tax provided 61.3% and 64.8% of RTD's total revenues in 2019 and 2018 respectively. Sales and use tax is a dedicated 1.0% tax imposed on certain sales within the service area. Sales and use tax increased $25,226 (4.0%) in 2019 compared to an increase of $36,005 (6.0%) in 2018. In 2019and 2018, the District experienced growth in tax revenues due to increased consumer and business-spending activity as the District continues to experience population growth of 1.4% and 1.4%, low unemployment of 3.6% and 3.3% as well as growth in personal income of 5.3% and 5.4%, respectively.

Grant operating assistance – Grant operating assistance provided 8.0% and 8.8% of total revenues in 2019 and 2018. Grant operating assistance decreased $140 (0.2%) in 2019 compared to an increase of $5,991 (7.5%) in 2018. The operating assistance is a federal grant revenue program used to perform capital maintenance and maintain RTD's revenue fleet of bus, paratransit, and rail vehicles. The revenue the result of grant funding sources being available during the year.

Investment Income – Investment income provided 1.6% and 1.4% of total revenues in 2019 and 2018. Investment income increased $4,260 (31.8%) in 2019 compared to a decrease of $49,621 (78.7%) in 2018. The increase in 2019 was due to fixed securities getting better yields. The decrease in 2018 was due to the 2017 gain from extinguishment of debt.

Other Income/Gain on sale of Assets – Other income provided 2.5% and 1.3% of total revenues in 2019 and 2018. Other income increased $13,964 (110.7%) in 2019 compared to a decrease of $2,000 (13.7%) in 2018. Other income includes interest subsidy income, rental income from retail space, parking, and miscellaneous other items. The increase in 2019 was primarily due to insurance refunds and other miscellaneous items. The decrease in 2018 was due to a onetime gain on asset disposals in 2017.

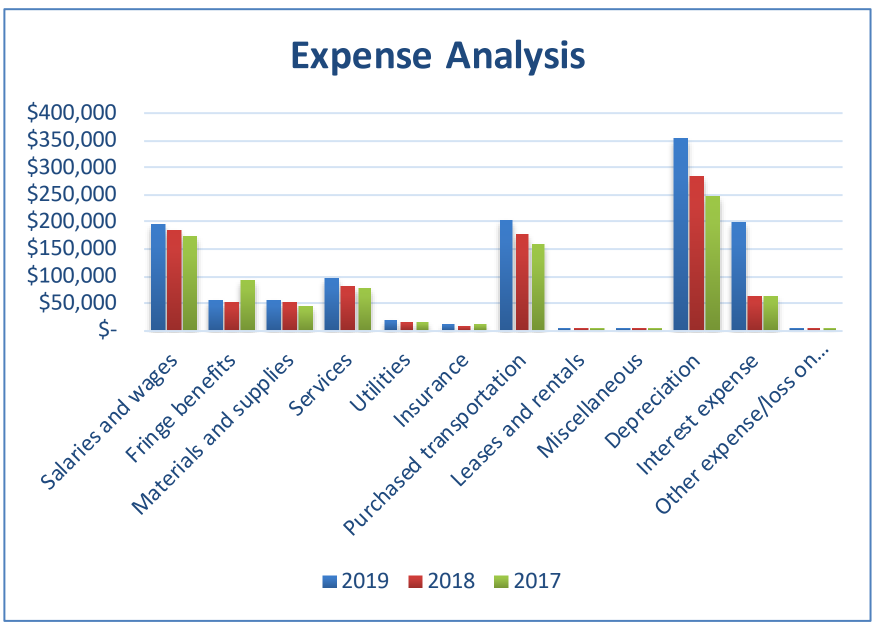
Capital grants and local contributions – Capital grants and local contributions provided 11.6% and 8.3% of total revenues in 2019 and 2018. Capital grants and local contributions increased $43,495 (53.7%) in 2019 and decreased $5,393 (6.2%) in the previous year. The increase in 2019 was due to Eagle P3 FFGA grant funding appropriations. The decrease in 2018 was a result of lower capital contributions related to completion of major construction projects.

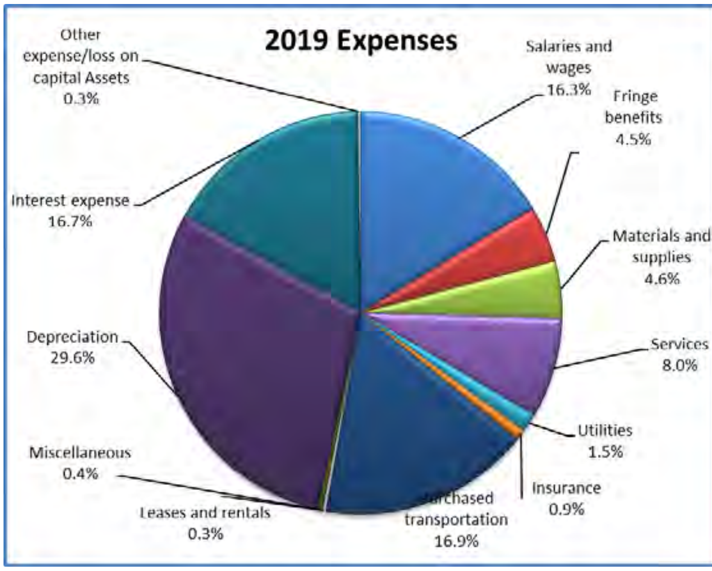
December 31, 2019 and 2018 (Dollars in Thousands)

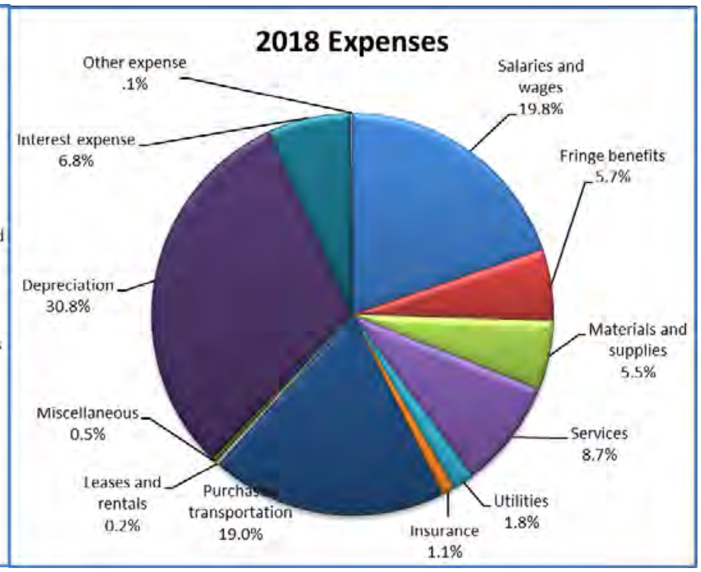
Expenses - The following schedule and charts shows the major sources of expenses for the years ended December 31, 2019, 2018 and 2017.

Expense Analysis

	2019	2018	2017
Expenses			
Salaries and wages	$ 196,505	$ 183,899	$ 172,535
Fringe benefits	54,569	52,993	91,442
Materials and supplies	54,983	51,335	44,686
Services	96,085	81,189	77,323
Utilities	17,823	16,419	16,503
Insurance	10,833	9,941	13,319
Purchased transportation	203,559	176,416	159,051
Leases and rentals	3,204	1,996	2,829
Miscellaneous	5,053	4,317	4,213
Depreciation	355,417	285,653	248,633
Interest expense	200,845	62,770	65,346
Other expense/loss on capital Assets	3,124	1,465	2,981
Total Expenses	**$ 1,202,000**	**$ 928,393**	**$ 898,861**







Salaries and wages–Salary and wage expense is one of the largest expense category accounting for 16.3% and 19.8% of the total RTD expenses in 2019 and 2018, respectively. Salary and wage expenses increased by $12,606 (6.9%) in 2019 compared to an increase of $11,364 (6.6%) in 2018. Increases in both years occurred from salary and wage performance (result based) and progression increases, and additional service provided with the openings of new rail lines.

Benefits – Fringe benefits accounted for 4.5% and 5.7% of total expenses in 2019 and 2018. Fringe benefits increased by $1,576 (3.0%) in 2019 compared to a decrease of $38,449 (42.0%) in 2018. The fluctuations for both 2019 and 2018 is primarily due to implementation GASB Statement Nos. 68 and 71 that establish standards for measuring and recognizing net pension liabilities.

Materials and supplies – The materials and supplies expense category accounted for 4.6% and 5.5% of the total expenses in 2019 and 2018 respectively. Materials and supplies expenses increased $3,648 (7.1%) in 2019 compared to an increase of $6,649 (14.9%) in 2018. The fluctuations for both 2019 and 2018 is primarily due to higher diesel fuel, gas prices and opening of new rail lines.

Services – Services expense accounted for 8.0% and 8.7% of total expenses in 2019and 2018. Services expense includes contracted services such as security services; vehicle, equipment and right of way maintenance services; advertising and marketing services, and legal services. Services expense increased $14,896 (18.3%) in 2019 compared to an increase of $3,866 (5.0%) in 2018. The increase in 2019 and 2018 was due to increased contractual increases and additional security services due to opening of new rail lines.

Utilities – Utilities accounted for 1.5% and 1.8% of total expenses in 2019 and 2018. Utilities expense includes electric, telecommunications, water and sewer, and natural gas for facilities. Utilities expense increased $1,404 (8.6%) in 2019 compared to a decrease of $84 (0.5%) in 2019. The increase in 2019 occurred primarily due to traction power costs due to the opening of the Gold commuter rail line. The decrease in 2018 was negligible.

Insurance – Insurance accounted for 0.9% and 1.1% of total expenses in 2019 and 2018. Insurance expense includes RTD's self-insured cost for general liability and worker's compensation claims. In addition, RTD purchased insurance in its efforts to protect assets. Insurance expense increased $892 (9.0%) in 2019 compared to a decrease of $3,378 (25.4%) in 2018. The variation in both years 2019 and 2018 was due fluctuating frequency and severity of claims.

Purchased transportation – The purchased transportation expense category accounted for 16.9% and 19.0% of the total expenses in 2019 and 2018. Purchased transportation represents the costs of contracted transportation services for bus, commuter rail, access-a-Ride, and FlexRide services. Purchased transportation costs increased $27,143 (15.4%) in 2019 compared to an increase of $17,365 (10.9%) in 2018. The increase in 2019 and 2018 was due to a higher scheduled payments to DTP including TABOR – secured payments as well as the opening of rail lines.

Leases and rentals – Leases and rentals include lease expense for office space, office equipment, park-n-Ride facilities, and use of communication towers. Leases and rentals expense increased $1,208 (60.5%) in 2019 compared to a decrease of $833 (29.4%) in 2018. The increase in 2019 was due to additional lease space for North Metro operation startup. The decrease in 2018 was primarily due to RTD's reduction of office space due to completion of FastTracks projects.

Miscellaneous – Miscellaneous expense includes other incidental operating expenses not included in other defined categories. Miscellaneous expenses increased $736 (17.0%) in 2019 compared to an increase of $104 (2.5%) in 2018. This category includes additional one-time project expenses creating fluctuations between years.

Depreciation – The depreciation expense category accounted for 29.6% and 30.8% of the total expenses in 2019 and 2018, respectively. Depreciation expense is a non-cash systematic allocation of the cost of capital assets over the estimated useful life of the assets. Depreciation expense increased $69,764 (14.9%) in 2018 compared to an increase of $37,020 (14.9%) in 2018. The increase in both 2019 and 2018 occurred primarily due to the FasTracks assets that were placed in revenue service.

Interest expense – The interest expense category accounted for 16.7% and 6.8% of the total expenses in 2019 and 2018, respectively. Interest expense increased $138,075 (24.4.0%) in 2019 compared to a decrease of $2,576 (3.9%) in 2018. The increase in 2019 was due to Eagle P3 recognition of interest expense. The decrease in 2018 is due to reduced principal resulting in a decrease in interest expense.

Other expense – Other expense includes miscellaneous non-operating expenses not classified in other expense categories. Other expense increased $1,659 (113.2%) in 2019 compared to a decrease of $1,516 (50.9%) in 2018. The increase in cost for 2019 was due to retirement of capital assets resulting in a loss. The decrease in 2018 was primarily due to no issuance costs in 2018 compared to 2017 issuance costs for 2017A/2017B Sales Tax FasTracks Revenue Bonds.

Capital Assets – Investments in capital assets include: land and rights-of-way; buildings and improvements; leasehold improvements; revenue and non-revenue vehicles; shop and service equipment; security and surveillance equipment; computer equipment; and furniture. RTD's investment in capital assets, net of accumulated depreciation, in 2019 was $6,841,843 compared to $6,851,205 in 2018. The decrease in capital assets in 2019 was $9,362 (0.1%) compared to an increase of $47,169 (0.7%) in 2018. RTD acquires its assets with sales and use tax revenues, farebox revenue, federal capital grants, and proceeds from the sale of revenue bonds and certificates of participation. The decrease in 2019 was due primarily retirement of capital assets, primarily revenue earning equipment and additional depreciation of assets placed in service with new rail line openings. The increase 2018 was primarily due to the cost of planning, design and construction of FasTracks projects and fleet acquisition.

December 31, 2019 and 2018 (Dollars in Thousands)

The following table summarizes capital assets, net of accumulated depreciation, as of December 31, 2019 and 2018 with comparative information for 2017.

Capital Assets (Net of Depreciation)

	2019	2018	2017
Land	$789,639	$741,541	$742,384
Land improvements	5,089,458	4,181,583	3,979,316
Buildings	664,678	637,720	604,642
Revenue earning equipment	1,323,153	1,219,967	1,216,116
Shop, maintenance and other equipment	335,707	310,316	289,390
Construction in progress	988,547	1,802,235	1,749,244
Total	$9,191,182	$8,893,362	$8,581,092
Less accumulated depreciation:			
Land improvements	1,347,276	1,133,755	966,442
Buildings	265,306	243,160	227,186
Revenue earning equipment	523,983	475,388	426,462
Shop, maintenance and other equipment	212,774	189,854	156,966
Total accumulated depreciation	2,349,339	2,042,157	1,777,056
Total capital assets being depreciated, net	5,063,657	4,307,429	4,312,408
Capital assets, net	$6,841,843	$6,851,205	$6,804,036

Major capital asset events during the 2019 fiscal year included the following:

FasTracks North Metro Corridor - The North Metro Corridor is an 18-mile rail transit corridor between Denver Union Station and 162nd Avenue, passing through Denver, Commerce City, Thornton, Northglenn and unincorporated Adams County. A construction contract was entered to complete the commuter rail line from DUS north to 124th Avenue by 2019 with an option to extend construction to 162nd Avenue if additional funding is identified.

East and Gold Line Public-Private Partnership (Eagle P3) -

RTD was selected for inclusion in the FTA Public-Private Partnership Pilot Program (Penta-P). In 2010, RTD entered into a public-private partnership to design, build, finance, operate and maintain several of the transit improvements contemplated under the FasTracks program. The Eagle P3 project is a $2,185,000 project that includes a Commuter Rail Maintenance Facility, the East and Gold Line Corridors as well as the Northwest Rail Electrified Segment. The Eagle P3 partnership was awarded to a concessionaire, Denver Transit Partners (DTP), through a competitive bid process culminating in a contract price that was $305,000 below internal estimates. The project was fully in revenue service in 2019.

The Eagle P3 project will be completed in two phases. Phase I includes the East Corridor, Commuter Rail Maintenance Facility and design work for Phase II. Phase II includes the Gold Line Corridor and the Northwest Electrified Rail Segment. The Eagle P3 Project elements are described below:

FasTracks East Corridor - The East Corridor is a 23.6-mile commuter rail transit corridor between Denver Union Station and Denver International Airport. The East Corridor opened for revenue service in April 2016.

December 31, 2019 and 2018 (Dollars in Thousands)

FasTracks Commuter Rail Maintenance Facility - The Commuter Rail Maintenance Facility is designed to service the four planned commuter rail corridors (East Corridor, Gold Line, North Metro, and Northwest Rail) included in the FasTracks plan. The Facility opened in 2015.

FasTracks Gold Line Corridor - The Gold Line Corridor is an 11.2-mile rail transit corridor between Denver Union Station to the vicinity of Ward Road, passing through northwest Denver, unincorporated Adams County, Arvada, and Wheat Ridge. The Gold Line opened for revenue service in 2019.

FasTracks Northwest Electrified Rail Segment – The Northwest Rail Corridor, described previously, includes a project segment, referred to as the Northwest Electrified Rail Segment, extending from Denver Union Station to Westminster. This segment opened for revenue service in Summer 2016.

FasTracks I-225 Rail Line – The I-225 Rail Line is a 10.5-mile extension of RTD's existing light rail line from the Southeast Line Nine Mile Station to the East Line commuter rail transfer point near the intersection of Peoria Street and Smith Road. The project includes eight stations and serves the Aurora City Center and the Anschutz/Fitzsimons Medical Campus. This line opened for revenue service in February 2017.

FasTracks Southeast Rail Extension – The Southeast Rail Extension extends the popular Southeast Rail Line from Lincoln Station to the new RidgeGate Parkway Interchange at I-25. The project will add 2.3 miles of light rail. New stations will be built at Sky Ridge Medical Center, Lone Tree City Center and RidgeGate with a 1,300 space Park-n-Ride facility. In 2018, expenditures related to the Southeast Rail Extension were $32,848. The project opened for revenue service in 2019.

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

Debt Administration

The following table summarizes outstanding debt obligations as of December 31, 2019 and 2018 with comparative information for 2017.

Outstanding Debt

	2019	2018	2017
Bonds and COPs payable:			
Sales Tax Revenue Bonds	$ 2,067,664	$ 2,072,489	$ 2,088,744
Certificates of Participation	1,089,312	1,137,932	1,176,397
Total Principal	3,156,976	3,210,421	3,265,141
Issuance premiums and discounts	226,333	242,082	256,150
Debt net of issuance and refunding	**$ 3,383,309**	**$ 3,452,503**	**$ 3,521,291**

Outstanding debt – Outstanding debt includes sales tax revenue bond, a Transportation Infrastructure and Innovation Act (TIFIA) loan, certificates of participation, and a Purchase and Assignment Agreement. The 2019 outstanding debt was $3,383,309 compared to $3,452,503 in 2018. Outstanding debt decreased by $69,194 (2.0%) in 2019 and decreased by $68,788 (2.0%) in 2018. The decrease in 2019 and 2018 was due to payment of principal on outstanding debt.

Sales tax revenue bonds – RTD issues sales tax revenue bonds to fund the acquisition and construction of assets. The sales tax revenue bonds were $2,067,664 and $2,072,489 as of December 31, 2019 and 2018, respectively. The sales tax revenue bonds decreased $4,825 (0.2%) in 2019 compared to a decrease of $16,255 (0.8%) in 2018. The decrease in 2019 and 2018 was due to payment of principal on outstanding debt.

December 31, 2019 and 2018 (Dollars in Thousands)

Certificates of participation - Certificates of participation relate to financial obligations issued by the Asset Acquisition Authority, Inc. (Authority), a nonprofit corporation. The Authority issued Certificates of Participation (Certificates) with the proceeds being used to acquire certain equipment and facilities to be used by RTD. RTD leases the equipment acquired with the proceeds from the Certificates under separate Master Lease Purchase Agreements. For financial reporting purposes, RTD accounts for the Certificates as its own debt. Certificates outstanding were $1,089,312 and $1,137,932 as of December 31, 2019 and 2018, respectively. The Certificates outstanding decreased $48,620 (4.3%) in 2018 compared to a decrease of $38,465 (3.3%) in 2018. The decrease in 2019 and 2018 is due to principal payment reducing debt.

RTD maintains credit ratings from Standard & Poor Corporation, Moody's Investor Services, and Fitch Ratings. Credit ratings vary based on the type of debt and the source of funds used for repayment.

RTD's ratings are presented in the following table:

Rating Agency	Base System Bonds 0.6% Sales &Use Tax	FasTracks Bonds 0.4% Sales& Use Tax	Certificates of Participation
Standard &Poor's	AAA	AA+	A
Moody's	Aa1	Aa2	Aa3
Fitch	AA	AA	AA-

Additional information on RTD's debt can be found in footnote E of this report.

Economic Factors and Subsequent Events after adoption of the 2020 Budget

RTD is dependent on sales and use taxes, which are the largest single source of revenue for RTD, representing 61.3% and 64.8% of the total revenues in 2019 and 2018, respectively. Sales and use tax revenues are affected by the local economy in which changes will affect the level of funding available to RTD during its fiscal year.

RTD is dependent on passenger fares collected for transit services provided. Passenger fares accounted for 14.4% and 14.6% of total revenues in 2019 and 2018, respectively. Passenger fare collections may be affected by fare levels charged by RTD.

RTD is dependent on federal and local grant funding as well as local capital contributions for both operations and capital expenditures. Grants and local contributions provided 19.6% and 17.1% of total revenues in 2019 and 2018, respectively. Grant funding and local capital contributions are only available for use by RTD for qualifying expenditures after appropriation is made by the awarding agency.

Each year, RTD proposes an Amended Budget at mid-year to the Board of Directors for appropriation in order to adjust revenue and expenditures for the remainder of the fiscal year according to existing economic conditions and fiscal results. RTD may also present budget amendments to the Board of Directors for approval at any time during the fiscal year to accommodate economic factors.

In July 2019, the Board of Directors approved the 2019 Amended Budget in which the primary changes driven by economic factors were lower than anticipated sales and use tax collections and certain contractual increases in labor costs due to the tight labor market.

RTD is in various phases of construction and testing on the Southeast Rail Extension (SERE), the North Metro rail line. This FasTracks project is expected to open for revenue service during the next few years. Additional funding for other capital projects within the FasTracks project scope have been deferred due to a lack of funding.

Requests for Information

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

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BASIC FINANCIAL STATEMENTS

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

	2019	2018
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES		
Current Assets:		
Cash and cash equivalents	$ 343,514	$ 260,906
Marketable interest bearing investments (note B)	53,895	67,503
Receivables:		
Sales tax	119,300	113,329
Other, less allowance for doubtful accounts of $358 and $384 at December, 31 2019 and 2018, respectively	13,696	15,534
Grants	63,448	16,279
Inventories	33,354	31,103
Other current assets (note C)	9,495	86,146
Cash and cash equivalents - restricted	130,818	124,222
Marketable interest bearing investments - restricted (note B)	17,880	107,530
Total current assets	785,400	822,552
Noncurrent Assets:		
Capital assets (note D):		
Land	789,639	741,541
Land improvements	5,089,458	4,181,583
Buildings	664,678	637,720
Revenue earning equipment	1,323,153	1,219,967
Shop, maintenance and other equipment	335,707	310,316
Construction in progress	988,547	1,802,235
Total capital assets	9,191,182	8,893,362
Less accumulated depreciation	(2,349,339)	(2,042,157)
Net capital assets	6,841,843	6,851,205
Other Noncurrent Assets:		
Long-term marketable interest bearing investments - restricted (note B)	89,906	76,027
Long-term marketable interest bearing investments - unrestricted (note B)	22,856	70,356
Total other noncurrent assets	112,762	146,383
Total noncurrent assets	6,954,605	6,997,588
Total assets	7,740,005	7,820,140
Deferred Outflows of Resources:		
Debt related (note A)	33,506	36,547
Pension related (note A and F)	73,338	44,192
Total deferred outflows of resources	106,844	80,739

The accompanying notes are an integral part of these statements.

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

	2019	2018
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES		
Current Liabilities:		
Accounts and contracts payable	$ 85,337	$ 104,357
Current portion of long-term debt payable from restricted assets (note E)	78,128	67,335
Accrued compensation (note F)	25,805	23,868
Accrued interest payable from restricted assets	17,840	18,689
Other accrued expenses	25,629	35,704
Total current liabilities	232,739	249,953
Noncurrent Liabilities:		
Long-term debt, net (note E)	3,305,181	3,385,168
Net Pension Liability (note F)	319,177	268,278
Other liabilities (note E)	594,137	429,981
Total noncurrent liabilities	4,218,495	4,083,427
Total liabilities	4,451,234	4,333,380
Deferred Inflows of Resources:		
Debt related (note A)	416	485
Pension related (note A and F)	58,321	103,508
Total deferred inflows of resources	58,737	103,993
NET POSITION		
Net investment in capital assets (note I)	2,987,538	3,144,175
Restricted debt service (note I)	117,805	139,779
Restricted TABOR (note I)	25,940	24,079
Restricted Fastracks (note I)	369,502	361,275
Restricted Deposits (note I)	1,503	1,504
Unrestricted net position (note I)	(165,410)	(207,306)
Total net position	$ 3,336,878	$ 3,463,506

The accompanying notes are an integral part of these statements.

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

	2019	2018
OPERATING REVENUE:		
Passenger fares	$ 154,390	$ 143,231
Advertising, rent, and other	6,553	7,535
Total operating revenue	160,943	150,766
OPERATING EXPENSES:		
Salaries and wages	196,505	183,899
Fringe benefits	54,569	52,993
Materials and supplies	54,983	51,335
Services	96,085	81,189
Utilities	17,823	16,419
Insurance	10,833	9,941
Purchased transportation	203,559	176,416
Leases and rentals	3,204	1,996
Miscellaneous	5,053	4,317
Depreciation	355,417	285,653
Total operating expenses	998,031	864,158
OPERATING LOSS	(837,088)	(713,392)
NONOPERATING REVENUE (EXPENSES):		
Sales and use tax	659,418	634,192
Grant operating assistance (note A)	86,263	86,403
Investment income	17,669	13,409
Other income	26,582	12,618
Gain(Loss) on capital assets	(2,452)	(1,449)
Interest expense (note A)	(200,845)	(62,770)
Other expense	(672)	(16)
Net nonoperating revenue (expenses)	585,963	682,387
INCOME (LOSS) BEFORE CAPITAL GRANTS AND LOCAL CONTRIBUTIONS	(251,125)	(31,005)
Capital grants and local contributions (note A)	124,497	81,002
INCREASE IN NET POSITION	(126,628)	49,997
NET POSITION, beginning of year	3,463,506	3,413,509
NET POSITION, end of year	$ 3,336,878	$ 3,463,506

The accompanying notes are an integral part of these statements.

REGIONAL TRANSPORTATION DISTRICT
STATEMENTS OF CASH FLOW
Years ended December 31,
(In Thousands)

	2019	2018
Cash flows from operating activities:		
Receipts from customers	$ 152,774	$ 148,935
Payments to suppliers	(121,105)	(454,055)
Payments to employees	(323,470)	(161,961)
Net cash used in operating activities	(291,801)	(467,081)
Cash provided from noncapital financing activities:		
Grant operating assistance	86,263	86,403
Sales and use tax collections	653,447	627,087
Other revenue	26,582	12,618
Net cash provided by noncapital financing activities	766,292	726,108
Cash flows from capital and related financing activities:		
Principal paid on long-term debt	(146,475)	(64,700)
Proceeds from issuance of debt	93,030	9,980
Issuance Premiums/Discounts	(15,749)	(14,068)
Capital grant funds and other contributions received	77,328	107,172
Proceeds from sale of assets	1,713	808
Acquisition and construction of capital assets	(315,916)	(267,869)
Cost of issuance	(740)	-
Interest paid on long-term debt	(233,026)	(126,143)
Net cash used in capital and related financing activities	(539,835)	(354,820)
Cash flows from investing activities:		
Purchases of investments	(11,227)	(58,123)
Proceeds from sales and maturities of investments	148,106	63,206
Interest and dividends on investments	17,669	13,409
Net cash provided by investing activities	154,548	18,492
INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	89,204	(77,301)
Cash and cash equivalents - January 1	385,128	462,429
Cash and cash equivalents - December 31	$ 474,332	$ 385,128

The accompanying notes are an integral part of these statements.

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

RECONCILIATION OF OPERATING LOSS TO NET CASH USED IN OPERATING ACTIVITIES:	**2019**	**2018**
Operating loss	$ (837,088)	$ (713,392)
Adjustment to reconcile operating loss to net cash used in operating activities		
Depreciation expense	355,417	285,653
Bad debt expense	68	(16)
Changes in operating assets and liabilities:		
Decrease in other accounts receivable	1,838	2,690
Increase(decrease) in inventories	(2,251)	2,090
Decrease(increase) in other current assets	76,651	(32,520)
Decrease in deferred outflow pension	(29,146)	10,125
Increase(decrease) in accounts payable	196,035	(103,047)
Increase in accrued compensation and expenses	1,937	1,081
Decrease/(increase) in other accrued expenses	(10,075)	(4,505)
Increase in deferred inflow pension	(45,187)	84,760
Net cash used in operating activities	$ (291,801)	$ (467,081)

RECONCILIATION OF CASH and CASH EQUIVALENTS:		
Cash and cash equivalents	$ 343,514	$ 260,906
Cash and cash equivalents - restricted	130,818	124,222
Total cash and cash equivalents	$ 474,332	$ 385,128

Noncash investing, capital and financing activities:

RTD had unrealized Gain/loss on investments of $26 and $28 for 2019 and 2018, respectively.

RTD received noncash local match contributions for federal grants of $389 and $342 for 2019 and 2018, respectively.

RTD recognized deferred inflow/outflow for debt of $3 and $4 for 2019 and 2018, respectively.

The accompanying notes are an integral part of these statements.

NOTES TO FINANCIAL STATEMENTS

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. *Organization*

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

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

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

2. *Financial Reporting Entities*

Blended Component Unit
The Asset Acquisition Authority, Inc. (the Authority) was formed in 1987 as a nonprofit corporation on behalf of RTD for the purpose of issuing certificates of participation in a public offering collateralized by an installment purchase agreement with RTD. RTD's General Manager appoints the Board of Directors of the Authority. The Authority serves as a financing mechanism for various financing arrangements for RTD. RTD follows pronouncements 14 and 61 issued by the Governmental Accounting Standards Board which provides guidance regarding the inclusion of component units in the primary government's financial statement presentation. The activity related to the underlying financial obligations of the Authority has been included as a blended component unit in RTD's financial statements for the years ended December 31, 2018 and 2017. No separately audited financial statements are prepared for the Authority.

3. *Basis of Accounting*

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

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

4. *Cash Equivalents*

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

5. *Interest Bearing Investments*

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

6. *Inventories*

Inventories consist primarily of materials and supplies used in the ordinary course of operations. Materials and supplies are stated at cost using the FIFO (first-in, first-out) 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 escrow during the period of construction. At the time projects are completed, escrows are generally applied toward the cost of the project or may be forfeited by RTD upon breach of contract.

8. *Receivables*

Accounts receivable 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 current 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 consolidated financial statements.

9. *Restricted Assets*

Restricted assets are assets restricted by the covenants of long-term financial 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 in excess of 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 invested in a similar asset.

Interest is capitalized on assets financed with debt or certificates of participation from the date of the borrowing until completion of the project. The amount of tax-exempt and taxable debt and certificates of participation (externally restricted) interest to be capitalized is the difference between the interest expense and interest earnings on issuance proceeds. The amount of other interest to be capitalized is calculated by weighted average construction expenditures multiplied by the weighted average interest rate of the outstanding obligations.

December 31, 2019 and 2018 (Dollars in Thousands)

Total interest cost of RTD consisted of the following as of December 31:

	2019	2018
Interest expense	$ 200,845	$ 62,770
Capitalized interest	34,305	67,211
Total interest cost	$ 235,150	$ 129,981

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

Fully depreciated assets, which are still in use, are included in the asset balances in the accompanying financial statements. The cost of fully depreciated assets was approximately $417,209 and $378,780 at December 31, 2019 and 2018, respectively.

12. *Deferred Outflows/Inflows of Resources*

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflow of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position 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, deferred inflows of resources, represents an acquisition of net position 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. Compensated absences, which have been earned but not paid, have been accrued in the accompanying financial statements.

14. *Self-Insurance*

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

15. *Revenue Recognition*

Passenger Fares

Passenger fares are recorded as revenue at the time services are performed and revenue is collected from the farebox. Sale of MyRide stored value, Mobile ticketing products, monthly passes, ten/six ride and day pass tickets are recorded as income at the time of sale. Sales of college based passes, which are valid for a specific academic semester, are recorded initially as unearned revenue. Sales are recognized as income at the end of each month, with the amount recognized in each month determined by prorating the total contract amount over the semesters/quarters covered. Sales of Eco Pass and Neighborhood Pass, which are valid through December 31 of a given year, are recorded initially as unearned revenue. Sales are 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 2012A, Series 2013A, 2016A, 2017A, 2017B and 2019A bond resolutions, and TIFIA Sales Tax, 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 from the collections, as required under RTD's bond resolutions, and remits the balance to RTD.

Sales and use taxes are recorded as revenue by RTD in the month collected by the merchant. Sales and Use Tax Bonds debt service will be paid from the collateralized sales and use tax revenues in the amount of approximately $3,704,464 through 2050. Principal and interest paid for the current year and pledged revenues received were $104,377.

Grants and Local Contributions

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

The amount recorded as capital grant revenue was $116,303 and $52,229 in 2019 and 2018, respectively. Operating assistance grant revenue was $86,263 and $86,403 in 2019 and 2018, respectively. Other contribution revenue was $8,194 and $28,773 in 2019 and 2018, respectively.

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

16. *Use of Estimates*

The financial statements contained herein have been prepared in accordance with US Generally Accepted Accounting Principles (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 net pension liability, 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 (Taxpayer's Bill of Rights) 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 subsequent to 1994 for declared emergencies.

December 31, 2019 and 2018 (Dollars in Thousands)

NOTE B – DEPOSITS AND INVESTMENTS

Deposits

RTD's deposits are subject to the State of Colorado's Public Deposit Protection Act (PDPA). Under this act, all uninsured public deposits at qualified institutions are fully collateralized with pledged collateral which is held in custody by any Federal Reserve Bank or branch thereof, or held in escrow by some other 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 security maintained or pledged for the aggregate amount of public deposits accepted and held on deposit by the eligible public depository. The depository has the right at any time to make substitutions of eligible collateral maintained or pledged and is at all times entitled to collect and retain all income derived from those investments without restrictions.

As of December 31, 2019 and 2018, respectively, RTD had bank deposits of $5,861 and $33,514 collateralized with securities held by the pledging financial institutions' trust department or agent but not in RTD's name.

Investments

At December 31, 2019, the Regional Transportation District's investments consisted of the following:

Investment Type	Fair Value	< 6 Months	6-12 Months	1-5 Years
U.S. Treasury Securities	$ 149,007	$ 21,419	$ 28,396	$ 99,192
U.S. Agency Securities	27,279	8,952	8,392	9,935
Municipal Bonds	207	-	-	207
Corporate bonds	8,044	4,271	346	3,427
Total	$ 184,537	$ 34,642	$ 37,134	$ 112,761

At December 31, 2018, the Regional Transportation District's investments consisted of the following:

Investment Type	Fair Value	< 6 Months	6-12 Months	1-5 Years
U.S. Treasury Securities	$ 265,859	$ 50,778	$ 106,318	$ 108,763
U.S. Agency Securities	35,445	8,262	559	26,624
Municipal Bonds	683	339	144	200
Corporate bonds	19,429	2,994	5,639	10,796
Total	$ 321,416	$ 62,373	$ 112,660	$ 146,383

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 5 years, unless otherwise authorized by RTD's Board of Directors.

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

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

1. Obligations of the United States government.
2. Obligations of the United States government agencies and United States government sponsored corporations.
3. Municipal notes or bonds that are an obligation of any state of the United States.
4. Corporate Bonds that are an obligation of corporations or financial institutions organized and operating in the United States.

December 31, 2019 and 2018 (Dollars in Thousands)

5. Commercial paper.
6. Time Deposits/Time Certificates of Deposits.
7. Bankers' Acceptances Notes.
8. Repurchase agreements.
9. Money market funds.
10. Local government Investment Pools.
11. Any other Investment permitted under CRS 24-75-601 et seq.

Credit ratings of RTD's portfolio, as of December 31, 2019 and 2018, are exhibited in the table below. Portfolio holdings adhere to RTD's investment policy and applicable statute. Investments rated AAA, AA and A are from the Standard & Poor's rating service. Investments rated A-1+/P-1 are from the Standard & Poor's and Moody's rating services, respectively.

At December 31, 2019, the Regional Transportation District's investment credit ratings consisted of the following:

Investment Ratings		Fair Value
AAA (Standard & Poor's)	$	164,394
AA (Standard & Poor's)		20,143
Total:	$	184,537

At December 31, 2018, the Regional Transportation District's investment credit ratings consisted of the following:

Investment Ratings		Fair Value
AAA (Standard & Poor's)	$	304,628
AA (Standard & Poor's)		11,767
A		5,021
Total:	$	321,416

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

RTD's investment policy outlines the following maximum exposure limits for unrestricted investments. As of December 31, 2019, RTD was in compliance with these limits. As of December 31, 2018, RTD was in compliance with limitations set out in RTD's previous investment policy limitations.

December 31, 2019 and 2018 (Dollars in Thousands)

Investment Type	Maximum Portfolio %	Maximum Issue %	Maturity Restrictions	Rating Restrictions
U.S. Treasury Securities	100%	100%	5 years	N/A
U.S Agencies 1	75%	25%	5 years	AA
Municipal Bonds of a Colorado Issuer	20%	3%	5 years	A
Municipal Bonds of a non-Colorado Issuer	20%	3%	5 years	AA
Municipal Bonds, Short Term	20%	3%	5 years	"A-1 or "MIG 1"
Pre-Refunded Muni Bonds	40%	5%	3 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 Investment Pools	100%	50%	N/A	AAAm/AAAf
Money market funds	100%	50%	N/A	AAAm

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

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

At December 31, 2019 and 2018, RTD had $238,604 and $307,779 of cash and investments that were restricted under the provisions of bond agreements.

Fair Value Measurements

In March 2015, the Governmental Accounting Standards Board (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 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 District has the ability to access at the measurement date. Examples derived from NYSE, NASDAQ, Chicago Board of Trade, 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; 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.

December 31, 2019 and 2018 (Dollars in Thousands)

Valuation Inputs Summary for the fiscal period ended December 31, 2019:

	Valuation Inputs			
Investment in Securities at Value	Level 1	Level 2	Level 3	Total
U.S. Treasury Securities	$ -	$ 149,007	$ -	$ 149,007
U.S. Agency Securities	-	27,279	-	27,279
Municipal Bonds	-	207	-	207
Corporate bonds	-	8,044	-	8,044
Total	$ -	$ 184,537	$ -	$ 184,537

Valuation Inputs Summary for the fiscal period ended December 31, 2018:

	Valuation Inputs			
Investment in Securities at Value	Level 1	Level 2	Level 3	Total
U.S. Treasury Securities	$ -	$ 265,859	$ -	$ 265,859
U.S. Agency Securities	-	35,445	-	35,445
Municipal Bonds	-	683	-	683
Corporate bonds	-	19,429	-	19,429
Total	$ -	$ 321,416	$ -	$ 321,416

NOTE C - OTHER CURRENT ASSETS

Other Current Assets consist of:

	2019	2018
Prepaid expenses	$ 7,458	$ 6,500
Prepaid Secure Tabor Interest	-	72,521
Eagle P3 construction escrow	-	5,088
Park Creek Metro escrow	227	227
Other constuction escrow	155	155
Assets held for sale	1,655	1,655
Total Other Current Assets	**$ 9,495**	**$ 86,146**

NOTE D – CAPITAL ASSETS

Capital asset activity as of December 31, 2019 was as follows:
(In Thousands)

	Balances 12/31/2018	Additions	Deletions	Balances 12/31/2019
Capital assets not being depreciated:				
Land	$ 741,541	$ 49,268	$ 1,170	$ 789,639
Construction in progress	1,802,235	350,221	1,163,909	988,547
Total capital assets not being depreciated	2,543,776	399,489	1,165,079	1,778,186
Capital assets being depreciated:				
Land improvements	4,181,583	913,596	5,721	5,089,458
Buildings	637,720	27,110	152	664,678
Revenue earning equipment	1,219,967	124,531	21,345	1,323,153
Shop, maintenance and other equipment	310,316	49,404	24,013	335,707
Total capital assets being depreciated	6,349,586	1,114,641	51,231	7,412,996
Less accumulated depreciation:				
Land improvements	1,133,755	217,381	3,860	1,347,276
Buildings	243,160	22,220	74	265,306
Revenue earning equipment	475,388	69,353	20,758	523,983
Shop, maintenance and other equipment	189,854	46,463	23,543	212,774
Total accumulated depreciation	2,042,157	355,417	48,235	2,349,339
Total capital assets being depreciated, net	4,307,429	759,224	2,996	5,063,657
Capital assets, net	$ 6,851,205	$ 1,158,713	$ 1,168,075	$ 6,841,843

Depreciation expense was $355,417 and $285,653 for years 2019 and 2018, respectively.

Capital asset activity as of December 31, 2018 was as follows:
(In Thousands)

	Balances 12/31/2017	Additions	Deletions	Balances 12/31/2018
Capital assets not being depreciated:				
Land	$ 742,384	$ 34	$ 877	$ 741,541
Construction in progress	1,749,244	335,080	282,089	1,802,235
Total capital assets not being depreciated	2,491,628	335,114	282,966	2,543,776
Capital assets being depreciated:				
Land improvements	3,979,316	202,275	8	4,181,583
Buildings	604,642	35,671	2,593	637,720
Revenue earning equipment	1,216,116	21,991	18,140	1,219,967
Shop, maintenance and other equipment	289,390	22,118	1,192	310,316
Total capital assets being depreciated	6,089,464	282,055	21,933	6,349,586
Less accumulated depreciation:				
Land improvements	966,442	167,317	4	1,133,755
Buildings	227,186	17,861	1,887	243,160
Revenue earning equipment	426,462	66,410	17,484	475,388
Shop, maintenance and other equipment	156,966	34,065	1,177	189,854
Total accumulated depreciation	1,777,056	285,653	20,552	2,042,157
Total capital assets being depreciated, net	4,312,408	(3,598)	1,381	4,307,429
Capital assets, net	$ 6,804,036	$ 331,516	$ 284,347	$ 6,851,205

December 31, 2019 and 2018 (Dollars in Thousands)

NOTE E – LONG-TERM DEBT

Long-term debt is comprised of the following as of December 31:	**2019**	**2018**
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 ($526) and ($559) for 2019 and 2018, respectively. In 2014, The District did a partial Modification and Exchange on these Bonds, it resulted in a premium with an ending balance of $13,109 and $13,888 for 2019 and 2018, respectively. Furthermore, In 2017, The District did another partial Modification and Exchange on these Bonds, it resulted in a premium with an ending balance of $16,007 and $16,958 for 2019 and 2018, respectively.	$ 249,070	$ 250,767
Sales Tax Revenue Refunding Bonds, Series 2007A, due serially on November 1 of each year through 2024, issued with a 5.25% coupon, payable semiannually on May 1 and November 1 of each year; including premium of $2,701 and $3,260 for 2019 and 2018, respectively.	50,806	61,695
Sales Tax FasTracks Revenue Bonds, Series 2010A, due serially on November 1 of 2037 and 2038, issued with coupon of 5.0%, payable semiannually on May 1 and November 1 of each year, including premium of $0 and $1,771, for 2019 and 2018, respectively.	-	80,911
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 Bonds, Series 2012A, due serially on November 1 of 2023 and 2037, issued with coupon of 3.0% and 5.0%, payable semiannually on May 1 and November 1 of each year, including premium of $50,778 and $53,625 for 2019 and 2018, respectively.	525,713	528,560
Sales Tax Revenue Refunding Bonds, Series 2013A, due serially on November 1 of 2013 and 2021, issued with coupon of .25% and 2.207%, payable semiannually on May 1 and November 1 of each year; including premium of $134 and $206 for 2019 and 2018, respectively.	7,819	14,206
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 $32,871 and $34,824 for 2019 and 2018, respectively	237,691	239,644
TIFIA Sales Tax FasTracks Loan, due on May 1 of 2025 thru 2045, loaned with coupon of 3.14% and interest capitalized thru November 1, 2020. Payable semiannually on May 1 and November 1 of each year from 2021 thru 2045.	335,619	325,328
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 $31,466 and $32,639 for 2019 and 2018, respectively.	226,431	227,604
Sales Tax FasTracks Revenue Refunding Bonds, Series 2017A, due serially on November 1 of each thru 2040, issued with a coupon between 3.625% to 5.0%, payable semiannually on May 1 and November 1 of each year, including premium of $ 10,126 and $10,611 for 2019 and 2018, respectively.	88,976	91,531

December 31, 2019 and 2018 (Dollars in Thousands)

	2019	2018
Sales Tax FasTracks Revenue Refunding Bonds, Series 2017B, due serially on November 1 of 2033 thru 2036, issued with a coupon between 4.0% to 5.0%, payable semiannually on May 1 and November 1 of each year, including premium of and $19,005 and $20,134 for 2019 and 2018, respectively.	$ 138,470	$ 139,599
Sales Tax FasTracks Revenue Refunding Bonds, Series 2019A, due serially on November 1 of 2035 thru 2038, issued with a 3.258% coupon, payable semiannually on May 1 and November 1 of each year.	$ 82,740	$ -
Certificates of Participation Taxable Refunding Obligations, Series 2007A, under a lease agreement for acquisition of transit buses and vehicles, payments are due semiannually on June 1 and December 1 to 2021, issued with a 5.535% coupon.	3,295	4,815
Certificates of Participation Obligations, Series 2010A, under a lease purchase agreement for acquisition of light rail vehicles, construct, install and improve certain equipment and other capital projects. Payments are due semiannually on June 1 and December 1 to 2031, issued with coupons between 5.00% and 5.50%, including premium of $634 and $749 for 2019 and 2018, respectively.	93,444	101,679
Certificates of Participation Taxable (Direct Pay Build America Bonds), Obligations, Series 2010B, under a lease purchase agreement for acquisition of light rail vehicles, construct, install and improve certain equipment and other capital projects. Payments are due semiannually on June 1 and December 1 through 2040, issued with a coupon of 7.672%.	100,000	100,000
Certificates of Participation Obligations, Series 2013A, as Lessee Under an Annually Renewable Lease Purchase Agreement. Payments are due semiannually on June 1 and December 1 to 2027, issued with coupons between 2.00% and 5.00%, including premium of $19 and $22,074 for 2019 and 2018, respectively.	162,157	180,779
Certificates of Participation Obligations, Series 2014A, as Lessee Under an Annually Renewable Lease Purchase Agreement. Payments are due semiannually on June 1 and December 1 to 2044, issued with coupons between 4.125% and 5.00%, including premium of $20,745 and $22,595 for 2019 and 2018, respectively.	461,660	462,510
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 $9,831 and $10,307 for 2019 and 2018, respectively.	128,036	139,222
JPMorgan Chase Bank, N.A., Purchase and Assignment (2016) Agreement, Refunding Project of the 2002A COP's, as Lessee Under an Annually Renewable Lease Purchase Agreement. Payments are due semiannually on June 1 and December 1 to 2022, issued with a coupon of 1.903%.	38,242	50,513
JPMorgan Chase Bank, N.A., Purchase and Assignment (2017) Agreement, Partial Refunding Projects of the 2010A COP's and 2015A COP's, as Lessee Under an Annually Renewable Lease Purchase Agreement. Payments are due semiannually on June 1 and December 1 to 2025, issued with a coupon of 2.437%.	153,140	153,140
Total	3,383,309	3,452,503
Less current portion	(78,128)	(67,335)
Total Long-Term Debt	$ 3,305,181	$ 3,385,168

December 31, 2019 and 2018 (Dollars in Thousands)

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

Year ending December 31,	Principal	TIFIA Capitalized Interest	Interest	Total
2020	$ 19,475	$ -	$ 83,292	$ 102,767
2021	14,795	-	93,574	108,369
2022	10,675	-	92,838	103,513
2023	30,975	-	92,284	123,259
2024	32,550	-	90,719	123,269
2025-2029	346,889	4,416	417,917	769,222
2030-2034	445,306	4,417	319,444	769,167
2035-2039	457,310	-	210,317	667,627
2040-2044	321,351	-	138,255	459,606
2045-2049	321,148	-	76,567	397,715
2050-2050	67,190	-	3,927	71,117
	$ 2,067,664	$ 8,833	$ 1,619,134	$ 3,695,631

Certificates of Participation are issued by Asset Acquisition Authority, Inc., a nonprofit corporation. The Authority issued Certificates of Participation (Certificates) with the proceeds being used to acquire certain equipment and facilities to be used by RTD as well as for construction of the North Metro commuter rail line. RTD leases the equipment acquired and elements constructed with the proceeds from the Certificates under separate Master Lease Purchase Agreements. In 2016, RTD refund Series 2002A Certificates with a capital lease agreement with JP Morgan Chase Bank N.A. In 2017, RTD refund portions of previously outstanding Series 2010A and Series 2015A with a Capital Lease Agreement with JP Morgan Chase Bank N.A. For financial reporting purposes, RTD accounts for the Certificates and the Capital Lease Agreements as its own obligations.

Annual repayment requirements on the Certificates and Capital Lease Agreements to maturity are as follows:

Year ending December 31,	Principal	Interest	Total
2020	$ 58,653	$ 49,711	$ 108,364
2021	63,756	47,489	111,245
2022	61,993	45,520	107,513
2023	63,515	43,371	106,886
2024	65,920	40,946	106,866
2025-2029	235,100	167,546	402,646
2030-2034	187,390	119,057	306,447
2035-2039	192,455	64,492	256,947
2040-2044	160,530	18,449	178,979
	$ 1,089,312	$ 596,581	$ 1,685,893

December 31, 2019 and 2018 (Dollars in Thousands)

Changes in Long-Term Liabilities

Long-term liability activity for the year ended December 31, 2019, was as follows:

	Balance 12/31/2018	Additions	Reductions	Balance 12/31/2019	Due Within One Year
Sales Tax Revenue Bonds	$ 2,072,489	$ 93,030	$ 97,855	$ 2,067,664	$ 19,475
Certificates of Participation	1,137,932	-	48,620	1,089,312	58,653
Issuance premiums and discounts	242,082		15,749	226,333	-
Total Bonds-COPs Payable	3,452,503	93,030	162,224	3,383,309	78,128
Net Pension Liability	268,278	50,899	-	319,177	-
Other liabilities*	429,981	164,156	-	594,137	-
Total long-term liabilities	$ 4,150,762	$ 308,085	$ 162,224	$ 4,296,623	$ 78,128

*Other liabilities consist of Eagle P3 finance charge liability, 2007 Sales Tax arbitrage call modification liability and the CCD Aciation Intergovernmental Agreement (IGA).

Long-term liability activity for the year ended December 31, 2018, was as follows:

	Balance 12/31/2017	Additions	Reductions	Balance 12/31/2018	Due Within One Year
Sales Tax Revenue Bonds	$ 2,088,744	$ 9,980	$ 26,235	$ 2,072,489	$ 18,715
Certificates of Participation	1,176,397	-	38,465	1,137,932	48,620
Issuance premiums and discounts	256,150	-	14,068	242,082	-
Total Bonds-COPs Payable	3,521,291	9,980	78,768	3,452,503	67,335
Net Pension Liability	384,208	-	115,930	268,278	-
Other liabilities*	412,871	17,110	-	429,981	-
Total long-term liabilities	$ 4,318,370	$ 27,090	$ 194,698	$ 4,150,762	$ 67,335

*Other liabilities consist of Eagle P3 finance charge liability and the CCD Aviation Intergovernmental Agreement (IGA).

In prior years, RTD defeased certain obligations by placing the proceeds of new obligations in an irrevocable trust to provide for all future service payments on the old obligations. Accordingly, the trust account assets and the liability for the defeased obligations are not included in these financial statements. Outstanding as of December 31, 2019 are the following amounts, which are considered defeased:

2019A RTD FasTracks Escrow $81,587

2010A COP's and 2015A COP's Escrow – Light Rail Vehicles and Maintenance Facility $145,798

In December 2019, RTD issued its Sales Tax Revenue Bonds (FasTracks Project), Series 2019A in the par amount of $82,740 for refunding its previously outstanding Series 2010A bonds for interest expense savings. The transaction achieved a 19.9% net present value savings and $20,142 of gross cash flow savings between 2020 and 2038 while retaining the same final maturity of 2038.

December 31, 2019 and 2018 (Dollars in Thousands)

NOTE F – EMPLOYEE RETIREMENT AND UNEARNED COMPENSATION PLANS

Employee Retirement Plans

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

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

Plans are administered by a pension trust that issues audited financial statements, which include financial information for that 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 items as of December 31, 2019, is presented below:

Plan	Net Pension Liability	Deferred Outflow of Resources*	Deferred Inflows of Resources	Pension Expense
ATU 1001 Pension Plan - D	$ 268,271	$ 47,127	$ 50,775	$ (31,516)
Salaried Pension Plan - DB	50,906	26,211	7,546	19,754
Salaried Pension Plan - DC	-	-	-	4,818
Total	$ 319,177	$ 73,338	$ 58,321	$ (6,944)

*ATU 1001 Pension plan deferred outflow related to contributions subsequent to measurement date was $20,664.
Salaried Pension Plan deferred outflow related to contributions subsequent to measurement date was $5,100.

A summary of pension related items as of December 31, 2018, is presented below:

Plan	Net Pension Liability	Deferred Outflow of Resources*	Deferred Inflows of Resources	Pension Expense
ATU 1001 Pension Plan - D	$ 241,090	$ 32,365	$ 94,709	$ (7,068)
Salaried Pension Plan - DB	27,188	11,827	8,799	11,575
Salaried Pension Plan - DC	-	-	-	4,246
Total	$ 268,278	$ 44,192	$ 103,508	$ 8,753

*ATU 1001 Pension plan deferred outflow related to contributions subsequent to measurement date was $19,754

ATU 1001 Pension Plan – Defined Benefit (2019)

Plan Description

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

Benefits Provided

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

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

Early 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 he has attained age 50. The Plan was amended effective January 1, 2011. The years of credited service needed to qualify for a normal retirement benefit was increased from five to ten 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, his beneficiary will be paid the accumulated employee contributions plus interest. Upon the death of a pensioner, a funeral benefit of $2,000 will be paid in a lump sum to the pensioners designated beneficiary.

Disability benefits, 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 he or she has worked for at least ten years for RTD in covered employment or any of its predecessors. An individual will be considered totally disabled upon receipt of a disability award from Social Security. Effective January 1, 2011 the years of credited service needed to qualify for a disability benefit was increased from five to ten years and the benefit multiplier was revised.

Deferred Vested Retirement Benefit, 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 he or she had worked for at least ten years in covered employment for RTD or any of its predecessors. A participant is entitled to deferred, vested benefits as early as age 50 if he or she has 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 disability benefit was increased from five to ten years and the benefit multiplier was revised.

Benefit structure for participants hired on or after January 1, 2011. The following changes are included:

- The benefit multiplier is changed from 2.5% to 1% with a new benefit schedule. (Priority 1).
- Regular retirement is changed from age 55 with 20 years of service to age 60 with 20 years of service.
- Sick and vacation payouts are no longer included in the pension benefit calculation. (Priority 2).
- Vesting is changed from 5 years to 10 years.
- Interest on employee contributions is changed from 5% to 3%.
- The maximum service included in the benefit calculation is reduced from 30 years to 25 years. (Priority 3).

December 31, 2019 and 2018 (Dollars in Thousands)

A "Trigger Policy" has also been provided that will partially rescind the modified benefit structure when certain Plan funding benchmarks are achieved. If the total Actuarial Required Contribution (ARC) is less than 11% of payroll, pension benefits would be restored in the order of priority listed above. The "Trigger" remains in effect until such time as the 11% ARC is restored.

Employees covered by the benefit terms for the Fiscal Year Ending December 31, 2019 (December 31, 2018 measurement date), pension plan membership consisted of the following[1]:

Active Plan Members	1,644
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	1,682
Inactive employee entitled to but not yet receiving benefits	1,712
Total	5,038

[1]Based on December 31, 2015 actuarial valuation demographic information

Net Pension Liability

The components of the net pension liability of the plan for Fiscal Year Ending December 31, 2019 as follows:

Total Pension Liability	$ 478,082
Plan Fiduciary Net Position	209,811
Plan's Net Pension Liability	$ 268,271
Plan Fiduciary Net Position as of Percentage of the Total Pension Liability	43.89%

Actuarial Methods and Assumptions Used to Calculate Net Pension Liability:

Valuation Date:	January 1, 2019
Notes	Actuarially determined contribution rates are calculated as of December 31st each 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	30 years
Asset Valuation Method	5-Year smoothed market
Inflation	3.00%
Salary Increases	7.00% During first 5 years of service, 3.00% after five years of service
Investment Rate of Return	7.00%
Retirement Age	Experience-based table of rates that is specific to the type of eligibility condition. Last updated for the 2015 valuation pursuant to an experience study of the period 2012-2014.
Healthy Mortality	RP-2014 Combined Mortality Table, generational projected with MP-2017.
Disabled Mortality	RP-2014 Combined Mortality Table, generational projected with MP-2017.
Other Information:	There were no benefit changes during the year.

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 the purpose of this valuation, the expected rate of return on pension plan investments is 7.00%; the municipal bond rate is 3.71% (based on the daily rate closest to but not later than the measurement date of the Fidelity "20-Year Municipal GO AA Index"); and the resulting Single Discount Rate is 7.00%.

Development of the Single Discount Rate
Single Discount Rate 7.00 %
Long-Term Expected Rate of Investment Return 7.00 %
Long-Term Municipal Bond Rate 3.71 %

Asset Class	30 Year Long-Term Expected Real Rate of Return	Target Asset Allocation
Domestic Equity	4%	30%
International Equity	6%	25%
Real Estate	3%	5%
Domestic Fixed Income	1%	10%
International Fixed Income	0%	10%
Commodities	3%	5%
Private Equity	10%	15%
	Inflation Assumption	2%
	Actuarial Return Assumption	7%

Changes in the Net Pension Liability

(in thousands)	Increase (Decrease)		
	Total Pension Liability (a)	**Plan Fiduciary Net Position (b)**	**Net Pension Liability (a) - (b)**
Balances at 12/31/2018	$ 463,756	$ 222,666	$ 241,090
Changes for the year:			
Service Cost	9,045	-	9,045
Interest	32,102	-	32,102
Differences between expected and actual experience	1,596	-	1,596
Assumption Changes	-	-	-
Contributions-employer	-	20,163	(20,163)
Contributions-employee	-	4,627	(4,627)
Net investment income	-	(8,837)	8,837
Benefit payments, including refunds of employee contributions	(28,417)	(28,417)	-
Administrative expense	-	(391)	391
Other changes	-	-	-
Net Changes	14,326	(12,855)	27,181
Balances at 12/31/2019	$ 478,082	$ 209,811	$ 268,271

December 31, 2019 and 2018 (Dollars in Thousands)

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 7.00%, 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:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Plan's Net Pension Liability	$ 316,421	$ 268,271	$ 225,516

Contribution

Contributions to the Union Plan are made in accordance with the collective bargaining agreement. This agreement requires RTD to contribute 13% plus $6,200 for years 2018 through 2020 and the employee to contribute 5% of the employee's qualifying wages. 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 collective bargaining agreement.

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

For the year ended 2019 the employer recognized pension expense of $(10,443). 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	$ 2,965	$ -
Differences in assumptions	-	41,732
Excess(deficit) Investment Returns	23,498	9,043
Contributions Subsequent to Measurement Date	20,664	-
	$ 47,127	$ 50,775

$20,664 reported as deferred outflows of resources related to pensions resulting from the employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2019. Other amounts reported as deferred outflow of resources and deferred inflows of resources related to pensions will be recognized in pension expense a follows:

Year Ended December 31,	
2020	$ (25,678)
2021	(5,414)
2022	1,923
2023	4,857
Total	$ (24,312)

ATU 1001 Pension Plan – Defined Benefit (2018)

Plan Description

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

Benefits Provided

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

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

Early 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 he has attained age 50. The Plan was amended effective January 1, 2011. The years of credited service needed to qualify for a normal retirement benefit was increased from five to ten 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, his beneficiary will be paid the accumulated employee contributions plus interest. Upon the death of a pensioner, a funeral benefit of $2,000 will be paid in a lump sum to the pensioners designated beneficiary.

Disability benefits, 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 he or she has worked for at least ten years for RTD in covered employment or any of its predecessors. An individual will be considered totally disabled upon receipt of a disability award from Social Security. Effective January 1, 2011 the years of credited service needed to qualify for a disability benefit was increased from five to ten years and the benefit multiplier was revised.

Deferred Vested Retirement Benefit, 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 he or she had worked for at least ten years in covered employment for RTD or any of its predecessors. A participant is entitled to deferred, vested benefits as early as age 50 if he or she has 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 disability benefit was increased from five to ten years and the benefit multiplier was revised.

Benefit structure for participants hired on or after January 1, 2011. The following changes are included:

- The benefit multiplier is changed from 2.5% to 1% with a new benefit schedule. (Priority 1).
- Regular retirement is changed from age 55 with 20 years of service to age 60 with 20 years of service.
- Sick and vacation payouts are no longer included in the pension benefit calculation. (Priority 2).
- Vesting is changed from 5 years to 10 years.
- Interest on employee contributions is changed from 5% to 3%.

December 31, 2019 and 2018 (Dollars in Thousands)

- The maximum service included in the benefit calculation is reduced from 30 years to 25 years. (Priority 3).

A "Trigger Policy" has also been provided that will partially rescind the modified benefit structure when certain Plan funding benchmarks are achieved. If the total Actuarial Required Contribution (ARC) is less than 11% of payroll, pension benefits would be restored in the order of priority listed above. The "Trigger" remains in effect until such time as the 11% ARC is restored.

Employees covered by the benefit terms for the Fiscal Year Ending December 31, 2018 (December 31, 2017 measurement date), pension plan membership consisted of the following[1]:

Active Plan Members	1,858
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	1,592
Inactive employee entitled to but not yet receiving benefits	1,426
Total	4,876

[1]Based on December 31, 2015 actuarial valuation demographic information

Net Pension Liability

The components of the net pension liability of the plan for Fiscal Year Ending December 31, 2018 as follows:

Total Pension Liability	$ 463,756
Plan Fiduciary Net Position	222,666
Plan's Net Pension Liability	$ 241,090
Plan Fiduciary Net Position as of Percentage of the Total Pension Liability	48.01%

Actuarial Methods and Assumptions Used to Calculate Net Pension Liability:

Valuation Date:	January 1, 2018
Notes	Actuarially determined contribution rates are calculated as of December 31st each 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	30 years
Asset Valuation Method	5-Year smoothed market
Inflation	3.00%
Salary Increases	7.00% During first 5 years of service, 3.00% after five years of service
Investment Rate of Return	7.00%
Retirement Age	Experience-based table of rates that is specific to the type of eligibility condition. Last updated for the 2015 valuation pursuant to an experience study of the period 2012-2014.
Healthy Mortality	RP-2014 Combined Mortality Table, generational projected with MP-2017.
Disabled Mortality	RP-2014 Combined Mortality Table, generational projected with MP-2017.
Other Information:	There were no benefit changes during the year.

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 the purpose of this valuation, the expected rate of return on pension plan investments is 7.00%; the municipal bond rate is 3.31% (based on the daily rate closest to but not later than the measurement date of the Fidelity "20-Year Municipal GO AA Index"); and the resulting Single Discount Rate is 7.00%.

Development of the Single Discount Rate
Single Discount Rate 7.00 %
Long-Term Expected Rate of Investment Return 7.00 %
Long-Term Municipal Bond Rate 3.31 %

Asset Class	30 Year Long-Term Expected Real Rate of Return	Target Asset Allocation
Domestic Equity	4%	30%
International Equity	6%	25%
Real Estate	6%	5%
Domestic Fixed Income	1%	10%
International Fixed Income	1%	10%
Commodities	5%	5%
Private Equity	8%	15%
	Inflation Assumption	2%
	Actuarial Return Assumption	7%

Changes in the Net Pension Liability

(in thousands)	Increase (Decrease)		
	Total Pension Liability (a)	**Plan Fiduciary Net Position (b)**	**Net Pension Liability (a) - (b)**
Balances at 12/31/2017	$ 552,781	$ 203,770	$ 349,011
Changes for the year:			
Service Cost	14,387	-	14,387
Interest	27,099	-	27,099
Differences between expected and actual experience	4,855	-	4,855
Assumption Changes	(108,133)	-	(108,133)
Contributions-employer	-	13,168	(13,168)
Contributions-employee	-	4,389	(4,389)
Net investment income	-	28,983	(28,983)
Benefit payments, including refunds of employee contributions	(27,233)	(27,233)	-
Administrative expense	-	(411)	411
Other changes	-	-	-
Net Changes	(89,025)	18,896	(107,921)
Balances at 12/31/2018	$ 463,756	$ 222,666	$ 241,090

December 31, 2019 and 2018 (Dollars in Thousands)

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 7.00%, 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:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Plan's Net Pension Liability	$ 289,393	$ 241,090	$ 199,993

Contribution

Contributions to the Union Plan are made in accordance with the collective bargaining agreement. This agreement requires RTD to contribute 13% plus $6,200 for years 2018 through 2020 and the employee to contribute 5% of the employee's qualifying wages. 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 collective bargaining agreement.

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

For the year ended 2018 the employer recognized pension expense of $(7,068). 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	$ 3,364	$ 1,198
Differences in assumptions*	937	81,454
Excess(deficit) Investment Returns	8,310	12,057
Contributions Subsequent to Measurement Date	19,754	
	$ 32,365	$ 94,709

$19,754 reported as deferred outflows of resources related to pensions resulting from the employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2019. Other amounts reported as deferred outflow of resources and deferred inflows of resources related to pensions will be recognized in pension expense a follows:

Year Ended December 31,	
2019	$ (37,268)
2020	(31,041)
2021	(10,776)
2022	(3,013)
2023	-
Total	$ (82,098)

Salaried Pension Plan - Defined Benefit (2019)

Plan Description

The Regional Transportation District Salaried Employees' Pension Plan provides coverage for all full-time salaried employees whom were hired prior to January 1, 2008. The plan is a single-employer defined benefit pension plan administered by Fringe Benefit Services, Inc.

Benefits Provided

Normal retirement eligibility age is 65 with five years of credited service; monthly benefit 2.5% of average final compensation times credited service. Early retirement age is 55 with five years of credited service; monthly benefit if retire or terminate from active status on or after age 55, the normal retirement benefit 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.

Disability retirement is five years of credited service, totally and permanently disabled, and entitled to a Social Security disability award; monthly benefit unreduced normal retirement benefit, payable upon approval for Social Security disability. Pre-retirement death eligibility is five years of credited service; monthly benefit survivor pension assuming the participant retired the day before death with a 50% Joint and Survivor Benefit. If death occurs before age 55, payment is deferred until the participant would have reached age 55 and is reduced for early commencement. Survivors of married participants may elect to receive an annuity or a lump sum distribution. Survivors of unmarried participants will receive a lump sum distribution if death occurs while the participant is actively employed with RTD. The lump sum is the present value of the survivor's pension above but determined as if the participant was married and the spouse was the same age as the participant.

Termination eligibility is five years of credited service; monthly benefit if not eligible to retire normal retirement benefit, early retirement benefit, or if elected within six months, a lump sum equal to the present value of the age 65 accrued benefits, payable in lieu of all other benefits in the Plan. Employee monthly benefit if eligible to retire normal retirement benefit, early retirement benefit, or a lump sum equal to the present value of an immediate accrued benefit, payable in lieu of all other benefits in the Plan.

Forms of annuity payments for normal form are 50% Joint and Survivor Annuity if married, Single Life Annuity otherwise. Optional Forms are 25%, 50%, 66-2/3% or 100% Joint and Survivor Annuity with 5-year or 10-year Certain and Life Annuity (60 or 120 months guaranteed) Social Security Adjustment (Age 62 or Age 65) Lump Sum.

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 average of 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.

December 31, 2019 and 2018 (Dollars in Thousands)

Employees covered by the benefit terms for the Fiscal Year Ending December 31, 2019 (December 31, 2018 measurement date), pension plan membership consisted of the following[1]:

Active Plan Members	267
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	276
Inactive Plan Members Entitled to But Not Yet Receiving Benefits[2]	115
Total	658

[1]Based on January 1, 2018 actuarial valuation demographic information
[2]Includes transfer outs

Net Pension Liability

The components of the net pension liability of the plan for Fiscal Year Ending December 31, 2019 as follows:

Total Pension Liability	$ 180,572
Plan Fiduciary Net Position	129,666
Plan's Net Pension Liability	$ 50,906
Plan Fiduciary Net Position as of Percentage of the Total Pension Liability	71.81%

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation with date of January 1, 2019, using the following actuarial assumptions applied to all periods included in the measurement with a liability roll forward to December 31, 2018 for disclosure purposes for the Fiscal Year Ending December 31, 2019:

Inflation	2.75%
Salary Increases	3.70% - 6.45%, based on age
Investment Rate of Return	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 (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 including expected inflation.

Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of the December 31, 2018 (for disclosure purposes for the Fiscal Year Ending December 31, 2019) are summarized in the following data and reflect assumed long-term expected real rate of return over a 30-year horizon upon which the disclosure is based:

December 31, 2019 and 2018 (Dollars in Thousands)

Asset Class	Long-Term Expected Real Rate of Return	Target Asset Allocation
Domestic Equity	7.6%	35%
International Equity	7.8%	25%
Fixed Income	3.3%	20%
Real Estate	7.2%	15%
Cash	2.2%	5%

Mortality Rates for Annuities (60% Election Assumption)

Healthy: RP-2014 Blue Collar Mortality Tables for healthy employees and annuitants. Disabled: RP-2014 Disabled Retiree Mortality Tables.

Mortality Rates for Lump Sums (40% Election Assumption)

RP-2014 Blue Collar Mortality Tables for healthy annuitants, blended 70% male / 30% female for participants and 30% male / 70% female for beneficiaries.

The actuarial assumptions used in the January 1, 2017 evaluation were based on the results of an actuarial experience study covering the period January 1, 2009 – December 31, 2013.

Single Discount Rate

The discount rate used to measure the total pension liability was 7.50%. 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/As or higher).

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

The following present the net pension liability of the Plan, 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 (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Plan's Net Pension Liability/Assets	$ 68,742	$ 50,906	$ 35,522

Changes in the Net Pension Liability

(in thousands)	Increase (Decrease)		
	Total Pension Liability (a)	**Plan Fiduciary Net Position (b)**	**Net Pension Liability (a) - (b)**
Balances at 12/31/2018	$ 171,550	$ 144,362	$ 27,188
Changes for the year:			
Service Cost	3,000	-	3,000
Interest	12,624	-	12,624
Differences between expected and actual experience	(1,981)	-	(1,981)
Assumption Changes	7,844	-	7,844
Contributions-employer	-	5,100	(5,100)
Net investment income	-	(7,143)	7,143
Benefit payments, including refunds of employee contributions	(12,465)	(12,465)	-
Administrative expense	-	(188)	188
Other changes	-	-	-
Net Changes	9,022	(14,696)	23,718
Balances at 12/31/2019	$ 180,572	$ 129,666	$ 50,906

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

For the year ended 2019 the employer recognized pension expense of $13,181. The employer reported deferred outflows and inflows of resources related from pensions from the following resources.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences in experience	$ -	$ 1,435
Differences in assumptions	4,938	-
Excess(deficit) Investment Returns	16,173	6,111
Contributions Subsequent to Measurement Date	5,100	
Total	$ 26,211	$ 7,546

$5,100 reported as deferred outflows of resources related to pensions resulting from the employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2019. Other amounts reported as deferred outflow of resources and deferred inflows of resources related to pensions will be recognized in pension expense a follows:

Year Ended,	
2020	$ 5,357
2021	2,871
2022	1,800
2023	3,537
Total	$ 13,565

Salaried Pension Plan - Defined Benefit (2018)

Plan Description

The Regional Transportation District Salaried Employees' Pension Plan provides coverage for all full-time salaried employees whom were hired prior to January 1, 2008. The plan is a single-employer defined benefit pension plan administered by Fringe Benefit Services, Inc.

Benefits Provided

Normal retirement eligibility age is 65 with five years of credited service; monthly benefit 2.5% of average final compensation times credited service. Early retirement age is 55 with five years of credited service; monthly benefit if retire or terminate from active status on or after age 55, the normal retirement benefit 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.

Disability retirement is five years of credited service, totally and permanently disabled, and entitled to a Social Security disability award; monthly benefit unreduced normal retirement benefit, payable upon approval for Social Security disability. Pre-retirement death eligibility is five years of credited service; monthly benefit survivor pension assuming the participant retired the day before death with a 50% Joint and Survivor Benefit. If death occurs before age 55, payment is deferred until the participant would have reached age 55 and is reduced for early commencement. Survivors of married participants may elect to receive an annuity or a lump sum distribution. Survivors of unmarried participants will receive a lump sum distribution if death occurs while the participant is actively employed with RTD. The lump sum is the present value of the survivor's pension above but determined as if the participant was married and the spouse was the same age as the participant.

Termination eligibility is five years of credited service; monthly benefit if not eligible to retire normal retirement benefit, early retirement benefit, or if elected within six months, a lump sum equal to the present value of the age 65 accrued benefits, payable in lieu of all other benefits in the Plan. Employee monthly benefit if eligible to retire normal retirement benefit, early retirement benefit, or a lump sum equal to the present value of an immediate accrued benefit, payable in lieu of all other benefits in the Plan.

Forms of annuity payments for normal form are 50% Joint and Survivor Annuity if married, Single Life Annuity otherwise. Optional Forms are 25%, 50%, 66-2/3% or 100% Joint and Survivor Annuity with 5-year or 10-year Certain and Life Annuity (60 or 120 months guaranteed) Social Security Adjustment (Age 62 or Age 65) Lump Sum.

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 average of 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.

December 31, 2019 and 2018 (Dollars in Thousands)

Employees covered by the benefit terms for the Fiscal Year Ending December 31, 2018 (December 31, 2017 measurement date), pension plan membership consisted of the following[1]:

Active Plan Members	291
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	264
Inactive Plan Members Entitled to But Not Yet Receiving Benefits[2]	120
Total	675

[1]Based on January 1, 2017 actuarial valuation demographic information
[2]Includes transfer outs

Net Pension Liability

The components of the net pension liability of the plan for Fiscal Year Ending December 31, 2018 as follows:

Total Pension Liability	$ 171,550
Plan Fiduciary Net Position	144,362
Plan's Net Pension Liability	$ 27,188
Plan Fiduciary Net Position as of Percentage of the Total Pension Liability	84.15%

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation with date of January 1, 2017, using the following actuarial assumptions applied to all periods included in the measurement with a liability roll forward to December 31, 2017 for disclosure purposes for the Fiscal Year Ending December 31, 2018:

Inflation	3.00%
Salary Increases	4.75% - 9.75%, based on age
Investment Rate of Return	7.50%, 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 (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 including expected inflation.

Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of the December 31, 2017 (for disclosure purposes for the Fiscal Year Ending December 31, 2018) are summarized in the following data and reflect assumed long-term expected real rate of return over a 30-year horizon upon which the disclosure is based:

December 31, 2019 and 2018 (Dollars in Thousands)

Asset Class	Long-Term Expected Real Rate of Return	Target Asset Allocation
Domestic Equity	7.9%	40%
International Equity	8.4%	25%
Fixed Income	4.4%	20%
Real Estate	7.5%	15%
Cash	N/A	N/A

Mortality Rates for Annuities (60% Election Assumption)

Healthy: RP-2014 Blue Collar Mortality Tables for healthy employees and annuitants. Disabled: RP-2014 Disabled Retiree Mortality Tables.

Mortality Rates for Lump Sums (40% Election Assumption)

RP-2014 Blue Collar Mortality Tables for healthy annuitants, blended 70% male / 30% female for participants and 30% male / 70% female for beneficiaries.

The actuarial assumptions used in the January 1, 2017 evaluation were based on the results of an actuarial experience study covering the period January 1, 2009 – December 31, 2013.

Single Discount Rate

The discount rate used to measure the total pension liability was 7.50%. 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/As or higher).

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

The following present the net pension liability of the Plan, calculated using the discount rate of 7.50%, 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 (6.50%) or 1-percentage-point higher (8.50%) than the current rate:

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Plan's Net Pension Liability/Assets	$ 41,591	$ 27,188	$ 14,668

Changes in the Net Pension Liability

(in thousands)	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at 12/31/2017	$ 166,153	$ 130,956	$ 35,197
Changes for the year:			
Service Cost	3,201	-	3,201
Interest	12,351	-	12,351
Differences between expected and actual experience	(816)	-	(816)
Assumption Changes	-	-	-
Contributions-employer	-	4,600	(4,600)
Net investment income	-	18,322	(18,322)
Benefit payments, including refunds of employee contributions	(9,339)	(9,339)	-
Administrative expense	-	(177)	177
Other changes	-	-	-
Net Changes	5,397	13,406	(8,009)
Balances at 12/31/2018	$ 171,550	$ 144,362	$ 27,188

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

For the year ended 2018 the employer recognized pension expense of $11,575. 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	$ 2,387	$ 502
Differences in assumptions*	266	-
Excess(deficit) Investment Returns	4,074	8,297
Contributions Subsequent to Measurement Date	5,100	
Total	$ 11,827	$ 8,799

$5,100 reported as deferred outflows of resources related to pensions resulting from the employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2019. Other amounts reported as deferred outflow of resources and deferred inflows of resources related to pensions will be recognized in pension expense a follows:

Year Ended,	
2019	$ 2,205
2020	(352)
2021	(2,187
2022	(1,737
2023	-
Total	$ (2,071)

RTD Plan – Defined Contribution

Plan Description

The RTD defined contribution plan represents full-time salaried employees hired after January 1, 2008. The RTD Board adopted amendment No. 8, effective January 1, 2008. RTD contributes 9% of the employee's qualifying wage. Contributions totaled $4,818 and $4,246 in 2019 and 2018, respectively. RTD employees cannot contribute to the Plan. Membership was 709 and 624 active employees in 2019 and 2018, respectively.

Amalgamated Transit Union Division 1001 Health and Welfare Trust

The Amalgamated Transit Union Division 1001 Health and Welfare Trust was formed pursuant to a Trust Agreement effective July 1, 1971, between Amalgamated Transit Union Division 1001 (ATU 1001) and an agent of a transit enterprise owned by the City and County of Denver, through July 3, 1974, and the Regional Transportation District (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 collective bargaining agreement between the Union and RTD.

The Trust provides health benefits (hospital, medical, dental, vision, life and short-term disability) for represented employees of RTD and certain officers of ATU 1001 and health care benefits for retired employees actively working 600 hours or more per quarter. The Trust is funded through contribution by the employer and employee, the share of benefit plan contributions is set by the Collective Bargaining Agreement (CBA). RTD's contribution was $20,890 and $19,797 the years ended December 31, 2019 and 2018, respectively. The Trust also provides insurance coverage for felonious assault for each employee and funds the Amalgamated Transit Union Division 1001 Legal Services Trust. The Trust self-insures part of its health benefits, life insurance coverage and short-term disability. The plan issues audited financial statements, which include financial information for the plan. The financial statements may be obtained from the plan: RTD ATU 1001 Health and Welfare Trust, 2821 S. Parker Road, Suite 215 Aurora, Colorado 80014-2602.

Unearned Compensation Plan

RTD offers its employees an unearned compensation plan (the Plan), created in accordance with Internal Revenue Code Section 457, which is available to substantially all employees 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.

Compensated Absences

RTD considers all accrued compensated absences as due within one year. Employees accrue paid time off (PTO), vacation, and sick leave based on time in service; employees are not allowed to accumulate more than twice their annual PTO or vacation accrual and sick leave based on years of service. Employees are paid any outstanding compensated absence balances upon leaving RTD. RTD records these accrued compensated absences as current liabilities under the principle of conservatism by assuming these amounts are the most RTD would be obligated to pay in the near-term.

December 31, 2019 and 2018 (Dollars in Thousands)

Compensated absences activity for the year ended December 31, 2019 was as follows:

	12/31/2018 Balance	Accruals	Payments	12/31/2019 Balance
Represented employees	$ 3,251	$ 2,558	$ 2,283	$ 3,526
Salaried employees	$ 10,248	$ 6,888	$ 6,385	$ 10,751
Total compensated absences due	$ 13,499	$ 9,446	$ 8,668	$ 14,277

Compensated absences activity for the year ended December 31, 2018 was as follows:

	12/31/2017 Balance	Accruals	Payments	12/31/2018 Balance
Represented employees	$ 2,888	$ 2,283	$ 1,920	$ 3,251
Salaried employees	$ 10,667	$ 6,385	$ 6,804	$ 10,248
Total compensated absences due	$ 13,555	$ 8,668	$ 8,724	$ 13,499

The accrued compensation liabilities of $25,805 and $23,868 as of December 31, 2019 and December 31, 2018 include $11,529 and $10,369 of accrued wages, salaries, and fringe benefits in addition to accrued compensated absences.

December 31, 2019 and 2018 (Dollars in Thousands)

NOTE G – OPERATING LEASES – LESSOR

Union Station Alliance (USA) Lease

In December 2012, RTD entered a contract with Union Station Alliance (USA) to renovate and lease RTD's historic Denver Union Station Building. The renovation by USA included a hotel, Amtrak facilities, office space, retail and restaurant services as well as renovation of the Great Train Hall. The renovations were complete and open to the public in July 2014. The agreement includes a 60-year lease to USA to operate and maintain the facility in which RTD will participate in certain revenue collections.

NOTE H – COMMITMENTS AND CONTINGENCIES

Commitments

Operating Lease – Civic Center Transfer Facility

In 1976, RTD entered into an operating lease for a portion of the land on which the Civic Center transfer facility is located in downtown Denver. As collateral for the lease, RTD must maintain an account balance with a minimum fair value of $1,500 in an escrow account, the interest on which accrues to RTD until the lease expires. This amount in escrow is included in restricted assets in the accompanying financial statements.

Fixed rental commitments under the lease in years subsequent to December 31, 2019, are as follows:

Year ending December 31,	
2020	$ 270
2021	273
2022	275
2023	278
2024	281
2025-2029	1,448
2030-2034	1,521
2035-2039	1,599
2040-2044	1,680
2045-2049	1,766
2050-2054	1,856
2055-2059	1,951
2060-2064	2,050
2065-2069	2,155
2070-2074	2,265
2075	467
	$ 20,135

Rental expense relating to this lease amounted to $267 and $265 for the years ended December 31, 2019 and 2018, respectively.

Operating Lease – Purchased Transportation

RTD has entered into a number of transactions in which certain of its light rail vehicles have been leased to and subleased back from certain U.S. and foreign companies and has entered into a transaction in which its maintenance facilities have been leased to and subleased back. As part of these transactions, RTD irrevocably set aside certain monies (which were received from each counter party as payment for its leasing of light rail vehicles and real property) with a third party trustee.

The monies held by such trustees will be utilized to make the lease payments owed by the RTD under the transactions and are therefore considered fully funded and economically defeased.

Capital Projects

As of December 31, 2019, RTD has contracts for the construction of various capital projects and the purchase of buses and light rail vehicles. The costs to complete these projects and the purchase of buses/light rail vehicles total $115,716 and $254,961 in 2019 and 2018, respectively.

Grant Match Requirements

Under the provisions of current grants, RTD is obligated to satisfy certain matching requirements of these grants. At December 31, 2019, RTD had a commitment to provide $116,534 in matching funds in order to receive $33,443 in future federal and state grant funds.

Privatization Contracts

In response to the privatization legislation (Note A), RTD has awarded contracts for specific groups of routes, not to exceed 58% as required by law for vehicular services. As of January 2019, 54.1% of RTD's non-rail transit services are delivered by private contractors operating under the auspices and direction of RTD.

ADA Paratransit Service

With the passage of the Americans with Disabilities Act of 1990 (ADA), RTD was mandated to provide paratransit service to the disabled individuals unable to use RTD's fixed route buses, operating the same days and hours of service as the fixed route service. This service, called Access-a-Ride, is a curb-to-curb (with door-to-door assistance upon special request) transportation system offered to disabled individuals who cannot functionally use RTD's regular fixed route system. Passengers eligible for Access-a-Ride service must originate their trip within 3/4 of a mile of an RTD non-commuter fixed route. Since September 1996, RTD has been in full compliance with the Americans with Disabilities Act of 1990 requirement to provide paratransit service to the disabled individuals unable to use fixed route buses.

Future Commitments under Construction Contracts

In 2010, RTD entered into a public-private partnership to design, build, finance and operate several of the transit improvements contemplated under the FasTracks program, including the Commuter Rail Maintenance Facility, the East Rail Corridor, the Gold Line Rail Corridor and the electrified segment of the Northwest Rail Corridor (together, the "Eagle P3 Project). The Eagle P3 Project is being delivered and operated under a concession agreement that RTD has entered with a concessionaire that was selected through a competitive proposal process. The selected concessionaire is known as Denver Transit Partners (DTP), a special purpose company owned by Fluor Enterprises, Uberior Investments and Laing Investments.

The Eagle P3 Project construction was completed in two phases with Phase I completed in 2016 and Phase II completed in 2019. Under the terms of the Eagle P3 Project agreement, RTD made scheduled construction payments to DTP from 2011 through 2017 for completed project elements. RTD began commuter rail services on the University of Colorado A Line and the B Line in 2016 and began services on the G Line in 2019 Under the terms of the concessionaire agreement, RTD will make scheduled secured principal and interest payments to DTP from 2017 through 2044 in addition to service payments for the provision of operations and maintenance services by DTP. The principal and interest payments are fixed amounts for the term of the agreement while the service payments are indexed each year according to certain inflation measurements. In addition, the service payments may also be adjusted for schedule changes, special services and certain availability factors.

December 31, 2019 and 2018 (Dollars in Thousands)

In 2013, RTD entered a contract with Regional Rail Partners to construct the North Metro Rail Line. The North Metro Rail Line is an 18.5-mile electric commuter rail line that will run from Denver Union Station through Commerce City, Thornton and Northglenn to Highway 7 at 162nd Avenue in North Adams County. The North Metro Rail Line is expected to open within the next few years.

In 2014, RTD entered a contract with Balfour Beatty Infrastructure, Inc. to design and construct the Southeast Rail Extension Project. The Southeast Rail Extension includes 2.3 miles extending of the existing Southeast Light rail Line from Lincoln Station through the City of Lone Tree to RidgeGate Parkway Station featuring a new Park-n-Ride with a structure of 1,300 parking spaces. The Southeast Rail Extension opened in 2019.

Future Commitments under Service Contracts

The fixed commitments under the Privatization contracts (bus) in the years subsequent to December 31, 2019 are as follows:

Year ending December 31,		
2020	$	153,288
2021	$	142,019
2022	$	127,262
2023	$	68,202
2024	$	55,569
Total	$	546,340

Denver Transit Partner's concessionaire service payment commitments under the lease in years subsequent to December 31, 2019, are as follows:

Year ending Decmeber 31,	TABOR Secured Payment	Service Availability Payment	Total
2020	$ 45,813	$ 73,635	$ 119,448
2021	46,264	56,934	103,198
2022	44,618	59,320	103,938
2023	45,790	63,055	108,845
2024	47,210	80,069	127,279
2025-2029	234,644	403,059	637,703
2030-2034	318,570	473,010	791,580
2035-2039	321,297	567,611	888,908
2040-2044	213,250	668,695	881,945
Total	$ 1,317,456	$ 2,445,388	$ 3,762,844

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

December 31, 2019 and 2018 (Dollars in Thousands)

Diesel Fuel Contract

RTD contracts with Mansfield Oil Co of Gainesville, Inc. for diesel fuel. The contract is structured as a single year contract. The estimated (no locked-in price) commitment under the Mansfield contract in 2020 is $18,000. RTD estimates usage of 9.0 million gallons at unit cost of $2.00 per gallon: 5.0 million gallons of RTD's usage and 4.0 million gallons of RTD private carrier's usage.

Contingencies

Federal Grants

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

Self-Insurance

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

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

For Workers' Compensation, an excess coverage insurance policy covers individual claims in excess of $2,000. The amount of settlements has not exceeded insurance coverage in any of the past three years.

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

	Auto Liability	Workers' Compensation	Total
Unpaid claims, January 1, 2018	$ 5,492	$ 7,178	$ 12,670
Incurred claims (including IBNR)	3,535	5,367	8,902
Claims payments	(3,044)	(4,970)	(8,014)
Unpaid claims, December 31, 2018	5,983	7,575	13,558
Incurred claims (including IBNR)	3,386	4,636	8,022
Claims payments	(3,490)	(4,340)	(7,830)
Unpaid claims, December 31, 2019*	$ 5,879	$ 7,871	$ 13,750

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

December 31, 2019 and 2018 (Dollars in Thousands)

Contract Disputes and Legal Proceedings

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

The Concessionaire for the Eagle Project, Denver Transit Partners, has brought a lawsuit against RTD in Denver District Court asserting claims based on an alleged change in law. DTP has alleged damages for those claims in excess of $120M. RTD if vigorously defending that lawsuit and believes it is likely to prevail.

NOTE I – NET POSITION

	December 31, 2019	December 31, 2018
Invested in capital assets, net of related debt	$ 2,987,538	$ 3,144,175
Restricted net position		
Restricted debt service	117,805	139,779
Restricted TABOR	25,940	24,079
Restricted Fastracks	369,502	361,275
Restricted Deposits	1,503	1,504
Total restricted net position	514,750	526,637
Unrestricted net position		
Unrestricted - represented net pension liability*	(265,841)	(303,435)
Unrestricted - salaried net pension liability	(32,241)	(24,160)
Unrestricted net position	132,672	120,289
Total unrestricted net position	(165,410)	(207,306)
Total net position	$ 3,336,878	$ 3,463,506

* 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 collective bargaining agreement.

December 31, 2019 and 2018 (Dollars in Thousands)

NOTE J – BUDGETARY DATA

RTD's annual budget is prepared on the same basis as that used for accounting except that the budget also includes proceeds of long-term debt and capital grants as revenue and expenditures include capital outlays and bond principal payments, and excludes TABOR rebates under Amendment One, extraordinary loss and depreciation on, as well as gains and losses on disposition of, property and equipment. The budget sets forth all proposed outlays for operations, planning, administration, development, debt service, and capital outlays for the fiscal year. Prior to October 15, the General Manager 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, who must also approve subsequent amendments thereto. In the absence of such adoption, RTD has authority to begin making expenditures limited to 90% of the prior year's approved appropriation. RTD's policy on budget transfers authorizes the General Manager to approve certain transfers within the budget.

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

	2019	2018
Revenues and Proceeds		
Revenue, actual	$ 950,875	$ 897,388
Proceeds from debt/arbitrage relief	(96,071)	(5,805)
Federal capital grants and local contributions	124,497	81,002
Revenue, actual (budgetary basis)	$ 979,301	$ 972,585
Revenue, budget	$ 952,171	$ 1,208,273
Expenditures		
Expenses, actual	$ 789,932	$ 928,393
Capital outlays	350,221	335,080
Depreciation, amortization, other	(355,417)	(285,653)
Long-term debt principal payments	146,475	64,700
Expenditures, actual (budgetary basis)	$ 931,211	$ 1,042,520
Appropriations, budget	$ 1,932,662	$ 1,761,218
Unused appropriations	$ 1,001,451	$ 718,698

Unused appropriations lapse at year-end, except the 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, 2019, there was approximately $1,001,451 of unused 2019 appropriations for capital outlays available for carryover to 2020.

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 (balances). The amendment requires voter approval for any increase in mill levy tax rates, new taxes, or creation of multi-year debt. Revenue earned in excess of the "spending limit" must be refunded to the taxpayers unless voters approve retention of these revenues. In addition, the amendment mandates that reserves equal 3% of fiscal spending be established for declared emergencies.

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

On November 2, 2004, the voters of the District authorized an increase in RTD's sales and use tax rate from 0.6% to 1.0%, effective January 1, 2005, to finance the FasTracks transit improvement program. This authorization also exempted RTD from any revenue and spending limitations on the additional tax and on any investment income generated by the increased tax revenue and allowed RTD to incur debt to finance the capital improvements included in the FasTracks program. At the time that all FasTracks debt is repaid, RTD's sales and use tax rate will be reduced to a rate sufficient to operate the rapid transit system financed through FasTracks. RTD has $3.477 billion in authorized debt, subject to the Amendments' limitations. This debt was authorized by the voters of the District in 2004 to pay for the FasTracks rapid transit improvement program. Based on estimated fiscal year spending for 2019, $25,940 of year-end net position has been reserved for emergencies. The Amendment is complex and subject to judicial interpretation. RTD believes it is in compliance with the requirements of the Amendment based on the interpretations of the Amendment's language available at year-end.

NOTE L – SUBSEQUENT EVENTS

In December 2019, a novel strain of the coronavirus (COVID-19) emerged in Wuhan, Hubei Province, China. The virus subsequently spread globally resulting in a worldwide pandemic which is expected to cause significant disruptions to the economy. Several measures have been implemented by governments in the District including directives for social distancing and stay-at-home orders to mitigate the spread of COVID-19. These measures have severely curtailed activity within the District with RTD experiencing an approximate 70% reduction in ridership that began in mid-March 2020. In response, RTD undertook several initiatives including safety precautions for its employees and evaluating service levels, costs and impacts to revenue. On March 26, 2020, the Coronavirus Aid, Relief and Economic Security Act (CARES) was signed into law in which grant funding through the Federal Transit Administration (FTA) of $232 million will be made available to RTD to fund operations during the pandemic. On April 5, 2020, RTD suspended the collection of fares in accordance with social distancing measures and on April 19, 2020 RTD reduced its transit services by approximately 40% to reduce costs and adjust services to the lower demand. The extent to which COVID-19 impacts RTD's operations and financial condition will depend on future developments, which are highly uncertain and cannot be predicted with confidence, including the duration of the outbreak.

REQUIRED SUPPLEMENTARY INFORMATION

Required Supplementary Information

REGIONAL TRANSPORTATION DISTRICT
Pension Plans Summary
As of December 31,

Schedule of Contributions Multiyear
Last 10 Fiscal Years*
(in thousands)

ATU 1001 Pension Plan

Period Ending December 31,	2019	2018	2017	2016	2015
Actuarially Determined Contribution	$ 18,109	$ 17,664	$ 17,170	$ 17,131	$ 18,752
Actual Contribution	20,163	13,168	12,128	11,542	10,758
Contribution Deficiency (Excess)	(2,054)	4,496	5,042	5,589	7,994
Covered Payroll	103,646	103,729	94,802	82,994	84,774
Contribution as a Percentage of Covered Payroll	19.45%	12.69%	12.79%	13.91%	12.69%

* Fiscal year 2015 was the 1st year of implementation.

Actuarial Methods and Assumptions Used to Calculate Actuarially Determine Contribution Union:

Valuation Date:	January 1, 2019
Notes	Actuarially determined contribution rates are calculated as of December 31st 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	30 years
Asset Valuation Method	5-Year smoothed market
Inflation	3.00%
Salary Increases	7.00% During first 5 years of service, 3.00% after five years of service
Investment Rate of Return	7.00%
Retirement Age	Experience-based table of rates that is specific to the type of eligibility condition. Last updated for the 2015 valuation pursuant to an experience study of the period 2012-2014.
Healthy Mortality	RP-2014 Combined Mortality Table, generational projected with MP-2017.
Disabled Mortality	RP-2014 Combines Mortality Table, generational projected with MP-2017.
Other Information:	
Notes	There were no benefit changes during the year.

See accompanying independent auditors' opinion.

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

ATU 1001 Pension Plan

Period Ending December 31,	2019	2018	2017	2016	2015
Total Pension Liability					
Service Cost	$ 9,045	$ 14,387	$ 13,145	$ 13,074	$ 11,937
Interest	$ 32,102	27,099	25,276	26,324	27,714
Changes to Benefit Terms	-	-	-	-	-
Differences Between Expected and Actual Experience	$ 1,596	4,855	(3,164)	(4,711)	(6,476)
Assumption Changes	-	(108,133)	(19,822)	28,095	28,879
Benefit Payments, Including Lump Sums	(28,417)	(27,233)	(26,133)	(25,439)	(24,312)
Net Change in Total Pension Liability	$ 14,326	$ (89,025)	$ (10,698)	$ 37,343	$ 37,742
Total Pension Liability - Beginning	463,756	552,781	563,479	526,136	488,394
Total Pension Liability - Ending (a)	$ 478,082	$ 463,756	$ 552,781	$ 563,479	$ 526,136
Plan Fiduciary Net Position					
Contributions - RTD	$ 20,163	$ 13,168	$ 12,128	$ 11,542	$ 10,758
Contributions - Members	$ 4,627	4,389	4,069	3,868	3,586
Net Investment Income	$ (8,837)	28,983	11,855	(1,829)	11,779
Benefit Payments, Including Lump Sums	$ (28,417)	(27,233)	(26,133)	(25,439)	(24,312)
Administrative Expenses	$ (391)	(411)	(364)	(391)	(355)
Other	-	-	-	-	-
Net Change in Plan Fiduciary Net Position	$ (12,855)	$ 18,896	$ 1,555	$ (12,249)	$ 1,456
Plan Fiduciary Net Position - Beginning	222,666	203,770	202,215	214,464	213,008
Plan Fiduciary Net Position - Ending (b)	$ 209,811	$ 222,666	$ 203,770	$ 202,215	$ 214,464
Plan's Net Pension Liability - Beginning					
Plan's Net Pension Liability - Ending (a) - (b)	$ 268,271	$ 241,090	$ 349,011	$ 361,264	$ 311,672
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (b) / (a)	43.89%	48.01%	36.86%	35.89%	40.76%
Covered Payroll	103,646	103,729	94,802	82,994	84,774
Plan's Net Pension Liability as a Percentage of Covered Payroll	258.83%	232.42%	368.15%	435.29%	367.65%

Notes to Schedule:

Assumption changes for the Fiscal Year Ending December 31, 2016 (December 31, 2015 measurement date, January 1, 2015 actuarial valuation date): Assumption changes were a result of a change in the Single Discount Rate changing from 5.00 percent to 4.54 percent, measured at the end of the year.

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

* Fiscal year 2015 was the 1st year of implementation.

See accompanying independent auditors' opinion.

Schedule of Contributions Multiyear
Last 10 Fiscal Years*
(in thousands)

RTD Salaried Pension Plan

Period Ending December 31,	2019	2018	2017	2016	2015
Actuarially Determined Contribution	$ 7,954	$ 7,296	$ 7,632	$ 6,768	$ 5,682
Actual Contribution	5,100	4,600	4,100	3,100	3,100
Contribution Deficiency (Excess)	2,854	2,696	3,532	3,668	2,582
Covered Payroll	26,460	27,619	30,378	31,257	30,880
Contribution as a Percentage of Covered Payroll	19.27%	16.66%	13.50%	9.92%	10.04%

* Fiscal year 2015 was the 1st year of implementation.

Actuarial Methods and Assumptions Used to Calculate Actuarially Determine Contribution Union:

Valuation Date:	January 1, 2019	
Notes	Actuarially determined contribution rates are calculated as of January 1, twelve months prior to end of the fiscal year in which contributions are reported.	
Actuarial Cost Method	Entry Age	
Amortization Method	Level dollar, fixed and declining 20 years.	
Remaining Amortization Period	12years	
Asset Valuation Method	Smoothed over 5 years, based on Actuarial Value of Assets expected return.	
Inflation	2.75%	
Salary Increases	3.70%-6.45%, based on age	
Investment Rate of Return	7.00%, net of investment expenses	
Retirement Age	Age	Rate
	55	5.0%
	55-61	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 64.	
Mortality (Annuities)	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 Information:	401(a) 17 compensation and 415 limits are assumed to increase with inflation.	
	Turnover: 0.00% - 9.93%, based on age	
	Disablement: 0.03% - .81%, based on age	
	Expenses: $140 per year payable monthly	

See accompanying independent auditors' opinion.

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

RTD Salaried Pension Plan

Period Ending December 31,		2019		2018		2017		2016		2015
Total Pension Liability										
Service Cost	$	3,000	$	3,201	$	3,587	$	3,342		2,673
Interest	$	12,624		12,351		11,371		10,388		9,366
Changes to Benefit Terms				-		-		-		-
Differences Between Expected and Actual Experience	$	(1,981)		(816)		6,716		3,869		2,228
Assumption Changes	$	7,844		-		-		3,601		6,997
Benefit Payments, Including Lump Sums		(12,465)		(9,339)		(7,092)		(9,582)		(7,034)
Net Change in Total Pension Liability	$	9,022	$	5,397	$	14,582	$	11,618	$	14,230
Total Pension Liability - Beginning		171,550		166,153		151,571		139,953		125,723
Total Pension Liability - Ending (a)	$	180,572	$	171,550	$	166,153	$	151,571	$	139,953
Plan Fiduciary Net Position										
Contributions - RTD	$	5,100	$	4,600	$	4,100	$	3,100	$	3,100
Contributions - Members		-		-		-		-		-
Net Investment Income	$	(7,143)		18,322		11,337		(610)		9,078
Benefit Payments, Including Lump Sums	$	(12,465)		(9,339)		(7,092)		(9,582)		(7,034)
Administrative Expenses	$	(188)		(177)		(166)		(141)		(127)
Other		-		-		-		-		-
Net Change in Plan Fiduciary Net Position	$	(14,696)	$	13,406	$	8,179	$	(7,233)	$	5,017
Plan Fiduciary Net Position - Beginning		144,362		130,956		122,777		130,010		124,993
Plan Fiduciary Net Position - Ending (b)	$	129,666	$	144,362	$	130,956	$	122,777	$	130,010
Plan's Net Pension Liability - Beginning		28,794		28,794		28,794		9,943		730
Plan's Net Pension Liability - Ending (a) - (b)	$	50,906	$	27,188	$	35,197	$	28,794	$	9,943
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (b) / (a)		71.81%		84.15%		78.82%		81.00%		92.90%
Covered Payroll		26,460		27,619		30,378		31,257		30,880
Plan's Net Pension Liability as a Percentage of Covered Payroll		192.39%		98.44%		115.86%		92.12%		32.20%

Notes to Schedule:

Assumption changes for the Fiscal Year Ending December 31, 2018: Effective with the January 1, 2018 valuation, the following actuarial assumptions were updated: investment rate of return, interest discount rate, operating expenses, salary scale, mortality tables for annuity and lump sum elections, lump sum election rates, active retirement rates, vested inactive retirement age, termination rates, disability rates, and marriage assumption.

Assumption changes for the Fiscal Year Ending December 31, 2019: 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 Schedule).

Changes to Benefit Terms for the Fiscal Year Ending December 31, 2018: Effective January 1, 2019, the interest rate and mortality table for lump sum payments and optional payment form conversions were updated to be consistent with the changes reflected in the January 1, 2018 actuarial valuation

Changes to Benefit Terms for the Fiscal Year Ending December 31, 2019: None.

* Fiscal year 2015 was the 1st year of implementation.

See accompanying independent auditors' opinion.

SUPPLEMENTAL INFORMATION

REGIONAL TRANSPORTATION DISTRICT
SCHEDULE OF EXPENSE AND REVENUE
BUDGET AND ACTUAL - BUDGETARY BASIS
Year Ended December 31, 2019
(In Thousands)

	Adopted Budget	Final Budget	Actual	Variance - positive (negative)
Operating revenue				
Passenger fares	$ 163,600	$ 163,600	$ 154,390	$ (9,210)
Other	5,616	5,616	6,553	937
Total operating revenue	169,216	169,216	160,943	(8,273)
Operating expenses				
Salaries and wages	206,691	204,485	196,505	7,980
Fringe benefits	75,586	74,519	54,569	19,950
Materials and supplies	68,932	63,563	54,983	8,580
Services	145,914	139,262	96,085	43,177
Utilities	20,492	19,926	17,823	2,103
Insurance	14,190	14,151	10,833	3,318
Purchased transportation	210,275	211,016	203,559	7,457
Leases and rentals	2,470	3,090	3,204	(114)
Miscellaneous	10,862	7,204	5,053	2,151
Total operating expenses	755,412	737,216	642,614	94,602
Operating loss	(586,196)	(568,000)	(481,671)	86,329
Nonoperating revenue (expenses)				
Sales and use tax	668,330	662,376	659,418	(2,958)
Grant operating assistance	95,293	92,013	86,263	(5,750)
Investment income	15,695	15,695	17,669	1,974
Other income	12,679	12,871	26,582	13,711
Gain/loss on capital assets	-	-	(2,452)	(2,452)
Interest expense	(152,155)	(152,155)	(200,845)	(48,690)
Other expense/unrealized loss capital assets	-	-	(672)	(672)
Total nonoperating revenue (expenses)	639,842	630,800	585,963	(44,837)
Proceeds from debt	-	-	(96,071)	(96,071)
Capital outlay				
Capital expenses	830,745	693,520	350,221	(343,299)
Less capital grants	(275,592)	(266,591)	(124,497)	142,094
	555,153	426,929	225,724	(201,205)
Long-term debt principal payment	(76,771)	(76,771)	(146,475)	(69,704)
Excess (deficiency) of revenue and nonoperating income over (under) expenses, capital outlays and debt principal payments	$ (578,278)	$ (440,900)	(363,978)	$ 76,922
Increases (decreases) to reconcile budget basis to GAAP basis				
Capital expenses			350,221	
Proceeds from debt			96,071	
Long-term debt principal payment			146,475	
Depreciation			(355,417)	
INCREASE IN NET POSITION			$ (126,628)	

See accompanying independent auditors' opinion

STATISTICAL SECTION

This part of the Regional Transportation District's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosure, and required supplementary information says about the government's overall financial health.

Contents **Page**

These tables contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.

These tables contain information to help the reader assess the government's most significant revenue source.

These tables contain information to help the reader asses the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.

These tables contain service and infrastructure data to help the reader understand how the information in the financial report relates to service the government provides and the activities it performs. The demographic and economic indicators help the reader understand the environment within which the government's financial activities take place.

REGIONAL TRANSPORTATION DISTRICT
NET POSITION BY COMPONENT[1] (In Thousands)

Table 1

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Invested in capital assets,										
net of related debt (Note I)	$ 2,987,538	$ 3,144,175	$ 3,135,186	$ 3,135,186	$ 2,936,397	$ 2,987,697	$ 2,788,100	$ 2,348,966	$ 1,872,790	$ 1,597,631
Restricted (Note I)										
Emergencies	25,940	24,079	25,735	21,609	20,284	19,193	18,304	17,451	16,392	15,486
Debt and other	488,810	502,558	475,792	395,948	304,667	155,345	117,827	316,711	491,313	424,348
Total restricted net position[2]	514,750	526,637	501,527	417,557	324,951	174,538	136,131	334,162	507,705	439,834
Unrestricted net position (note H)	(165,410)	(207,306)	(223,204)	(214,479)	(84,409)	18,842	53,218	45,782	46,199	166,299
Total net position	**$ 3,336,878**	**$ 3,463,506**	**$ 3,413,509**	**$ 3,338,264**	**$ 3,176,939**	**$ 3,181,077**	**$ 2,977,449**	**$ 2,728,910**	**$ 2,426,694**	**$ 2,203,764**

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

[2] Retricted net position for 2016 and 2015 has been restated by category.

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

Table 2

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Operating Revenues:										
Passenger Fares	$ 154,390	$ 143,231	$ 140,217	$ 134,622	$ 120,497	$ 120,497	$ 117,841	$ 112,929	$ 108,497	$ 97,942
Other	6,553	7,535	7,159	5,803	5,347	4,406	5,199	5,333	4,882	4,414
Total Operating Revenues	160,943	150,766	147,376	140,425	125,844	124,903	123,040	118,262	113,379	102,356
Operating Expenses:										
Salaries, wages, fringe benefits	251,074	236,892	263,977	260,039	227,207	204,790	192,405	178,974	166,332	160,498
Materials and supplies	54,983	51,335	44,686	52,180	58,884	62,156	64,798	58,300	52,015	48,310
Services	96,085	81,189	77,323	58,560	79,749	108,920	112,479	109,853	48,357	60,553
Utilities	17,823	16,419	16,503	14,220	13,673	14,151	13,567	11,833	11,627	10,977
Insurance	10,833	9,941	13,319	10,382	8,102	5,273	5,568	3,776	6,089	5,429
Purchased transportation	203,559	176,416	159,051	156,605	113,216	114,942	113,006	111,130	108,865	104,514
Leases and rentals	3,204	1,996	2,829	3,288	3,462	3,264	3,210	2,401	1,964	2,515
Miscellaneous	5,053	4,317	4,213	4,183	4,531	6,561	6,448	15,741	2,082	3,315
Total Operating Expenses	642,614	578,505	581,901	559,457	508,824	520,057	511,481	492,008	397,331	396,111
Operating loss before depreciation	(481,671)	(427,739)	(434,525)	(419,032)	(382,947)	(395,154)	(388,441)	(373,746)	(283,952)	(293,755)
Depreciation	355,417	285,653	248,633	222,154	152,531	139,045	127,256	115,269	104,280	104,176
Operating Loss	(837,088)	(713,392)	(683,158)	(641,186)	(535,478)	(534,199)	(515,697)	(489,015)	(388,232)	(397,931)
Nonoperating income (expense):										
Sales and use tax revenues	659,418	634,192	598,187	563,598	541,518	514,721	468,586	449,787	415,180	397,549
Grant operating assistance	86,263	86,403	80,412	77,335	73,383	75,544	88,243	68,927	89,592	92,655
Interest income	17,669	13,409	63,030	6,371	3,164	165	2,040	2,613	6,484	8,065
Other income	26,582	12,618	10,596	9,927	10,322	10,248	28,170	11,035	11,356	3,653
Gain/Loss on Capital Assets	(2,452)	(1,449)	4,022	5,664	1,085	6,613	(82)	3,459	(6,101)	(3,474)
Interest expense	(200,845)	(62,770)	(65,346)	(77,272)	(79,686)	(72,293)	(61,223)	(51,371)	(51,274)	(48,735)
Other expense/Unrealized Loss Assets	(672)	(16)	(2,981)	(1,258)	(1,422)	(3,605)	(4,064)	(4,895)	(150)	(1,671)
Total Nonoperating Income	585,963	682,387	687,920	584,365	548,364	531,393	521,670	479,555	465,087	448,042
Net income before capital grants and local contributions	(251,125)	(31,005)	4,762	(56,821)	12,886	(2,806)	5,973	(9,460)	76,855	50,111
Capital grants and local contributions	124,497	81,002	86,395	202,235	169,313	206,431	242,566	311,676	238,292	107,478
Increase in Net Position	(126,628)	49,997	91,157	145,414	182,199	203,625	248,539	302,216	315,147	157,589
Net Position, Beginning of Year, (as previously reported)	3,463,506	3,413,509	3,322,352	3,176,938	3,181,074	2,977,449	2,728,910	2,426,694	2,203,764	2,046,175
Change in accounting principle, (note A)					(186,335)					
Net Position, Beginning of Year, (as restated)					2,994,739					
Prior Period Adjustment									(92,217)	
Net Position at End of Year	**$ 3,336,878**	**$ 3,463,506**	**$ 3,413,509**	**$ 3,322,352**	**$ 3,176,938**	**$ 3,181,074**	**$ 2,977,449**	**$ 2,728,910**	**$ 2,426,694**	**$ 2,203,764**

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

Table 3

Last Ten Years (Unaudited)

(In Thousands)

Year	Transit Operating Expenses[2]	Planning, Administrative and Development	Depreciation	Interest Expense[2]	Other Nonoperating Expenses	Capital Outlays[2]	Total
2010	$ 318,751	$ 77,360	$ 104,176	$ 48,735	$ 5,145	$ 712,552	1,266,719
2011	333,301	64,030	104,280	51,274	6,251	616,953	1,176,089
2012	414,893	77,115	115,269	51,371	4,895	702,119	1,365,662
2013	429,700	81,781	127,256	61,223	4,146	769,359	1,473,465
2014	436,905	83,152	139,045	72,293	3,605	862,701	1,597,701
2015	427,468	81,356	152,531	79,686	1,422	870,055	1,612,518
2016	470,005	89,452	222,154	77,272	1,258	693,159	1,553,300
2017	491,673	90,228	248,633	65,346	2,981	451,245	1,350,106
2018	488,277	90,228	285,653	62,770	1,465	335,080	1,263,473
2019	536,119	106,495	355,417	200,845	3,124	350,221	1,552,221

[1] Data is taken from the financial records of RTD and is presented on the accrual basis.
[2] RTD capitalizes certain interest costs, which are included in capital outlays.

REGIONAL TRANSPORTATION DISTRICT

REVENUE BY SOURCE[1]

Last Ten Years (Unaudited)

(In Thousands)

Table 4

Year	Operating Revenues	Sales/Use Tax	Grant Operating Assistance	Interest Income	Other	Total Revenue	Capital Grants	Local Contributions	Total Revenue and Capital Grant & Contributions
2010	$ 102,356	$ 397,549	$ 92,655	$ 8,065	$ 3,653	$ 604,278	$ 102,213	$ 5,265	$ 711,756
2011	113,379	415,180	89,592	6,484	11,356	635,991	186,073	52,219	874,283
2012	118,262	449,787	68,927	2,613	14,494	654,083	193,991	117,685	965,759
2013	123,040	468,586	88,243	2,040	28,170	710,079	159,783	82,783	952,645
2014	124,903	514,721	75,544	165	16,861	732,194	171,549	34,882	938,625
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	24,130	948,423	116,303	8,194	1,072,920

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

REGIONAL TRANSPORTATION DISTRICT
DEBT COVERAGE RATIOS[1]
(In Thousands)

Table 5

LAST TEN YEARS (UNADUITED)

	Sales Tax Bond Debt Service Requirements			Sales Tax	Coverage
	Interest	Principal	Total	Collections	Ratio
2010	$ 46,324	$ 44,511	$ 90,835	$ 397,549	4.38
2011	70,646	25,010	95,656	415,180	4.34
2012	70,752	26,211	96,963	449,787	4.64
2013	76,786	20,725	97,511	541,518	5.55
2014	84,821	25,712	110,533	514,721	4.66
2015	84,101	26,438	110,539	541,518	4.90
2016	83,490	27,043	110,533	563,598	5.10
2017	89,033	25,364	114,397	598,187	5.23
2018	86,542	26,235	112,777	634,192	5.62
2019	85,662	18,715	104,377	659,418	6.32

Certificate of Participation Debt Service Requirements

	Interest	Principal	Total
2010	$ 13,711	$ 26,725	$ 40,436
2011	28,973	25,955	54,928
2012	28,451	28,575	57,026
2013	31,285	25,735	57,020
2014	43,502	31,290	74,792
2015	57,226	27,910	85,136
2016	62,373	34,655	97,028
2017	56,071	32,702	88,773
2018	53,669	38,465	92,134
2019	51,941	48,620	100,561

Table 5

DEBT COVERAGE RATIOS (Continued)

(In Thousands)

	Total Debt Service Requirements			Total	Coverage
	Interest	Principal	Total	Revenue	Ratio
2010	$ 60,035	$ 71,236	$ 131,271	$ 573,460	4.37
2011	99,619	50,965	150,584	654,083	4.34
2012	99,203	54,786	153,989	874,283	5.68
2013	108,071	46,460	154,531	965,494	6.25
2014	128,323	57,002	185,325	952,645	5.14
2015	141,327	54,348	195,675	938,645	4.80
2016	145,863	61,698	207,561	924,662	4.45
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	1,072,920	5.24

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

REGIONAL TRANSPORTATION DISTRICT Table 6

DEMOGRAPHIC AND OPERATING DATA

Last Ten Years (Unaudited)

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
January 1 population within RTD service area[1]	3,090,000	3,080,000	2,920,000	2,920,000	2,870,000	2,870,000	2,800,000	2,800,000	2,800,000	2,800,000
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	2,340	2,340	2,340	2,340	2,348	2,348
Total miles	64,369,963	59,239,576	49,348,647	44,368,116	47,575,444	45,746,927	45,246,715	38,824,067	42,996,614	41,449,988
Passenger stops	9,800	9,800	9,077	9,077	9,566	9,751	9,509	9,841	9,698	10,140
Number of fixed routes	169	169	172	172	137	138	136	145	138	148
Local	107	107	115	115	69	65	65	71	64	66
Express	-	-	-	-	15	14	14	17	16	20
Regional	23	23	16	16	20	17	17	17	17	16
Skyride	3	3	3	3	5	5	5	5	5	5
Boulder City	13	13	13	13	13	13	13	13	12	14
Longmont City	4	4	4	4	4	4	4	4	4	7
Limited	14	14	16	16	18	11	11	10	11	11
Miscellaneous	5	5	5	5	8	9	7	7	9	9
Ridership average weekday, without Mall Shuttle and Light Rail	183,293	183,293	193,391	197,637	208,086	211,702	208,387	210,811	205,504	209,172
Ridership average weekday, including Mall Shuttle	221,938	221,938	229,966	236,573	252,034	255,696	254,071	255,501	254,197	255,068
Ridership average weekday, including Mall Shuttle, Light Rail, ADA, and Van Pool	321,891	321,891	326,413	331,580	338,363	344,348	335,391	326,747	325,900	323,311
Total annual boardings without Mall Shuttle, Light Rail and ADA	61,091,654	61,091,654	64,457,209	59,005,677	62,833,246	63,935,032	63,010,579	63,640,443	61,634,723	62,902,963
Total annual boardings, including Mall Shuttle	71,366,204	71,366,204	73,947,723	71,345,729	76,257,759	77,464,530	77,079,604	77,320,228	76,577,627	76,825,609
Total annual boardings, including Mall Shuttle, Light Rail and CRT	104,307,853	104,307,853	105,773,275	100,248,216	101,776,337	103,851,061	100,844,239	97,959,296	97,272,342	96,657,335
Total annual boardings, including Mall Shuttle, Light Rail, ADA service, and Van Pool	105,388,415	105,388,415	106,849,922	101,322,384	102,991,663	104,987,248	101,966,009	99,122,065	98,384,882	97,724,928
Daily miles operated (average weekday), including Mall Shuttle	176,356	124,202	124,688	120,613	119,076	107,635	106,709	129,517	117,261	124,248
Daily miles operated (average weekday), including Mall Shuttle and Light Rail	141,621	141,621	142,489	136,677	131,221	119,706	118,385	139,083	126,849	134,294
Diesel fuel consumption, gallons[2]	5,178,712	5,238,000	5,550,000	5,550,000	5,550,000	5,550,000	5,600,000	5,400,000	5,400,000	5,200,000
Total active buses	1,030	1,026	1,023	1,023	1,021	1,011	992	998	969	1,025
Wheelchair lift equipped buses	1,030	1,026	1,023	1,023	1,021	1,011	992	998	969	1,025
Number of employees[2]										
Salaried	870	870	817	779	779	735	752	700	697	696
Represented (includes part-time)	2,018	2,018	1,962	2,034	1,955	1,929	1,901	1,715	1,785	1,744
Fleet requirements (peak hours)	841	841	834	834	834	821	785	779	797	806
Operating facilities[2]	7	7	7	7	7	7	6	6	6	6

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

[2] Excludes purchased transportation services.

Debt Disclosure Tables for 2018 CAFR

CAFR Table	Table Title
7	SBP Operations Program
8	SBP Capital Program
9	RTD Statement of Debt
10	RTD Annual Ridership and Fare Revenue
11	RTD Advertising and Ancillary Revenues
12	RTD Federal Grant Receipts
13	Five-Year Summary of Revenue/Expense Statements
14	Five-Year Summary of Budget/Actuals
15	RTD 2018 and 2019 Budget
16	Trip Fares
17	RTD Net Retail Sales

Debt Disclosure Tables Updated in Body of 2018 CAFR

Table Title	Location in CAFR
RTD Revenues by Source	Statistical Section – Table 4
Summary Balance Sheet	Statements of Net Position – pg. 38-39

REGIONAL TRANSPORTATION DISTRICT

2020-2025 MID-TERM FINANCIAL PLAN - OPERATING PROGRAM (In Thousands)

Table 7

Program	2020	2021	2022	2023	2024	2025	Total Cost
Interest Payments[1,2]	$ 16,834	$ 14,353	$ 13,023	$ 11,072	$ 9,168	$ 7,173	$ 71,623
Bus Operations – Current RTD	143,549	146,955	150,776	154,624	158,600	162,604	917,108
Bus Operations – Private Carrier after Contract	112,955	117,308	121,362	124,645	130,709	134,823	741,802
Bus Operations - call-n-Ride	8,468	8,685	8,911	9,138	9,374	9,611	54,187
Private Contract Administration Costs	425	436	447	459	470	482	2,719
Service Increases – RTD-Operated	401	401	401	-	-	-	1,203
Service Increases – Private Contractor	303	302	302	-	-	-	907
FasTracks Service Allocation - Bus[1]	(17,214)	(17,660)	(18,125)	(18,593)	(19,077)	(19,565)	(110,234)
Cost Sharing Agreements - Bus Service	4,318	4,429	4,546	4,663	4,785	4,907	27,648
Rail Operations	65,381	67,074	68,840	70,619	72,456	74,308	418,678
ADA Operating Costs	53,760	56,604	59,710	63,046	66,695	70,621	370,436
FasTracks Service Allocation - ADA[1]	(2,128)	(2,183)	(2,240)	(2,298)	(2,358)	(2,418)	(13,625)
Safety & Secuirty - Base	25,999	26,672	27,374	28,082	28,812	29,549	166,488
Safety & Security - Additional Costs	637	758	1,626	1,668	1,712	1,895	8,296
Capital Programs & Facilities - Base	41,074	42,358	43,473	44,596	45,757	46,926	264,184
Capital Programs & Facilities- Additional Costs	128	2,020	3,535	2,292	432	443	8,850
Direct Costs - Other Departments	20,173	20,694	21,237	21,783	22,348	22,918	129,153
Indirect Costs - Other Departments	112,031	113,217	117,205	119,781	121,530	144,807	728,571
FasTracks - Cost Allocation	(41,479)	(42,553)	(43,673)	(44,802)	(45,967)	(47,142)	(265,616)
Grand Total	**$ 545,615**	**$ 559,870**	**$ 578,730**	**$ 590,775**	**$ 605,446**	**$ 641,942**	**$ 3,522,378**

[1] Interest payments are not presented in year of expenditure dollars. All other operating expenses are presented in year of expenditure dollars.

[2] Interest payments on bonds and certificates of participation (COPS) issued for purposes other than FasTracks.

REGIONAL TRANSPORTATION DISTRICT
2020-2025 STRATEGIC BUDGET PLAN - CAPITAL PROGRAM (In Thousands)

Table 8

Program	2020	2021	2022	2023	2024	2025	Total Cost
Long Term Debt Service[1,2]	$ 65,793	$ 64,711	$ 60,676	$ 49,516	$ 51,412	$ 43,819	$ 335,927
Fleet Modernization and Expansion[3]							
Buses and ADA Vehicles	20,504	33,862	59,765	18,441	31,757	8,842	173,171
Other	-	-	432	222	227	-	881
Light Rail Vehicles	-	-	-	-	-	-	-
Transfer Stations[3]	2,051	-	-	-	-	-	2,051
Rail Construction[3]	4,974	3,840	4,697	3,434	2,728	1,748	21,421
Rail Transit[3]	2,307	1,315	4,643	3,102	2,614	-	13,981
Capital Support Equipment[3]							-
Vehicles and Bus Maintenance Equipment	600	299	4,631	4,012	3,166	4,089	16,797
Information Systems, Computer Equip. for Ops.	3,528	789	594	332	-	-	5,243
Capital Support Projects[3]	256	263	270	277	284	10,004	11,354
Facilities Construction and Maintenance3	6,070	334	4,107	6,209	13,792	60,196	90,708
Planning[3]	-	-	-	33,231	-	-	33,231
Treasury[3]	5,155		1,512		-		6,667
Unallocated Capital[3]	-	-	-	-	-	-	-
Grand Total	**$ 111,238**	**$ 105,413**	**$ 141,327**	**$ 118,776**	**$ 105,980**	**$ 128,698**	**$ 711,432**

[1] *Principal payments are set at the time the bonds are issued and do not change with inflation.*

[2] *Long-term debt service costs include principal payments on bonds and COPs and are not presented in year of expenditure dollars.*

[3] *Capital expenditures and discretionary capital amounts are presented in year of expenditure dollars.*

REGIONAL TRANSPORTATION DISTRICT
STATEMENT OF DEBT
as of December 31, 2019

Table 9

Sales Tax Bonds		**Outstanding[2]**
RTD Sales Tax Revenue Refunding Bonds, Series 2007[1] - FasTracks	$	249,070
RTD Sales Tax Revenue Refunding Bonds, Series 2007[1]		50,806
RTD Sales FasTracks Tax Revenue Bonds, Series 2010AB[1]		300,000
RTD Sales FasTracks Tax Revenue Bonds, Series 2012A[1]		525,713
RTD Sales Tax Revenue Bonds, Series 2013A[1]		7,819
RTD Sales FasTracks Tax Revenue Bonds, Series 2013AB[1]		237,691
RTD Sales Tax TIFIA Loan[4]		335,619
RTD Sales FasTracks Tax Revenue Bonds, Series 2016A[1]		226,431
RTD Sales FasTracks Tax Revenue Bonds, Series 2017A[1]		88,975
RTD Sales FasTracks Tax Revenue Bonds, Series 2017B[1]		138,470
RTD Sales FasTracks Tax Revenue Bonds, Series 2019A[1]		82,740
Total Sales Tax Revenue Debt	**$**	**2,243,334**

Lease Purchase Agreements		**Outstanding[2]**
Master Lease Purchase Agreement II Fixed Rate Taxable Certificates of Participation, Series 2007A		3,295
Master Lease Purchase Agreement II Fixed Rate Certificates of Participation, FasTracks Series 2010AB		193,444
Master Lease Purchase Agreement II Fixed Rate Certificates of Participation, Series 2013A		162,157
Master Lease Purchase Agreement II Fixed Rate Certificates of Participation, Series 2014A		461,660
Master Lease Purchase Agreement II Fixed Rate Certificates of Participation, Series 2015A		128,037
2016A JPM Lease Puchase Agreement Refunding		38,242
2017A JPM Lease Puchase Agreement Refunding		153,140
Total Certificates of Participation Debt	**$**	**1,139,975**
Total Debt	**$**	**3,383,309**
RTD Distirct Populaiton[3]		3,200,000
Per Capita Debt Requirement	$	1,057

[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.

[4] Capitalized interest thru 2020

ANNUAL RIDERSHIP AND FARE REVENUE - 2010-2019

Table 10

(In Thousands)

Year	Revenue Boardings[1]	Fare Revenue	Percent Change in Fare Revenue
2010	83,732	$ 97,942	1.1%
2011	83,428	108,497	10.8%
2012	85,442	112,929	4.1%
2013	87,820	117,841	4.3%
2014	91,049	120,497	2.3%
2015	88,927	120,530	0.0%
2016	88,982	134,622	11.7%
2017	87,823	140,217	4.2%
2018	95,114	143,231	2.1%
2019	95,041	154,390	7.8%

[1] Totals for 2010-2019 include both access-a-Ride boardings and vanpool boardings.

ADVERTISING AND ANCILLARY REVENUES - 2010-2019

Table 11

(In Thousands)

Year	Advertising Revenue	Ancillary Revenues
2010	$ 3,301	$ 2,892
2011	3,992	2,528
2012	3,524	2,214
2013	2,924	20,123
2014	4,324	2,085
2015	4,160	1,186
2016	3,722	2,081
2017	4,280	2,879
2018	4,433	3,102
2019	4,482	2,071

GRANT RECEIPTS AND LOCAL CONTRIBUTIONS - 2010-2019

Table 12

(In Thousands)

Year	Grant Capital	Local Contributions	Grant Operating Assistance
2010	$ 102,213	$ 5,285	$ 92,655
2011	186,073	52,219	89,592
2012	193,991	117,685	68,927
2013	159,783	82,783	88,243
2014	171,549	34,882	75,544
2015	157,616	11,697	73,383
2016	185,324	16,911	77,335
2017	75,500	10,895	80,412
2018	52,229	28,773	86,403
2019	116,303	8,194	86,263

REGIONAL TRANSPORTATION DISCTRICT
FIVE-YEAR SUMMARY OF STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION Table 13
(In Thousands)

	Years ended December 31				
	2019	2018	2017	2016	2015
Operating Revenues:					
Passenger Fares	$ 154,390	$ 143,231	$ 140,217	$ 134,622	$ 120,530
Other	6,553	7,535	7,159	5,803	5,347
Total Operating Revenues	160,943	150,766	147,376	140,425	125,877
Operating Expenses:					
Salaries, wages, fringe benefits	251,074	236,892	263,977	260,039	227,207
Materials and supplies	54,983	51,335	44,686	52,180	58,884
Services	96,085	81,189	77,323	58,560	79,749
Utilities	17,823	16,419	16,503	14,220	13,673
Insurance	10,833	9,941	13,319	10,382	8,102
Purchased transportation	203,559	176,416	159,051	156,605	113,217
Leases and rentals	3,204	1,996	2,829	3,288	3,462
Miscellaneous	5,053	4,317	4,213	4,183	4,531
Total Operating Expenses	642,614	578,505	581,901	559,457	508,825
Operating loss before depreciation	(481,671)	(427,739)	(434,525)	(419,032)	(382,947)
Depreciation	355,417	285,653	248,633	222,154	152,531
Operating Loss	(837,088)	(713,392)	(683,158)	(641,186)	(535,478)
Nonoperating income (expense):					
Sales and use tax revenues	659,418	634,192	598,187	563,598	541,518
Grant operating assistance	86,263	86,403	80,412	77,335	73,383
Interest income	17,669	13,409	63,030	6,371	3,164
Other income	26,582	12,618	10,596	9,927	10,322
Gain/Loss on Capital Assets	(2,452)	(1,449)	4,022	5,664	1,085
Interest expense	(200,845)	(62,770)	(65,346)	(77,272)	(79,686)
Other expense/Unrealized Loss	(672)	(16)	(2,981)	(1,258)	(1,422)
Total Nonoperating Income	585,963	682,387	687,920	584,365	548,364
Net income before capital grants and local contributions	(251,125)	(31,005)	4,762	(56,821)	12,886
Federal capital grants and local contributions	124,497	81,002	86,395	202,235	169,313
Increase in Net Position	(126,628)	49,997	91,157	145,414	182,199
Net Position, Beginning of Year (as previously reported)	3,463,506	3,413,509	3,322,352	3,176,938	3,181,074
Net Position, Beginning of Year (as restated)					2,994,739
Net Position at End of Year	**$ 3,336,878**	**$ 3,463,506**	**$ 3,413,509**	**$ 3,322,352**	**$ 3,176,938**

REGIONAL TRANSPORTATION DISTRICT

Table 14

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

	2019		2018		2017		2016		2015	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
Operating revenues:										
Passenger fares	$ 163,600	$ 154,390	$ 146,785	$ 143,231	$ 142,500	$ 140,217	$ 130,173	$ 134,622	$ 123,373	$ 120,530
Other	5,616	6,553	5,666	7,535	6,023	7,159	4,797	5,803	5,245	5,347
Total operating revenues	169,216	160,943	152,451	150,766	148,523	147,376	134,970	140,425	128,618	125,877
Operating expenses:										
Salaries, wages, fringe benefits	279,004	251,074	258,452	236,892	238,452	263,977	222,966	260,039	202,135	227,207
Materials and supplies	63,563	54,983	60,853	51,335	55,853	44,686	60,001	52,180	67,741	58,884
Services	139,262	96,085	148,405	81,189	154,405	77,323	139,385	58,560	139,607	79,749
Utilities	19,926	17,823	18,149	16,419	22,149	16,503	19,382	14,220	15,015	13,673
Insurance	14,151	10,833	11,485	9,941	8,485	13,319	7,665	10,382	7,595	8,102
Purchased transportation	211,016	203,559	187,209	176,416	174,209	159,051	175,696	156,605	114,214	113,216
Leases and rentals	3,090	3,204	3,712	1,996	3,712	2,829	3,557	3,288	3,415	3,462
Miscellaneous	7,204	5,053	12,102	4,317	14,432	4,213	9,601	4,183	5,824	4,531
Total Operating Expenses	737,216	642,614	700,367	578,505	671,697	581,901	638,253	559,457	555,546	508,824
Operating loss	(568,000)	(481,671)	(547,916)	(427,739)	(523,174)	(434,525)	(503,283)	(419,032)	(426,928)	(382,947)
Nonoperating revenue (expense):										
Sales and use tax	662,376	659,418	622,834	634,192	586,053	598,187	569,763	563,598	551,368	541,518
Grant operating assistance	92,013	86,263	102,681	86,403	103,785	80,412	96,767	77,335	78,832	73,383
Interest income	15,695	17,669	11,732	13,409	4,197	63,030	3,840	6,371	4,310	3,164
Other income	12,871	26,582	13,246	12,618	11,244	10,596	20,200	9,927	11,020	10,322
Gain/Loss on capital assets	-	(2,452)	-	(1,449)	-	4,022	-	5,664	-	1,085
Interest expense	(152,155)	(200,845)	(153,248)	(62,770)	(129,719)	(65,346)	(117,313)	(77,272)	(95,365)	(79,686)
Other expense/Unlrealized loss	-	(672)	-	(16)	-	(2,981)	-	(1,258)	-	(1,422)
Total nonoperating revenue	630,800	585,963	597,245	682,387	575,560	687,920	573,257	584,365	550,165	548,364
Proceeds from issuance of long-term debt	-	(96,071)	-	(5,805)	457,091	402,435	457,091	314,174	457,091	299,688
Capital outlay										
Capital expenses	693,520	350,221	849,538	335,080	1,055,839	451,245	1,396,223	693,159	1,687,076	870,055
Less capital grants	(266,591)	(124,497)	(311,134)	(81,002)	(418,898)	(86,395)	(258,089)	(202,235)	(206,451)	(169,313)
	426,929	225,724	538,404	254,078	636,941	364,850	1,138,134	490,924	1,480,625	700,742
Long-term debt principal payment	76,771	146,475	58,065	64,700	58,065	489,841	61,698	133,098	58,942	54,348
Excess (deficit) of revenue and nonoperating income over (under) expenses, capital outlay and debt principal payments	$ (440,900)	(363,978)	$ (547,140)	(69,935)	$ (185,529)	(198,861)	$ (672,767)	(144,515)	$ (959,239)	(289,985)
Increases (decreases) to reconcile budget basis to GAAP basis										
Capital expenditures		350,221		335,080		451,245		693,159		870,055
Long-term debt proceeds		96,071		5,805		(402,435)		(314,174)		(299,688)
Long-term debt principal		146,475		64,700		489,841		133,098		54,348
Depreciation		(355,417)		(285,653)		(248,633)		(222,154)		(152,531)
Net Income		$ (126,628)		$ 49,997		$ 91,157		$ 145,414		$ 182,199

* 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 2019 AND 2020 BUDGET SUMMARY (in thousands) **Table 15**

	2019 Adopted Budget	2019 Amended Budget	2020 Adopted Budget
Beginning net position	$ 3,721,818	$ 3,401,478	$ 3,900,904
Revenues:			
Operating	169,216	169,216	163,629
Sales & use taxes	668,330	662,376	664,743
Federal and local grants	370,885	358,604	310,340
Interest and other income	28,374	28,566	20,465
FasTracks - change in debt service reserve	(2,003)	(2,003)	-
FasTracks - change in FISA	(9,361)	(9,361)	(18,648)
Change in capital acquisition reserve	-	-	
Financing proceeds	-	-	
Contributed capital	159,067	130,228	116,790
Total Revenues	1,384,508	1,337,626	1,257,319
Expenditures:			
Operating	755,412	743,310	739,744
Interest expense	152,155	152,155	170,384
Debt payments	76,771	76,771	88,174
Current capital	111,373	92,624	39,680
Capital carryforward	719,372	579,496	573,644
Total expenditures	1,815,083	1,644,356	1,611,626
Adjustments[1]	1,049,776	1,201,314	612,315
Ending net position	$ 4,341,019	$ 4,296,062	$ 4,158,912
Net position summary:			
Net investment in capital assets	$ 3,979,655	$ 3,979,532	$ 3,823,912
Restricted debt service, project related and other[2]	119,701	114,701	114,932
Restricted TABOR fund	25,977	25,805	25,465
Restricted FasTracks[3]	85,787	85,787	104,435
Restricted Board appropriated and capital replacement fund[4]	56,310	55,558	57,312
Unrestricted fund	73,589	34,679	32,856
Ending net position	$ 4,341,019	$ 4,296,062	$ 4,158,912

[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 16

Trip Fares	Full Fare	Discount Fare[1]	Youth Discount Fare[2]
Single Trip Fares			
Mall Shuttle and Free Mall Ride	Free	Free	Free
Local - Denver, Boulder, Longmont and light rail	$ 3.00	$ 1.50	$ 0.90
Rail and bus regional	5.25	2.60	1.60
Airport	10.50	5.25	3.20
Multiple Trip Fares (10 Ride Ticket Book)			
Local - Denver, Boulder and Longmont and light rail	$ 28.00	$ 14.00	$ 9.00
Rail and bus regional	40.50	25.25	16.00
Multiple Trip Fares (Day Pass)			
Local - Denver, Boulder and Longmont and light rail	$ 6.00	$ 3.00	$ 1.80
Rail and bus regional	10.50	5.25	3.20
Airport	10.50	5.25	3.20
Multiple Trip Fares (Monthly Pass)			
Local - Denver, Boulder and Longmont and light rail	$ 114.00	$ 57.00	$ 34.20
Rail and bus regional, Airport	200.00	99.00	60.00
Rail and bus regional, Airport			

[1] Discount fares apply to seniors 65+, individuals with disabitlities, and Medicare recipients
[2] Youth discount fares apply to youth ages 6-19 (up to three children ages 5 and younger ride free with a fare-paying adult)

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

Table 17

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
2010	$ 9,766	$ 3,391	$ 5,656	$ 4,433	$ 6,817	$ 2,390	$ 935	$ 718	$ 34,106	5.6%
2011	11,239	3,721	6,001	4,749	7,486	2,778	944	1,041	37,959	11.3%
2012	12,415	3,851	6,202	5,323	8,109	2,912	991	1,036	40,839	7.6%
2013	12,861	4,033	6,538	5,731	8,456	3,108	1,004	-	41,731	2.2%
2014	14,254	4,359	7,013	6,436	9,211	3,318	1,045	-	45,636	9.4%
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%

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

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Appendix C

AN ECONOMIC AND DEMOGRAPHIC OVERVIEW
OF THE DENVER METROPOLITAN AREA

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A Note on COVID-19

A novel coronavirus, now called COVID-19, spread rapidly across the globe, causing the World Health Organization to declare it a pandemic on March 11, 2020. The first death in Colorado due to COVID-19 occurred on March 13, causing Colorado Governor Polis to take swift action by shutting down large events and ski areas. The virus' rapid spread led to progressively more restrictive guidance issued by individual communities, culminating in Governor Polis issuing an executive order on March 25th ordering Coloradans to stay in place. All businesses except those specifically deemed critical in the executive order were closed or shifted to remote work/remote learning as of March 26, ultimately through May 8th. From May through November, many non-essential businesses were opened with restricted capacity. However, many non-essential businesses were again closed in various parts of the state in November and December depending upon coronavirus infection and hospitalization rates.

While the restrictive measures were necessary to contain the pandemic and save lives, this resulted in a rapid loss in employment, effectively ending the longest economic expansion on record. As this report presents annual economic data for 2010 through the most recent 2020 data, the economic conditions described in this report reflect the ever-changing influence of the pandemic.

Introduction

In 2019, Colorado's employment growth continued, aided by positive net migration, strong economic activity, and wage growth. Colorado remained a top-10 state for employment growth, with a 2.1 percent increase in jobs over-the-year. The Denver metropolitan statistical area ranked tenth among the nation's 25 largest metropolitan areas for employment gains in 2019, rising 2.2 percent. The expanding Denver metropolitan area economy was bolstered by a vibrant entrepreneurial community, rising population and employment growth, and an increasing presence in the global economy. Economic conditions changed dramatically in 2020 as the state lost over 116,000 jobs through November, population growth slowed, and market uncertainty prevailed.

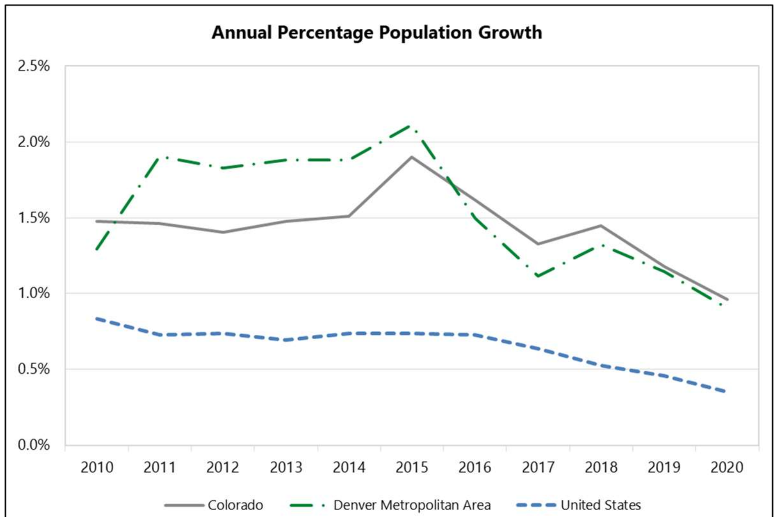
The Denver metropolitan area is comprised of seven counties – Adams, Arapahoe, Boulder, Broomfield, Denver, Douglas, and Jefferson. The Denver metropolitan area economy strongly influences the economy statewide as the area accounts for nearly 63 percent of Colorado jobs and 56 percent of the state's total population. The City and County of Denver represents nearly 23 percent of the total Denver metropolitan area population and 31 percent of the area's jobs, the largest portions of the seven counties in the region.

The Regional Transportation District (RTD) operates as a public transportation system whose 2,342-square-mile service area includes all or parts of eight counties, consisting of parts of the seven Denver metropolitan area counties plus a small part of Weld County. Specifically, RTD serves 40 municipalities in six counties and two city/county jurisdictions: the City and County of Denver, the City and County of Broomfield, the counties of Boulder and Jefferson, the western portions of Adams and Arapahoe Counties, the northern portion of Douglas County, and small portions of Weld County annexed by Brighton, Longmont, and Erie. RTD operates 1,026 buses on 142 fixed routes, 201 light rail vehicles on 60.1 miles of track, and 66 commuter rail vehicles on 40 miles of track. As the area of Weld County served by RTD is relatively small, this report describes economic activity in the seven-county Denver metropolitan region using mostly annual statistics.

Population

Colorado

Population in Colorado increased by 55,361 people from 2019 to 2020. According to data from the U.S. Census Bureau, Colorado ranked 12th for population growth rate during the period. From 2010 to 2020, Colorado's population grew at an average annual rate of 1.4 percent, up from the national average of 0.6 percent during the period. Population growth has remained consistently above national growth since 1990 and has been almost consistently double the national growth rate or more since 2010.

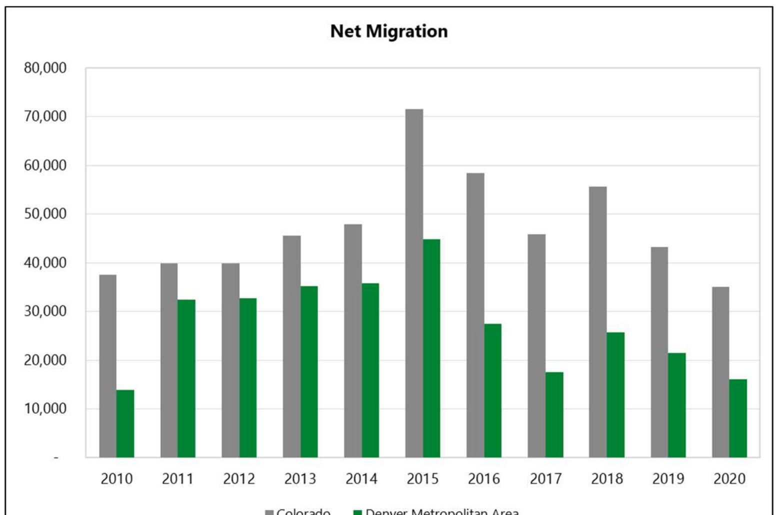


Source: U.S. Census Bureau; Colorado Division of Local Government, Demography Section.

Population growth is comprised of both natural increase and net migration. Natural increase is the difference between births and deaths, and typically changes only gradually as the population ages. Net migration reflects the number of in-migrants to the state minus the number leaving, and it tends to be more volatile as economic cycles, housing costs, and other less-predictable factors tend to influence population mobility. Natural increase accounted for 37.2 percent of Colorado's total population change between 2010 and 2020, and net migration accounted for 62.8 percent.

Like many of the fastest growing states, net migration contributed the most to Colorado's rapid population growth. Demographers expect this trend to continue and will be the major contributing factor to Colorado's population growth over the next 10 years.

Notably, Colorado is experiencing two major demographic shifts in the state's population. First, in 2015, the largest generational group residing in the state became the millennials (born 1981-1996), surpassing the baby boomers (born 1946-1964). Second, Colorado's share of the population 65 years and older is increasing rapidly. Between 2010 and 2020, the 65 years and older population increased by nearly 296,000 or an annual average growth rate of 4.4 percent. The State Demography Office projects that by 2030, Colorado's population 65 years and older will comprise 18 percent of the population, rising from about 850,400 in 2020 to about 1.2 million people.



Source: Colorado Division of Local Government, Demography Section.

Denver Metropolitan Area

The Denver metropolitan area is home to more than 3.26 million people. The area's population increased 0.9 percent over-the-year and averaged 1.6 percent per year between 2010 and 2020, 0.2 percentage points above the average annual growth rate in Colorado (+1.4 percent) and 1 percentage point above the national average annual growth rate (+0.6 percent).

Between 2010 and 2020, net migration represented about 62 percent of total Denver metropolitan area population growth, and natural increase represented 38 percent. However, migration patterns have varied over the last 20 years. During the prior 10-year period (2000-2010), net migration represented a smaller 35 percent of the population change. Since 2010, net migration significantly increased in the Denver metropolitan area following the Great Recession and accounted for most of the population increase in the region. From 2011 to 2020, net migration has remained above 50 percent, and reached a peak share of 70.5 percent in 2015 before falling to 55.2 percent in 2020.

Millennials are the largest generational group in the Denver metropolitan area, totaling 820,000 in 2020 and accounting for 25.1 percent of the area's population. The Denver metropolitan area is an attractive location for young professionals and working populations. CBRE ranked Denver No. 5 for most concentrated millennial markets in their "2020 Scoring Tech Talent" report, and LendingTree ranked Denver fourth for most popular city among millennial homebuyers.

Individuals ages 16 to 64 years, which is considered the potential working age population, made up 67.9 percent of the population in the Denver metropolitan area in 2020, while those 65 years and over accounted for 13.3 percent of the population.

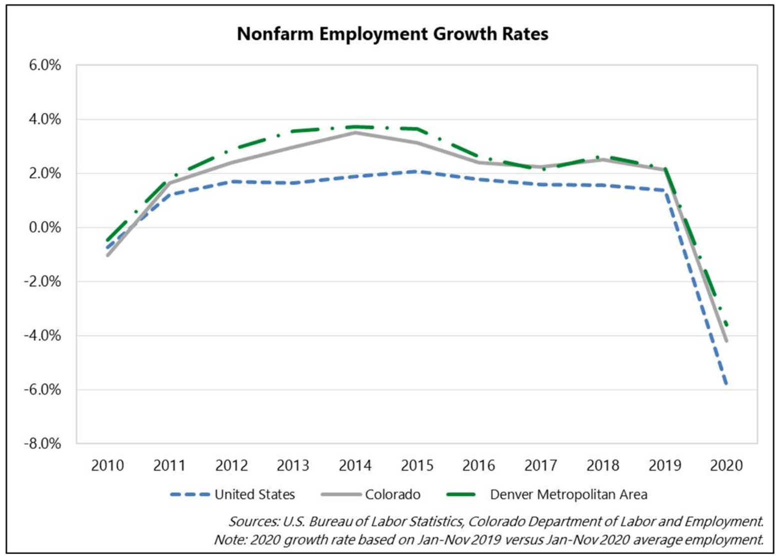
Denver Metropolitan Area Population by County

Area	2010	2015	2020	Avg. Annual Population Growth	
				2010-2015	2015-2020
Adams	443,711	490,562	524,260	2.0%	1.3%
Arapahoe	574,819	630,599	662,060	1.9%	1.0%
Boulder	295,605	318,933	328,352	1.5%	0.6%
Broomfield	56,107	64,780	71,879	2.9%	2.1%
Denver	604,879	684,826	736,598	2.5%	1.5%
Douglas	287,124	322,319	357,187	2.3%	2.1%
Jefferson	535,651	565,118	585,341	1.1%	0.7%
Denver Metropolitan Area	2,797,896	3,077,137	3,265,677	1.9%	1.2%
Colorado	5,050,332	5,453,996	5,819,337	1.5%	1.3%

Source: Colorado Division of Local Government, Demography Section.

Of the seven Denver metropolitan area counties, the City and County of Broomfield and Douglas County reported the fastest population growth over the past five years, each increasing by 2.1 percent over the period. Four of the seven counties reported higher population growth rates than the state, and all seven counties exceeded the national average growth rate of 0.5 percent between 2015 and 2020.

Employment



The U.S. Bureau of Labor Statistics releases employment data based on two different surveys. The household survey – also called the Current Population Survey (CPS) – reflects employment characteristics by place of residence and is the data source for statistics on labor force, employment and self-employment, and unemployment by county. This data is discussed in the Labor Force & Unemployment section of this report.

The so-called "establishment" survey is the data source for the Current Employment Statistics (CES) series, which includes detailed information on employment, hours, and earnings by industry. Although the survey does not count the self-employed, the CES data are some of the most closely watched and widely used gauges of employment trends.

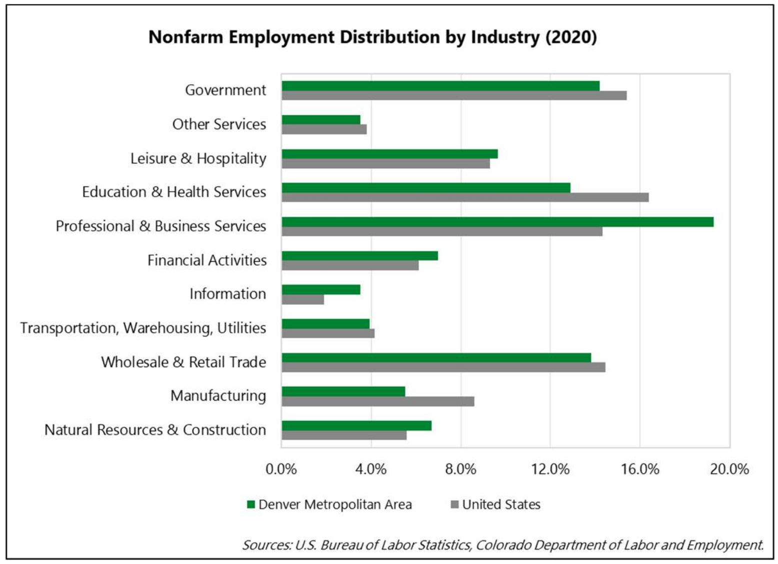
Industry employment data in the CES series are grouped according to North American Industry Classification System (NAICS) codes. This coding structure includes 20 detailed industry sectors that are combined to form 11 "supersectors."

Colorado

Colorado employment decreased 4.2 percent through November 2020 compared with the same time last year, falling by 116,200 employees during the period as the pandemic strained labor market conditions and forced mass business closures throughout 2020. The state's employment decline was 1.6 percentage points above the national rate of contraction of -5.8 percent year-to-date. As a result of the pandemic, Colorado lost 343,000 jobs between January 2020 and April 2020 and has reported over-the-year employment declines each month since, the first employment declines in the state since 2010. Colorado has since recovered 61.2 percent of the jobs lost. In contrast, the U.S. has recovered 55.6 percent of the jobs lost, so Colorado is performing better than the national average and ranked 13th among all states through November in terms of job recovery, according to the Colorado Department of Labor and Employment.

Nearly 60 percent of the state's total employment is concentrated in four supersectors consisting of education and health services, wholesale and retail trade, professional and business services, and government. From 2010 through November 2020, employment increased in natural resources and construction at an average annual rate of 3.6 percent, followed by professional and business services (+3 percent) and transportation, warehousing, and utilities (+2.8 percent). Despite the long-term increases, employment fell in 10 of the 11 supersectors through November 2020 compared with the same time last year, with the largest declines reported in leisure and hospitality (-61,000 jobs), government (-12,900 jobs), and wholesale and retail trade (-12,700 jobs). Professional and business services reported the only over-the-year increase of 3,900 jobs, and manufacturing reported the most modest decline of 500 jobs during the period.

Denver Metropolitan Area



The U.S. Bureau of Labor Statistics compiles CES data for a number of Metropolitan Statistical Areas (MSAs), including the Denver-Aurora-Lakewood MSA (Denver MSA) and the Boulder MSA. The Denver MSA consists of ten counties: Adams, Arapahoe, Broomfield, Clear Creek, Denver, Douglas, Elbert, Gilpin, Jefferson, and Park Counties. Because CES data are not available for the counties individually, data in this section of the report reflects the Denver MSA and Boulder MSA (Boulder County) combined.

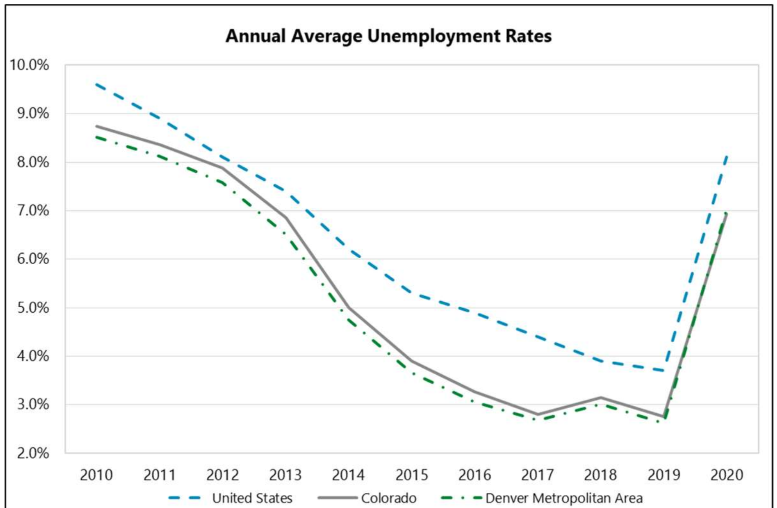
This 11-county region has a nonfarm employment base of nearly 1.7 million workers, which accounted for about 62.6 percent of the state's employment in 2020. Average annual employment decreased 3.6 percent from January through November 2020 compared with January through November 2019, representing 62,400 fewer employees during the period. From 2010 through November 2020, the region's employment growth averaged 2.1 percent per year, higher than the state average of 1.8 percent.

Nine of the 11 industry supersectors in the Denver metropolitan area reported decreases in employment year-to-date from November 2019 through November 2020. Manufacturing reported the largest year-to-date increase of 2.1 percent, followed by professional and business services which grew by 1.2 percent and added the most jobs with an additional 3,900 added. The supersectors most affected by the pandemic were leisure and hospitality (-17 percent), other services (-10 percent), and natural resources and construction (-4.9 percent). Similar to Colorado, four supersectors represented over 60 percent of employment throughout the Denver metropolitan area: professional and business services, education and health services, wholesale and retail trade, and government. From 2010 through November 2019, natural resources and construction drove employment growth, posting an average annual increase of 4.2 percent, followed by professional and business services (+3.3 percent) and transportation, warehousing, and utilities (+3.2 percent).

Before the pandemic started in March 2020, several key trends were driving employment growth in the Denver metropolitan area. The area was experiencing rapid employment growth in several high-knowledge, high-wage sectors. The region's innovative and entrepreneurial activity continued to draw significant tech-related and information technology-software employees, particularly to downtown Denver and Boulder County. Professional and business services—the largest supersector in the Denver metropolitan area—includes computer systems design and software engineering, which were major expanding components of this supersector in 2019. Transportation, warehousing, and utilities was the region's fastest growing supersector for the third-consecutive year in 2019, helped by a burgeoning industrial pipeline and heightened demand for warehouse facilities, specifically for the rapidly-expanding e-commerce industry.

Labor Force & Unemployment

The annual average U.S. unemployment rate fell to 3.7 percent in 2019, its lowest point since 1969. Preliminary 2020 data reveals that the coronavirus pandemic upended business conditions as the unemployment rate skyrocketed to 14.4 percent in April 2020 as business restrictions introduced to combat COVID-19 resulted in company closures and severe job losses. As businesses slowly were able to reopen, national unemployment came down and averaged 8.1 percent in 2020. However, part of the reason for the falling unemployment rate was that the labor force contracted by 1.7 percent, a decline of nearly 2.7 million people either employed or looking for work due to changing household responsibilities or concern with continuing jobs that require working with the public.



Sources: U.S. Bureau of Labor Statistics, Colorado Department of Labor and Employment.
Note: Colorado and Denver metropolitan area 2020 unemployment rate based on Jan-Nov 2020 average.

Colorado

Colorado's unemployment rate averaged 6.9 percent from January through November 2020, an increase of 4.1 percentage points from the same time last year. The labor force throughout the state decreased 0.6 percent during the period, representing 19,100 fewer people employed or looking for work, which was 1.1 percentage points less than the national rate of decline during the period. Colorado's unemployment rate remained below the national rate for the 16th consecutive year.

Denver Metropolitan Area

From January through November 2020, the unemployment rate in the Denver metropolitan area averaged 7 percent. The rate was up from 4.4 percentage points from the 2019 average of 2.6 percent, which marked the lowest annual unemployment rate in 19 years. Unemployment through November 2020 was 0.1 percentage points above the statewide unemployment rate but 1.1 percentage points below the national unemployment rate. According to a February 2020 comparison by *The Wall Street Journal,* which analyzed data from Moody's Analytics, Denver ranked No. 1 for labor force participation, No. 8 for unemployment, and No. 14 for labor force growth, totaling a final ranking of No. 3 for the top market for jobs in the U.S.

Major Employers

Small businesses represent a significant portion of Colorado's workforce. According to the most recent data from the U.S. Small Business Administration, nearly all private businesses in Colorado, or 99.5 percent of employers, are considered small, or employing fewer than 500 workers. In the Denver metropolitan area, data from the U.S. Census Bureau show that 99.8 percent of businesses employed fewer than 500 workers and about 97.6 percent of businesses employed fewer than 100 workers. An additional key facet of Colorado's employment base is the state's level of entrepreneurial activity. Colorado had the nation's fifth-largest share of proprietors as a percentage of total employment in 2019 and has ranked among the top 10 since 2000.

While small businesses and the self-employed are vitally important to the Denver metropolitan area economy, larger firms are key providers of jobs and income. According to the most recent data from the U.S. Census Bureau, about 81 firms with 1,000 or more employees were operating in the Denver metropolitan area in 2018 and nearly a third of these large businesses were located in the City and County of Denver.

Metro Denver Largest Private Sector Employers

Company	Product/Service	Employment
King Soopers	Grocery	14,380
HealthONE Corporation	Healthcare	12,410
Wal-Mart	General Merchandise	11,900
SCL Health System	Healthcare	9,970
Centura Health	Healthcare	9,450
UCHealth	Healthcare, Research	9,380
Lockheed Martin Corporation	Aerospace & Defense Related Systems	8,990
Comcast	Telecommunications	7,250
Children's Hospital Colorado	Healthcare	7,150
United Airlines	Airline	7,000
Kaiser Permanente	Healthcare	6,610
CenturyLink	Telecommunications	6,500
Safeway Inc.	Grocery	6,180
Target Corporation	General Merchandise	5,640
United Parcel Service	Logistics	4,940
Southwest Airlines	Airline	4,450
Ball Corporation	Aerospace, Containers	4,380
Charles Schwab	Financial Services	4,340
DISH Network	Satellite TV & Equipment	3,850
University of Denver	University	3,770

Source: Development Research Partners, May 2020.

Eleven companies headquartered in Colorado were included on the June 2020 *Fortune 500* list. Arrow Electronics was the highest ranked Colorado company at #110 with $28.9 billion in revenue. The remaining 10 companies on the list were DaVita (#230), VF (#233), Qurate Retail (#239), DISH Network (#251), Ball (#279), Molson Coors Beverage (#298), Liberty Media (#306), Newmont (#328), DCP Midstream (#413), and Ovintiv (#449).

While private sector businesses account for the majority of employment in the Denver metropolitan area, the public sector also represents a sizeable portion of the area's job base. As the capital of Colorado, the City and County of Denver has a large concentration of government employees. Specifically, public sector employment in Denver consists of 13,000 federal government employees, 15,400 state government employees, and 41,400 employees in local government entities in 2019, including Denver Public Schools (15,400 employees) and the City and County of Denver (13,500 employees).

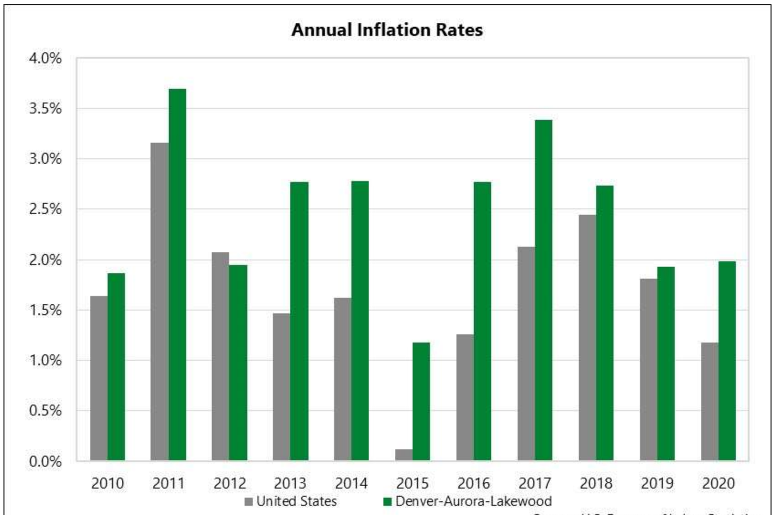
International Trade

The Denver metropolitan area's central U.S. location just west of the nation's geographic center makes it a strategic choice for companies conducting international business. The area is one of the nation's premier transportation hubs at the crossroads of major interstate highways that serve a critical function in supporting interstate and international commerce. Shipping businesses can access the Denver metropolitan area via all transportation modes except water, and the region's location midway between Canada and Mexico is another asset for trade-focused companies. About 27 percent of the total dollar value of export shipments from Colorado went to Canada and Mexico through the third quarter of 2020.

As of the third quarter of 2020, Colorado exports totaled about $6.1 billion year-to-date, increasing 0.8 percent from the same time last year. Annual exports peaked in 2013 at more than $8.5 billion before falling to about $8.1 billion annually in 2019. Much of the decline was attributed to exports to Canada, which decreased nearly 30 percent from 2013 to 2019. However, Canada remains Colorado's main country for exports, accounting for 15.6 percent of Colorado's exports as of the third quarter of 2020. Mexico was the second-largest recipient of exports from Colorado, accounting for 11.6 percent of output, followed by Malaysia (6.7 percent), South Korea (6.5 percent), and French Guiana (5.8 percent) during the period.

About 65 percent of exports from Colorado consisted of four key products, which were computer and electronic products (25.9 percent), food products (19.6 percent), machinery (10.8 percent), and transportation equipment (8.5 percent) through the third quarter of 2020. Nonmetallic mineral products, which represented 3.1 percent of all exports, reported the largest over-the-year increase of nearly 131 percent through the third quarter of 2020, followed by transportation equipment (+28 percent) and computer and electronic products (+19.6 percent).

Inflation



Source: U.S. Bureau of Labor Statistics.
Note: 2020 growth rate based on Jan-Nov 2019 versus Jan-Nov 2020 average CPI.

The U.S. Bureau of Labor Statistics measures inflation – or deflation – as a change in the Consumer Price Index (CPI). The CPI is a compilation of price measures for items in eight broad categories, the most heavily weighted of which are housing, transportation, and food and beverages. Housing carries the most weight of these three categories.

Changes in the Denver-Aurora-Lakewood CPI have often reflected changes in the national CPI. Since 2010, inflation in the Denver-Aurora-Lakewood area has outpaced the U.S. for all years except 2012. The rapid increase in home prices in the Denver metropolitan area from 2013 to 2018 and rising medical care costs were major drivers of price increases in recent years. Housing costs in the Denver-Aurora-Lakewood area increased at an average annual rate of 4.5 percent between 2013 and 2018, while housing costs across the U.S. rose 2.6 percent during the same period. Since 2010, prices rose a total of 28.2 percent in the Denver-Aurora-Lakewood MSA, compared with 18.6 percent across the U.S.

For the period from January through November 2020, the Denver-Aurora-Lakewood CPI increased 2 percent from the same time last year, outpacing the national year-to-date increase of 1.2 percent. Core inflation, which is all items except for food and energy, rose 2.4 percent year-to-date in the Denver metropolitan area compared with 1.7 percent nationally. Core inflation is a more stable indicator of price changes over time due to the volatility of food and energy prices.

The CPI is calculated based on price changes in eight main categories of goods and service. Prices decreased in two of the main categories at the national and local level in November 2020 compared with November 2019, with the decline in apparel being greater at the national level and the decline in transportation costs being greater in the Denver-Aurora-Lakewood area. Of the six categories that posted increases, education and communications and other goods and services increased at a faster pace in the Denver-Aurora-Lakewood area while housing, medical care, and recreation increased at a faster pace at the national level. Food and beverage prices increased by 3.7 percent over-the-year in both areas.

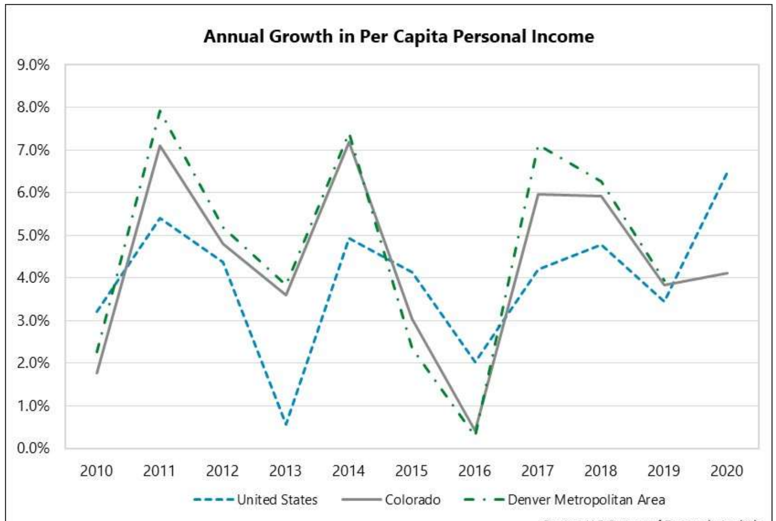
Income

Colorado

The largest component of personal income is earnings from work, meaning personal income trends can be largely affected by the labor market and wage growth. Year-to-date, total personal income in Colorado increased 5.4 percent through the third quarter of 2020 compared with the same period last year, 1.6 percentage points slower than the national rate of growth. However, total personal income increased at an average annual rate of 6.1 percent from 2010 to 2020 in Colorado, higher than the national average rate of 4.7 percent during the period.

Per capita personal income – or total personal income divided by population – increased each year since 2010, with the slowest over-the-year growth reported in 2016 (+0.4 percent) and the fastest increase in 2014 (+7.2

percent). Colorado had the 11th-highest per capita personal income in the nation, averaging $63,538 through the first three quarters of 2020, which was higher than the national average of $59,952 during the period. From 2010 to 2020, per capita personal income increased at an average annual rate of 4.6 percent in Colorado and increased 4 percent across the U.S.



Source: U.S. Bureau of Economic Analysis.
Note: 2020 growth rate based on 1Q-3Q 2019 average versus 1Q-3Q 2020 average.

Denver Metropolitan Area

Total personal income in the Denver metropolitan area has increased at a faster annual pace than the state since 2010. Between 2010 and 2019, total personal income increased an average of 6.6 percent per year in the Denver metropolitan area, compared with 6.2 percent in Colorado and 4.4 percent in the U.S. In 2019, the Denver metropolitan area's total personal income rose 5.1 percent, the same rate as Colorado and 1.2 percentage points higher than the rate in the U.S.

Per capita personal income in the Denver metropolitan area was higher than both Colorado and the U.S. in 2019, totaling $68,399, which was 121 percent of the U.S. average. Comparatively high wage rates tend to keep per capita personal income in the Denver metropolitan area above the national average. Data for 2020 is not available yet for counties and metropolitan statistical areas.

Retail Trade

National

Consumer spending accounts for about two-thirds of the nation's total economic output and is a useful indicator of overall consumer health. National retail trade sales declined significantly during the Great Recession, falling 1.1 percent in 2008 and decreasing 7.4 percent in 2009. In contrast, overall retail activity has remained relatively resilient during the COVID-19 recession with total retail trade sales for January through October 2020 equal to the sales for the same period last year. While total retail sales has remained constant, there has been a significant shift in spending by category.

National Retail Trade Sales ($millions)

Industry	YTD 2019	YTD 2020	Percent Change
Retail Trade:			
Motor Vehicle / Auto Parts	$1,032,905	$1,030,052	-0.3%
Furniture and Furnishings	$96,030	$89,155	-7.2%
Electronics and Appliances	$75,225	$64,169	-14.7%
Building Materials / Nurseries	$324,291	$366,635	13.1%
Food/Beverage Stores	$630,630	$705,966	11.9%
Health and Personal Care	$296,221	$298,992	0.9%
Service Stations	$420,139	$352,055	-16.2%
Clothing and Accessories	$207,434	$145,931	-29.6%
Sporting/Hobby/Books/ Music	$63,076	$65,078	3.2%
General Merchandise/ Warehouse	$569,948	$589,107	3.4%
Misc. Store Retailers	$110,213	$107,723	-2.3%
Non-Store Retailers	$626,773	$762,800	21.7%
Total Retail Trade	$4,452,885	$4,577,663	2.8%
Food / Drinking Services	$638,385	$514,683	-19.4%
TOTAL	$5,091,270	$5,092,346	0.0%

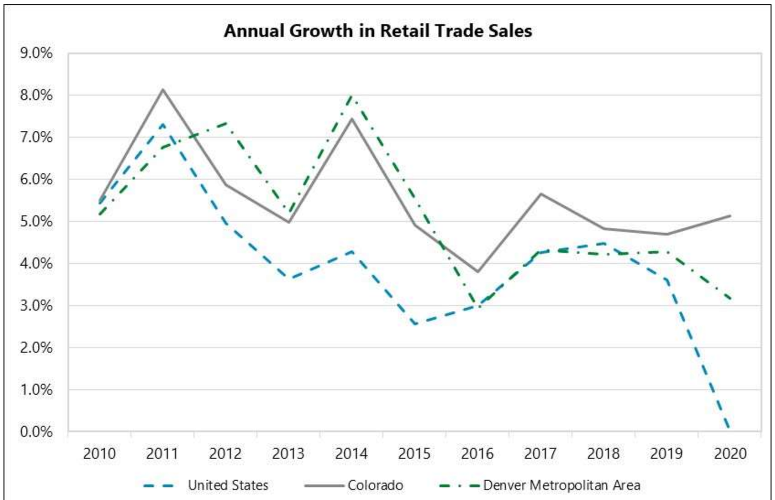
Note: Data are not adjusted for inflation. Sales by industry may not add to totals due to rounding and data suppression. Source: U.S. Census Bureau.

Comparing total retail trade sales for the first ten months of 2019 to the same period in 2020, seven of the 13 retail trade categories reported year-to-date decreases, led by clothing and clothing accessories stores, food services and drinking places, and gasoline stations. Non-store retailers, which includes businesses engaged in mail-order or electronic shopping, door-to-door sales, and in-home demonstrations, among other things, reported the largest increase, consistent with the longer-term trend of consumers increasing their online purchasing patterns. From 2010 to 2019, non-store retailers reported the highest average annual growth rate of 9.9 percent, followed by motor vehicles and parts dealers (+6.3 percent) and food services and drinking places (+5.4 percent).

Retail sales rose steadily from 2010 to 2019, averaging a 4.4 percent annual increase during the period. Retail sales reached their highest level in 2019, rising 3.6 percent between 2018 and 2019 to over $6.2 trillion, but sales growth was highest in 2017 when retail sales increased 4.7 percent over-the-year.

Colorado

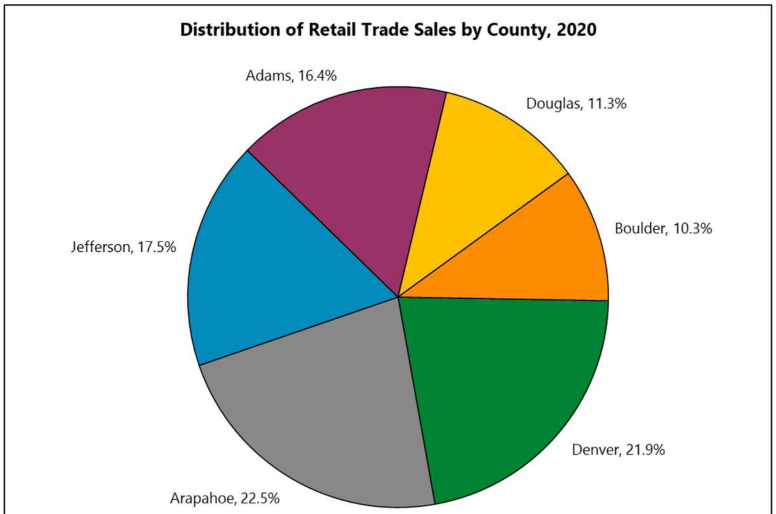
Retail trade sales in Colorado fell sharply during the Great Recession and improved significantly between 2010 and 2019. Retail sales in Colorado increased at an average annual rate of 5.6 percent from 2010 to 2019. The increase in retail trade sales reflected the combination of a strong economy, increased job creation, high labor force participation, improved wages, and an increase in net worth. Based on data for January through October 2020, retail sales increased 5.1 compared with the same time last year, far outpacing national sales. Indeed, the annual increase in retail trade sales in Colorado has surpassed that of the nation each year since 2010.



Source: U.S. Census Bureau, Colorado Department of Revenue.
Note: 2020 growth rate based on Jan-Oct 2019 total versus Jan-Oct 2020 total.

Denver Metropolitan Area

With the exception of 2016, retail sales growth across the Denver metropolitan area has outpaced national sales growth since 2012. The average annual growth rate from 2010 to 2019 in the area was 5.4 percent, below the state average (+5.6 percent) but higher than the national average (+4.2 percent). Retail sales through October 2020 increased 3.2 percent over-the-year, a slower rate of growth than the state by 1.9 percentage points. Arapahoe County represented the largest share of retail sales across the Denver metropolitan area of 22.5 percent, followed by Denver County (21.9 percent) and Jefferson County (17.5 percent).



Source: Colorado Department of Revenue.
Note: Retail trade sales data for Broomfield not available.

Residential Real Estate

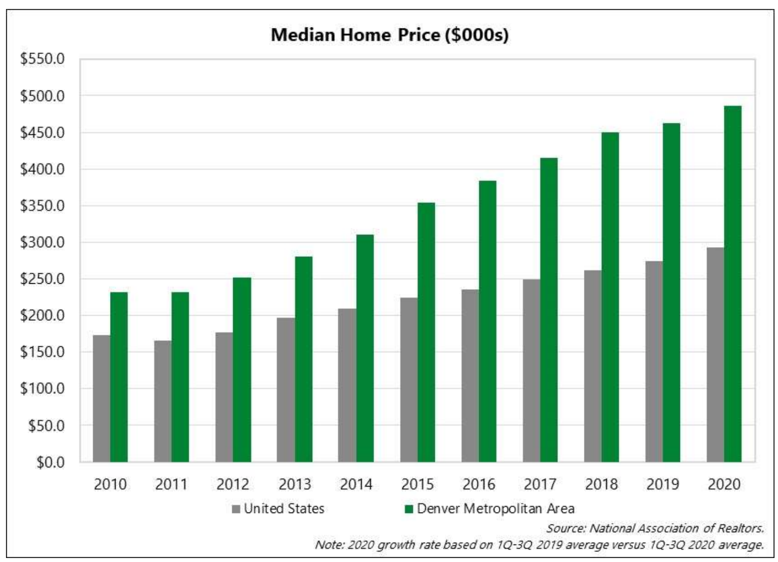
Combined, all aspects of the housing market – from new home construction to money spent on mortgage and rental payments, furnishings, and home improvements – contribute significantly to the nation's economy. The Denver metropolitan area reported strong market fundamentals despite economic strains on construction costs, supply, and affordability.

Homeownership rates across the U.S. increased significantly from a recent low of 62.9 percent reported in the second quarter of 2016 to 67.9 percent in the second quarter of 2020, matching the rate last achieved in the third quarter of 2008. Prior to 2020, homeownership rates remained well below levels recorded prior to the Great Recession due to demographic shifts, affordability challenges, and limited home supply. Low interest rates and the desire for more or different space due to the pandemic created a strong home purchasing pattern. While the homeownership rate declined slightly during the third quarter of 2020 to 67.4 percent, the slight retreat in home buying patterns was likely more an issue of lack of inventory than lack of interest in owning a home.

Homeownership in the Denver-Aurora-Lakewood MSA is below the national rate of homeownership. In the third quarter of 2020, homeownership reached 64.5 percent in the Denver metropolitan area, 2.9 percentage points below the national average and ranking No. 54 among the 75 largest MSAs for homeownership, according to the U.S. Census Bureau. However, demographic shifts are changing the makeup of the residential real estate market. Millennials represent an increasing share of homeownership, with 55.3 percent of mortgage requests in the Denver metropolitan area coming from millennials. Further, the region ranked No. 6 for work from home conditions, No. 8 for young workforce population, and No. 8 for real estate conditions according to the Site Selection Group, showing that the area is primed for drawing in young professionals looking for more affordable options outside of other major tech hubs across the U.S.

Residential Home Prices

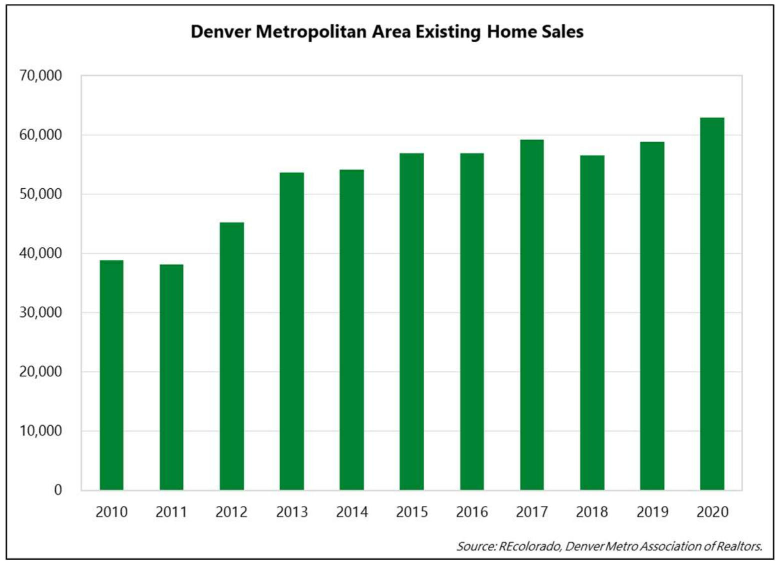
The increase in home prices picked up across the nation in 2020 after price growth slowed in 2019. According to the S&P/Case-Shiller Home Price Index, prices have grown at a faster over-the-year rate throughout 2020 across the nation. As of June 2020, prices increased 4.4 percent over-the-year nationally and 4 percent in Denver. By October 2020, the rate of over-the-year price increases rose to 8.4 percent nationally and 7 percent in Denver. The National Association of Realtors reports 105 straight months of national year-over-year gains in home prices, and as of November, the median existing-home price for all housing types was up 14.6 percent from the same time last year.



Source: National Association of Realtors.
Note: 2020 growth rate based on 1Q-3Q 2019 average versus 1Q-3Q 2020 average.

Home prices in the Denver metropolitan area have increased every year since 2009, with the exception of 2011 when home prices fell 0.4 percent over-the-year after the Great Recession. In 2019, home prices in the Denver metropolitan area rose at their slowest pace since 2011, increasing at a rate of 2.7 percent following years of growth of about 8 percent year-over-year. Home price appreciation rates shifted in 2020 due to the influence of the pandemic and the Denver metropolitan area's median home price reached an average of $486,100 based on data for the first three quarters of 2020, up 5.4 percent from the same period the prior year. Still, this increase was slower than the national increase of 8 percent achieved during the same time, with the national median home price reaching $293,100.

Residential Home Sales



Home sales in the Denver metropolitan area increased 6.9 percent in 2020, while unsold homes on the market fell 50 percent from December 2019 to December 2020, suggesting a contraction in supply despite consistent housing demand. While builder confidence for newly built single-family homes reached record highs, according to the National Association for Home Builders/Wells Fargo Housing Market Index, builders were not able to keep up with demand, which securing data related to the housing market as one of the bright spots of the economy during the pandemic. Sellers took a median of seven days to get their property under contract according to the Denver Metro Association of Realtors, and 2020 was the first time in history that there were over 60,000 homes purchased annually in the area.

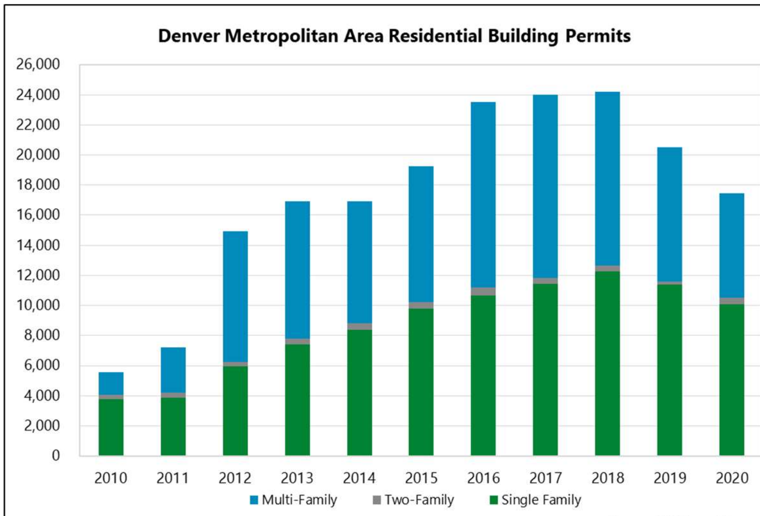
Generational shifts are changing the residential landscape across the nation as millennials and generation Z (born 1996-2010) become an increasingly important share of the working-age population. According to home improvement services website Porch, the Denver-Aurora-Lakewood MSA ranked No. 24 among metro areas for the percent of millennials who are homeowners. The report found that over 39 percent of millennials in Denver are homeowners, just below the national average of 39.5 percent. Additionally, record-low interest rates during the pandemic gave homebuyers flexible financing options, adding to the heightened market during a time of extreme political and economic uncertainty.

Foreclosures

The Denver metropolitan area's low unemployment rate, strong job market, rising home prices, and demand for housing have enabled many homeowners to maintain mortgage payments, restructure debt, and avoid foreclosure. Foreclosure filings in the Denver metropolitan area reached an annual low in 2018, reporting 2,725 filings, before rising 0.8 percent to 2,747 filings in 2019. There were 940 foreclosure filings in the area from January to November 2020, down 62.9 percent from the same time last year. Filings fell drastically through 2020 due to the foreclosure moratorium in effect in Colorado from April 30 to July 13. Further, homeowners with a federally backed mortgage, which covers two-thirds of residential mortgages across the U.S., are protected from foreclosure until February 28, 2021 as a result of the pandemic.

Residential Building Permits

Residential building permit activity decreased 2.4 percent in the Denver metropolitan area for the period from January to November 2020 compared with the same time in 2019, largely due to a contraction in multi-family units permitted. Multi-family units permitted decreased 6.9 percent, or by 514 units, during the period while single-family detached units permitted fell 1.6 percent and single-family attached units increased by 249 units permitted. Across the Denver metropolitan area, multi-family units increased as a share of total units permitted since 2010, rising from 26.6 percent of total units to 39.8 percent through November 2020. However, the share of multi-family units has declined since reaching a high of 58.2 percent in 2012.



Source: U.S. Census Bureau.
Note: 2020 data is total from January to November.

The number of residential units permitted in the Denver metropolitan area had generally increased each year from 2012 through 2018. However, total units permitted fell 15.4 percent from 2018 to 2019 with a smaller decline posted in 2020. The shift in building patterns reflects the significant buildout of the FasTracks light rail system and associated higher density development around the light rail stations as well as a general catching up in housing development after limited construction during the Great Recession while population growth continued. Residential development patterns now better reflect annual population growth patterns.

Apartment Market

Apartment demand and absorption remained competitive in 2020 despite the economic fallout of the pandemic that affected affordability and rental payments. The apartment market in the Denver metropolitan area outpaced the nation in 2020, recording 11 percent more rental applications registered in the area from 2019 to 2020 and ranking fourth for largest increase in applications across major metropolitan statistical areas, according to RENTCafé. This was in contrast to the 10 percent decrease in applications nationally. Further, the region added 2,910 units in the third quarter of 2020, ranking fourth for the highest apartment absorption according to CoStar.

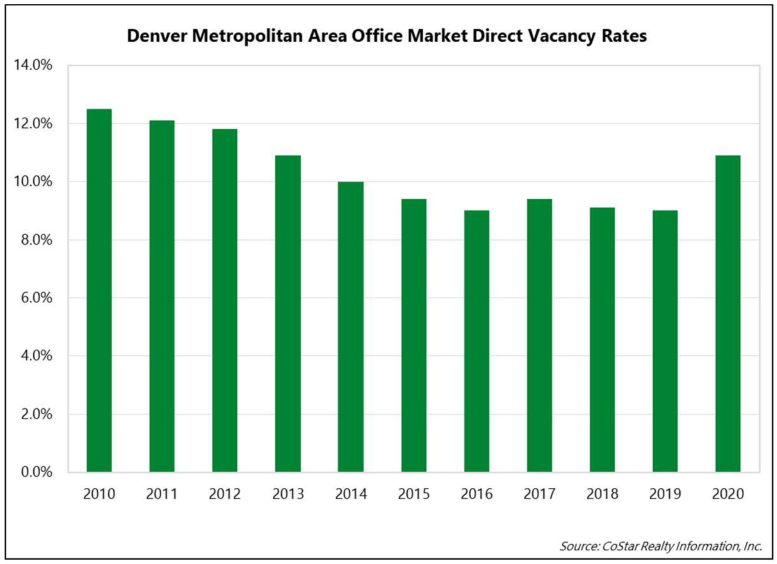
In general, the area's submarkets exhibited strong fundamentals. The *Denver Metro Apartment Vacancy and Rent Survey* found that apartment vacancy reached a year-to-date average of 5.3 percent as of the third quarter of 2020, up 0.3 percentage points from the same time last year. Three of the six submarkets in the Denver metropolitan area reported declines in vacancy, led by Douglas County (-2.7 percentage points) and Arapahoe County (-0.6 percentage points). The Boulder/Broomfield market reported the largest year-to-date increase through the third quarter of 2020 (+1.9 percentage points), followed by Denver County (+1.4 percentage points) and Jefferson County (+0.3 percentage points). The apartment vacancy rates ranged from a high of 6.8 percent in the City and County of Denver to a low of 4.1 percent in Adams County.

Rental rates increased 1.2 percent during the same period, rising to an average of $1,521 per month. The Boulder/Broomfield submarket reported the highest average rental rate through the third quarter of 2020 of $1,631 per month, but this was 1.6 percent lower than the same period last year. Adams County reported the lowest rate of $1,441 per month, which was up 2.9 percent from the prior year.

The COVID-19 pandemic had negative effects on rent collection and payments from renters. The National Multifamily Housing Council found that 78.6 percent of renters in the Denver metropolitan area paid their monthly rental payments since April 2020, down from an average of about 81.2 percent from the same time last year. Monthly payments in the region in 2020 have consistently remained just below the average from the prior year, but rent agreements between renters and landlords, as well as further national and local housing assistance, has helped stave off apartment evictions and a further decline in rent collections.

Commercial Real Estate

Office Activity



The office vacancy rate peaked at 13.6 percent in the fourth quarter of 2004 but has improved considerably since then, remaining in the 9 to 10 percent range since 2014. Data from CoStar Realty Information, Inc. showed that direct vacancy for office space increased in 2020. The vacancy rate was 10.9 percent in the Denver metropolitan area in the fourth quarter of 2020, up from 9 percent in the fourth quarter of 2019. The pandemic shifted office vacancy upward, and more sublease space has become available as companies reassess their use of office space in light of the pandemic. Office lease rates have steadily increased since the fourth quarter of 2011. The average lease rate for direct space in the fourth quarter of 2020 was $28.37 per square foot, up 2.9 percent, or by $0.79, from the same time last year.

Office square footage completed declined 2.5 percent from the fourth quarter of 2019 to 2020 to 1.58 million square feet across 28 buildings, down from a peak of 4.22 million square feet completed in 2018. Notable projects completed in 2020 included Revolution 360, a 171,000-square-foot office building in Denver, and a new Google office building totaling 120,000 square feet in Boulder. Further, medical buildings added nearly 200,000 square feet of office space in the City and County of Denver in 2020. Despite construction tapering off towards the end of 2020 as uncertainty related to office demand puzzled developers, the Denver metropolitan area had 2.82 million square feet across 28 buildings under construction at the end of the year. Notable projects under construction at the end of the year included Block 162, a 607,987-square-foot office building in Denver, and a Kiewit regional headquarters in Lone Tree that will add 260,121 square feet to the region upon completion.

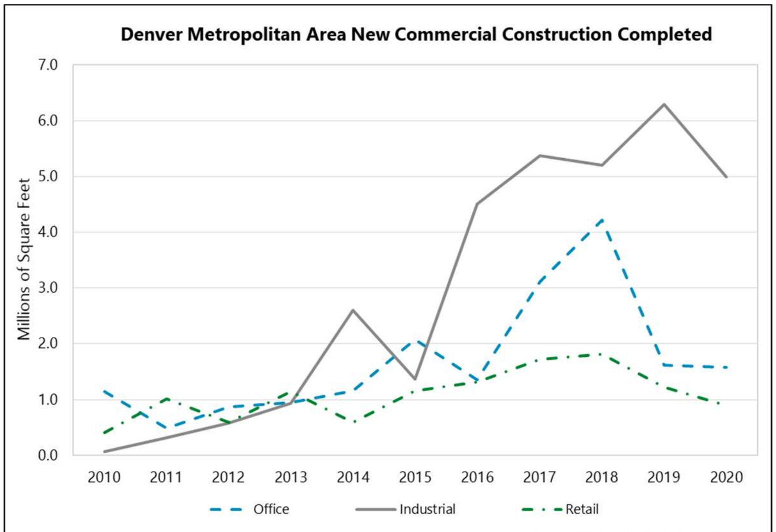
Industrial and Flex Activity

The industrial market in the Denver metropolitan area remained stable in 2020, shaped by rapid growth in e-commerce and expansion of distribution networks throughout the pandemic. CoStar Realty Information found that the industrial market vacancy rate increased 0.6 percentage points from the fourth quarter of 2019 to 5.5 percent in the fourth quarter of 2020 as high levels of industrial construction continued. Average lease rates rose 2 percent to $8.61 per square foot in the fourth quarter of 2020, up from $8.44 per square foot one year ago.

Nearly 5 million square feet of industrial space was completed in 2020, the fourth consecutive year that 5 million square feet or more was added to the market. Notable buildings completed in 2020 were the Karcher N America building totaling 380,000 square feet and an industrial building in Brighton totaling 352,240 square feet. There was 6.14 million square feet of industrial space under construction at the end of 2020, up 6 percent from the same time last year. Notable buildings under construction at the end of 2020 included the Shamrock Foods distribution facility, which will deliver 900,000 square feet of space, and Building 1 in the Stafford Logistics Center that will add 594,138 square feet of space. Industrial construction was largely centered in Adams County, which accounted for over 56 percent of all completed industrial space in the Denver metropolitan area in 2020.

The Denver metropolitan area flex market reported increasing vacancy rates and rental rates through the fourth quarter of 2020, with vacancy rising 1.7 percentage points over-the-year to 7.4 percent. Average lease rates exceeded $13 per square foot for the first time in the Denver metropolitan area in 2020, finishing the year at $13.55 per square foot or 6.9 percent higher than the same time last year.

The construction pipeline remained muted in 2020, finishing the year with 400,000 square feet of construction completed and an additional 180,000 square feet under construction. Two major flex buildings completed in 2020 were the J.P. Morgan Chase Data Center in Aurora that added 250,000 square feet of space and the Bioscience 3 building on the Fitzsimons campus in Aurora totaling 117,000 square feet.



Source: CoStar Realty Information, Inc.

Retail Activity

Retail activity struggled early during the pandemic due to mass store closures and bankruptcies from national and small retailers. CoStar found that more than 40 major retailers across the country declared bankruptcy and more than 11,000 stores were announced for closure through October 2020, with impactful announcements from JCPenney, Macy's, Stein Mart, Bed Bath & Beyond, and Pier 1 Imports. Further, small businesses including restaurants and bars drove most of the negative absorption in 2020, and nearly 100,000 businesses were permanently closed by September and more than 65,000 remained temporarily closed, according to Yelp.com. However, consumer confidence in the Mountain Region, which includes Colorado, remained above national confidence with a year-to-date average 3.6 percent higher than the national average, suggesting solid local demand for goods compared with the nation.

Strong population and housing growth in the Denver metropolitan area supported the retail market throughout most of the past decade. In addition, many retail sites diversified their tenant mix with more experiential, entertainment, fitness, grocery, and food and beverage options. These changes helped many owners and investors mitigate disruption in the market from national closures and e-commerce. However, the Denver metropolitan area's retail market signaled weakness in 2019 despite strong income growth and consumer confidence. In 2019, the retail real estate market in the Denver metropolitan area posted rising vacancy, lower average lease rates, and a decline in construction activity. In 2020, that trend continued with increasing vacancy rates and lower construction activity, while rental rates remained relatively flat year-over-year. Vacancy rose 0.9 percentage points from 2019 to 2020 to 5.1 percent, while the average lease rate rose 1.7 percent over-the-year to $18.87 per square foot. However, the average lease rate remains below the peak achieved in the fourth quarter of 2018 of $18.95 per square foot.

Minimal new retail construction occurred in 2020 as only 902,000 square feet was added, down from 1.2 million square feet added in 2019. Notable projects completed included a 154,912-square-foot building at 231 E Flatiron Crossing Dr. in Broomfield and an 88,500-square-foot building at 1601 Market St. in Denver. An additional 580,000 square feet of retail space across 41 buildings was under construction as of the end of 2020.

Medical Facilities

The Denver metropolitan area offers a robust culture of health and wellness and is home to major health systems and significant healthcare and wellness facilities. Medical facilities in Colorado and the Denver metropolitan have suffered significant revenue losses brought on by the pandemic. Colorado hospitals are expected to face a revenue decline between $4.5 billion and $7.1 billion over 2020 and 2021, according to the Colorado Hospital Association, as most typical visits to hospitals were down at least 40 percent year-over-year.

Despite financial struggles, Colorado health systems have adapted new medical practices, shifted priorities, and implemented new and effective means of treatment to keep health and wellness a vibrant industry. Further, local health systems continue to invest in new and expanded facilities for the future. For example, construction began on the 104,350-square-foot expansion of National Jewish Health Center for Outpatient Health in Denver and is expected to be completed in the fall of 2021. UCHealth also plans to expand its footprint by building an additional intensive-care and emergency room space at Longs Peak Hospital. The Reunion Rehabilitation Hospital broke ground on two 48,500-square-foot facilities that will be delivered in 2021, and Parker Adventist Hospital is building a four-story medical office building slated for 2021 totaling about 82,000 square feet.

Transportation

Highways

Colorado's public transportation network includes nearly 1,000 miles of Interstate highway, about 350 miles of other freeways and expressways, and about 87,700 miles of arterials, collectors, and local roads.

The Denver metropolitan area ranked No. 42 out of the top 50 MSAs for annual cost of commuting, with the sixth-longest commuting time and an annual cost of commute of $9,056, according to 2019 data from the American Community Survey, Bureau of Labor Statistics, and U.S. Department of Transportation. However, transportation infrastructure in Colorado was boosted as appropriations to the Colorado Department of Transportation increased from $1.8 billion during the last fiscal year to $2.1 billion in the 2019-2020 fiscal year. Further, the U.S. Senate approved additional funding for national highway construction and maintenance in December 2020 as part of a larger package aimed at extending the borrowing limit of the Commodity Credit Corporation.

Major transportation projects aimed at improving travel and accessibility throughout the Denver metropolitan area were underway in 2020. Construction was completed on the $276 million C-470 Express Lanes project, providing 12.5 miles of increased mobility between I-25 and Wadsworth Boulevard. The project included both two-lane and one-lane expansions for the Eastbound and Westbound directions, on- and off-ramp improvements, widening of existing bridges, and replacing the bridges over the South Platte River. The express lanes opened for in Summer 2020. Another notable project is the north I-25 express toll lanes from 120th Avenue to the E-470 interchange. Construction was completed on the $21.5 million project in June 2020. In addition, construction continues on the Central 70 project that broke ground in August 2018. The project includes plans to reconstruct a 10-mile stretch of I-70, add a new express lane in each direction along I-70, lower a portion of the highway below grade, and create a 4-acre park above the highway cap. Construction of the $1.2 billion project is anticipated through 2022.

Mass Transit

The Regional Transportation District (RTD), funded by a 1 percent sales tax, oversees the Denver metropolitan area's mass transit system. RTD operates 1,026 buses on 142 fixed routes, 201 light rail vehicles on 60.1 miles of track, and 66 commuter rail vehicles on 40 miles of track. The District operates 89 Park-n-Rides, 57 active light rail stations on 12 rail lines (A, B, C, D, E, F, G, H, L, R, N, and W), and 9,800 bus stops. While RTD had 105.8 million boardings in 2019, including users of the Free MallRide and Free MetroRide, ridership was lower in 2020 due to COVID-19.

FasTracks is a multibillion-dollar comprehensive transit expansion plan to build 122 miles of new commuter rail and light rail, extend existing routes, and expand the regional bus network across the eight-county district. RTD works continually to expand capacity and services for public transportation in order to meet increasing demand. RTD opened its N Line in September 2020, a 13-mile commuter rail line connecting Union Station to Commerce City, Northglenn, and Thornton. The new service is expected to carry 5,600 daily riders. Ultimately, the line will be extended another 5.5 miles to northern Adams County. Other future expansions of the rail lines include the L Line extension that will connect the existing downtown rail service to the University of Colorado A Line and act as a loop around downtown and the C and D lines will be extended 2.5 miles into Highlands Ranch and to a station providing 1,000 parking spaces.

Air

Denver International Airport (DEN) is a state-of-the-art facility owned and operated by the City and County of Denver. Occupying 53 square miles and located approximately 24 miles northeast of downtown Denver, DEN is the primary airport serving the Denver metropolitan area and the state of Colorado.

DEN is the largest airport in North America by land area and the second largest in the world. Further, DEN is one of the few major U.S. airports with room to expand to accommodate future growth. Six, non-intersecting runways, three concourses, and 115 gates with 38 ground load positions serve the airport. DEN has the space to double its runways and facilities to serve 100 million passengers a year, with an additional 16,000 acres of land available for commercial development.

DEN celebrated 25 years of service in February 2020, and currently ranks as the fifth-busiest airport in the U.S. and the 16th-busiest in the world. Over the past 25 years, DEN has grown from serving 31 million passengers in 1995 to 69 million in 2019, including more than 3 million international passengers.

The COVID-19 pandemic ravaged the global aviation industry as travel restrictions slowed demand, decreased passenger travel, and grounded aircraft. As a result, passenger traffic declined 51.6 percent between the first 11 months of 2019 and 2020, with nearly 30.6 million passengers traveling through DEN. Additionally, international passenger traffic declined 70.5 percent between the first 11 months of 2019 and 2020. Despite passenger declines, DEN ranked as the No. 1 or No. 2 U.S. airport for TSA throughput for 21 of 30 weeks and was the top airport for year-over-year seat capacity retention for each of the last five months of 2020 among the 20 busiest U.S. airports.

Twenty-three airlines provide service to 210 destinations from DEN, including 28 international destinations to 14 countries, although many international carriers and destinations have temporarily paused their service due to COVID-19. DEN's largest carriers are United Airlines, Southwest Airlines, and Frontier Airlines. DEN ranked as the fourth-largest hub by scheduled seat capacity in United's network and Southwest Airlines largest station in the company's network is DEN.

DEN is home to several world-class cargo movers and support facilities, including DHL, UPS, FedEx, and United Airlines cargo. The U.S. Postal Service facility is located nearby, providing a wide array of competitive shipping and receiving options. Thirteen cargo airlines and 17 major and national carriers currently provide cargo service at DEN, handling over 592 million pounds of cargo through the first 11 months of 2020. There are no operation curfews, making DEN a 24-hour cargo operation. The layout of the airfield and a 39-acre cargo ramp make freight handling efficient.

Six regional airports complement DEN's operations. Three reliever airports include Centennial Airport, which serves the southeast metropolitan area; Colorado Air and Space Port is located six miles southeast of DEN in Adams County and serves the northeast Denver metropolitan area; and Rocky Mountain Metropolitan Airport serves Jefferson, Broomfield, and Boulder Counties in the northwest area. Three general aviation airports – Boulder Municipal Airport, Erie Municipal Airport, and Vance Brand Municipal Airport in Longmont – also serve the Denver metropolitan area.

Rail

Rail lines are a critical component of the nation's transportation system and are vital to the Denver metropolitan area's economic health and global competitiveness. According to the Colorado Department of Transportation, Colorado's freight rail system extends over 2,684 miles and is operated by 14 privately owned railroads. Together, these freight railroads move nearly 155 million tons of products into, out of, within, and through Colorado. The Denver metropolitan area serves as a major hub for the Burlington Northern Santa Fe and Union Pacific railroads. Combined, these railroads operate more than 80 percent of freight track miles and carry most freight by volume and by value in the state. Coal is the predominant commodity by weight for trips originating and terminating in Colorado, representing 50 percent of total tonnage and 28 percent of product value carried by rail.

The primary passenger rail system in the Denver metropolitan area includes light rail, commuter rail, and intercity passenger rail. Amtrak's California Zephyr route offers area residents transportation through the Rocky Mountains west of Denver and connects Chicago to the Bay Area. The Southwest Chief route passes through Lamar, La Junta, and Trinidad, providing transportation between Chicago and Los Angeles. In 2017, Amtrak began new, seasonal service between Denver and Winter Park Resort. The Amtrak Winter Park Express marked the return of the "Ski Train" to the Denver metropolitan area and provides a car-free transportation alternative. Ski Train operations have been temporarily suspended due to COVID-19. Further, the Front Range Passenger Rail Study commissioned by the Colorado Department of Transportation proposed a new passenger rail line connecting Fort Collins to Pueblo which could serve up to 9,200 passengers on weekdays, running 191 miles with stops in Boulder, Denver, Castle Rock, Colorado Springs, and Fort Carson.

Tourism

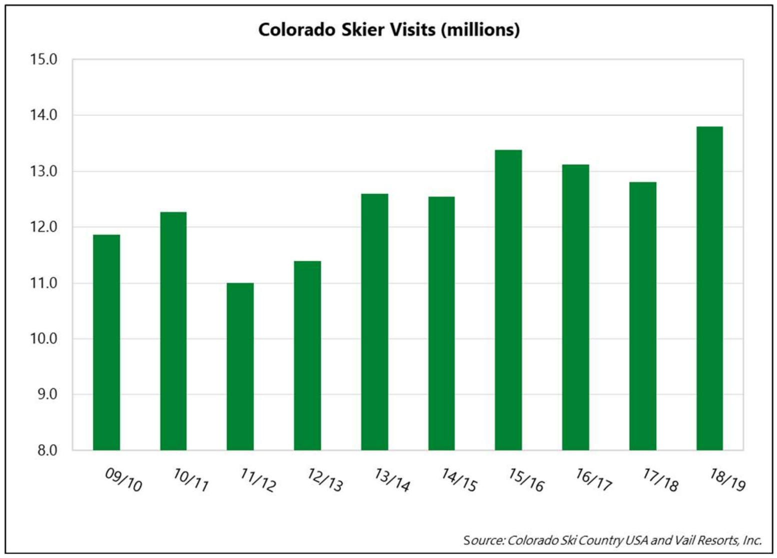
The travel and tourism industry in the Denver metropolitan was severely affected by the COVID-19 pandemic, which halted travel and caused the temporary closure of numerous cultural and entertainment facilities. Despite the economic fallout, the Denver metropolitan area continues to offer visitors a variety of natural, cultural, and historical assets, with the nation's largest public parks system, over 100 golf courses, and over 850 miles of bike paths. The area also offers major attractions including a zoo, an aquarium, two waterparks, two amusement parks, over 40 museums, and 13 historical sites. In 2017, arts and cultural events attracted 15 million people and generated $1.9 billion in economic activity.

Denver attracted 31.9 million visitors in 2019, which was the fourth year in a row that visitors surpassed 31 million. According to the most recent study by Longwoods International, visitors to the city spent $7 billion in 2019, setting a record. Of the 31.9 million, 17.7 million were overnight visitors, which increased 2 percent over 2018 levels. Top Denver attractions included the 16th Street Mall, the Cherry Creek Shopping District, and the Lower Downtown area, as well as numerous cultural facilities such as the Denver Zoo, the Denver Art Museum, the Denver Botanic Gardens, and the Denver Museum of Nature and Science.

Denver metropolitan area residents and visitors have a multitude of recreational opportunities from which to choose including skiing, hiking, camping, biking, and hunting. Colorado offers a thriving outdoor industry, employing nearly 150,000 Coloradans whose salaries totaled more than $6.4 million, or 2.9 percent of total Colorado wages, in 2019. The U.S. Bureau of Economic Analysis found that the outdoor industry in the state contributed a total impact of over $12.2 billion, with winter sports contributing $1.7 billion to the economy.

Colorado remains the number one ski destination in the country with 18 percent of the market share in 2019, according to Longwoods International, and Colorado ranked first for economic activity generated by winter sports, according to the U.S. Bureau of Economic Analysis. The state is a top three ski and snowboard state, with many of the nation's top resorts. The state is home to 32 ski and snowboard resorts offering 273 ski lifts and more than 43,000 skiable acres.

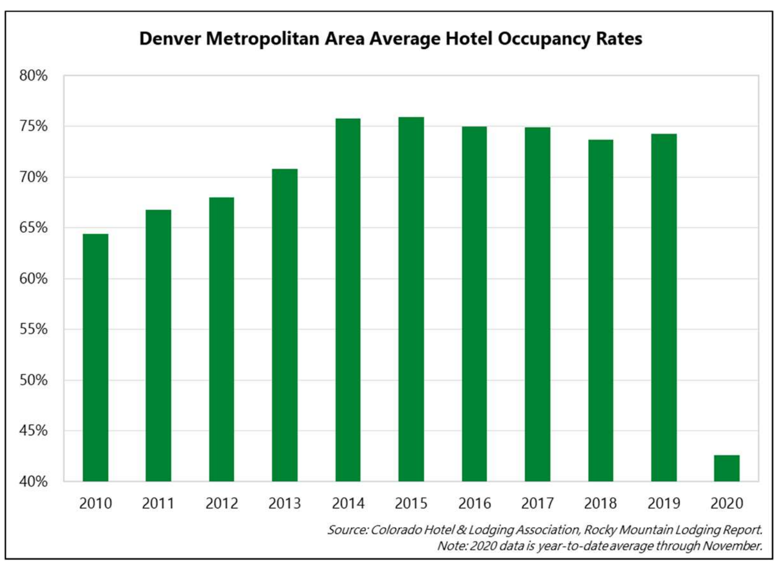
Eleven Colorado ski resorts are located within 100 miles of the Denver metropolitan area. Estimates from Colorado Ski Country USA and Vail Resorts, Inc. indicate that the number of skier visits – or the count of persons skiing or snowboarding for any part of one day – during the 2018-19 ski season increased to a record 13.8 million skier visits. Record snowfall, significant resort investments, and new activities added contributed to the new record. While data for skier visits to the state was not available for the 2019-20 season, the National Ski Areas Association reports that skier visits were down almost 14 percent nationwide as ski areas closed in mid-March due to COVID-19.



The Denver metropolitan area hosts many nationally recognized events and festivals throughout the year that positively impact the economy and attract numerous visitors including the National Western Stock Show, the Cinco de Mayo Festival, Denver Comic Con, and the Great American Beer Festival. Additionally, the Denver Performing Arts Complex is one of the largest such complexes in the world and attracts several major performances for visitors each year. Unfortunately, most events in 2020 were either cancelled or forced to move remote due to the pandemic. The 2021 National Western Stock Show, which typically generates about $115 million in direct economic impact and draws over 700,000 visitors, was cancelled due to health risks.

Business, professional, and leisure travelers to Denver have increased in recent years. In 2019, overnight visitors' spending reached $6 billion, an 8 percent increase from 2018. These travelers drive convention activity and spur hotel development in Denver. Since it opened in 1990, the Colorado Convention Center has been an economic engine for downtown Denver, generating more than $500 million a year in economic impact. In 2019, the Convention Center hosted 170 events that attracted about 814,000 attendees.

Travel and tourism activity was severely restricted by the pandemic throughout most of 2020, challenging the hotel industry. According to the *Rocky Mountain Lodging Report*, hotel occupancy throughout the Denver metropolitan area was 42.6 percent year-to-date through November 2020, down from 76.1 percent occupancy from the same time last year. The average hotel room rate was $106.10 per night through November 2020, down 28.4 percent or by $32.17 per night from the prior year.



Despite the challenging travel year, the *Rocky Mountain Lodging Report* expects seventeen new hotels to be completed across the Denver metropolitan area in 2021, bringing roughly 2,300 new hotel rooms to the market. A few of the notable new hotels include the 165-room Catbird by Sage Hospitality, the Rally Hotel in Denver's McGregor Square that will feature 176 rooms and the Rockies baseball team hall of fame when it opens in March, the Origin Hotel Westminster located at the former Westminster Mall near the U.S. 36 and West 88th Avenue intersection, and Vīb Denver that will add 140 rooms. Several hotels in the Denver metropolitan area ranked in the Top 100 Hotels in the World list from Travel + Leisure magazine. The Kimpton Hotel Born ranked No. 9 for best city hotels in the continental U.S. Additionally, according to 2020 Condé Nast Traveler Reader's Choice Awards, the Art Hotel in Denver ranked as the No. 22 best hotel in the world and No. 9 in the U.S.

Summary

The Denver metropolitan area has a nonfarm employment base of more than 1.7 million workers, which accounted for nearly 63 percent of the state's employment. The COVID-19 pandemic had a significant influence on all aspects of economic activity in 2020. Average annual employment decreased 3.6 percent from January through November 2020 compared with the same time in 2019, representing 62,400 fewer employees. Nine of the 11 industry supersectors in the Denver metropolitan area reported decreases in employment, with the high-touch sectors of leisure and hospitality and other services suffering the greatest losses. On the plus side, manufacturing and professional and business services expanded. The unemployment rate, which had fallen to a 19-year low in 2019 at 2.6 percent, increased to 7 percent due to widespread business closures and restricted operations.

The residential real estate market in the Denver metropolitan area proved resilient throughout 2020 with low interest rates and changing living preferences driving an increase in home sales activity. Strong housing demand was challenged by the limited number of homes on the market, with the for-sale housing inventory falling by 50 percent compared to 2019. Despite strong builder confidence, residential building permit activity decreased 2.4 percent in the Denver metropolitan area for the period from January to November 2020 compared with the same time in 2019, largely due to a contraction in multi-family units permitted. As a result, the median home price increased 5.4 percent through the third quarter of 2020 to $486,100 and apartment rental rates rose 1.2 percent to $1,521 per month.

Vacancy rates increased for all commercial real estate property types in 2020. The office vacancy rate increased to 10.9 percent as businesses shifted to remote work, with many businesses questioning how much space they will need once the pandemic is passed. The industrial vacancy rate increased to 5.5 percent due to the addition of 5 million square feet or more each year for the past four years to meet surging demand. Conditions in the retail real estate market softened as business capacity constraints challenged the ability of some businesses to continue operations. Projects already under construction continued throughout 2020 with 7.5 million square feet of new office, industrial, and retail space delivered to the market.

The Denver metropolitan area offers visitors, travelers, and recreationists world-class natural, cultural, and historical assets. Further, the Denver metropolitan area's multimodal transit system accommodates its growing population of 3.27 million residents and visitors alike. Transportation options throughout the region including Denver International Airport, three reliever airports, FasTracks, and various highways and rail systems, support the region's quality of life and continued appeal for businesses, workers, and residents.

Prepared By:
Development Research Partners, Inc.
10184 West Belleview Avenue, Suite 100
Littleton, Colorado 80127
Phone: 303-991-0073

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
POPULATION (July 1)											
United States (thousands)	309,327	311,583	313,878	316,060	318,386	320,739	323,072	325,122	326,838	328,330	329,484
Colorado	5,050,332	5,124,143	5,195,972	5,272,662	5,352,288	5,453,996	5,542,211	5,615,732	5,696,897	5,763,976	5,819,337
Denver Metropolitan Area	2,797,896	2,851,151	2,903,322	2,957,937	3,013,535	3,077,137	3,123,110	3,158,013	3,199,796	3,236,481	3,265,677
POPULATION GROWTH RATE											
United States	0.8%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.6%	0.5%	0.5%	0.4%
Colorado	1.5%	1.5%	1.4%	1.5%	1.5%	1.9%	1.6%	1.3%	1.4%	1.2%	1.0%
Denver Metropolitan Area	1.3%	1.9%	1.8%	1.9%	1.9%	2.1%	1.5%	1.1%	1.3%	1.1%	0.9%
NET MIGRATION											
Colorado	37,569	39,905	39,860	45,579	47,918	71,613	58,474	45,956	55,604	43,268	35,054
Denver Metropolitan Area	13,892	32,436	32,778	35,257	35,862	44,830	27,501	17,495	25,712	21,510	16,124
NONAGRICULTURAL EMPLOYMENT											
United States (millions)	130.3	131.9	134.2	136.4	138.9	141.8	144.3	146.6	148.9	150.9	142.1
Colorado (thousands)	2,221.1	2,257.3	2,311.7	2,380.5	2,463.7	2,541.0	2,601.8	2,660.3	2,727.3	2,785.6	2,665.1
Denver Metropolitan Area (thousands)	1,353.1	1,378.0	1,417.6	1,468.2	1,522.7	1,578.1	1,619.2	1,653.9	1,697.5	1,734.7	1,669.7
NONAGRICULTURAL EMPLOYMENT GROWTH RATE											
United States	-0.7%	1.2%	1.7%	1.6%	1.9%	2.1%	1.8%	1.6%	1.6%	1.4%	-5.8%
Colorado	-1.0%	1.6%	2.4%	3.0%	3.5%	3.1%	2.4%	2.2%	2.5%	2.1%	-4.2%
Denver Metropolitan Area	-0.5%	1.8%	2.9%	3.6%	3.7%	3.6%	2.6%	2.1%	2.6%	2.2%	-3.6%

NONFARM EMPLOYMENT DISTRIBUTION BY INDUSTRY (2020)

	United States	Colorado	Denver Metropolitan Area
Natural Resources & Construction	5.6%	7.5%	6.7%
Manufacturing	8.6%	5.6%	5.5%
Wholesale & Retail Trade	14.4%	13.8%	13.8%
Transportation, Warehousing, Utilities	4.2%	3.5%	3.9%
Information	1.9%	2.8%	3.5%
Financial Activities	6.1%	6.4%	7.0%
Professional & Business Services	14.3%	16.6%	19.3%
Education & Health Services	16.4%	12.6%	12.9%
Leisure & Hospitality	9.3%	10.6%	9.7%
Other Services	3.8%	3.9%	3.5%
Government	15.4%	16.6%	14.2%

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
UNEMPLOYMENT RATE											
United States	9.6%	8.9%	8.1%	7.4%	6.2%	5.3%	4.9%	4.4%	3.9%	3.7%	8.1%
Colorado	8.7%	8.4%	7.9%	6.9%	5.0%	3.9%	3.3%	2.8%	3.2%	2.8%	6.9%
Denver Metropolitan Area	8.5%	8.1%	7.6%	6.5%	4.7%	3.7%	3.0%	2.7%	3.0%	2.6%	7.0%
CONSUMER PRICE INDEX (CPI-U, 1982-84=100)											
United States	218.1	224.9	229.6	233.0	236.7	237.0	240.0	245.1	251.1	255.7	258.7
Denver-Aurora-Lakewood	212.4	220.3	224.6	230.8	237.2	240.0	246.6	255.0	262.0	267.0	272.3
INFLATION RATE											
United States	1.6%	3.2%	2.1%	1.5%	1.6%	0.1%	1.3%	2.1%	2.4%	1.8%	1.2%
Denver-Aurora-Lakewood	1.9%	3.7%	1.9%	2.8%	2.8%	1.2%	2.8%	3.4%	2.7%	1.9%	2.0%

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
TOTAL PERSONAL INCOME (millions, except as noted)											
United States (billions)	$12,542	$13,315	$13,998	$14,176	$14,983	$15,717	$16,152	$16,938	$17,839	$18,542	$19,766
Colorado	$205,372	$223,153	$237,142	$249,282	$271,308	$284,820	$290,670	$312,046	$335,196	$352,185	$369,732
Denver Metropolitan Area	$124,402	$136,829	$146,547	$155,006	$169,610	$177,253	$180,379	$195,388	$210,299	$221,061	N/A
TOTAL PERSONAL INCOME GROWTH RATE											
United States	4.1%	6.2%	5.1%	1.3%	5.7%	4.9%	2.8%	4.9%	5.3%	3.9%	7.0%
Colorado	3.3%	8.7%	6.3%	5.1%	8.8%	5.0%	2.1%	7.4%	7.4%	5.1%	5.4%
Denver Metropolitan Area	4.0%	10.0%	7.1%	5.8%	9.4%	4.5%	1.8%	8.3%	7.6%	5.1%	N/A
PER CAPITA PERSONAL INCOME											
United States	$40,547	$42,739	$44,605	$44,860	$47,071	$49,019	$50,015	$52,118	$54,606	$56,490	$59,952
Colorado	$40,689	$43,575	$45,669	$47,311	$50,711	$52,254	$52,475	$55,604	$58,896	$61,157	$63,538
Denver Metropolitan Area	$44,499	$48,024	$50,515	$52,445	$56,331	$57,652	$57,809	$61,930	$65,806	$68,399	N/A
PER CAPITA PERSONAL INCOME GROWTH RATE											
United States	3.2%	5.4%	4.4%	0.6%	4.9%	4.1%	2.0%	4.2%	4.8%	3.5%	6.5%
Colorado	1.8%	7.1%	4.8%	3.6%	7.2%	3.0%	0.4%	6.0%	5.9%	3.8%	4.1%
Denver Metropolitan Area	2.3%	7.9%	5.2%	3.8%	7.4%	2.3%	0.3%	7.1%	6.3%	3.9%	N/A
RETAIL TRADE SALES (millions, except as noted)											
United States (billions)	$4,285	$4,598	$4,826	$5,002	$5,216	$5,349	$5,510	$5,745	$6,002	$6,218	$5,092
Colorado	$70,105	$75,804	$80,248	$84,240	$90,507	$94,951	$98,568	$104,137	$109,154	$114,287	$96,890
Denver Metropolitan Area	$40,894	$43,658	$46,861	$49,299	$53,245	$56,200	$57,851	$60,352	$62,893	$65,592	$54,393

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
RETAIL TRADE SALES GROWTH RATE											
United States	5.4%	7.3%	5.0%	3.6%	4.3%	2.6%	3.0%	4.3%	4.5%	3.6%	0.0%
Colorado	5.5%	8.1%	5.9%	5.0%	7.4%	4.9%	3.8%	5.6%	4.8%	4.7%	5.1%
Denver Metropolitan Area	5.2%	6.8%	7.3%	5.2%	8.0%	5.5%	2.9%	4.3%	4.2%	4.3%	3.2%
MEDIAN HOME PRICE (thousands)											
United States	$173.1	$166.2	$177.2	$197.4	$208.9	$223.9	$235.5	$248.8	$261.6	$274.6	$293.1
Denver Metropolitan Area	$232.4	$231.4	$252.4	$280.6	$310.2	$353.6	$384.3	$414.7	$449.9	$462.1	$486.1
EXISTING HOME SALES											
Denver Metropolitan Area	38,818	38,106	45,210	53,711	54,183	56,900	56,936	59,253	56,504	58,893	62,985
NEW RESIDENTIAL UNITS											
DENVER METROPOLITAN AREA											**Jan-Nov**
Single Family	3,791	3,885	5,947	7,396	8,396	9,786	10,663	11,419	12,248	11,401	10,084
Two-Family	285	309	299	399	440	422	532	384	400	192	432
Multi-Family	1,478	3,005	8,679	9,145	8,074	9,061	12,301	12,218	11,561	8,896	6,941
Total Units	5,554	7,199	14,925	16,940	16,910	19,269	23,496	24,021	24,209	20,489	17,457
OFFICE VACANCY RATE											
Denver Metropolitan Area	12.5%	12.1%	11.8%	10.9%	10.0%	9.4%	9.0%	9.4%	9.1%	9.0%	10.9%
HOTEL OCCUPANCY RATE											
Denver Metropolitan Area	64.4%	66.8%	68.0%	70.8%	75.8%	75.9%	75.0%	74.9%	73.7%	74.3%	42.6%
SKIER VISITS	**10/11**	**12/13**	**13/14**	**14/15**	**15/16**	**16/17**	**17/18**	**18/19**	**19/20**	**20/21**	**19/20**
Colorado (millions)	12.3	11.0	11.4	12.6	12.5	13.4	13.1	12.8	13.8	N/A	N/A

N/A: Not Available

Sources: U.S. Department of Commerce, Bureau of the Census; Colorado Division of Local Government, Demography Section; U.S. Department of Labor, Bureau of Labor Statistics; Colorado Department of Labor and Employment, Labor Market Information; U.S. Department of Commerce, Bureau of Economic Analysis; U.S. Department of Commerce, Bureau of the Census; Colorado Department of Revenue; Colorado Legislative Council; National Association of REALTORS; REcolorado; Denver Metro Association of REALTORS; U.S. Department of Commerce, Bureau of the Census; CoStar Realty Information, Inc.; Rocky Mountain Lodging Report; Vail Resorts, Inc. and Colorado Ski Country USA.

Appendix D

FORM OF BOND COUNSEL OPINION

March 11, 2021

Regional Transportation District
1660 Blake Street
Denver, Colorado 80202

$422,405,000 **Regional Transportation District** **(Colorado)** **Taxable Sales Tax Revenue** **Refunding Bonds (FasTracks Project)** **Series 2021A** **(Green Bonds – Climate Bond Certified)**	**$411,630,000** **Regional Transportation District** **(Colorado)** **Tax-Exempt Sales Tax Revenue Refunding** **Bonds (FasTracks Project)** **Series 2021B** **(Green Bonds – Climate Bond Certified)**

We have acted as bond counsel to the Regional Transportation District (the "District"), in the State of Colorado, in connection with its issuance of its Taxable Sales Tax Revenue Refunding Bonds (FasTracks Project), Series 2021A (Green Bonds – Climate Bond Certified) (the "2021A Bonds") and its Tax-Exempt Sales Tax Revenue Refunding Bonds (FasTracks Project), Series 2021B (Green Bonds – Climate Bond Certified) (the "2021B Bonds", and together with the 2021A Bonds, the "Bonds") issued and secured pursuant to an authorizing resolution adopted by the Board of Directors of the District on January 26, 2021 (the "Bond Resolution"), and an Indenture of Trust, dated the date of issuance of the Bonds (the "Indenture"), between the District and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"). In such capacity, we have examined the District's certified proceedings and such other documents and such law of the State of Colorado and of the United States of America as we have deemed necessary to render this opinion letter. Capitalized terms not otherwise defined herein shall have the meanings ascribed to them by the Indenture.

Regarding questions of fact material to our opinions, we have relied upon the District's certified proceedings and other representations and certifications of public officials and others furnished to us without undertaking to verify the same by independent investigation.

Based upon such examination, it is our opinion as bond counsel that:

1. The Bonds have been duly and validly authorized and issued in accordance with law, including the Act, and in accordance with the Bond Resolution and the Indenture and are entitled to the benefits of the Bond Resolution, the Indenture and the Act.

2. The Bonds are valid and binding, special, limited obligations of the District payable solely from the Pledged Revenues, including the funds and accounts pledged therefor under the Indenture, subject to the terms and provisions set forth in the Indenture.

3. The Indenture has been duly authorized by the District and duly executed and delivered by authorized officials of the District and, assuming due authorization, execution and delivery by the Trustee, constitutes a valid and binding obligation of the District, enforceable in accordance with its terms.

4. The Sales Tax is a valid tax under Colorado law. The Indenture creates a valid pledge of the Pledged Revenues which include the moneys, securities and funds held or set aside under the Indenture for the benefit of the Bonds, subject to the terms and provisions set forth in the Indenture. The Indenture creates a valid lien on the Sales Tax Revenues for the security of the Bonds on a parity with the lien thereon of the Outstanding 2007A Bonds, 2010B Bonds, 2013A Bonds, 2016A Bonds, 2017A Bonds, 2017B Bonds and 2019A Bonds and a valid lien on that portion of the Sales Tax Revenues derived from the 0.6% Sales Tax subordinate to the lien thereon of the Outstanding Senior Debt. Except as described in this paragraph, we express no opinion regarding the priority of the pledge of the Pledged Revenues or the lien on the Sales Tax Revenues securing the Bonds created pursuant to the Indenture.

5. Interest on the 2021A Bonds is included in gross income for federal and State of Colorado income tax purposes.

6. Under existing laws, regulations, rulings and judicial decisions, interest on the 2021B Bonds (a) is excludable from gross income under federal income tax laws pursuant to Section 103 of the Internal Revenue Code of 1986, as amended to the date hereof (the "Tax Code"), (b) is excludable from alternative minimum taxable income as defined in Section 55(b)(2) of the Tax Code, and (c) is excludable from Colorado taxable income and Colorado alternative minimum taxable income under Colorado income tax laws in effect as of the date hereof. The opinions expressed in this paragraph assume the accuracy of certain representations and continuous compliance with the covenants contained in the District's certified proceedings and in certain other documents and certain other certifications furnished to us.

The opinions expressed in this opinion letter are subject to the following:

The rights of the owners of the Bonds and the enforceability of the Bonds, the Bond Resolution and the Indenture are limited by bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditors' rights generally, and by equitable principles, whether considered at law or in equity.

In expressing the opinions above, we are relying, in part, on a report of independent certified public accountants verifying the mathematical computations of the adequacy of the maturing principal amounts of and interest on the investments and moneys included in the 2021A Escrow Account to pay when due, at stated maturity or upon prior redemption, all principal of, any prior redemption premiums, and interest on the Refunded 2012A Bonds.

In this opinion letter issued in our capacity as bond counsel, we are opining only upon those matters set forth herein, and we are not passing upon the accuracy, adequacy or completeness of the Official Statement or any other statements made in connection with any offer or sale of the Bonds or upon any federal or state tax consequences arising from the receipt or accrual of interest on or the ownership or disposition of the Bonds, except those specifically addressed herein.

This opinion letter is issued as of the date hereof, and we assume no obligation to revise or supplement this opinion letter to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

Respectfully submitted,

BUTLER SNOW LLP

Appendix E

FORM OF THE INDENTURE

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REGIONAL TRANSPORTATION DISTRICT

and

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.,

as Trustee

INDENTURE OF TRUST

Dated as of March 11, 2021

INDENTURE OF TRUST

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(This Table of Contents is not a part of this Indenture of Trust
and is only for convenience of reference.)

Page

INDENTURE OF TRUST

THIS INDENTURE OF TRUST dated as of March 11, 2021 (the "Indenture") between the REGIONAL TRANSPORTATION DISTRICT, a public body corporate and politic and a political subdivision of the State of Colorado duly organized and existing under the laws of the State of Colorado, and THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., a banking association organized and existing under and by virtue of the laws of the United States of America, as trustee (together with any successor trustee duly appointed under this Indenture, the "Trustee").

W I T N E S S E T H:

WHEREAS, the Regional Transportation District in the City and County of Broomfield, the City and County of Denver and the Counties of Adams, Arapahoe, Boulder, Douglas, Jefferson and Weld in the State of Colorado (the "District") was created by the General Assembly of the State of Colorado in 1969 by Chapter 231, Laws of Colorado 1969, which is currently codified as Sections 32-9-101 through 32-9-164, inclusive, of the Colorado Revised Statutes (the "Act") and the District's Board of Directors (the "Board") and officers from time to time, including the present incumbents, have been duly chosen and qualified; and

WHEREAS, Section 32-9-128 of the Act provides that the District may borrow money in anticipation of the revenues and the sales tax proceeds of the District, but not the proceeds of any general ad valorem property taxes, and issue special obligation bonds to evidence the amount so borrowed; and

WHEREAS, the District is authorized by law to impose a sales tax at a rate of six-tenths of one percent (the "0.6% Sales Tax") throughout the District and such tax is now being imposed and collected; and

WHEREAS, on April 22, 2004, the Board adopted a transit expansion plan known as FasTracks ("FasTracks"); and

WHEREAS, as required by Section 32-9-107.7 of the Act, the construction of FasTracks has been approved by the appropriate metropolitan planning organizations and by the affirmative vote of at least two-thirds majority of the Board membership; and

WHEREAS, pursuant to Section 32-9-119.4 of the Act, the District has obtained voter approval at an election duly called and held within the District on November 2, 2004 (the "2004 Election") to increase the rate of sales tax levied by the District by four-tenths of one percent (the "0.4% Sales Tax Increase"), from six-tenths of one percent to one percent, commencing January 1, 2005, and to issue debt in the amount of $3.477 billion, with a maximum total repayment cost of $7.129 billion, and a maximum annual repayment cost of $309.738 million, with the proceeds of such debt and increased taxes to be used and spent for the construction and operation of FasTracks; and

WHEREAS, Resolution No. 007, Series of 2004, which called the 2004 Election, established a 7% maximum net effective interest rate on the aggregate indebtedness issued pursuant to the 2004 Election; and

WHEREAS, the ballot text submitted to the voters at the 2004 Election for approval of such tax increase and the issuance of such debt (the "2004 Election Question") was as follows:

> SHALL REGIONAL TRANSPORTATION DISTRICT TAXES BE INCREASED $158.34 MILLION ANNUALLY AND BY WHATEVER ADDITIONAL AMOUNTS ARE RAISED ANNUALLY THEREAFTER BY INCREASING THE RATE OF SALES TAX LEVIED BY THE DISTRICT BY FOUR-TENTHS OF ONE PERCENT, FROM THE CURRENT SIX-TENTHS OF ONE PERCENT TO ONE PERCENT COMMENCING JANUARY 1, 2005 AND, IN CONNECTION THEREWITH, SHALL REGIONAL TRANSPORTATION DISTRICT DEBT BE INCREASED $3.477 BILLION, WITH A REPAYMENT COST OF $7.129 BILLION WITH ALL PROCEEDS OF DEBT AND TAXES TO BE USED AND SPENT FOR THE CONSTRUCTION AND OPERATION OF A FIXED GUIDE WAY MASS TRANSIT SYSTEM, THE CONSTRUCTION OF ADDITIONAL PARK-N-RIDE LOTS, THE EXPANSION AND IMPROVEMENT OF EXISTING PARK-N-RIDE LOTS, AND INCREASED BUS SERVICE, INCLUDING THE USE OF SMALLER BUSES AND VANS AND ALTERNATIVE FUEL VEHICLES AS APPROPRIATE, AS SPECIFIED IN THE TRANSIT EXPANSION PLAN ADOPTED BY THE BOARD OF DIRECTORS OF THE DISTRICT ON OR BEFORE APRIL 22, 2004 AND SHALL DEBT BE EVIDENCED BY BONDS, NOTES, OR OTHER MULTIPLE-FISCAL YEAR OBLIGATIONS INCLUDING REFUNDING BONDS THAT MAY BE ISSUED AT A LOWER OR HIGHER RATE OF INTEREST AND INCLUDING DEBT THAT MAY HAVE A REDEMPTION PRIOR TO MATURITY WITH OR WITHOUT PAYMENT OF A PREMIUM, PAYABLE FROM ALL REVENUES GENERATED BY SAID TAX INCREASE, FEDERAL FUNDS, INVESTMENT INCOME, PUBLIC AND PRIVATE CONTRIBUTIONS, AND OTHER REVENUES AS THE BOARD MAY DETERMINE, AND WITH SUCH REVENUES RAISED BY THE SALES TAX RATE INCREASE AND THE PROCEEDS OF DEBT OBLIGATIONS AND ANY INVESTMENT INCOME ON SUCH REVENUES AND PROCEEDS BEING EXEMPT FROM THE REVENUE AND SPENDING RESTRICTIONS CONTAINED IN SECTION 20 OF ARTICLE X OF THE COLORADO CONSTITUTION UNTIL SUCH TIME AS ALL DEBT IS REPAID WHEN THE RATE OF TAX WILL BE DECREASED TO THAT AMOUNT NECESSARY FOR THE CONTINUED OPERATION OF THE SYSTEM BUT NOT LESS THAN SIX-TENTHS OF ONE PERCENT?

and

WHEREAS, pursuant to the authority conferred at the 2004 Election, the District previously issued its Sales Tax Revenue Bonds (FasTracks Project), Series 2006A in the aggregate principal amount of $600,000,000 (the "2006A Bonds") pursuant to the provisions of an Indenture of Trust, dated as of October 1, 2006, as amended, between the District and the Trustee (the "2006A Indenture"); and

WHEREAS, to refund a portion of the 2006A Bonds, the District previously issued its Sales Tax Revenue Refunding Bonds (FasTracks Project), Series 2007A in the aggregate principal amount of $363,725,000 (the "2007A Bonds") pursuant to the provisions of an Indenture of Trust, dated as of May 1, 2007, as amended, between the District and the Trustee (the "2007A Indenture"); and

WHEREAS, the District and the Trustee entered into a Second Supplemental Indenture of Trust, dated as of December 11, 2014 and the District, the Trustee and Citibank, N.A. entered into a Modification and Exchange Agreement, dated as of December 11, 2014 pursuant to which the 2007A Bonds held by Citibank, N.A. in the aggregate principal amount of $220,825,000 were exchanged for modified and amended 2007A Bonds that changed the first optional redemption date of such amended 2007A Bonds from November 1, 2017 to November 1, 2024; and

WHEREAS, the District and the Trustee entered into a Third Supplemental Indenture of Trust, dated as of May 25, 2017 and the District, the Trustee and Citibank, N.A. entered into a Second Modification and Exchange Agreement, dated as of May 25, 2017 pursuant to which the amended 2007A Bonds held by Citibank, N.A. in the aggregate principal amount of $220,825,000 were exchanged for modified and amended 2007A Bonds in the aggregate principal amount of $220,480,000 that are not subject to optional redemption prior to their respective maturity dates; and

WHEREAS, pursuant to the authority conferred at the 2004 Election, the District previously issued its Tax-Exempt Sales Tax Revenue Bonds (FasTracks Project), Series 2010A in the aggregate principal amount of $79,140,000 (the "2010A Bonds") and its Taxable Sales Tax Revenue Bonds (FasTracks Project) (Direct Pay Build America Bonds), Series 2010B, in the aggregate principal amount of $300,000,000 (the "2010B Bonds") pursuant to the provisions of an Indenture of Trust, dated as of November 23, 2010, between the District and the Trustee (the "2010 Indenture"); and

WHEREAS, pursuant to the authority conferred at the 2004 Election and in order to assist in the financing of a portion of the costs related to a portion of FasTracks referred to as the "Eagle P3 Project," the District entered into the TIFIA Loan Agreement, dated December 1, 2011 (the "TIFIA Loan Agreement") with the United States Department of Transportation, an agency of the United States of America, acting by and through the Federal Highway Administrator (the "TIFIA Lender") pursuant to which the TIFIA Lender loaned money to the District, which loan is evidenced by the RTD TIFIA Bond that is currently outstanding in the principal amount of $341,878,142 (the "RTD TIFIA Bond"); and

WHEREAS, pursuant to the authority conferred at the 2004 Election and in order to finance a portion of the costs of the capital improvements, facilities and equipment described in FasTracks, the District previously issued its Sales Tax Revenue Bonds (FasTracks Project), Series 2012A in the aggregate principal amount of $474,935,000 (the "2012A Bonds") pursuant to the provisions of an Indenture of Trust, dated as of December 20, 2012, between the District and the Trustee (the "2012A Indenture"); and

WHEREAS, to refund the remaining portion of the outstanding 2006A Bonds, the District previously issued its Sales Tax Revenue Refunding Bonds (FasTracks Project), Series 2013A in the aggregate principal amount of $204,820,000 (the "2013A Bonds") pursuant to the provisions of an Indenture of Trust, dated as of May 16, 2013, between the District and the Trustee (the "2013A Indenture"); and

WHEREAS, pursuant to the authority conferred at the 2004 Election and in order to finance a portion of the costs of the capital improvements, facilities and equipment described in FasTracks, the District previously issued its Sales Tax Revenue Bonds (FasTracks Project), Series 2016A in the aggregate principal amount of $194,965,000 (the "2016A Bonds") pursuant to the provisions of an Indenture of Trust, dated as of November 17, 2016, between the District and the Trustee (the "2016A Indenture"); and

WHEREAS, pursuant to the authority conferred at the 2004 Election, in order to assist in the financing of major transit elements that are part of the FasTracks project, the District previously entered into the DUSPA/RTD Funding Agreement, dated February 1, 2010, with Denver Union Station Project Authority pursuant to which the District issued its Subordinate Sales Tax Revenue Bond, Series 2010, in the aggregate principal amount of $167,954,114 (the "Subordinate DUSPA Bond"); and

WHEREAS, the District previously issued its Sales Tax Revenue Bonds (FasTracks Project), Series 2017A in the aggregate principal amount of $82,895,000 (the "2017A Bonds") pursuant to the provisions of an Indenture of Trust, dated as of February 3, 2017, between the District and the Trustee (the "2017A Indenture") and applied the proceeds thereof, together with other available moneys, to automatically retire, discharge and cancel in full the outstanding Subordinate DUSPA Bond; and

WHEREAS, to refund the callable portion of the 2007A Bonds, the District previously issued its Sales Tax Revenue Bonds (FasTracks Project), Series 2017B in the aggregate principal amount of $119,465,000 (the "2017B Bonds") pursuant to the provisions of an Indenture of Trust, dated as of August 3, 2017, between the District and the Trustee (the "2017B Indenture"); and

WHEREAS, to refund the outstanding 2010A Bonds, the District previously issued its Taxable Sales Tax Revenue Refunding Bonds (FasTracks Project), Series 2019A in the aggregate principal amount of $82,740,000 (the "2019A Bonds") pursuant to an Indenture of Trust, dated as of December 18, 2019, between the District and the Trustee (the "2019A Indenture"); and

WHEREAS, Section 32-9-147 of the Act provides that the District may refund any bonds issued pursuant to the Act without an election; and

WHEREAS, Article X, Section 20 of the Colorado Constitution provides that the District may issue refunding bonds without an election if the refunding bonds are issued at a lower interest rate; and

WHEREAS, the District has determined to purchase outstanding 2012A Bonds in the aggregate principal amount of $89,285,000 (the "Tendered 2012A Bonds") pursuant to a tender offer by the District to the holders of such 2012A Bonds (the "Tender Offer") and to refund and defease all of the 2012A Bonds that remain outstanding after such purchase by the District, in the aggregate principal amount of $385,650,000 (the "Refunded 2012A Bonds"); and

WHEREAS, in order to achieve interest rate savings and effect other economies, the Board pursuant to this Indenture desires to authorize its "Regional Transportation District, Taxable Sales Tax Revenue Refunding Bonds (FasTracks Project), Series 2021A (Green Bonds – Climate Bond Certified)" in the aggregate principal amount of $422,405,000 (the "2021A Bonds") as Additional Parity Bonds (as defined in the 2007A Indenture, the 2010 Indenture, the 2013A Indenture, the 2016A Indenture, the 2017A Indenture, the 2017B Indenture, and the 2019A Indenture) for the purpose of (a) refunding and defeasing the Refunded 2012A Bonds and (b) paying the costs of issuance of the 2021A Bonds (the "2021A Refunding Project"); and

WHEREAS, in order to achieve interest rate savings and effect other economies, the Board pursuant to this Indenture desires to authorize its "Regional Transportation District, Tax-Exempt Sales Tax Revenue Refunding Bonds (FasTracks Project), Series 2021B (Green Bonds – Climate Bond Certified)" in the aggregate principal amount of $411,630,000 (the "2021B Bonds" and together with the 2021A Bonds, the "Bonds") as Additional Parity Bonds (as defined in the 2007A Indenture, the 2010 Indenture, the 2013A Indenture, the 2016A Indenture, the 2017A Indenture, the 2017B Indenture, and the 2019A Indenture) for the purpose of: (a) prepaying in whole the outstanding RTD TIFIA Bond issued pursuant to the TIFIA Loan Agreement; (b) financing the purchase of all of the Tendered 2012A Bonds; and (c) paying the costs of issuance of the 2021B Bonds (collectively, the "2021B Refunding Project" and together with the 2021A Refunding Project, the "Refunding Project"); and

WHEREAS, after effectuating the Refunding Project, the 2007A Bonds, 2010B Bonds, 2013A Bonds, 2016A Bonds, 2017A Bonds, 2017B Bonds, 2019A Bonds and the Bonds will remain outstanding; and

WHEREAS, the 2007A Bonds, the 2010B Bonds, the 2013A Bonds, the 2016A Bonds, the 2017A Bonds, the 2017B Bonds and the 2019A Bonds are payable out of and constitute an irrevocable first lien (but not necessarily an exclusive first lien) on the revenues received from the 0.4% Sales Tax Increase and are payable out of and constitute an irrevocable lien on the 0.6% Sales Tax which is in all respects subordinate to the pledge and lien thereon of the Senior Debt (as hereinafter defined); and

WHEREAS, the District pursuant to the Senior Bond Resolution (as hereinafter defined) has heretofore pledged all of the proceeds from the imposition of the 0.6% Sales Tax to the payment of the following outstanding bonds of the District: the Sales Tax Revenue Refunding Bonds, Series 2007A (the "2007A Senior Bonds") and the Taxable Sales Tax Revenue Refunding Bonds, Series 2013A (the "2013A Senior Bonds" and collectively, the

“Senior Bonds”), and any additional bonds issued pursuant to the Senior Bond Resolution (collectively, the “Senior Debt”); and

WHEREAS, the 0.4% Sales Tax Increase has not been pledged to the payment of the Senior Debt; and

WHEREAS, subject to certain conditions specified in the Senior Bond Resolution, including but not limited to compliance with the provisions of Section 508 thereof, the District is authorized to issue subordinated indebtedness payable out of and which has a lien on the Pledged Income (as defined in the Senior Bond Resolution) which is subordinate in all respects to the pledge and lien thereon of the Senior Bonds; and

WHEREAS, the Board has determined that with respect to the Bonds, the conditions set forth in the Senior Bond Resolution for the issuance of subordinate indebtedness have been satisfied and accordingly, the Board has determined that the Bonds shall be issued with a lien on the Pledged Income (as defined in the Senior Bond Resolution) which is in all respects subordinate to the pledge and lien thereon of the Senior Debt; and

WHEREAS, subject to certain conditions set forth in the 2007A Indenture, the 2010 Indenture, the 2013A Indenture, the 2016A Indenture, the 2017A Indenture, the 2017B Indenture and the 2019A Indenture, the District is authorized to issue Additional Parity Bonds (as defined in the 2007A Indenture, the 2010 Indenture, the 2013A Indenture, the 2016A Indenture, the 2017A Indenture, the 2017B Indenture and the 2019A Indenture) which have a lien on all or a portion of the Pledged Revenues (as defined therein) that is on a parity with the lien thereon of the 2007A Bonds, the 2010B Bonds, the 2013A Bonds, the 2016A Bonds, the 2017A Bonds, the 2017B Bonds and the 2019A Bonds; and

WHEREAS, the Board has determined that with respect to the Bonds, the conditions set forth in the 2007A Indenture, the 2010 Indenture, the 2013A Indenture, the 2016A Indenture, the 2017A Indenture, the 2017B Indenture and the 2019A Indenture for the issuance of Additional Parity Bonds have been satisfied (or will be satisfied on or prior to the delivery of the Bonds) and accordingly, the Board has determined that the Bonds will be issued with a first lien (but not necessarily an exclusive first lien) on the 0.4% Sales Tax Increase that is on a parity with the 2007A Bonds, the 2010B Bonds, the 2013A Bonds, the 2016A Bonds, the 2017A Bonds, the 2017B Bonds and the 2019A Bonds; and

WHEREAS, the District has previously entered into a Concession and Lease Agreement (the “Concession Agreement”) with Denver Transit Partners LLC (“Denver Transit Partners”), pursuant to which the District has agreed to make monthly service payments to Denver Transit Partners upon the commencement of revenue service of the Eagle P3 Project, and pursuant to the authority conferred at the 2004 Election, the District has pledged the RTD Pledged Revenues (as defined in the Concession Agreement) to make a portion of such service payments (the “TABOR Portion”) on a subordinate basis to the Senior Debt, the 2007A Bonds, the 2010B Bonds, the 2013A Bonds, the 2016A Bonds, the 2017A Bonds, the 2017B Bonds, the 2019A Bonds, and the Bonds; and

WHEREAS, subject to certain conditions set forth in the Concession Agreement, the District is authorized to issue bonds with a lien on the Pledged Revenues which is senior and superior to the pledge and lien thereon of the TABOR Portion; and

WHEREAS, the Board has determined that with respect to the Bonds, the conditions set forth in the Concession Agreement for the issuance of the Bonds with a lien on the Pledged Revenues which is senior and superior to the pledge and lien thereon of the TABOR Portion have been satisfied (or will be satisfied on or prior to the delivery of the Bonds) and accordingly, the Board has determined that the Bonds shall be issued with a lien on the Pledged Revenues which is senior and superior to the pledge and lien thereon of the TABOR Portion; and

WHEREAS, accordingly, the Board has determined that the Bonds shall be issued with (a) a lien on the Pledged Income (as defined in the Senior Bond Resolution) which is in all respects subordinate to the pledge and lien thereon of the Senior Debt, but which is on a parity with the pledge and lien thereon of the 2007A Bonds, 2010B Bonds, 2013A Bonds, 2016A Bonds, 2017A Bonds, 2017B Bonds and the 2019A Bonds; (b) a first lien (but not necessarily an exclusive first lien) on the 0.4% Sales Tax Increase that is on a parity with the 2007A Bonds, the 2010B Bonds, the 2013A Bonds, the 2016A Bonds, the 2017A Bonds, the 2017B Bonds and the 2019A Bonds; and (c) a lien on the Pledged Revenues which is senior and superior to the pledge and lien thereon of the TABOR Portion; and

WHEREAS, all things necessary to constitute this Indenture a valid assignment and pledge of the amounts pledged to the payment of the principal of, premium, if any, and interest on the Bonds have been done and performed, and the creation, execution and delivery of this Indenture, subject to the terms hereof, have in all respects been duly authorized.

NOW, THEREFORE, THIS INDENTURE OF TRUST WITNESSETH:

That the District, in consideration of the premises and the acceptance by the Trustee of the trusts hereby created and of the sum of $1.00, lawful money of the United States of America, to it duly paid by the Trustee at or before the execution and delivery of these presents, and for other good and valuable consideration, the receipt of which is hereby acknowledged, in order to secure the payment of the principal of, premium, if any, and interest on the Bonds at any time Outstanding under this Indenture according to their tenor and effect, and to secure the performance and observance by the District of all of the covenants expressed or implied herein and in the Bonds, and to secure all obligations of the District to any provider of a Financial Products Agreement related to the Bonds (as hereinafter defined), does hereby pledge and assign to The Bank of New York Mellon Trust Company, N.A., and its successors in trust and assigns forever, in order to secure the performance of the obligations of the District hereinafter set forth;

GRANTING CLAUSE

The Pledged Revenues, as hereinafter defined and as provided herein;

TO HAVE AND TO HOLD all and singular the Pledged Revenues, whether now owned or hereafter acquired and conveyed (by supplemental indenture or otherwise), unto the Trustee and its successors and assigns in said trust forever;

IN TRUST NEVERTHELESS, upon the terms and trusts in this Indenture set forth for the equal and proportionate benefit, security and protection of all present and future Owners of the Bonds from time to time issued under and secured by this Indenture, without privilege, priority or distinction as to the lien or otherwise of any of the Bonds over any of the other Bonds, and for the benefit, security and protection of each provider of a Financial Products Agreement related to the Bonds;

PROVIDED, HOWEVER, that if the District, its successors or assigns shall well and truly pay, or cause to be paid, the principal of, premium, if any, and interest on the Bonds due or to become due thereon, at the times and in the manner set forth in the Bonds according to the true intent and meaning thereof, and shall cause the payments to be made on the Bonds as required under Article III hereof, or shall provide, as permitted hereby, for the payment thereof in accordance with Article IX hereof, and shall well and truly cause to be kept, performed and observed all of its covenants and conditions pursuant to the terms of this Indenture, including the payment of all amounts due or to become due to any provider of a Financial Products Agreement related to the Bonds, and shall pay or cause to be paid to the Trustee all sums of money due or to become due to the Trustee in accordance with the terms and provisions of this Indenture, then this Indenture and the rights hereby granted shall cease, terminate and be void; otherwise this Indenture shall remain in full force and effect.

THIS INDENTURE OF TRUST FURTHER WITNESSETH, and it is expressly declared, that all Bonds issued and secured hereunder are to be issued, authenticated and delivered and all said property, rights and interests, including, without limitation, the Pledged Revenues, are to be dealt with and disposed of under, upon and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses and purposes as in this Indenture expressed, and the District has agreed and covenanted and does hereby agree and covenant with the Trustee, for the benefit of the respective Owners from time to time of the Bonds and the providers of any Financial Products Agreements, as follows:

ARTICLE I

DEFINITIONS

Section 1.01 Definitions. As used in this Indenture, the following terms shall have the following meanings:

"2006A Bonds" means the Regional Transportation District's Sales Tax Revenue Bonds (FasTracks Project), Series 2006A issued pursuant to the provisions of the 2006A Indenture, which are no longer outstanding.

"2006A Indenture" means the Indenture of Trust, dated as of October 1, 2006, as amended, between the District and the Trustee.

"2007A Bonds" means the Regional Transportation District's Sales Tax Revenue Refunding Bonds (FasTracks Project), Series 2007A issued pursuant to the provisions of the 2007A Indenture.

"2007A Indenture" means the Indenture of Trust, dated as of May 1, 2007, as amended, between the District and the Trustee.

"2010 Indenture" means the Indenture of Trust, dated as of November 23, 2010, between the District and the Trustee.

"2010B Bonds" means the Regional Transportation District's Taxable Sales Tax Revenue Bonds (FasTracks Project)(Direct Pay Build America Bonds), Series 2010B issued pursuant to the provisions of the 2010 Indenture.

"2012A Bonds" means the Regional Transportation District's Sales Tax Revenue Bonds (FasTracks Project), Series 2012A issued pursuant to the provisions of the 2012A Indenture.

"2012A Indenture" means the Indenture of Trust, dated December 20, 2012, between the District and the Trustee.

"2013A Bonds" means the Regional Transportation District's Sales Tax Revenue Refunding Bonds (FasTracks Project), Series 2013A issued pursuant to the provisions of the 2013A Indenture.

"2013A Indenture" means the Indenture of Trust, dated May 16, 2013, between the District and the Trustee.

"2016A Bonds" means the Regional Transportation District's Sales Tax Revenue Bonds (FasTracks Project), Series 2016A issued pursuant to the provisions of the 2016A Indenture.

"2016A Indenture" means the Indenture of Trust, dated November 17, 2016, between the District and the Trustee.

"2017A Bonds" means the Regional Transportation District's Sales Tax Revenue Bonds (FasTracks Project), Series 2017A issued pursuant to the provisions of the 2017A Indenture.

"2017A Indenture" means the Indenture of Trust, dated February 3, 2017, between the District and the Trustee.

"2017B Bonds" means the Regional Transportation District's Sales Tax Revenue Bonds (FasTracks Project), Series 2017B issued pursuant to the provisions of the 2017B Indenture.

"2017B Indenture" means the Indenture of Trust, dated August 3, 2017, between the District and the Trustee.

"2019A Bonds" means the Regional Transportation District's Taxable Sales Tax Revenue Refunding Bonds (FasTracks Project), Series 2019A issued pursuant to the provisions of the 2019A Indenture.

"2019A Indenture" means the Indenture of Trust, dated December 18, 2019, between the District and the Trustee.

"2021A Bond Account" means the account of the Bond Fund designated as the Regional Transportation District Taxable Sales Tax Revenue Refunding Bonds (FasTracks Project), Series 2021A Bond Account created pursuant to Section 3.03(c) hereof that will be used to pay debt service on the 2021A Bonds.

"2021A Bonds" means the Regional Transportation District's Taxable Sales Tax Revenue Refunding Bonds (FasTracks Project), Series 2021A (Green Bonds – Climate Bond Certified), in the original aggregate principal amount of $422,405,000 issued pursuant to the provisions of this Indenture.

"2021A Escrow Account" means the escrow account established pursuant to the 2021A Escrow Agreement to effectuate the refunding of the Refunded 2012A Bonds.

"2021A Escrow Agreement" means the Escrow Agreement, dated as of March 11, 2021, between the District and the Trustee, as escrow agent.

"2021A Refunding Project" means the application of the net proceeds of the 2021A Bonds for the purpose of (a) refunding, paying and discharging the Refunded 2012A Bonds, and (b) paying the costs of issuance of the 2021A Bonds.

"2021B Bond Account" means the account of the Bond Fund designated as the Regional Transportation District Tax-Exempt Sales Tax Revenue Refunding Bonds (FasTracks Project), Series 2021B Bond Account created pursuant to Section 3.03(c) hereof that will be used to pay debt service on the 2021B Bonds.

"2021B Bonds" means the Regional Transportation District's Tax-Exempt Sales Tax Revenue Refunding Bonds (FasTracks Project), Series 2021B (Green Bonds – Climate Bond Certified), in the original aggregate principal amount of $411,630,000 issued pursuant to the provisions of this Indenture.

"2021B Refunding Project" means the application of the net proceeds of the 2021B Bonds for the purpose of (a) prepaying in whole the outstanding RTD TIFIA Bond, (b) purchasing the Tendered 2012A Bonds pursuant to the terms and provisions of the Tender Offer, and (c) paying the costs of issuance of the 2021B Bonds.

"2021B Tax Compliance Certificate" means the federal tax exemption certificate executed by the District in connection with the execution, issuance and delivery of the 2021B Bonds.

"Act" means the Regional Transportation District Act, currently Sections 32-9-101 to 32-9-164, inclusive, Colorado Revised Statutes, as from time to time amended and supplemented.

"Additional Parity Bonds" means any Securities issued after the issuance of the Bonds and payable from all or a portion of the Pledged Revenues and having a lien on the

Pledged Revenues which is equal to or on a parity with the Bonds, but does not include any Credit Facility Obligations or Financial Products Agreements relating to any such Securities.

"Authorized Denominations" means denominations of $5,000 or any integral multiple thereof.

"Average Annual Debt Service Requirements" means the aggregate of all Debt Service Requirements (excluding any redemption premiums) due on the Securities for which the computation is being made for all Bond Years beginning with the Bond Year in which Debt Service Requirements of such Securities or any portion thereof are first payable after the computation date and ending with the Bond Year in which the last of the Debt Service Requirements are payable, divided by the whole number of such years.

"Beneficial Owner" means the beneficial owner of Bonds registered in the name of the Depository or its nominee.

"Board" or "Board of Directors" means the governing body of the District.

"Bond Counsel" means an attorney or firm of attorneys of nationally recognized standing in the field of municipal finance, selected by the District.

"Bond Fund" means the fund designated as the "Regional Transportation District Sales Tax Revenue Bonds (FasTracks Project), Series 2021A-B Bond Fund" created in Section 3.03 hereof, and within the Bond Fund the 2021A Bond Account and the 2021B Bond Account.

"Bond Resolution" means the resolution of the District adopted on January 26, 2021, authorizing the issuance of the Bonds and related documents.

"Bond Year" means the twelve (12) months commencing on the second day of November of any calendar year and ending on the first day of November of the next succeeding calendar year.

"Bonds" means, collectively, the 2021A Bonds and the 2021B Bonds.

"Business Day" means any day other than a Saturday, Sunday, legal holiday, or other day on which banking institutions in the city in which the Trustee has its Principal Corporate Trust Office are authorized or required by law to close and other than a day on which the New York Stock Exchange is closed.

"Chief Financial Officer" means the Chief Financial Officer of the District or any successor to the functions that are being performed by the Chief Financial Officer as of the date of this Indenture.

"Combined Maximum Annual Debt Service Requirements" means the Maximum Annual Debt Service Requirements of all designated Securities for which such computation is being made, treated as a single issue.

"Commercial Paper Notes" means any bonds or notes payable from and having an irrevocable lien upon all or a portion of the Pledged Revenues (a) which have a stated maturity date which is not more than 270 days after the date of issuance thereof and (b) are designated as Commercial Paper Notes in the resolution authorizing their issuance, but does not include any Credit Facility Obligations relating to such bonds or notes.

"Continuing Disclosure Agreement" means the Continuing Disclosure Agreement, between the District and Digital Assurance Certification, L.L.C., as dissemination agent, executed in connection with the issuance of the Bonds which enables the Underwriters to comply with Rule 15c2-12 promulgated by the Securities and Exchange Commission.

"Costs of Issuance Fund" means the fund of that name created pursuant to Section 3.03 hereof.

"Credit Facility" means any letter or line of credit, policy of bond insurance, surety bond or guarantee or similar instrument (other than a reserve fund insurance policy) issued by a financial, insurance or other institution and which specifically provides security and/or liquidity in respect of Securities payable from all or a portion of the Pledged Revenues.

"Credit Facility Obligations" means repayment or other obligations incurred by the District in respect of draws or other payments or disbursements made under a Credit Facility.

"Current Refunding Fund" means the fund of that name created pursuant to Section 3.03 hereof.

"Debt Service Requirements" means, for any period, the amount required to pay the principal of and interest on any designated Outstanding Securities during such period; provided that the determination of the Debt Service Requirements of any Securities, including without limitation the Bonds, the Senior Debt, any Parity Bonds and any proposed Additional Parity Bonds, shall assume the redemption and payment of such Securities on any applicable mandatory Redemption Dates. In any computation relating to the issuance of Additional Parity Bonds required by Section 2.18 hereof, there shall be excluded from the computation of Debt Service Requirements any proceeds on deposit in a bond fund for such Securities constituting capitalized interest.

"Depository" means DTC or any other qualified securities depository as selected by the District.

"District" means the Regional Transportation District, a public body politic and corporate and a political subdivision of the State, formed under and governed by the Act and any public body politic and corporate succeeding to the rights of the District.

"District Representative" shall mean the Chair of the Board, the General Manager of the District, the Chief Financial Officer or any other person at the time designated to act on behalf of the District by written certificate furnished to the Trustee containing the specimen signature of such person and signed on behalf of the District by the Chair of the Board. Such certificate may designate an alternate or alternates.

"District Sales Tax Area" means the geographic area comprising the District as described in the Act as amended to the date of execution and delivery of this Indenture plus any other area within which the District is hereafter authorized by law to levy the Sales Tax.

"DTC" means The Depository Trust Company, New York, New York, and its successors and assigns.

"Electronic Means" shall mean the following communications methods: e-mail, facsimile transmission, secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys issued by the Trustee, or another method or system specified by the Trustee as available for use in connection with its services hereunder.

"Escrow Fund" means any fund established with the Trustee or other depository in whole or in part with the proceeds of any refunding bonds or other moneys to provide for the timely payment of any Debt Service Requirements on the Bonds.

"Events of Default" means the events stated in Section 6.01 hereof.

"Executive Director of the Department of Revenue" means the Executive Director of the Department of Revenue of the State and any successor to the functions to be performed by said Executive Director under the Act.

"Federal Securities" means bills, certificates, notes, bonds or similar securities which are direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States (or ownership interests in any of the foregoing) and which are not callable prior to their scheduled maturities by the issuer thereof.

"Financial Products Agreement" means an interest rate swap, cap, collar, floor, other hedging agreement, arrangement or security, however denominated, entered into by the District with a Provider with respect to the Bonds or specific Securities or as otherwise permitted by State law and providing that any payments by the District thereunder are payable from a lien on all or a portion of the Pledged Revenues and for the purpose of (i) reducing or otherwise managing the District's risk of interest rate changes or (ii) effectively converting the District's interest rate exposure, in whole or in part, from a fixed rate exposure to a variable rate exposure, or from a variable rate exposure to a fixed rate exposure.

"Financial Products Payments" means payments periodically required to be paid to a Provider by the District pursuant to a Financial Products Agreement but specifically excluding Financial Products Termination Payments.

"Financial Products Receipts" means amounts periodically required to be paid to the District by a Provider pursuant to a Financial Products Agreement but specifically excluding any Financial Products Termination Payment.

"Financial Products Termination Payment" means any termination, settlement or similar payments required to be paid upon an early termination of the Financial Products Agreement as a result of any event of default or termination event thereunder.

"Fiscal Year" means the twelve months commencing on January 1 of any calendar year and ending on December 31 of such calendar year, or any other 12-month period which the District designates as its fiscal year.

"Fitch" means Fitch Ratings Inc., a corporation organized and existing under the laws of the State of Delaware, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, "Fitch" shall be deemed to refer to any other nationally recognized securities rating agency designated by the District by notice to the Trustee, which rating agency then maintains a rating with respect to the Bonds.

"Funds" means, collectively, the 0.4% Sales Tax Increase Fund, the 0.6% Sales Tax Fund, the Bond Fund and the Costs of Issuance Fund. The term "Funds" does not include the Rebate Fund.

"Indenture" means this Indenture of Trust, as it may be amended from time to time.

"Interest Payment Date" means May 1 and November 1 in each year commencing November 1, 2021.

"Maximum Annual Debt Service Requirements" means the maximum aggregate amount of Debt Service Requirements (excluding redemption premiums) due on the Securities for which such computation is being made in any Bond Year beginning with the Bond Year in which Debt Service Requirements of such Securities are first payable after the computation date and ending with the Bond Year in which the last of the Debt Service Requirements are payable.

"Moody's" means Moody's Investors Service, a corporation organized and existing under the laws of the State of New York, its successors and assigns and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, "Moody's" shall be deemed to refer to any other nationally recognized securities rating agency designated by the District by notice to the Trustee, which rating agency then maintains a rating with respect to the Bonds.

"Municipal Swap Index" means the Municipal Swap Index compiled by the Securities Industry and Financial Markets Association, or if such index is not published, then such other index selected by the Chief Financial Officer which reflects the yield of tax-exempt seven-day variable rate demand bonds.

"Opinion of Counsel" means an opinion in writing of an attorney or firm of attorneys (who may be the attorneys for the District) satisfactory to the Trustee.

"Optional Redemption Make-Whole Price" means the amount equal to the greater of the following:

(a) 100% of the principal amount of the 2021A Bonds to be redeemed; or

(b) the sum of the present value of the remaining scheduled payments of principal and interest to the maturity date of the 2021A Bonds to be redeemed, not including any portion of those payments of interest accrued and unpaid as of the date on which the 2021A Bonds are to be redeemed, discounted to the date on which the 2021A Bonds are to be redeemed on a semi-annual basis, assuming a 360-day year containing twelve 30-day months, at the Treasury Rate, plus the "Basis Point Adjustment" for the applicable maturity set forth below; plus, in each case, accrued and unpaid interest on the 2021A Bonds to be redeemed to the redemption date.

Maturity (November 1)	Basis Point Adjustment
2025	5 basis points
2026	10 basis points
2027	5 basis points
2028	10 basis points
2031	10 basis points
2032	15 basis points
2033	15 basis points
2034	15 basis points
2035	15 basis points
2036	20 basis points
2037	20 basis points

For purpose of determining the Optional Redemption Make-Whole Price, "Treasury Rate" is, as of any redemption date, the yield to maturity as of such redemption date of United States Treasury securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15 (519) that has become publicly available at least two Business Days prior to the redemption date (excluding inflation-indexed securities) (or, if such Statistical Release is no longer published, any publicly available source of similar market data)) most nearly equal to the period from the redemption date to the maturity date of the 2021A Bonds to be redeemed; provided, however that if the period from the redemption date to such maturity date is less than one year, the weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of one year shall be used.

The Optional Redemption Make-Whole Price shall be calculated by a qualified, independent entity appointed by the Chief Financial Officer.

"Outstanding" when used with reference to any Bonds and as of any particular date means all such Bonds in any manner theretofore executed, issued and delivered by the District, except:

(a) Any Bonds theretofore cancelled or paid by or on behalf of the District on or before such date or surrendered to the District, the Registrar or Paying Agent for cancellation;

(b) Any Bonds which are deemed to be paid within the meaning of Section 9.01 hereof; and

(c) Any Bonds in lieu of or in substitution for which other Bonds shall have been executed, issued and delivered by the District and authenticated by the Registrar unless proof satisfactory to the Registrar is presented that any such Bonds are duly held by the lawful Registered Owners thereof.

In determining whether the Owners of the requisite principal amount of Outstanding Bonds have given any request, demand, authorization, direction, notice, consent or waiver, Bonds owned by the District shall not be deemed to be Outstanding; except that in determining whether the Trustee shall be protected in relying upon any such approval or consent of an Owner, only Bonds which an officer of the Trustee responsible for the administration of this Indenture actually knows to be owned by the District shall not be deemed to be Outstanding. Notwithstanding the foregoing, in the event that all the Bonds are owned by the District, the District shall have the right to provide the required request, demand, authorization, direction, notice, consent or waiver hereunder and the Trustee shall be protected in relying upon any such approval or consent of the District, as the owner of all the Bonds.

"Outstanding" when used with reference to Securities other than the Bonds, means, as of any date of determination, all such obligations theretofore issued or incurred and not paid and discharged other than (i) obligations theretofore cancelled by a trustee or paying agent for such obligations or the holder of such obligations, (ii) obligations deemed paid and no longer Outstanding as provided in the document pursuant to which the obligations were issued, (iii) any obligations held by the District, and (iv) obligations in lieu of which other obligations have been authenticated and delivered pursuant to the provisions of the document pursuant to which it was issued regarding transfer or exchange of the obligations or regarding mutilated, destroyed, lost or stolen obligations unless proof satisfactory to the Trustee has been received that any such obligations are held by a bona fide purchaser.

"Owner" or "Registered Owner" means the Person shown on the registration records maintained by the Registrar as the registered owner of any Bond.

"Parity Bonds" means the outstanding 2007A Bonds, 2010B Bonds, 2013A Bonds, 2016A Bonds, 2017A Bonds, 2017B Bonds, 2019A Bonds and any other Securities payable from all or a portion of the Pledged Revenues and having a lien on the Pledged Revenues which is equal to or on a parity with the Bonds, but does not include any Credit Facility Obligations or Financial Products Agreements relating to any such Securities.

"Parity Bond Indentures" means the 2007A Indenture, the 2010 Indenture, the 2013A Indenture, the 2016A Indenture, the 2017A Indenture, the 2017B Indenture, the 2019A Indenture and any indentures or other agreements hereafter executed and delivered by the District in connection with the issuance of Additional Parity Bonds.

"Parity Bond Resolutions" means, collectively, the resolutions authorizing the issuance of the 2007A Bonds, the 2010B Bonds, the 2013A Bonds, the 2016A Bonds, the 2017A Bonds, the 2017B Bonds, the 2019A Bonds and any resolutions hereafter adopted by the District authorizing the issuance of Additional Parity Bonds.

"Parity Credit Facility Obligations" means any Credit Facility Obligations payable from all or a portion of the Pledged Revenues on a parity with the Bonds.

"Parity Financial Products Agreement" means any Financial Products Agreement pursuant to which Financial Products Payments are payable from a lien on all or a portion of the Pledged Revenues on a parity with the Bonds.

"Participants" means participating underwriters, securities brokers or dealers, banks, trust companies, closing corporations, or other Persons for which the Depository holds Bonds.

"Paying Agent" means The Bank of New York Mellon Trust Company, N.A., and its successors and assigns, or such other entity appointed hereunder as agent for the District for the payment of the Bonds.

"Permitted Investments" any obligations that are at the time legal for investment of funds of the District under applicable State law (including, but not limited to, the Act).

"Person" means a corporation, firm, other body corporate (including without limitation the United States, the State, or any other body corporate and politic other than the District), limited liability company, partnership, association or individual, and also includes an executor, administrator, trustee, receiver or other representative appointed according to law.

"Pledged Income" means the Pledged Income, as defined in the Senior Bond Resolution, which includes the revenues received from the 0.6% Sales Tax which is pledged to the payment of the Senior Bonds pursuant to the Senior Bond Resolution.

"Pledged Revenues" means:

(a) The Sales Tax Revenues; and

(b) Any additional revenues legally available to the District which the Board in its discretion, without further consideration from any Owner, may hereafter pledge to the payment of the Bonds; and

(c) Proceeds of the Bonds or other legally available moneys credited to or paid into and held in the 0.4% Sales Tax Increase Fund, the 0.6% Sales Tax Fund, the Bond Fund and the Costs of Issuance Fund, subject to the terms and provisions set forth herein; and

(d) Interest or investment income on the 0.4% Sales Tax Increase Fund, the 0.6% Sales Tax Fund, the Bond Fund and the Costs of Issuance Fund, all to the extent that such moneys are at any time required to be credited to or paid into and held in such Funds, subject to the terms and provisions set forth herein.

"Principal Corporate Trust Office" means (i) with respect to The Bank of New York Mellon Trust Company, N.A., as Trustee, Registrar and Paying Agent hereunder, San Francisco, California, or such other place as designated in writing to the Owners of the Outstanding Bonds, (ii) for purposes of the surrender of the Bonds for transfer or exchange, such other place as designated in writing to the Owners of the Outstanding Bonds, and (iii) with respect to any successor trustee, registrar or paying agent, the principal office of its corporate trust department or such other place as designated in writing to the Owners of the Outstanding Bonds.

"Provider" means any financial institution or insurance company which is a party to a Financial Products Agreement with the District.

"Rating Category" means one of the generic rating categories of Moody's, if the Bonds are rated by Moody's, or of S&P's, if the Bonds are rated by S&P, or Fitch, if the Bonds are rated by Fitch, without regard to any refinement or gradation of such rating category by a numerical modifier or otherwise.

"Rebate Fund" means the fund designated as the "Regional Transportation District Tax-Exempt Sales Tax Revenue Refunding Bonds (FasTracks Project) Series 2021B Rebate Fund" created in Section 3.03 hereof.

"Redemption Date" means the date fixed by the District for the mandatory or optional redemption of any Bonds prior to their respective fixed maturity dates.

"Redemption Price" means, with respect to any Bond, the principal amount thereof plus the applicable premium, if any, payable upon the Redemption Date.

"Refunded 2012A Bond Requirements" means the principal of, premium, if any, and interest on the Refunded 2012A Bonds as the same become due prior to and at the maturity or prior redemption thereof.

"Refunded 2012A Bonds" means the outstanding 2012A Bonds in the aggregate principal amount of $385,650,000 that are not Tendered 2012A Bonds that will be refunded and defeased with the net proceeds of the 2021A Bonds pursuant to the terms and provisions of the 2021A Escrow Agreement.

"Refunding Project" means, collectively, the 2021A Refunding Project and the 2021B Refunding Project.

"Registrar" means The Bank of New York Mellon Trust Company, N.A., and its successors and assigns, or such other entity appointed hereunder as agent for the District for the registration, transfer and exchange of Bonds.

"Regular Record Date" means the date that is the 15th day of the calendar month (whether or not a Business Day) next preceding an Interest Payment Date for the Bonds (other than any special interest payment date hereafter fixed for the payment of defaulted interest).

"RTD TIFIA Bond" means the bond delivered by the District to the TIFIA Lender pursuant to the terms and provisions of the TIFIA Loan Agreement, which will be prepaid in whole with the net proceeds of the 2021B Bonds on the date of issuance of the 2021B Bonds.

"Sales Tax" means, collectively, the 0.6% Sales Tax and the 0.4% Sales Tax Increase.

"0.6% Sales Tax" means the sales tax levied uniformly throughout the District Sales Tax Area at a rate of 0.6% upon every transaction or other incident with respect to which a sales tax is levied by the State pursuant to the provisions of Article 26 of Title 39, Colorado Revised Statutes, and pursuant to the Act.

"0.6% Sales Tax Fund" means the "Regional Transportation District 0.6% Sales Tax Fund" created in the 2006A Indenture and referred to in Section 3.03 hereof.

"0.4% Sales Tax Increase" means the sales tax increase approved at the 2004 Election which commenced on January 1, 2005, that is levied uniformly throughout the District Sales Tax Area at the rate of four-tenths of one percent upon every transaction or other incident with respect to which a sales tax is levied by the State pursuant to the provisions of Article 26 of Title 39, Colorado Revised Statutes, and pursuant to the Act.

"0.4% Sales Tax Increase Fund" means the "Regional Transportation District 0.4% Sales Tax Increase Fund" created in the 2006A Indenture and referred to in Section 3.03 hereof.

"Sales Tax Revenues" means the proceeds received by the District, or by the Trustee as assignee of the District, from the levy and collection of the Sales Tax and from the levy and collection of any additional sales tax the proceeds of which have been added to Pledged Revenues by resolution of the District.

"Securities" means bonds, notes, certificates, warrants, leases, contracts or other financial obligations or securities issued or executed by the District and payable in whole or in part from a lien on the Pledged Revenues.

"Senior Bond Resolution" means, collectively, Resolution No. 9, Series 1977 of the District, as supplemented by the following resolutions of the District: Resolution No. 13, Series 1985, Resolution No. 2, Series 1988, Resolution No. 6, Series 1990, Resolution No. 5, Series of 1992, Resolution No. 9, Series of 1993, Resolution No. 14, Series of 1997, Resolution No. 20, Series of 2000, Resolution No. 13, Series of 2001, Resolution No. 24, Series of 2001, Resolution No. 26, Series of 2002, Resolution No. 6, Series of 2003, Resolution No. 04, Series of 2004, Resolution No. 01, Series of 2005, Resolution No. 003, Series of 2007, Resolution No. 04, Series of 2008, Resolution No. 28, Series of 2009, Resolution No. 002, Series of 2013, and any resolutions hereafter adopted by the District authorizing the issuance of Securities to refund, in whole or in part, any Outstanding Senior Debt in accordance with the provisions of this Indenture or authorizing Senior Financial Products Agreements or Senior Credit Facility Agreements relating to the Senior Debt.

"Senior Bonds" means the outstanding 2007A Senior Bonds and the 2013A Senior Bonds, as such terms are defined in the recitals to this Indenture.

"Senior Credit Facility Obligations" means any Credit Facility Obligations incurred by the District in connection with a Credit Facility in respect of Senior Debt which is payable from a lien on the 0.6% Sales Tax that is senior or superior to the lien thereon of the Bonds.

"Senior Debt" means the Senior Bonds and any Securities hereafter issued to refund, in whole or in part, any Outstanding Senior Debt in accordance with the provisions of this Indenture, that have a lien on the 0.6% Sales Tax that is senior or superior to the lien thereon of the Bonds, but does not include any Credit Facility Obligations or Financial Products Agreements relating to any such Senior Debt.

"Senior Debt Trustee" means The Bank of New York Mellon Trust Company, N.A., a banking association organized and existing under the laws of the United States of America (successor in interest to BNY Western Trust Company), and its successors and assigns, as trustee under the Senior Bond Resolution, or such other entity appointed thereunder in accordance therewith and in accordance with this Indenture. Any entity that serves as Senior Debt Trustee shall also serve as Trustee under this Indenture and as trustee under any Parity Bond Resolutions and any Parity Bond Indentures.

"Senior Financial Products Agreement" means any Financial Products Agreement entered into by the District with respect to Senior Debt pursuant to which Financial Products Payments and/or the Financial Products Termination Payments required thereunder are payable from a lien on the 0.6% Sales Tax that is superior or senior to the lien thereon of the Bonds.

"Special Record Date" means a special date fixed by the Registrar for determining Bond ownership for purposes of paying defaulted interest, as such date may be determined pursuant to Section 2.09 hereof.

"Standard & Poor's" or "S&P" means S&P Global Ratings, a New York corporation organized and existing under the laws of the State of New York, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, "Standard & Poor's" or "S&P" shall be deemed to refer to any other nationally recognized securities rating agency designated by the District by notice to the Trustee, which rating agency then maintains a rating with respect to the Bonds.

"State" means the State of Colorado.

"Subordinate Credit Facility Obligations" means any Credit Facility Obligations payable in whole or in part from the Pledged Revenues and having a lien on the Pledged Revenues which is subordinate to the lien thereon of the Bonds.

"Subordinate Financial Products Agreement" means any Financial Products Agreement pursuant to which Financial Products Payments are payable from a lien on the Pledged Revenues that is subordinate to the lien thereon of the Bonds. No Financial Products Termination Payment required under any Subordinate Financial Products Agreement shall have a lien on the Pledged Revenues that is senior to or on a parity with the lien thereon of the Bonds.

"Subordinate Lien Obligations" means the TABOR Portion and any additional Securities payable in whole or in part from the Pledged Revenues and having a lien on the Pledged Revenues which is subordinate to the lien thereon of the Bonds but does not include any Credit Facility Obligations or Financial Products Agreements relating to any such Subordinate Lien Obligations.

"Supplemental Act" means the Supplemental Public Securities Act, constituting Title 11, Article 57, Part 2, Colorado Revised Statutes, as amended.

"TABOR Portion" has the meaning set forth in the recitals to this Indenture.

"Tax Code" means the Internal Revenue Code of 1986, as amended to the date of delivery of the 2021B Bonds, and applicable regulations and rulings presently or hereafter promulgated or proposed thereunder or under any predecessor thereto.

"Tender Bonds" means any Securities payable from all or a portion of the Pledged Revenues which by their terms may be required to be tendered for purchase, or which may be tendered by and at the option of the Owner thereof for purchase, prior to the stated maturity thereof.

"Tender Offer" means the Invitation to Tender Bonds made by the District to the holders of the outstanding 2012A Bonds dated as of January 27, 2021.

"Tendered 2012A Bonds" means the following 2012A Bonds in the aggregate principal amount of $89,285,000 that were tendered for purchase to the District by the holders thereof and that are being purchased by the District from amount in the Current Refunding Fund:

Maturity (November 1)	CUSIP	Interest Rate	Principal Amount Tendered
2023	759136RD8	5.000%	$ 435,000
2024	759136RG1	5.000%	5,445,000
2025	759136QT4	5.000%	14,005,000
2026	759136QU1	3.000%	75,000
2026	759136RE6	5.000%	1,050,000
2027	759136QV9	5.000%	11,045,000
2028	759136QW7	5.000%	4,760,000
2029	759136QX5	3.500%	295,000
2029	759136RL0	5.000%	900,000
2030	759136QY3	3.000%	280,000
2031	759136QZ0	5.000%	235,000
2032	759136RH9	4.000%	24,700,000
2032	759136RJ5	5.000%	515,000
2037	759136RA4	3.500%	24,495,000
2037	759136RC0	4.000%	325,000
2037	759136RK2	5.000%	725,000

"Term Bonds" means any Bonds that are payable on or before their specified maturity dates from sinking fund payments established for the purpose and calculated to retire such Bonds on or before their specified maturity dates.

"TIFIA Lender" means the United States Department of Transportation, an agency of the United States of America, acting by and through the Federal Highway Administrator.

"TIFIA Loan Agreement" means the TIFIA Loan Agreement, dated as of December 1, 2011, between the District and the TIFIA Lender.

"Treasurer" means the individual chosen by the Board as the treasurer of the Board, or his or her successor in functions.

"Trustee" means The Bank of New York Mellon Trust Company, N.A., a banking association organized and existing under the laws of the United States of America (successor in interest to BNY Western Trust Company), and its successors and assigns, or such other entity appointed as trustee hereunder. Any entity that serves as Trustee hereunder shall also serve as trustee under the Senior Bond Resolution, any Parity Bond Resolutions and any Parity Bond Indentures.

"Underwriters" means, collectively, Goldman Sachs & Co. LLC, RBC Capital Markets, LLC, Stifel, Nicolaus & Company, Incorporated, and Harvestons Securities, Inc., as the underwriters of the Bonds.

"Variable Rate Bonds" means any Securities issued with a variable, adjustable, convertible or other similar interest rate which is not fixed in percentage for the entire term thereof at the date of issue.

ARTICLE II

THE BONDS

Section 2.01 Designation of Bonds; Supplemental Act. No Bonds may be issued under the provisions of this Indenture except in accordance with this Article. The 2021A Bonds shall be designated as the "Taxable Sales Tax Revenue Refunding Bonds (FasTracks Project), Series 2021A (Green Bonds – Climate Bond Certified)." The 2021B Bonds shall be designated as the "Tax-Exempt Sales Tax Revenue Refunding Bonds (FasTracks Project), Series 2021B (Green Bonds – Climate Bond Certified)."

The Bonds shall be issued pursuant to the Act and the Supplemental Act. The District has elected in the Bond Resolution to apply all of the Supplemental Act to the Bonds (except that it shall not apply Section 11-57-211 thereof) and the Bonds shall recite that they are issued pursuant to the Supplemental Act. Pursuant to Section 11-57-210 of the Supplemental Act, such recital shall be conclusive evidence of the validity and the regularity of the issuance of the Bonds after their delivery for value.

Section 2.02 Pledge of Pledged Revenues; Equality of Bonds. The Pledged Revenues are hereby pledged to the punctual payment of the Debt Service Requirements of the Bonds in accordance with the provisions set forth in this Indenture. The Bonds shall be payable out of and shall constitute an irrevocable first lien (but not necessarily an exclusive first lien) on the revenues received from the 0.4% Sales Tax Increase and any other legally available moneys deposited into and held in the 0.4% Sales Tax Increase Fund. The Bonds shall further be payable out of and shall constitute an irrevocable lien on legally available moneys deposited into and held in the Bond Fund and the Costs of Issuance Fund pursuant to the provisions and requirements of this Indenture.

The Bonds shall also be payable out of and shall constitute an irrevocable lien on the Pledged Income and moneys deposited in the 0.6% Sales Tax Fund which is in all respects subordinate to the pledge and lien thereon of the Senior Debt at any time Outstanding.

Except as hereinafter provided, the Bonds, any Parity Bonds, any Additional Parity Bonds, any Parity Credit Facility Obligations and any Financial Products Payments pursuant to any Parity Financial Products Agreements are equitably and ratably secured by a lien on the Pledged Revenues and shall not be entitled to any priority one over the other in the application of the Pledged Revenues regardless of the time or times of the issuance of the Bonds, any Parity Bonds, any such Additional Parity Bonds or Parity Credit Facility Obligations or of the entering into of the Parity Financial Products Agreements, it being the intention of the Board that there shall be no priority among the Bonds, any Parity Bonds, any Additional Parity Bonds, any Parity Credit Facility Obligations and any Financial Products Payments pursuant to Parity Financial Products Agreements regardless of the fact that they may be actually issued, delivered or entered into at different times.

Notwithstanding the foregoing, however, that portion of the Pledged Revenues that consists of moneys in the Bond Fund and the Costs of Issuance Fund shall secure only the Bonds, any Parity Credit Facility Obligations relating to the Bonds, and any Financial Products Payments pursuant to Parity Financial Products Agreements relating to the Bonds. Moneys on deposit in the 2021A Bond Account shall secure only the 2021A Bonds, any Parity Credit Facility Obligations relating to the 2021A Bonds, and any Financial Products Payments pursuant to Parity Financial Products Agreements relating to the 2021A Bonds. Moneys on deposit in the 2021B Bond Account shall secure only the 2021B Bonds, any Parity Credit Facility Obligations relating to the 2021B Bonds, and any Financial Products Payments pursuant to Parity Financial Products Agreements relating to the 2021B Bonds.

Additional Parity Bonds may have a lien on the Sales Tax Revenues on a parity with the lien thereon of the Bonds even if no reserve fund is established for such Additional Parity Bonds or a reserve fund is established but with a different requirement as to the amount of moneys (or the value of a reserve fund insurance policy with respect to such Additional Parity Bonds) required to be on deposit therein or the manner in which such reserve fund is funded or the period of time over which such reserve fund is funded.

Moneys on deposit in the Rebate Fund and 2021A Escrow Account are not pledged to the payment of the Bonds and do not constitute Pledged Revenues hereunder.

Section 2.03 Bond Details. The Bonds shall be issued in fully registered form in Authorized Denominations, provided that no Bond may be in a denomination which exceeds the principal coming due on any maturity date, and no individual Bond shall be issued for more than one maturity bearing interest at the same interest rate. The Bonds shall be dated the date of their delivery. Unless the District shall otherwise direct, the 2021A Bonds shall be lettered and numbered separately from 1 upward preceded by the letters “RA” prefixed to the number, and the 2021B Bonds shall be lettered and numbered separately from 1 upward preceded by the letters “RB” prefixed to the number.

(a) The aggregate principal amount of the 2021A Bonds shall be $422,405,000. The 2021A Bonds shall mature on November 1 in the years and in the principal amounts, and shall bear interest at the interest rates per annum set forth below:

Maturity (November 1)	Principal Amount	Interest Rate
2025	$12,000,000	0.700%
2026	61,145,000	0.900
2027	48,150,000	1.179
2028	10,835,000	1.329
2031	54,685,000	1.837
2032	50,935,000	1.967
2033	37,780,000	2.067
2034	9,160,000	2.187
2035	7,330,000	2.287
2036	66,215,000	2.337
2037	64,170,000	2.387

(b) The aggregate principal amount of the 2021B Bonds shall be $411,630,000. The 2021B Bonds shall mature on November 1 in the years and in the principal amounts, and shall bear interest at the interest rates per annum set forth below:

Maturity (November 1)	Principal Amount	Interest Rate
2028	$36,835,000	5.00%
2029	38,815,000	5.00
2030	9,150,000	5.00
2038	3,175,000	4.00
2039	24,655,000	4.00
2040	17,500,000	4.00
2041	77,770,000	2.00
2045	203,730,000	2.25

(c) Interest on the Bonds shall be calculated on the basis of a 360-day year of twelve 30-day months, payable semiannually on each May 1 and November 1, commencing on November 1, 2021.

Section 2.04 Optional Redemption of Bonds.

(a) The 2021A Bonds are subject to redemption prior to their respective maturity dates at the option of the District as follows:

(1) The 2021A Bonds are subject to redemption prior to maturity at the option of the District, in whole or in part, on any Business Day at the Optional Redemption Make Whole Price. Notwithstanding the foregoing or any other provisions to the contrary contained herein, the 2021A Bonds shall be subject to optional redemption prior to maturity pursuant to this Section 2.04(a)(1) only if on such redemption date the Optional Redemption Make Whole Price is less than or equal to the sum of one hundred

seven percent (107%) of the principal amount of the 2021A Bonds to be redeemed plus accrued interest to the redemption date. If the Optional Redemption Make Whole Price exceeds such amount, the 2021A Bonds shall not be subject to optional redemption on such redemption date pursuant to this Section 2.04(a)(1) at the Optional Redemption Make Whole Price and shall only be subject to optional redemption pursuant to this Section 2.04(a)(1) at such time as the Optional Redemption Make Whole Price is less than or equal to such sum. On or after May 1, 2031, the 2021A Bonds shall also be subject to optional redemption in accordance with Section 2.04(a)(2) hereof.

(2) The 2021A Bonds are subject to redemption prior to their respective maturity dates at the option of the District, on May 1, 2031, and on any date thereafter, in whole or in part, in any order of maturity and by lot within a maturity (giving proportionate weight to 2021A Bonds in denominations larger than $5,000), at a redemption price equal to the principal amount of each 2021A Bond, or portion thereof, so redeemed, plus accrued interest thereon to the redemption date, without premium.

(b) The 2021B Bonds are subject to redemption prior to their respective maturity dates at the option of the District, on May 1, 2031, and on any date thereafter, in whole or in part, in any order of maturity and by lot within a maturity (giving proportionate weight to 2021B Bonds in denominations larger than $5,000), at a redemption price equal to the principal amount of each 2021B Bond, or portion thereof, so redeemed, plus accrued interest thereon to the redemption date, without premium.

(c) If less than all Outstanding Bonds are to be redeemed, the Trustee, upon written instruction from the District, shall select the Bonds to be redeemed from the maturity dates selected by the District, and by lot within each such maturity in such manner as the Trustee shall determine; provided, that the portion of any Bond to be redeemed in part shall be in the principal amount of $5,000 or any integral multiple thereof.

(d) The District shall (unless waived by the Trustee) give written instructions concerning any optional redemption to the Trustee at least 45 days prior to such redemption date.

Section 2.05 Mandatory Redemption of Bonds.

(a) The 2021B Bonds maturing on November 1, 2041, and November 1, 2045, are subject to mandatory sinking fund redemption at a price equal to the principal amount thereof plus accrued interest thereon to the redemption date. Such 2021B Bonds are to be selected by lot in such manner as the Trustee shall determine (giving proportionate weight to 2021B Bonds in denominations larger than $5,000).

(1) As and for a sinking fund for the redemption of the 2021B Bonds maturing on November 1, 2041, the District will deposit in the Bond Fund, on or before November 1 in each of the following years, moneys which are sufficient to redeem (after credit as provided below) the following principal amount of the 2021B Bonds maturing on November 1, 2041:

Redemption Date (November 1)	Principal Amount
2040	$29,490,000

The remaining $48,280,000 of the 2021B Bonds maturing on November 1, 2041, will be paid upon presentation and surrender at maturity unless redeemed pursuant to optional redemption prior to maturity.

(2) As and for a sinking fund for the redemption of the 2021B Bonds maturing on November 1, 2045, the District will deposit in the Bond Fund, on or before November 1 in each of the following years, moneys which are sufficient to redeem (after credit as provided below) the following principal amount of the 2021B Bonds maturing on November 1, 2045:

Redemption Date (November 1)	Principal Amount
2042	$49,245,000
2043	50,355,000
2044	51,485,000

The remaining $52,645,000 of the 2021B Bonds maturing on November 1, 2045, will be paid upon presentation and surrender at maturity unless redeemed pursuant to optional redemption prior to maturity.

(b) On or before the thirtieth day prior to each sinking fund payment date, the Trustee shall proceed to call the Term Bonds (or any Term Bond or Term Bonds issued to replace such Term Bonds) for redemption from the sinking fund on the next November 1, and shall give notice of such call without other instruction or notice from the District.

At its option, to be exercised on or before the sixtieth day next preceding each such sinking fund redemption date, the District may (a) deliver to the Trustee for cancellation Term Bonds subject to mandatory sinking fund redemption on such date in an aggregate principal amount desired or (b) receive a credit in respect of its sinking fund redemption obligation for any Term Bonds of the same maturity subject to mandatory sinking fund redemption on such date, which prior to said date have been redeemed (otherwise than through the operation of the sinking fund) and cancelled by the Trustee and not theretofore applied as a credit against any sinking fund redemption obligation. Each Term Bond so delivered or previously redeemed will be credited by the Trustee at the principal amount thereof toward the obligation of the District on such sinking fund redemption date and the principal amount of Term Bonds to be redeemed by operation of such sinking fund on such date will be accordingly reduced. The District shall on or before the sixtieth day next preceding each sinking fund redemption date furnish the Trustee with its certificate indicating whether or not and to what extent the provisions of (a) and (b) of the preceding sentence are to be availed with respect to such sinking fund payment. Failure of the District to deliver such certificate shall not affect the Trustee's duty to give notice of sinking fund redemption as provided in this Section.

The District shall provide the Trustee with a revised sinking fund schedule with respect to any changes to the mandatory redemptions to the Term Bonds.

In the case of Bonds of a denomination larger than $5,000, a portion of such Bond ($5,000 or any integral multiple thereof) may be redeemed, in which case the Trustee shall, without charge to the Owner of such Bond, authenticate and issue a replacement Bond or Bonds for the unredeemed portion thereof.

Section 2.06 Notice of Redemption. Notice of the prior redemption of any Bonds shall be given by the Trustee in the name of the District by mailing a copy of the redemption notice by certified or first-class postage prepaid mail, not more than 60 nor less than 30 days prior to the Redemption Date to the Owners of the Bonds to be redeemed at their addresses as shown on the registration records kept by the Registrar, or in the event that the Bonds to be redeemed are registered in the name of the Depository, such notice may, in the alternative, be given by electronic means in accordance with the requirements of the Depository. Failure to give such notice as aforesaid or any defect therein shall not affect the validity of the proceedings for the redemption of any other Bonds as to which no such failure or defect exists.

Such notice shall specify the Bonds to be redeemed, the number or numbers of the Bonds to be so redeemed (if less than all are to be redeemed), the Redemption Price to be paid and the Redemption Date. Such notice shall further specify any condition to such redemption and shall state that, upon the satisfaction of any such condition, on the Redemption Date there will become and will be due and payable upon each Bond or portion thereof (in integral multiples of Authorized Denominations) so to be redeemed at the Principal Corporate Trust Office of the Paying Agent, the applicable Redemption Price and accrued interest to the Redemption Date, and that from and after such date, interest on the Bonds (or portions thereof) called for redemption will cease to accrue. Notice having been given in the manner hereinabove provided and upon satisfaction of any condition to such redemption, the Bond or Bonds so called for redemption shall become due and payable on the Redemption Date so designated and, upon presentation thereof at the Principal Corporate Trust Office of the Paying Agent, the District will pay the Bond or Bonds so called for redemption. No further interest shall accrue on the principal of any such Bond (or portion thereof) called for redemption from and after the Redemption Date, provided sufficient funds are on deposit at the place of payment on the Redemption Date. Upon surrender of any Bond redeemed in part only, the Trustee shall execute and deliver to the Owner thereof, at no expense to such Owner, a new Bond or Bonds of the same maturity and interest rate and of Authorized Denominations equal in aggregate principal amount to the unredeemed portion of the Bond surrendered.

Any notice of redemption may contain a statement that the redemption is conditioned upon the receipt by the Paying Agent of funds on or before the Redemption Date sufficient to pay the principal of, interest on and any redemption premium due on the Bonds so called for redemption, and that if such funds are not available, such redemption shall be cancelled by written notice to the Owners of the Bonds called for redemption in the same manner as the original redemption notice was mailed.

Section 2.07 Certification of Notice Given. A certificate by the Trustee that notice has been given as required by Section 2.06 hereof shall be conclusive against all parties and no Owner may object thereto or may object to the cessation of interest on the Redemption Date on the ground that such Owner failed to actually receive such notice.

Section 2.08 Uniform Commercial Code. The Owner or Owners of the Bonds shall possess all rights enjoyed by the owners or holders of investment securities under the provisions of the Uniform Commercial Code – Investment Securities.

Section 2.09 Payment of Principal and Interest on Bonds. The principal of, or Redemption Price and final interest payment, due in connection with the Bonds shall be payable to the Registered Owner thereof as shown on the registration records kept by the Registrar at the Principal Corporate Trust Office of the Paying Agent, upon presentation and surrender of the Bonds. If any Bond shall not be paid upon such presentation at or after maturity or at or after any applicable Redemption Date, such Bond shall continue to draw interest at the same interest rate borne by said Bond until the principal thereof is paid in full. Payment of interest on any Bond, other than the final interest payment thereon, shall be made to the Owner thereof by check or draft mailed by the Paying Agent on or before each Interest Payment Date (or, if such Interest Payment Date is not a Business Day, on or before the next succeeding Business Day) to the Owner at his or her address as it last appears on the registration records kept by the Registrar at the close of business on the Regular Record Date for such Interest Payment Date, but any such interest not so timely paid or duly provided for shall cease to be payable to the Person who is the Owner thereof at the close of business on a Regular Record Date and shall be payable to the Person who is the Owner thereof on a Special Record Date for the payment of any such defaulted interest. Such Special Record Date shall be fixed whenever moneys become available for payment of the defaulted interest and notice of the Special Record Date shall be given by first-class mail to the Owners of the Bonds as shown on the Registrar's registration records not less than ten days prior thereto, stating the date of the Special Record Date and the date fixed for the payment of such defaulted interest. The Paying Agent may make payments of interest on any Bond by such alternative means as may be mutually agreed to by the Paying Agent and the Owner (provided however, that the District shall not be required to make funds available to the Paying Agent prior to the Interest Payment Dates stated in this section). All such payments shall be made in lawful money of the United States of America without deduction for the services of the Paying Agent or Registrar.

Section 2.10 Registration, Transfer and Exchange of Bonds; Persons Treated as Owners. The Registrar shall maintain and keep, at its Principal Corporate Trust Office, records for the registration and transfer of the Bonds. Upon surrender for transfer of any Bond at the Principal Corporate Trust Office of the Registrar, duly endorsed for transfer or accompanied by an assignment duly executed by the Owner or his or her attorney duly authorized in writing, the Registrar shall enter such transfer on the registration records, and the District shall execute and the Trustee shall authenticate and deliver in the name of the transferee or transferees a new fully registered Bond or Bonds of the same principal amount, maturity and interest rate.

Bonds may be exchanged at the Principal Corporate Trust Office of the Registrar, for a like aggregate principal amount of fully registered Bonds of the same maturity and interest rate in Authorized Denominations. The District shall execute and the Trustee shall authenticate and deliver Bonds which the Owner making the exchange is entitled to receive, bearing numbers not contemporaneously Outstanding.

The Registrar may impose reasonable charges in connection with such exchanges and transfers of Bonds, which charges (as well as any tax or other governmental charge required to be paid with respect to such exchange or transfer) shall be paid by the Registered Owner requesting such exchange or transfer.

The Registrar shall not be required to transfer or exchange (1) any Bond or portion thereof during a period beginning at the opening of business 15 days before the day of mailing of notice of prior redemption as herein provided and ending at the close of business on the day of such mailing, or (2) any Bond or portion thereof after the mailing of notice calling such Bond or portion thereof for prior redemption, except for the unredeemed portion of the Bonds being redeemed in part.

The District, the Trustee, the Registrar and the Paying Agent may deem and treat the Person in whose name any Bond shall be registered upon the records of the Registrar as the absolute Owner thereof, whether the Bond shall be overdue or not, for the purpose of making payment thereof and for all other purposes whatsoever; and payment of, or on account of, the Debt Service Requirements of any Bond shall be made only to, or upon the order of, such Owner or his or her legal representative. All such payments shall be valid and effectual to satisfy and to discharge the liability upon the Bonds to the extent of the sum or sums so paid.

Prior to any transfer of the Bonds outside the book-entry system (including, but not limited to, the initial transfer outside the book-entry system) the transferor shall provide or cause to be provided to the Trustee all information necessary to allow the Trustee to comply with any applicable tax reporting obligations, including without limitation any cost basis reporting obligations under Internal Revenue Code Section 6045, as amended. The Trustee shall conclusively rely on the information provided to it and shall have no responsibility to verify or ensure the accuracy of such information.

Section 2.11 Execution of Bonds. The Bonds shall be signed and executed in the name and on the behalf of the District by the manual or facsimile signature of the Chair of the Board and shall be attested by the manual or facsimile signature of the Secretary of the Board and the corporate seal of the District (or a facsimile thereof) shall be impressed, imprinted, engraved or otherwise reproduced thereon or the Bonds shall be executed in such other manner as may be required or permitted by law. In case any one or more of the officers who shall have signed or sealed any of the Bonds shall cease to be such officer before the Bonds so signed and sealed shall have been authenticated and delivered by the Trustee, such Bonds may, nevertheless, be authenticated and delivered as herein provided, and may be issued as if the persons who signed or sealed such Bonds had not ceased to hold such offices.

Section 2.12 Use of Predecessor's Signature. The Bonds bearing the manual or facsimile signatures of the officers in office at the time of the execution thereof shall be the valid and binding obligations of the District, notwithstanding that before the delivery thereof and the payment therefor any or all of the individuals whose manual or facsimile signatures appear thereon shall have ceased to fill their respective offices. The Chair and the Secretary shall, by the execution of a signature certificate pertaining to the Bonds, adopt as and for their respective signatures any facsimile thereof appearing on the Bonds. At the time of the execution of the signature certificate, the Chair and the Secretary may each adopt as and for his or her facsimile signature the facsimile signature of his or her predecessor in the event that such facsimile signature appears upon any of the Bonds.

Section 2.13 Authentication of the Bonds. No Bond shall be secured hereby or entitled to the benefit hereof, nor shall any such Bond be valid or obligatory for any purpose, unless a certificate of authentication, substantially in such form as set forth in Exhibit A hereto, has been duly executed by the Trustee; and such certificate of the Trustee upon any such Bond shall be conclusive evidence and the only competent evidence that such Bond has been authenticated and delivered hereunder. The Trustee's certificate of authentication shall be deemed to have been duly executed by the Trustee if manually signed by an authorized officer or employee of the Trustee, but it shall not be necessary that the same officer or employee sign the certificate of authentication on all of the Bonds. By authenticating any of the Bonds delivered pursuant to this Indenture, the Trustee shall be deemed to have assented to the provisions of this Indenture.

Section 2.14 Incontestable Recital in Bonds. Pursuant to Section 32-9-135 of the Act, each Bond shall recite that it is issued under the authority of the Act. Such recital shall conclusively impart full compliance with all the provisions of the Act and all the Bonds issued containing such recital shall be incontestable for any cause whatsoever after their delivery for value. Each Bond shall also recite that it is issued under the authority of the Supplemental Act, which recital shall be conclusive evidence of the validity and the regularity of the issuance of the Bonds after their delivery for value.

Section 2.15 Bond Delivery. After the execution and authentication of the Bonds pursuant to the terms hereof, the Chair, or a designee of the Chair, shall cause the Bonds to be duly delivered to the Underwriters, upon due payment being made therefor. The Registrar shall initially register the Bonds in the name of "Cede & Co.," as nominee of DTC.

Section 2.16 Bond Replacement. Upon receipt by the District and the Trustee of evidence satisfactory to them of the ownership of and the loss, theft, destruction or mutilation of any Bond and, in the case of a lost, stolen or destroyed Bond, of indemnity satisfactory to them, and in the case of a mutilated Bond upon surrender and cancellation of the Bond, (i) the District shall execute and the Trustee shall authenticate and deliver a new Bond of the same date, maturity, interest rate and denomination in lieu of such lost, stolen, destroyed or mutilated Bond or (ii) if such lost, stolen, destroyed or mutilated Bond shall have matured or have been called for redemption, in lieu of executing and delivering a new Bond as aforesaid, the District may pay such Bond. Any such new Bond shall bear a number not previously assigned. The applicant for any such new Bond may be required to pay all expenses and charges of the District and of the Trustee in connection with the issuance of such Bond. All Bonds shall be held and owned upon the express condition that, to the extent permitted by law, the foregoing conditions are exclusive with respect to the replacement and payment of mutilated, destroyed, lost or stolen Bonds, negotiable instruments or other securities.

Section 2.17 Bond Cancellation. Whenever any Bond shall be surrendered to the Paying Agent upon payment thereof, or to the Registrar for transfer, exchange or replacement as provided herein, such Bond shall be promptly cancelled and destroyed by the Paying Agent or Registrar, and a certificate of such cancellation and destruction shall be furnished by the Paying Agent or Registrar to the District.

Section 2.18 Additional Parity Bonds; Other Securities. The District may issue Additional Parity Bonds that are payable from and that have a lien on all or a portion of the

Pledged Revenues that is on a parity with the lien thereon of the Bonds, if in accordance with the provisions of the Act and the Constitution and laws of the State, upon compliance with the following terms and conditions:

(a) The Trustee shall have received a certificate signed by the District Representative stating:

(1) The total amount of Sales Tax Revenues from the District Sales Tax Area and revenues received by the District or the Trustee from any Additional Tax from the District Sales Tax Area during twelve (12) consecutive calendar months of the eighteen (18) calendar months next preceding the authentication and delivery of the proposed Additional Parity Bonds. The term "Additional Tax" as used in this Section 2.18 shall mean any sales tax, other than the Sales Tax, which shall have been (1) levied or imposed by the State, or by the District pursuant to State legislative authorization, and in effect at the time of authentication and delivery of the proposed Additional Parity Bonds, (2) received by the District or the Trustee for at least twelve (12) consecutive months immediately preceding the authentication and delivery of the Additional Parity Bonds and (3) included as part of Pledged Revenues prior to such certification.

(2) The estimated receipts, if any, for the twelve-month period of clause (a)(1), which would have been received by the District or the Trustee during said twelve-month period from any Additional Tax collected in the District Sales Tax Area had such Additional Tax been in effect throughout said period, but not including any receipts from such Additional Tax included within the amount set forth in clause (a)(1).

(3) The interest received on moneys or securities in the 0.4% Sales Tax Increase Fund and the 0.6% Sales Tax Fund during said twelve-month period.

(4) The sum of the amounts in clauses (a)(1), (a)(2) and (a)(3).

(5) The Combined Maximum Annual Debt Service Requirements for all Senior Debt, the Bonds, any Parity Bonds and the proposed Additional Parity Bonds which will be Outstanding immediately after the authentication and delivery of such proposed Additional Parity Bonds.

(6) The percentage derived by dividing the amount in clause (a)(4) by the amount in clause (a)(5).

(b) The percentage shown in clause (a)(6) of such certificate is not less than 200%.

(c) The Trustee shall have received a certificate from the District Representative stating that no Events of Default have occurred and are continuing under the Senior Bond Resolution, this Indenture, any Parity Bond Resolutions or any Parity Bond Indentures as of the date of issuance of the proposed Additional Parity Bonds.

(d) Such Additional Parity Bonds shall be duly authorized by a resolution of the District. All Additional Parity Bonds may be payable as to principal and interest on any date or dates as set forth in the Parity Bond Resolution or Parity Bond Indenture relating to such Additional Parity Bonds.

For the purposes of making the computation required in Section 2.18(a) above, it shall be assumed that (a) Variable Rate Bonds Outstanding at the time of such determination will bear interest during any period (i) if the interest rate such Variable Rate Bonds bear or shall bear during such period has not been determined, and such Variable Rate Bonds are in a daily or weekly interest rate mode, at an interest rate equal to the 10 year average of the Municipal Swap Index, or (ii) if the interest rate such Variable Rate Bonds bear or shall bear during such period has not been determined, and such Variable Rate Bonds are in an interest rate mode that is longer than a weekly interest rate mode, at an interest rate equal to the fixed interest rate estimated by the remarketing agent for such Variable Rate Bonds and approved by the Chief Financial Officer or, if there is no such remarketing agent, by the Chief Financial Officer that, having due regard for prevailing financial market conditions, is necessary, but does not exceed the interest rate necessary, to sell such Variable Rate Bonds at 100% of the principal amount thereof in an open market transaction, assuming the Variable Rate Bonds had a term equal to the then remaining term of the Variable Rate Bonds (taking into account any mandatory redemption for such Variable Rate Bonds) or (iii) if the interest rate such Variable Rate Bonds bear or shall bear during such period has been determined and is not subject to fluctuation, at such interest rate thus determined, and (b) any Tender Bonds Outstanding at the time of such determination shall mature on the stated maturity or mandatory Redemption Date or Dates thereof.

For purposes of this calculation, if a Financial Products Agreement has been entered into by the District with respect to any Securities listed in Section 2.18(a)(5) hereof, interest on such Securities shall be included in the calculation of such principal and interest by including for each Fiscal Year an amount equal to the amount of interest payable on such Securities in such Fiscal Year during such period determined as hereinabove provided plus any Financial Products Payments payable in any such Fiscal Year minus any Financial Products Receipts receivable in any such Fiscal Year; provided that in no event shall any calculation made pursuant to this sentence result in a number less than zero being included in the calculation of such interest.

In determining the amount of any Financial Products Payments or Financial Products Receipts on any interest rate swaps or other similar Financial Products Agreement which Financial Products Payments or Financial Products Receipts are based on interest rates which are not fixed in percentage for the entire term of the Financial Products Agreement, such amount shall be calculated by assuming such variable interest rate is a fixed interest rate equal to (i) if the Financial Products Agreement relates to Variable Rate Bonds, the fixed rate of interest estimated for such Variable Rate Bonds as hereinabove provided or (ii) if the Financial Products Agreement relates to the Securities which bear interest at a fixed interest rate, the average of the daily, weekly or monthly interest rate, as applicable, for such Financial Products Payments or Financial Products Receipts under such Financial Products Agreement during the twelve months preceding the calculation or during the time the Financial Products Agreement has been in effect if less than twelve months and if such Financial Products Agreement is not then in effect, the variable interest rate shall be deemed to be a fixed interest rate equal to the average daily, weekly or monthly interest rate, as applicable, for such Financial Products Payments or Financial Products Receipts which would have been applicable if such Financial Products Agreement had been in effect for the preceding twelve month period, which average daily, weekly or monthly interest rate, as applicable, shall be set forth in a certificate of the Chief Financial Officer.

In determining the amount of any Financial Products Payments or Financial Products Receipts on any interest rate swap, cap, floor, collar or other similar Financial Products Agreement with respect to Securities which are Variable Rate Bonds, such amount shall be calculated by assuming the interest rate on the related Variable Rate Bonds will be a fixed interest rate equal to the average of the daily, weekly or monthly interest rate, as applicable, on such Variable Rate Bonds during the twelve months preceding the calculation or during the time the Variable Rate Bonds are Outstanding if less than twelve months and if such Variable Rate Bonds are not at the time of calculation Outstanding, the variable interest rate shall be deemed to be a fixed interest rate equal to the average daily, weekly or monthly interest rate, as applicable, which such Variable Rate Bonds would have borne if they had been Outstanding for the preceding twelve month period as estimated by the Chief Financial Officer, all as set forth in a certificate of the Chief Financial Officer. In determining the amount of any Financial Products Payments or Financial Products Receipts on any interest rate swap, cap, floor, collar or other similar Financial Products Agreement with respect to Securities bearing interest at a fixed rate, such amount shall be the amount payable or receivable annually determined as of the date of issuance of the Securities as set forth in a certificate of the Chief Financial Officer.

For the purposes of this calculation, if Commercial Paper Notes are then Outstanding or are the Parity Bonds proposed to be issued, it shall be assumed that (a) the principal amount of any Commercial Paper Notes Outstanding is the maximum authorized principal amount of the Commercial Paper Notes, (b) the Commercial Paper Notes will mature in accordance with the amortization schedule established in connection with the issuance of the Commercial Paper Notes, and (c) the Commercial Paper Notes will bear interest on the unpaid principal amount thereof at the fixed rate of interest equal to the Bond Buyer 30 Year Revenue Index of 25 Revenue Bonds as published in the most recent issues of The Bond Buyer (or any successor thereto) preceding the date of such determination or if such Index is no longer published, of a comparable index selected by the Chief Financial Officer and will be payable on a level annual debt service basis, all as set forth in a certificate of the Chief Financial Officer.

In the case of Additional Parity Bonds issued for the purpose of refunding less than all of the Bonds and other Parity Bonds then Outstanding, compliance with Section 2.18(a) and (b) shall not be required (unless by the provisions of any resolution or indenture authorizing the issuance of other Outstanding Parity Bonds) so long as the debt service payable on all Bonds and other Parity Bonds Outstanding after the issuance of such Additional Parity Bonds in each Bond Year does not exceed the debt service payable on all Bonds and other Parity Bonds Outstanding prior to the issuance of such Additional Parity Bonds in each Bond Year.

The District may enter into Parity Credit Facility Obligations and Parity Financial Products Agreements relating to the Bonds, any Parity Bonds and any Additional Parity Bonds as is determined by the Board to be in the best interest of the District and in accordance with the provisions of the Act and the Constitution and laws of the State. Notwithstanding any other provision of this Indenture, no Financial Products Termination Payment required under any such Parity Financial Products Agreements shall be secured by a lien on the Pledged Revenues that is senior to or on a parity with the lien thereon of the Bonds.

The District shall not issue Securities payable from and having a lien on all or a portion of the Pledged Revenues that is superior or senior to the lien thereon of the Bonds, except as provided in Section 5.16 hereof. The District may enter into Senior Financial Products Agreements and Senior Credit Facility Obligations as provided in Section 5.16 hereof. The District may issue or enter into Subordinate Lien Obligations and enter into Subordinate Financial Products Agreements and Subordinate Credit Facility Obligations as provided in Section 5.17 hereof.

Section 2.19 Book Entry. Notwithstanding any other provision hereof, the Bonds shall initially be registered in the name of the Depository or a nominee therefor, and this Section 2.19 shall apply so long as the Bonds are registered in the name of the Depository or a nominee therefor. Purchases by Beneficial Owners of the Bonds shall be made in book-entry form in the principal amount of $5,000 or any integral multiple thereof. The Beneficial Owners shall not receive certificates evidencing their interests in the Bonds. No Bond shall be issued in a denomination larger than the aggregate principal amount maturing on the maturity date of such Bond, and no Bond shall be made payable on more than one maturity date. So long as any Bond is registered in the name of the Depository or a nominee therefor, the Depository shall disburse any payments received, through Participants or otherwise, to the Beneficial Owners. None of the District, the Trustee, the Registrar or the Paying Agent shall have any responsibility or obligation for the payment to any Participant, any Beneficial Owner or any other Person (except the Registered Owner in whose name any Bonds are registered) of the principal of, interest on or any premium due in connection with the Bonds. The Bonds shall be initially issued so that a single Bond for each series shall evidence the obligation of the District to pay all principal due on each of the maturity dates for each interest rate. Each such Bond shall be registered in the name of the Depository or a nominee therefor. Except as hereinafter provided, all of the Bonds shall continue to be registered in the name of the Depository or a nominee therefor. To the extent typewritten Bonds, rather than printed Bonds, are to be issued, such modification to the form of the Bond as may be necessary or desirable in such case are hereby authorized and approved.

The District, the Trustee, the Registrar and the Paying Agent shall have no responsibility or obligation with respect to the accuracy of the records of the Depository or a nominee therefor or any Participant with respect to any ownership interest in the Bonds or the delivery to any Participant, Beneficial Owner or any other Person (except the Registered Owner in whose name any Bonds are registered) of any notice with respect to the Bonds, including any notice of redemption.

The District may remove the Depository and the Depository may resign by giving sixty (60) days' notice to the other of such removal or resignation. Additionally, the Depository shall be removed sixty (60) days after receipt by the District of written notice from the Depository to the effect that the Depository has received written notice from Participants having interests, as shown in the records of the Depository, in an aggregate principal amount of not less than 50% of the aggregate principal amount of the then Outstanding Bonds to the effect that the Depository is unable or unwilling to discharge its responsibilities or a continuation of the requirement that all of the Outstanding Bonds be registered in the name of the Depository or a nominee therefor is not in the best interest of the Beneficial Owners. Upon the removal or resignation of the Depository, the Depository shall take such action as may be necessary to assure the orderly transfer of the computerized book-entry system with respect to the Bonds to a successor Depository or if no successor Depository is appointed as herein provided, the transfer of the Bonds in certificate form to the Beneficial Owners or their designees. Upon the giving of notice by the District of the removal of the Depository, the giving of notice by the Depository of its resignation or the receipt by the District of notice with respect to the written notice of Participants referred to herein, the District may within sixty (60) days after the giving or receipt of such notice, appoint a successor Depository upon such terms and conditions as the District shall impose. Any such successor Depository shall at all times be a registered clearing agency under the Securities and Exchange Act of 1934, as amended, or other applicable statute or regulation, and in good standing thereunder. If the District fails to appoint a successor Depository within such time period, the Bonds shall no longer be restricted to being registered in the name of the Depository or a nominee therefor, but may be registered in whatever name or names Registered Owners transferring or exchanging the Bonds shall designate.

Notwithstanding any other provision of the Bond Resolution or this Indenture to the contrary, so long as any Bond is registered in the name of Cede & Co., as nominee for the Depository, all payments with respect to principal of, interest on and any premium due in connection with the redemption of such Bond and all notices with respect to such Bond shall be made or given, respectively, in the manner required by the Depository.

Section 2.20 Bond Form. The Bonds shall be in substantially the form set forth in Exhibit A to this Indenture, with such appropriate variations, omissions and insertions as may be required by the circumstances, or as may be required or permitted hereby or by the Bond Resolution or the sale certificate executed in accordance with the provisions of the Bond Resolution.

ARTICLE III

FUNDS

Section 3.01 Source of Payment; Special Obligations. The Bonds, any Parity Credit Facility Obligation related thereto, and any Financial Products Payments pursuant to any Parity Financial Product Agreement related thereto are and shall be special and limited obligations of the District equally secured by an irrevocable pledge of, and payable from, the Pledged Revenues.

The creation, perfection, enforcement, and priority of the pledge of revenues to secure or pay the Bonds and the Securities as provided herein shall be governed by Section 11-57-208 of the Supplemental Act, the Bond Resolution and this Indenture. The revenues pledged for the payment of the Bonds and the Securities, as received by or otherwise credited to the District, shall immediately be subject to the lien of such pledge without any physical delivery, filing, or further act. The lien of such pledge on the revenues pledged for payment of the Bonds and the obligation to perform the contractual provisions made herein and in the Bond Resolution shall have priority over any or all other obligations and liabilities of the District, except for the Outstanding Senior Debt and except as otherwise provided herein. The lien of such pledge shall be valid, binding, and enforceable as against all Persons having claims of any kind in tort, contract, or otherwise against the District irrespective of whether such Persons have notice of such liens.

The payment of the Bonds shall not be secured by any encumbrance, mortgage, or other pledge of property of the District, other than the Pledged Revenues. No property of the District, subject to such exception, shall be liable to be forfeited or taken in payment of the Bonds. The Bonds shall not in any way create or constitute any indebtedness, liability, or obligation of the State or of any political subdivision thereof, except the District, and nothing in this Indenture shall be construed to authorize the District to incur any indebtedness on behalf of or in any way to obligate the State or any political subdivision thereof, except the District. Neither the members of the Board of Directors nor any persons executing the Bonds shall be liable personally on the Bonds by reason of the issuance thereof.

Section 3.02 Sales Tax Revenues Remitted Directly to Trustee. The District, in accordance with the authority granted by Section 32-9-131 of the Act to pledge the Sales Tax Revenues to the payment of securities of the District, has heretofore assigned its rights to receive payment of the 0.6% Sales Tax to the Senior Debt Trustee for the benefit of the owners of the Senior Debt and the District hereby further assigns its rights to receive payment of the 0.6% Sales Tax to the Trustee for the benefit of the owners of the Bonds and any other Securities hereafter issued and payable from the 0.6% Sales Tax, to the extent and upon the terms herein provided. The District hereby assigns its rights to receive payment of the 0.4% Sales Tax Increase to the Trustee for the benefit of the Owners of the Bonds and any other Securities hereafter issued and payable from the 0.4% Sales Tax Increase. The District hereby directs the Executive Director of the Department of Revenue to pay, in accordance with law, the 0.6% Sales Tax collected by such Executive Director directly to the Senior Debt Trustee so long as any Senior Debt remains Outstanding and, upon payment or defeasance in full of all Outstanding Senior Debt, to pay, in accordance with law, the 0.6% Sales Tax collected by such Executive Director directly to the Trustee so long as any Bonds or other Securities payable from the 0.6% Sales Tax remain Outstanding, and to pay, in accordance with law, the 0.4% Sales Tax Increase collected by such Executive Director directly to the Trustee so long as any Bonds or other Securities payable from the 0.4% Sales Tax Increase remain Outstanding. Upon the payment or defeasance in full of all Securities payable in whole or in part from the Sales Tax Revenues, the Executive Director of the Department of Revenue shall remit all Sales Tax Revenues to the District. An authorized officer of the District has heretofore delivered notification of this assignment to the Executive Director of the Department of Revenue, has obtained the written consent of such Executive Director to such assignment and has furnished a copy of such consent to the Trustee.

If the Trustee has not received the 0.6% Sales Tax or the 0.4% Sales Tax Increase in accordance with the provisions of this Section by the 15th day of any month, the Trustee shall send written notice to the District and to the Executive Director of the Department of Revenue that it has not received such payment.

Section 3.03 Establishment of Funds and Accounts In connection with the issuance of the 2006A Bonds, the District established and created the following funds pursuant to the 2006A Indenture, which are hereby continued:

(a) Regional Transportation District 0.4% Sales Tax Increase Fund (the "0.4% Sales Tax Increase Fund"); and

(b) Regional Transportation District 0.6% Sales Tax Fund (the "0.6% Sales Tax Fund").

In connection with the issuance of the Bonds, the District hereby establishes and creates the following funds and accounts:

(c) Regional Transportation District Taxable Sales Tax Revenue Refunding Bonds (FasTracks Project), Series 2021A-B Bond Fund (the "Bond Fund"), and within such Bond Fund, two separate accounts to be known as the "Regional Transportation District Taxable Sales Tax Revenue Refunding Bonds (FasTracks Project), Series 2021A Bond Account" (the "2021A Bond Account") and the "Regional Transportation District Tax-Exempt Sales Tax Revenue Refunding Bonds (FasTracks Project), Series 2021B Bond Account" (the "2021B Bond Account");

(d) Regional Transportation District Tax-Exempt Sales Tax Revenue Refunding Bonds (FasTracks Project), Series 2021B Rebate Fund (the "Rebate Fund");

(e) Regional Transportation District Taxable Sales Tax Revenue Refunding Bonds (FasTracks Project), Series 2021 Costs of Issuance Fund (the "Costs of Issuance Fund"); and

(f) Regional Transportation District Current Refunding Fund (the "Current Refunding Fund").

In addition, the 2021A Escrow Account will be established and created pursuant to the 2021A Escrow Agreement, to be applied by the escrow agent in accordance with the 2021A Escrow Agreement.

Such funds and accounts created under the 2006A Indenture and this Indenture shall be held in the custody of the Trustee. The District authorizes and directs the Trustee to withdraw moneys from the Funds and the Rebate Fund for the purposes specified herein, which authorization and direction the Trustee hereby accepts. The Trustee shall advise the District in writing promptly after the end of each month of the respective transactions during such month relating to each fund and account held by it under the Indenture.

In the event that the District enters into a Financial Products Agreement after the date hereof with respect to Securities proposed to be issued by the District, the District shall provide the Trustee with written instructions concerning any payments to be made from any Funds hereunder pursuant to any such Financial Products Agreement, as permitted by the terms and provisions of this Indenture. The Trustee hereby agrees to comply with any such written instructions by the District.

All moneys required to be deposited with or paid to the Trustee under any provision of this Indenture for deposit in a Fund shall, while held by the Trustee, constitute a part of the Pledged Revenues for the Bonds and shall be subject to the lien hereof. All moneys held in the Rebate Fund, the 2021A Escrow Account and any other Escrow Fund shall not be subject to the lien and pledge of this Indenture.

The 0.4% Sales Tax Increase Fund shall be maintained by the Trustee as long as any Securities payable in whole or in part from the 0.4% Sales Tax Increase are Outstanding. The 0.6% Sales Tax Fund shall be maintained by the Trustee as long as any Securities payable in whole or in part from the 0.6% Sales Tax are Outstanding. When all Securities payable in whole or in part from the 0.6% Sales Tax Fund have been defeased and are no longer Outstanding, the District may amend this Indenture pursuant to Section 8.01(f) hereof to combine the 0.4% Sales Tax Increase Fund and the 0.6% Sales Tax Fund into one Sales Tax Fund to be held by the Trustee and applied in accordance with the provisions hereof.

The Trustee may, in its discretion, establish temporary funds or accounts necessary to facilitate the foregoing deposits and any subsequent transfers.

Section 3.04 Disposition of Bond Proceeds and Other Funds of the District. The net proceeds of the Bonds and other available funds of the District shall be applied in the following manner:

(a) The net proceeds of the 2021A Bonds shall be applied to effectuate the 2021A Refunding Project, as follows:

(1) \$420,390,442.67 of net proceeds of the 2021A Bonds, shall be credited to and deposited in the 2021A Escrow Account established pursuant to the 2021A Escrow Agreement to refund and defease the Refunded 2012A Bonds; and

(2) \$379,957.05 of net proceeds of the 2021A Bonds shall be credited and deposited to the Costs of Issuance Fund.

(b) The net proceeds of the 2021B Bonds shall be applied to effectuate the 2021B Refunding Project, as follows:

(1) \$348,274,435.95 of net proceeds of the 2021B Bonds shall be credited to and deposited in the Current Refunding Fund and applied to the payment and cancellation of the RTD TIFIA Bond on the date of issuance of the 2021B Bonds;

(2) \$95,656,287.89 of net proceeds of the 2021B Bonds, together with other available funds of the District in the amount of \$1,482,672.28, shall be credited to and deposited in the Current Refunding Fund and applied to the purchase and cancellation of the Tendered 2012A Bonds on the date of issuance of the 2021B Bonds; and

(3) \$552,892.25 of net proceeds of the 2021B Bonds shall be credited and deposited to the Costs of Issuance Fund.

Section 3.05 0.4% Sales Tax Increase Fund. All amounts received by the Trustee from the 0.4% Sales Tax Increase shall be deposited to the 0.4% Sales Tax Increase Fund. Amounts deposited in the 0.4% Sales Tax Increase Fund shall be applied each month by the Trustee to the following purposes in the following order of priority:

(a) Bond Fund. First, from moneys on deposit in the 0.4% Sales Tax Increase Fund, there shall be credited to the 2021A Bond Account and the 2021B Bond Account, concurrently on a pari passu basis with any payments required to be made pursuant to the 2007A Indenture, the 2010 Indenture, the 2013A Indenture, the 2016A Indenture, the 2017A Indenture, the 2017B Indenture, the 2019A Indenture and any Parity Credit Facility Obligations relating to the Bonds or any Financial Products Payments pursuant to any Parity Financial Products Agreements relating to the Bonds and pursuant to any Parity Bond Resolutions or Parity Bond Indentures with respect to the principal of or interest on any other Parity Bonds then Outstanding, any Parity Credit Facility Obligations or any Financial Products Payments pursuant to Parity Financial Products Agreements heretofore or hereafter entered into, the following amounts:

(1) Interest Payments. Commencing with the month immediately succeeding the delivery of the Bonds, (A) to the 2021A Bond Account an amount in equal monthly installments necessary, together with any other moneys from time to time available therefor from whatever source, to pay the next installment of interest due on the 2021A Bonds then Outstanding, and (B) to the 2021B Bond Account an amount in equal monthly installments necessary, together with any other moneys from time to time available therefor from whatever source, to pay the next installment of interest due on the 2021B Bonds then Outstanding.

(2) Principal Payments. Commencing with the month immediately succeeding the delivery of the Bonds, or commencing one year next prior to the first principal payment date of the Bonds, whichever commencement date is later, (A) to the 2021A Bond Account, an amount in equal monthly installments necessary, together with any other moneys from time to time available therefor from whatever source, to pay the next installment of principal (whether at maturity or on a Redemption Date) due on the 2021A Bonds then Outstanding, and (B) to the 2021B Bond Account, an amount in equal monthly installments necessary, together with any other moneys from time to time available therefor from whatever source, to pay the next installment of principal (whether at maturity or on a Redemption Date) due on the 2021B Bonds then Outstanding.

(b) Parity Bond Reserve Funds. Second, from any moneys remaining in the 0.4% Sales Tax Increase Fund there shall be made any payments required to be made pursuant to the 2007A Indenture, the 2010 Indenture, the 2013A Indenture, the 2016A Indenture, the 2017A Indenture, the 2017B Indenture, the 2019A Indenture, this Indenture, any Parity Bond Resolutions or Parity Bond Indentures with respect to any reserve funds established thereby and concurrently with any repayment or similar obligations payable to any surety provider issuing any reserve fund insurance policy with respect to any Parity Bonds.

(c) Rebate Fund. Third, and concurrently with any payments required to be made pursuant to the 2007A Indenture, the 2010 Indenture, the 2013A Indenture, the 2016A Indenture, the 2017A Indenture, the 2017B Indenture, the 2019 Indenture and any Parity Bond Resolutions or Parity Bond Indentures with respect to any rebate funds established thereby, from any moneys remaining on deposit in the 0.4% Sales Tax Increase Fund, there shall be credited to the Rebate Fund the amount required, if any, until the amount on deposit in the Rebate Fund satisfies the requirements of Section 3.10 hereof.

(d) Interest on Reserve Fund Insurance Policy Draws on Parity Bonds. Fourth, from any moneys remaining on deposit in the 0.4% Sales Tax Increase Fund, there shall be paid to any surety provider issuing any reserve fund insurance policy with respect to any Parity Bonds, interest on any amounts drawn under any such reserve fund insurance policy until such interest has been paid in full.

(e) Payment of Subordinate Lien Obligations. Fifth, and subject to the provisions of this Indenture, any moneys remaining on deposit in the 0.4% Sales Tax Increase Fund after the foregoing payments have been made may be used by the District for the payment of any Subordinate Lien Obligations, including reasonable reserves for such Subordinate Lien Obligations and for rebate of amounts to the United States Treasury with respect to such Subordinate Lien Obligations, any Subordinate Credit Facility Obligations, and any payments on Financial Products Agreements or Financial Products Termination Payments which have a lien on Pledged Revenues subordinate and junior to the lien thereon of the Bonds. The District shall provide the Trustee with written instructions concerning any payments to be made pursuant to this subsection 3.05(e), as permitted by the terms and provisions of this Indenture. The Trustee hereby agrees to comply with any such written instructions by the District.

(f) Remaining Revenues. In each month, after making in full the deposits or payments required from moneys on deposit in the 0.4% Sales Tax Increase Fund, any amounts remaining on deposit in the 0.4% Sales Tax Increase Fund shall be remitted by the Trustee to the District free and clear of the lien of this Indenture, unless otherwise directed by the District in writing.

Section 3.06 0.6% Sales Tax Fund. All amounts received by the Senior Debt Trustee from the 0.6% Sales Tax shall be applied first as required by the Senior Bond Resolution so long as any Senior Debt remains Outstanding. In each month, after making in full all deposits or payments required by the Senior Bond Resolution, any remaining 0.6% Sales Tax revenues shall be remitted by the Senior Debt Trustee to the Trustee, free and clear of the lien of the Senior Bond Resolution, for deposit by the Trustee into the 0.6% Sales Tax Fund. Amounts on deposit in the 0.6% Sales Tax Fund shall be applied each month by the Trustee for the following purposes in the following order of priority:

(a) Insufficiency of Moneys on Deposit in 0.4% Sales Tax Increase Fund. First, to the extent that moneys on deposit in the 0.4% Sales Tax Increase Fund are insufficient in any month to make any of the deposits or payments required to be made as set forth in Section 3.05 above, any moneys on deposit in the 0.6% Sales Tax Fund shall be used in such month to make such deposits or payments in the order of priority set forth in Section 3.05 above.

(b) Remaining Revenues. In each month, after making in full the deposits or payments required by this Indenture from moneys on deposit in the 0.6% Sales Tax Fund, any amounts remaining on deposit in the 0.6% Sales Tax Fund shall be remitted by the Trustee to the District free and clear of the lien of this Indenture, unless otherwise directed by the District in writing.

Section 3.07 Bond Fund. Any moneys deposited into the 2021A Bond Account of the Bond Fund shall be used to pay the principal of, prior redemption premium, if any, and interest on the 2021A Bonds as the same become due, except as provided in Sections 3.12 and

6.10 hereof. Any moneys deposited into the 2021B Bond Account of the Bond Fund shall be used to pay the principal of, prior redemption premium, if any, and interest on the 2021B Bonds as the same become due, except as provided in Sections 3.10, 3.12 and 6.10 hereof. The Bond Fund shall be in the custody of the Trustee, but in the name of the District and the District authorizes and directs the Trustee to withdraw sufficient funds from the Bond Fund to pay the Debt Service Requirements of the Bonds as the same become due and payable.

Section 3.08 Costs of Issuance Fund Upon the delivery of the Bonds there shall be deposited into the Costs of Issuance Fund from the proceeds of the Bonds the amounts directed by Section 3.04 hereof. Payments from the Costs of Issuance Fund shall be made by the Trustee upon receipt of a statement or a bill for the provision of costs of issuance of the Bonds approved in writing by the District Representative and (a) stating the payee, the amount to be paid and the purpose of the payment and (b) certifying that the amount to be paid is due and payable, has not been the subject of any previous requisition and is a proper charge against the Costs of Issuance Fund.

Any moneys held in the Costs of Issuance Fund shall be invested by the Trustee in accordance with Article IV hereof.

Upon the payment of all costs of issuance, as certified in writing by the District Representative, the Trustee shall transfer any moneys remaining in the Costs of Issuance Fund as directed in writing by the District Representative.

Notwithstanding any other provisions of this Indenture, to the extent that other monies are not available therefor, amounts on deposit in the Costs of Issuance Fund shall be applied to the payment of principal of and interest on the Bonds when due.

Section 3.09 Current Refunding Fund. Upon the delivery of the Bonds there shall be deposited into the Current Refunding Fund from the proceeds of the 2021B Bonds and other available funds the amounts directed by Section 3.04(b)(1) and (2) hereof. $348,274,435.95 of net proceeds of the 2021B Bonds deposited in the Current Refunding Fund shall be applied by the Trustee to the payment and cancellation of the RTD TIFIA Bond on the date of issuance of the 2021B Bonds. $95,656,287.89 of net proceeds of the 2021B Bonds, together with other available funds of the District in the amount of $1,482,672.28, deposited in the Current Refunding Fund shall be applied by the Trustee to the purchase and cancellation of the Tendered 2012A Bonds on the date of issuance of the 2021B Bonds. After the payment of the RTD TIFIA Bond and the purchase of all the Tendered 2012A Bonds, the Trustee shall transfer any moneys remaining in the Current Refunding Fund as directed in writing by the District Representative, and thereafter shall close the Current Refunding Fund.

Section 3.10 Rebate Fund. There shall be credited to the Rebate Fund moneys in the amounts and at the times specified in the 2021B Tax Compliance Certificate so as to enable the District to comply with the covenants referred to in Section 5.15 hereof. Amounts credited to the Rebate Fund shall not be subject to the lien and pledge of this Indenture. The District shall cause amounts credited to the Rebate Fund to be forwarded to the United States Treasury (at the address provided in the 2021B Tax Compliance Certificate) at the times and in the amounts set forth in the 2021B Tax Compliance Certificate. The Trustee shall not be required to take any actions under the 2021B Tax Compliance Certificate in the absence of written instructions from the District, and the Trustee shall conclusively be deemed to have complied with the provisions of the 2021B Tax Compliance Certificate if it complies with such written instructions of the District.

Notwithstanding any other provision of this Indenture, the Trustee may, at the written direction of the District, transfer to the Rebate Fund any investment income or other gain attributable to the 0.4% Sales Tax Increase Fund, the 0.6% Sales Tax Fund and the 2021B Bond Account if necessary to satisfy the amounts required to be on deposit therein. Upon receipt by the Trustee of a written opinion of Bond Counsel to the effect that the amount credited to the Rebate Fund is in excess of the amount required to be contained therein, such excess shall be transferred to the 2021B Bond Account forthwith. The Trustee may conclusively rely on any written direction from the District with regard to the Rebate Fund and the District hereby agrees to hold harmless the Trustee for any loss, claim, liability or expense incurred by the District for any actions taken by the Trustee in accordance with such written direction.

Section 3.11 2021A Escrow Account. The 2021A Escrow Account is being created pursuant to the 2021A Escrow Agreement and shall be maintained in an amount at the time of the initial deposits therein and at all times subsequent at least sufficient, together with the known minimum yield to be derived from the initial investment and any temporary reinvestment of the deposits therein or any part thereof in Federal Securities, to pay the Refunded 2012A Bond Requirements. Moneys shall be withdrawn by the escrow agent from the 2021A Escrow Account in sufficient amounts and at such times to permit the payment without default of the Refunded 2012A Bond Requirements. The 2021A Escrow Account shall be held, maintained and invested as provided in the 2021A Escrow Agreement. Funds on deposit in the 2021A Escrow Account shall not be subject to the lien and pledge of this Indenture and shall not be available to pay the principal of or interest on the Bonds.

Section 3.12 Payments from Funds Upon Discharge of Lien. Upon discharge of the lien of this Indenture in accordance with Article IX hereof, any moneys remaining in the Funds and the Rebate Fund and not required for the discharge of the lien of this Indenture as provided in Article IX hereof shall be paid by the Trustee to the District; provided, however, that moneys shall be retained in the 0.4% Sales Tax Increase Fund as long as any Securities payable in whole or in part from the 0.4% Sales Tax Increase remain Outstanding, and moneys shall be retained in the 0.6% Sales Tax Fund as long as any Securities payable in whole or in part from the 0.6% Sales Tax remain Outstanding, and moneys shall be retained in the Rebate Fund if required by Section 3.10 hereof for payment to the United States. Moneys on deposit in the 2021A Escrow Account shall be disbursed solely in accordance with the provisions of the 2021A Escrow Agreement.

Section 3.13 Creation of Additional Accounts and Subaccounts. The Trustee shall, at the written request of the District, establish any accounts within any of the funds established under this Indenture, and any subaccounts within any of the accounts hereby or hereafter established, all as shall be specified in any such written request, for the purpose of identifying more precisely the sources of payments into and disbursements from such funds and accounts, but the establishment of any such accounts and subaccounts shall not alter or modify any of the requirements of this Indenture with respect to the deposit or use of money in any fund established hereunder.

Section 3.14 Revenues to Be Held for All Owners; Certain Exceptions. Amounts derived from the Pledged Revenues and any other amounts required to be used to pay the Debt Service Requirements of the Bonds shall, until applied as provided in this Indenture, be held by the Trustee for the benefit of the Owners of all Outstanding Bonds, subject to the terms and provisions of this Indenture, except that any portion of the revenues representing any Debt Service Requirements of any Bonds previously matured or called for redemption in accordance with Article II of this Indenture shall be held for the benefit of the Owners of such Bonds only.

Section 3.15 Nonpresentment of Bonds. In the event any Bonds, or portions thereof, shall not be presented for payment when the principal thereof becomes due, either at maturity, the date fixed for redemption thereof, or otherwise, if funds sufficient for the payment thereof, including accrued interest thereon, shall have been deposited into the Bond Fund or otherwise made available to the Trustee for deposit therein, then on and after the date said principal becomes due, all interest thereon shall cease to accrue and all liability of the District to the Owner or Owners thereof for the payment of such Bonds shall forthwith cease, terminate, and be completely discharged, and thereupon it shall be the duty of the Trustee to hold such fund or funds in a separate trust account for the benefit of the Owner or Owners of such Bonds, who shall thereafter be restricted exclusively to such fund or funds for any claim of whatever nature on his, her or their part under this Indenture with respect to said Bond or on, or with respect to, said Bond. Such moneys shall not be required to be invested during such period by the Trustee. If any Bond shall not be presented for payment within the period of three years (subject to applicable escheat law) following the date when such Bond becomes due, whether by maturity or otherwise, the Trustee shall return to the District the funds theretofore held by it for payment of such Bond and such Bond shall, subject to the defense of any applicable statute of limitation, thereafter be an unsecured obligation of the District.

ARTICLE IV

INVESTMENT OF MONEYS

Section 4.01 Investments. Any moneys held by the Trustee in the Funds or the Rebate Fund shall be invested by the Trustee, on written direction of the District Representative in accordance with the provisions of this Section. All such investments in the Funds and the Rebate Fund shall be held by or under the control of the Trustee. The Trustee shall sell and reduce to cash a sufficient amount of such investments whenever the cash balance in any Fund or the Rebate Fund is insufficient to make a required payment from such Fund or the Rebate Fund, or otherwise upon the direction of the District Representative. The Trustee may rely on the investment direction of the District as to both the suitability and legality of the directed investments.

All moneys held by the Trustee in the Funds or the Rebate Fund shall be invested by the Trustee, on written direction of the District, in Permitted Investments. Obligations purchased as an investment of moneys in any Fund or the Rebate Fund shall be deemed at all times to be a part of such Fund or the Rebate Fund, as the case may be. Any loss resulting from any such investment shall be charged to such Fund or the applicable account within such Fund or the Rebate Fund, as the case may be. Any interest or other gain realized as a result of any investment or reinvestment of moneys in any Fund, and each account within such Fund, and the Rebate Fund shall be credited to such Fund, and each account within such Fund, or the Rebate

Fund, as the case may be. In computing the amount in any Fund or the Rebate Fund, Permitted Investments shall be valued at fair market value. In determining fair market value of Permitted Investments, the Trustee may use and rely upon any generally recognized pricing information service (including brokers and dealers in securities) available to it.

All directions from the District to the Trustee concerning the investment of funds shall be in writing. In the absence of written direction from the District, the Trustee shall hold such amounts uninvested. Such funds may include funds for which the Trustee, or its parent, affiliates, or subsidiaries provide investment advisory or other management services, or for which such entity or entities serve as administrator, shareholder servicing agent, and/or custodian or subcustodian, notwithstanding that (i) the Trustee or an affiliate of the Trustee receives fees from funds for services rendered, (ii) the Trustee collects fees for services rendered pursuant to this Indenture, which fees are separate from the fees received from such funds, and (iii) services performed for such funds and pursuant to this Indenture may at times duplicate those provided to such funds by the Trustee or an affiliate of the Trustee. The Trustee shall incur no liability for losses arising from any investments made pursuant to this Section 4.01.

The District acknowledges that regulations of the Comptroller of the Currency grant the District the right to receive brokerage confirmations of security transactions as they occur, at no additional cost. To the extent permitted by law, the District specifically waives compliance with 12 C.F.R. 12 and hereby notifies the Trustee that no brokerage confirmations need be sent relating to the security transactions as they occur.

ARTICLE V

GENERAL COVENANTS

Section 5.01 Indenture to Constitute Contract. In consideration of the purchase and acceptance of any or all of the Bonds by those who will own the same from time to time, the provisions of this Indenture shall be a part of the contract between the District and the Owners of the Bonds from time to time, to the effect and with the purpose set forth in this Indenture.

Section 5.02 Payment of Principal, Premium, if any, and Interest; Payment of Credit Facility Obligation and Financial Products Agreement. The District covenants that it shall promptly cause to be paid the Debt Service Requirements of each Bond under this Indenture at the place, on the dates and in the manner provided herein and in the Bonds according to the true intent and meaning thereof. The Debt Service Requirements of the Bonds are payable solely from the Pledged Revenues, and not from any other funds of the District. The District further covenants that it shall promptly cause to be made all payments required pursuant to any Credit Facility Obligation in accordance with the terms of any such Credit Facility Obligation and to make all Financial Products Payments and Financial Products Termination Payments, if any, in accordance with the terms of any Financial Products Agreement.

Section 5.03 Performance of Covenants; Authority. The District shall faithfully perform at all times any and all covenants, undertakings, stipulations and provisions set forth in this Indenture, in any and every Bond executed, authenticated and delivered hereunder and in all of its resolutions and proceedings pertaining hereto. The District is duly authorized under the Constitution and laws of the State, including particularly and without limitation the Act, to issue the Bonds authorized hereby and to execute this Indenture, and to pledge the receipts and amounts hereby pledged in the manner and to the extent set forth herein. All action taken by the District in connection with the execution and delivery of this Indenture has been duly and effectively taken, such that the Bonds in the hands of the Owners thereof when and as issued will be valid and enforceable obligations of the District according to the terms thereof and of this Indenture.

Section 5.04 Conditions Precedent. Upon the date of issuance of the Bonds, all conditions, acts and things required by the Constitution and laws of the State, including but not limited to the Act, and resolutions of the District to exist, to have happened and to have been performed precedent to or in the issuance of the Bonds shall exist, have happened, and have been performed; and the Bonds, together with all other obligations of the District, shall be within every debt and other limitation prescribed by the State Constitution or laws of the State, including, without limitation, the Act.

Section 5.05 Collection of Sales Tax. The District covenants and agrees that, so long as any of the Securities payable in whole or in part from the Sales Tax Revenues remain Outstanding, the District shall, in accordance with the provisions of the Act impose, administer and enforce, or shall cause to be imposed, administered or enforced, the Sales Tax, shall collect or cause to be collected the Sales Tax Revenues and shall not take any action or omit to take any action to reduce, impair, repeal or otherwise adversely impact the imposition, administration, enforceability and collectability of the Sales Tax and Sales Tax Revenues.

Section 5.06 Prompt Collections. The District will cause the Sales Tax Revenues to be collected promptly and to be accounted for in the Funds and the Rebate Fund as herein provided, subject to the provisions of the Act and the Constitution and laws of the State.

Section 5.07 Instruments of Further Assurance. The District covenants that it will do, execute, acknowledge and deliver, or cause to be done, executed, acknowledged and delivered, such indentures supplemental hereto, and such further acts, instruments and transfers as the Trustee may reasonably require for the better assuring, transferring, conveying, pledging, assigning and confirming unto the Trustee all and singular the District's interest in the property herein described and the Pledged Revenues, receipts and other amounts pledged hereby to the payment of the Debt Service Requirements of the Bonds. Any and all interest in property hereafter acquired which is of any kind or nature herein provided to be and become subject to the lien hereof shall and without any further conveyance, assignment or act on the part of the District or the Trustee become and be subject to the lien of this Indenture as fully and completely as though specifically described herein, but nothing in this sentence shall be deemed to modify or change the obligations of the District under this Section. The District covenants and agrees that it has not and will not, except as herein otherwise expressly provided, sell, convey, mortgage, encumber or otherwise dispose of any part of its interest in the Pledged Revenues other than as security for the payment of the Bonds and any other Securities. Nothing in this Section shall obligate or require the District to prepare, record or file any indentures, instruments or other transfers.

Section 5.08 Inspection of Records. All books and records in the possession of the District relating to the Refunding Project and the Pledged Revenues, shall at all reasonable times, and subject to reasonable claims of privilege and confidentiality, be open to inspection by such accountants or other agents as the Trustee may from time to time designate.

Section 5.09 List of Owners. The Registrar shall keep the registration records of the District, together with the principal amounts and numbers of such Bonds. At reasonable times and under reasonable regulations established by the Registrar, the registration records may be inspected and copied by the District or by the Owners (or a designated representative thereof) of 15% or more in aggregate principal amount of Bonds then Outstanding, such ownership and the authority of such designated representative to be evidenced to the satisfaction of the Trustee.

Section 5.10 Use of Proceeds. The District covenants and agrees that the net proceeds of the sale of the Bonds will be deposited and used as provided in this Indenture and in the 2021A Escrow Agreement to effectuate the Refunding Project.

Section 5.11 Books and Accounts; Financial Statements. The District covenants and agrees that it shall at all times keep, or cause to be kept, proper and current books and accounts (separate from all other records and accounts) in which complete and accurate entries shall be made of all transactions relating to the Refunding Project, the Pledged Revenues, the Funds and the Rebate Fund. Unless required earlier by State law, the District shall prepare within 180 days after the close of each Fiscal Year, commencing with the Fiscal Year ending December 31, 2021, a complete financial statement or statements of the District for such year, together with a report of a certified public accountant or firm of certified public accountants selected by the District. The District shall furnish a copy of such statement or statements to the Trustee, and, upon the written request therefor, to any Owner. The Trustee shall have no duty to review, verify or analyze such financial statements and shall hold such financial statements solely as a repository for the benefit of the Owners. The Trustee shall not be deemed to have notice of any information contained therein or a default or Event of Default which may be disclosed therein in any manner.

Section 5.12 Protection of Security and Rights of Owners. The District covenants and agrees to preserve and protect the security of the Bonds and other Securities. The District, its officers, agents and employees, shall not take any action in such manner or to such extent as might materially impair or diminish the security for the payment of the Bonds or other Outstanding Securities, including without limitation, excluding any areas from the District Sales Tax Area.

Section 5.13 Maintenance of Existence. The District covenants and agrees to take no action to terminate its existence as a public body corporate and politic so long as any Bonds or other Securities remain Outstanding.

Section 5.14 Continuing Disclosure. The District covenants and agrees to comply with the Continuing Disclosure Agreement, provided that failure to do so shall not constitute an Event of Default.

Section 5.15 Tax Covenant. The District covenants for the benefit of the Owners of the 2021B Bonds that it will not take any action or omit to take any action with respect to the 2021B Bonds, the proceeds thereof, any other funds of the District or any project financed or refinanced by the proceeds of the 2021B Bonds if such action or omission (i) would cause the interest on the 2021B Bonds to lose its exclusion from gross income for federal income tax purposes under Section 103 of the Tax Code, (ii) would cause interest on the 2021B Bonds to lose its exclusion from alternative minimum taxable income as defined in Section 55(b)(2) of the Tax Code, or (iii) would cause interest on the 2021B Bonds to lose its exclusion from Colorado taxable income or Colorado alternative minimum taxable income under present Colorado law.

In furtherance of this covenant, the District agrees to comply with the procedures set forth in the 2021B Tax Compliance Certificate. The foregoing covenant shall remain in full force and effect notwithstanding the payment in full or defeasance of the 2021B Bonds until the date on which all obligations of the District in fulfilling the above covenant under the Tax Code and Colorado law have been met.

Section 5.16 Superior Obligations The District covenants and agrees that it shall not issue Securities payable from and having a lien on all or a portion of the Pledged Revenues that is superior or senior to the lien thereon of the Bonds except for Securities issued to refund, in whole or in part, Outstanding Senior Debt, provided that after the issuance of such refunding bonds, the debt service payable in each Bond Year on all Senior Debt Outstanding after the issuance of such refunding bonds shall not exceed the debt service payable in each Bond Year on all Senior Debt Outstanding prior to the issuance of such refunding bonds. Notwithstanding the foregoing, the District may enter into Senior Financial Products Agreements and Senior Credit Facility Agreements relating to the Senior Debt.

Section 5.17 Subordinate Obligations. The District may issue at any time Subordinate Lien Obligations and enter into Subordinate Financial Products Agreements and Subordinate Credit Facility Obligations, provided that no events of default have occurred and are continuing under the Senior Bond Resolution, this Indenture, any Parity Bond Resolutions, any Parity Bond Indentures, any Parity Financial Products Agreements or any Parity Credit Facility Obligations.

ARTICLE VI

EVENTS OF DEFAULT AND REMEDIES

Section 6.01 Events of Default. Each of the following shall be an "Event of Default" hereunder:

(a) If payment of the principal of any Bond is not made when it becomes due and payable at maturity or upon call for redemption;

(b) If payment of interest on any Bond is not made when it becomes due and payable;

(c) Default in the performance or observance of any other covenants, agreements or conditions on the part of the District set forth in this Indenture (other than Section 5.14 hereof relating to the Continuing Disclosure Agreement), or the Bonds and failure to remedy the same after notice thereof pursuant to Section 6.12 hereof; or

(d) The District shall file a petition or answer seeking reorganization or arrangement under the United States Bankruptcy Code or any other applicable law of the United States of America, or if a court of competent jurisdiction shall approve a petition, filed with or without the consent of the District, seeking reorganization of the District under the United States Bankruptcy Code or any other applicable law of the United States, or if, under the provisions of any other law for the relief or aid of debtors, any court of competent jurisdiction shall assume custody or control of the District, or of any of the Pledged Revenues and any such petition filed against the District or order or decree is not dismissed, stayed or otherwise nullified within sixty days after such action is taken.

Section 6.02 Remedies. If any Event of Default has occurred and is continuing, the Trustee in its discretion may, and upon the written request of the Owners of not less than 25% in aggregate principal amount of all Bonds then Outstanding and receipt of indemnity to its satisfaction shall, in its own name:

(a) By mandamus, or other suit, action or proceeding at law or in equity, enforce all rights of the Owners of the Bonds, including the right to require the District to carry out the provisions of this Indenture for the benefit of the Owners of the Bonds and to perform its duties under the Act;

(b) Bring suit upon the Bonds;

(c) By action or suit in equity require the District to account as if it were the trustee of an express trust for the Owners of the Bonds; or

(d) By action or suit in equity enjoin any acts or things which may be unlawful or in violation of the rights of the Owners of the Bonds.

All such proceedings at law or in equity shall be instituted, had and maintained for the equal benefit of all Owners of the Bonds and any other Parity Bonds and any Parity Credit Facility Obligation relating thereto and the Providers of any Parity Financial Products Agreements, subject to any superior rights of the owners of the Senior Debt then Outstanding and any outstanding Senior Financial Products Agreements and Senior Credit Facility Agreements relating to the Senior Debt.

This Indenture shall not be construed to permit the Trustee, the Owners of the Bonds or any other Person to declare the Debt Service Requirements of the Bonds to be due and payable prior to their scheduled payment dates upon the occurrence of an Event of Default or for any other reason.

Nothing herein shall be deemed to authorize the Trustee to authorize or consent to or accept or adopt on behalf of any Owner any plan of reorganization, arrangement, adjustment, or composition affecting the Bonds or the rights of any Owner thereof, or to authorize the Trustee to vote in respect of the claim of any Owner in any such proceeding without the approval of the Owners so affected.

Section 6.03 Appointment of Receivers. Upon the occurrence of an Event of Default, and upon the filing of a suit or other commencement of judicial proceedings to enforce the rights of the Trustee and of the Owners of the Bonds under this Indenture, the Trustee shall be entitled, as a matter of right, to the appointment of a receiver or receivers of the Pledged Revenues and of the revenues, earnings, income, products and profits thereof, pending a determination of such proceedings, with such powers as the court making such appointment shall confer.

Section 6.04 Discontinuance of Proceedings by Trustee. If any proceeding commenced by the Trustee on account of any Event of Default is discontinued or is determined adversely to the Trustee, the District, the Trustee and the Owners of the Bonds shall be restored to their former positions and rights hereunder as though no such proceedings had been commenced.

Section 6.05 Owners May Direct Proceedings. The Owners of a majority in aggregate principal amount of the Bonds Outstanding hereunder shall have the right, after furnishing indemnity satisfactory to the Trustee, to direct the method and place of conducting all remedial proceedings by the Trustee hereunder, provided that such direction shall not be in conflict with any rule of law or with this Indenture or unduly prejudice the rights of minority Owners.

Section 6.06 Limitations on Actions by Owners of Bonds. No Owner of a Bond shall have any right to pursue any remedy hereunder unless:

(a) the Trustee shall have been given written notice of an Event of Default;

(b) the Owners of at least 25% in aggregate principal amount of all Bonds then Outstanding shall have requested the Trustee, in writing, to exercise the powers hereinabove granted or to pursue such remedy in its or their name or names;

(c) the Trustee shall have been offered indemnity satisfactory to it against costs, expenses and liabilities; and

(d) the Trustee shall have failed to comply with such request within a reasonable time.

Notwithstanding the foregoing provisions of this Section or any other provision of this Indenture, the obligation of the District shall be absolute and unconditional to pay hereunder, but solely from the Pledged Revenues, the Debt Service Requirements of the Bonds to the respective Owners thereof on the respective due dates thereof, and nothing herein shall affect or impair the right of action, which is absolute and unconditional, of such Owners to enforce such payment.

Section 6.07 Trustee May Enforce Rights Without Possession of Bonds. All rights under this Indenture and the Bonds may be enforced by the Trustee without the possession of any Bonds or the production thereof at the trial or other proceedings relative thereto, and any proceeding instituted by the Trustee shall be brought in its name for the ratable benefit of the Owners of the Bonds.

Section 6.08 Remedies Not Exclusive. No remedy herein conferred is intended to be exclusive of any other remedy or remedies, and each remedy is in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute.

Section 6.09 Delays and Omissions Not to Impair Rights. No delays or omissions in respect of exercising any right or power accruing upon any Event of Default shall impair such right or power or be a waiver of such default, and every remedy given by this Article VI may be exercised from time to time and as often as may be deemed expedient.

Section 6.10 Application of Moneys in Event of Default. Except as provided in Section 6.13 hereof, any moneys received by the Trustee under this Article VI shall be deposited in the Bond Fund, and into bond funds or similar funds established for other Parity Bonds then Outstanding, pro rata based upon the aggregate principal amount of the Bonds and Parity Bonds then Outstanding. Except as hereinafter provided, amounts on deposit in the Bond Fund, and any amounts remaining on deposit in the Costs of Issuance Fund upon the occurrence and continuation of an Event of Default hereunder, shall be applied in the following order:

(a) To the payment of the reasonable fees and costs of the Trustee, the Paying Agent and the Registrar;

(b) Unless the principal of all the Bonds shall have become due, all such moneys shall be applied;

FIRST - To the payment to the Persons entitled thereto of all installments of interest then due on the Bonds, in the order of the maturity of the installments of such interest and, if the amount available shall not be sufficient to pay in full any particular installment, then to the payment ratably, according to the amounts due on such installment, to the Persons entitled thereto, without any discrimination or privilege; and

SECOND - To the payment to the Persons entitled thereto of the unpaid principal of and premium, if any, on any of the Bonds which shall have become due (other than Bonds matured or called for redemption for the payment of which moneys are held pursuant to the provisions of this Indenture), in the order of their due dates with interest on the unpaid principal and premium, if any, on such Bonds from the respective dates upon which they became due, to the extent permitted by law, at the rate of interest borne by the respective Bond and, if the amount available shall not be sufficient to pay in full Bonds due on any particular date, together with such interest, then to the payment ratably, according to the amount of principal due on such date, to the Persons entitled thereto without any discrimination or privilege; and

(c) If the principal of all the Bonds shall have become due, all such moneys shall be applied to the payment of the principal and interest then due and unpaid upon the Bonds without preference or priority of principal over interest or of interest over principal, or of any installment of interest over any other installment of interest, or of any Bond over any other Bond, ratably, according to the amounts due, respectively, for principal and interest to the Persons entitled thereto without any discrimination or privilege, with interest on overdue installments of interest and principal from the respective dates upon which they became due, to the extent permitted by law, at the rate of interest borne by the respective Bond.

Whenever moneys are to be applied pursuant to the provisions of this Section, such moneys shall be applied at such times, and from time to time, as the Trustee shall determine, having due regard to the amount of such moneys available for application and the likelihood of additional moneys becoming available for such application in the future. Whenever the Trustee shall apply such funds, it shall fix the date (which shall be an Interest Payment Date unless it shall deem another date more suitable) upon which such application is to be made and upon such date interest on the amounts of principal to be paid on such dates shall cease to accrue. The Trustee shall give such notice as it may deem appropriate of the deposit with it of any such moneys and of the fixing of any such date, and shall not be required to make payment to the Owner of any Bond until such Bond shall be presented to the Trustee for appropriate endorsement or for cancellation if fully paid.

After the Debt Service Requirements of all Outstanding Bonds shall have been paid or provided for, and all payments required by any Credit Facility Obligations relating to the Bonds and all Financial Products Payments due and owing pursuant to any Financial Products Agreement relating to the Bonds have been paid or provided for, the surplus, if any, shall be paid to the District or the Persons lawfully entitled to receive the same as a court of competent jurisdiction may direct.

Section 6.11 Waivers of Events of Default. The Trustee may, at its discretion, waive any Event of Default hereunder and its consequences and, notwithstanding anything to the contrary in Section 6.02 hereof, shall do so upon the written request of the Owners of (i) not less than a majority in aggregate principal amount of all Outstanding Bonds in respect of which an Event of Default in the payment of any Debt Service Requirements of the Bonds exists, or (ii) not less than a majority in aggregate principal amount of all Outstanding Bonds in the case of any other Event of Default; provided, however, that there shall not be waived any Event of Default in the payment of the Debt Service Requirements of any Outstanding Bonds unless prior to such waiver or rescission, all arrears of principal and interest, and all fees and expenses of the Trustee in connection with such Event of Default or otherwise in connection with the performance of the Trustee's duties hereunder, shall have been paid or provided for. In case of any such waiver or rescission, the District, the Trustee and the Owners of the Bonds shall be restored to their former positions and rights hereunder, respectively, but no such waiver or rescission shall extend to any subsequent or other Event of Default or impair any right consequent thereon.

Section 6.12 Notice of Defaults Under Section 6.01(c); Opportunity of District to Cure Such Defaults. Anything herein to the contrary notwithstanding, no default under Section 6.01(c) hereof shall constitute an Event of Default until actual notice of such default by registered or certified mail shall be given to the District by the Trustee or by the Owners of not less than 25% in aggregate principal amount of all Outstanding Bonds, and the District shall have had 30 days after receipt of such notice to correct said default or cause said default to be corrected, and shall not have corrected said default or caused said default to be corrected within the applicable period; provided, however, if said default is such that it cannot be corrected within the applicable period, it shall not constitute an Event of Default if corrective action is instituted by the District within the applicable period and diligently pursued until the default is corrected.

Section 6.13 Priority of Senior Debt. Notwithstanding any provisions contained in this Article VI to the contrary, upon the occurrence of an Event of Default, the rights and remedies of the Owners of the Bonds shall be subject to the superior rights and priority of the owners of any Senior Debt then Outstanding with respect to the Sales Tax Revenues attributable to the 0.6% Sales Tax, if such Event of Default also constitutes an event of default under the Senior Bond Resolution.

ARTICLE VII

THE TRUSTEE

Section 7.01 Acceptance of Trusts. The Trustee hereby accepts the trusts imposed upon it by this Indenture, and agrees to perform said trusts, but only upon and subject to the following express terms and conditions:

(a) The Trustee, prior to the occurrence of an Event of Default and after the curing of all Events of Default which may have occurred, undertakes to perform such duties and only such duties as are specifically set forth in this Indenture. In case an Event of Default has occurred (which has not been cured or waived), the Trustee shall exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in the exercise of such rights and powers, as a reasonable and prudent person would exercise or use under the circumstances in the conduct of his or her own affairs.

(b) The Trustee may execute any of the trusts or powers of this Indenture and perform any of its duties by or through attorneys, agents or receivers, and shall not be responsible for the conduct of any such attorney, agent or received selected by it with due care, and shall be entitled to advice of counsel concerning its duties hereunder, and may in all cases pay such reasonable compensation to all such attorneys, agents or receivers as may reasonably be employed in connection with the trusts hereof. The Trustee may act upon the opinion or advice of any attorney (who may be the attorney or attorneys for the District) approved by the Trustee in the exercise of reasonable care. The Trustee shall not be responsible for any loss or damage resulting from any action or inaction in good faith in reliance upon such opinion or advice.

(c) The Trustee shall not be responsible for any recital herein or in the Bonds (except with respect to the certificate of authentication of the Trustee endorsed on the Bonds), or for the validity of the execution by the District of this Indenture or instruments of further assurance, or for the sufficiency of the security for the Bonds issued hereunder or intended to be secured hereby, and the Trustee shall not be bound to ascertain or inquire as to the performance or observance of any covenants, conditions or agreements on the part of the District, except as hereinafter set forth; but the Trustee may require of the District full information and advice as to the performance of the covenants, conditions and agreements aforesaid. The Trustee shall have no obligation to perform any of the duties of the District hereunder.

(d) The Trustee shall not be accountable for the use of any Bonds authenticated or delivered hereunder or the use of the proceeds thereof by the District. The Trustee may become the Owner of Bonds secured hereby and may otherwise deal with the District with the same rights which it would have if it were not the Trustee.

(e) The Trustee shall be protected in acting upon any notice, request, consent, certificate, order, affidavit, letter, telegram or other paper or document believed to be genuine and correct and to have been signed or sent by the proper Person or Persons. Any action taken by the Trustee pursuant to this Indenture upon the request or authority or consent of any Person who at the time of making such request or giving such authority or consent is the Owner of any Bond shall be conclusive and binding upon all future Owners of the same Bond and upon Bonds issued in exchange therefor or in place thereof. The Trustee shall be entitled to written direction from the District for any action to be taken hereunder by the Trustee at the request of the District.

(f) As to the existence or nonexistence of any fact or as to the sufficiency or validity of any instrument, paper or proceeding, the Trustee shall be entitled to rely upon a certificate signed by the District Representative as sufficient evidence of the facts therein contained and prior to the occurrence of an Event of Default of which the Trustee has been notified as provided in Section 7.01(h) hereof, or of which by Section 7.01(h) hereof it shall be deemed to have notice, may also accept a similar certificate to the effect that any particular dealing, transaction or action under this Indenture is necessary or expedient, but may at its discretion secure such further evidence deemed by it to be necessary or advisable, but shall in no case be bound to secure the same. The Trustee may accept a certificate of any of the officials of the District who executed the Bonds (or their successors in office) under the seal of the District to the effect that a resolution in the form therein set forth has been adopted by the District as conclusive evidence that such resolution has been duly adopted and is in full force and effect.

(g) The permissive right of the Trustee to do things enumerated in this Indenture shall not be construed as a duty, and the Trustee shall not be answerable for other than its negligence or willful misconduct.

(h) The Trustee shall not be required to take notice or be deemed to have notice of any Event of Default hereunder (except an Event of Default under subsection (a) or (b) of Section 6.01 hereof or failure to file with the Trustee any document required by this Indenture to be so filed subsequent to the issuance of the Bonds, of which Events of Default the Trustee shall be deemed to have notice) unless the Trustee shall be specifically notified in writing of such Event of Default by the District or by the Owners of at least 25% in aggregate principal amount of Outstanding Bonds, and all notices or other instruments required by this Indenture to be delivered to the Trustee, must, in order to be effective, be delivered at the Principal Corporate Trust Office of the Trustee, and in the absence of such notice so delivered the Trustee, may conclusively assume there is no Event of Default except as aforesaid.

(i) At any and all reasonable times the Trustee and its duly authorized agents, attorneys, experts, engineers, accountants and representatives shall have the right fully to inspect any and all of the books and records of the District pertaining to the Refunding Project, the Pledged Revenues and the Bonds, and to make such copies and memoranda from and with regard thereto as may be desired.

(j) The Trustee shall not be required to give any bond or surety in respect of the execution of the said trusts and powers or otherwise in respect of the premises.

(k) Notwithstanding anything elsewhere in this Indenture with respect to the authentication of any Bonds, the withdrawal of any cash, the release of any property or any action whatsoever within the purview of this Indenture, the Trustee shall have the right, but shall not be required, to demand any showings, certificates, opinions, appraisals or other information, or corporate action or evidence thereof, in addition to that by the terms hereof required as a condition of such action, deemed desirable by the Trustee for the purpose of establishing the right of the District to the authentication of any Bonds, the withdrawal of any cash or the taking of any other action by the Trustee.

(l) Before taking any of the actions referred to in Sections 6.02, 6.03, 6.05, 6.06 or 7.03 hereof, the Trustee may require that a satisfactory instrument of indemnity be furnished for the reimbursement of all expenses which it may be caused to incur and to protect it against all liability, except liability which is adjudicated to have resulted from its negligence or misconduct in connection with any such action.

(m) All moneys received by the Trustee shall, until used or applied as provided herein, be held in trust for the purposes for which they were received.

(n) The Trustee shall have no responsibility or liability with respect to any information, statements or recitals in any offering memorandum or other disclosure material prepared or distributed with respect to the issuance of the Bonds.

(o) The Trustee shall have the right to accept and act upon instructions, including without limitation funds transfer instructions ("Instructions") given pursuant to this Indenture and delivered using Electronic Means; provided, however, that the District shall provide to the Trustee an incumbency certificate listing officers with the authority to provide such Instructions ("Authorized Officers") and containing specimen signatures of such Authorized Officers, which incumbency certificate shall be amended by the District, whenever a person is to be added or deleted from the listing. If the District elects to give the Trustee Instructions using Electronic Means, the Trustee's reasonable understanding of such Instructions shall be deemed controlling. The District understands and agrees that the Trustee cannot determine the identity of the actual sender of such Instructions and that the Trustee shall conclusively presume that directions that purport to have been sent by an Authorized Officer listed on the incumbency certificate provided to the Trustee have been sent by such Authorized Officer. The District shall be responsible for ensuring that only Authorized Officers transmit such Instructions to the Trustee and that the District and all Authorized Officers are solely responsible to safeguard the use and confidentiality of applicable user and authorization codes, passwords and/or authentication keys upon receipt by the District. The Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from the Trustee's reliance upon and compliance with such Instructions notwithstanding such directions conflict or are inconsistent with a subsequent written instructions, provided, however, that if the Trustee receives Instructions by Electronic Means, then subsequently receives inconsistent or conflicting Instructions, the Trustee shall rely and act on such subsequent written Instructions to the extent that it has not already acted upon the previously received Instructions. The District agrees: (i) to assume all risks arising out of the use of Electronic Means to submit Instructions to the Trustee, including without limitation the risk of the Trustee acting on unauthorized Instructions, and the risk of interception and misuse by third parties; (ii) that it is fully informed of the protections and risks associated with the various methods of transmitting Instructions to the Trustee and that there may be more secure methods of transmitting Instructions than the method(s) selected by the District; (iii) that the security procedures (if any) to be followed in connection with its transmission of Instructions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances; and (iv) to notify the Trustee immediately upon learning of any compromise or unauthorized use of the security procedures.

Section 7.02 Fees, Charges and Expenses of Trustee. The Trustee shall be entitled to payment and reimbursement for reasonable fees for its services rendered hereunder and all advances, reasonable counsel fees and expenses and other expenses reasonably and necessarily made or incurred by the Trustee in connection with such services. When the Trustee incurs expenses or renders services after the occurrence of an Event of Default, such expenses and the compensation for such services are intended to constitute expenses of administration under any federal or state bankruptcy, insolvency, arrangement, moratorium, reorganization or other debtor relief law.

Section 7.03 Intervention by Trustee. In any judicial proceeding which in the opinion of the Trustee and its counsel has a substantial bearing on the interests of the Owners of the Bonds, the Trustee may intervene on behalf of the Owners of the Bonds and shall do so if requested in writing by the Owners of at least 25% in aggregate principal amount of Outstanding Bonds and if indemnified as provided in Section 7.01(l) hereof.

Section 7.04 Successor Trustee. Any corporation or association into which the Trustee may be converted or merged, or with which it may be consolidated, or to which it may sell or transfer its corporate trust business and assets as a whole or substantially as a whole, or any corporation or association resulting from any such conversion, sale, merger, consolidation or transfer to which it is a party, shall be and become successor Trustee hereunder and vested with all the trusts, powers, discretions, immunities, privileges and all other matters as was its predecessor, without the execution or filing of any instrument or any further act, deed or conveyance on the part of any of the parties hereto.

Section 7.05 Resignation by Trustee. The Trustee may at any time resign from the trusts hereby created by giving 45 days' written notice by first class mail to the District and to the Owner of each Bond as shown by the registration records; provided that such resignation shall not take effect until the appointment of a successor trustee as provided in Section 7.07 hereof. Upon any such resignation, the Trustee shall be deemed to have resigned as trustee under the Senior Bond Resolution, any Parity Bond Resolutions and any Parity Bond Indentures.

Section 7.06 Removal of Trustee. So long as any Senior Debt remains Outstanding, the Trustee and the Senior Debt Trustee shall be the same entity. The Trustee may be removed at any time by the District for any reason upon 30 days prior written notice to the Trustee, but only upon the simultaneous removal of the Senior Debt Trustee in accordance with the provisions of the Senior Bond Resolution. The Trustee may also be removed at any time by an instrument or concurrent instruments in writing delivered to the Trustee and to the District and signed by the Owners (or by their attorneys in fact duly authorized) of at least a majority in aggregate principal amount of Outstanding Bonds, provided, however, that so long as any Senior Debt remains Outstanding, such removal shall not be effective unless the owners of at least a majority in aggregate principal amount of such outstanding Senior Debt consent to the simultaneous removal of the Senior Debt Trustee under the Senior Bond Resolution. If the owners of the Senior Debt remove the Senior Debt Trustee under the Senior Bond Resolution in accordance with the provisions therewith, the Trustee shall be deemed to have been removed hereunder. Upon any removal of the Trustee under this Indenture, the Trustee shall be deemed to be removed as trustee under the Senior Bond Resolution, any Parity Bond Resolutions and any Parity Bond Indentures. No removal of the Trustee shall be effective until the appointment of a successor Trustee as provided in Section 7.07 hereof.

Section 7.07 Appointment of Successor Trustee. In case the Trustee shall resign or be removed, a successor may be appointed by the District. If the District fails to make such appointment within 30 days after such resignation or removal, (a) the Trustee may petition a court of competent jurisdiction for the appointment of a successor or (b) the Owners of at least a majority in aggregate principal amount of Outstanding Bonds, by an instrument or concurrent instruments in writing signed by such Owners, or by their attorneys in fact duly authorized, a copy of which shall be delivered personally or sent by registered mail to the District, may make such appointment. Any successor Trustee appointed pursuant to the provisions of this Section shall also be appointed as trustee under the Senior Bond Resolution, any Parity Bond Resolutions and any Parity Bond Indentures. Any such successor Trustee shall be a trust company or bank organized and in good standing under the laws of the United States or one of the states thereof, duly authorized to exercise trust powers and subject to examination by federal or state authority and shall have a reported capital and surplus of not less than $75,000,000.

Section 7.08 Acceptance by Any Successor Trustee. Every successor Trustee appointed shall execute, acknowledge and deliver to its predecessor and also to the District an instrument in writing accepting such appointment, and thereupon such successor, without any further act, deed or conveyance, shall become fully vested with all the estates, properties, rights, powers, trusts, duties, and obligations of its predecessor; but such predecessor shall, nevertheless, on the written request of the District, or of its successor, execute and deliver an instrument transferring to such successor all the estates, properties, rights, powers and trusts of such predecessor hereunder; and every predecessor Trustee shall deliver all securities and moneys held by it as the Trustee hereunder to its successor. Should any instrument in writing from the District be required by any successor Trustee for more fully and certainly vesting in such successor the estates, rights, powers and duties hereby vested or intended to be vested in the predecessor, any and all such instruments in writing shall, on request, be executed, acknowledged and delivered by the District.

Section 7.09 Negative Pledge. The Trustee covenants that, except as specifically provided in this Indenture, it shall not create, assume or incur or suffer to be created, assumed or incurred any mortgage or pledge of, security interest in or lien or encumbrance on the Funds or the Rebate Fund.

Section 7.10 Indemnification; Limited Liability of Trustee. To the extent permitted by law, subject to appropriation by the District, and without waiving any provision of the Colorado Governmental Immunity Act, C.R.S. 24-10-101, et seq. the District covenants and agrees to indemnify and save the Trustee, and its officers, directors, employees, attorneys, agents and receivers, harmless against any loss, expense (including, without limitation, reasonable legal fees and expenses) and liabilities which it may incur arising out of or in connection with (i) the exercise and performance of its powers and duties hereunder, (ii) the sale of any Bonds and the carrying out of the transactions contemplated by the Bonds or related documents, or (iii) any untrue statement or alleged untrue statement of material fact or omission or alleged omission to state a material fact necessary to make the statement made, in light of the circumstances under which they were made, not misleading in any official statement or other disclosure document utilized in connection with the sale of the Bonds, including the reasonable costs and expenses of defending against any claim of liability, but excluding any and all losses, expenses and liabilities which are due to the negligence or willful misconduct of the Trustee, its officers, directors, employees or agents. No provision in this Indenture shall require the Trustee to risk or expend its own funds or otherwise incur any financial liability hereunder. The Trustee shall not be liable for any action taken or omitted to be taken by it in accordance with the direction of the Owners of the Bonds pursuant to the provisions of this Indenture relating to the time, method and place of conducting any proceeding or remedy available to the Trustee under this Indenture. This Section 7.10 shall survive the termination of this Indenture and the earlier removal or resignation of the Trustee.

Section 7.11 Force Majeure. The Trustee shall not be considered in breach of or in default hereunder or progress in respect thereto in the event of enforced delay in the performance of such obligations due to unforeseeable causes beyond its control and without its fault or negligence, including without limitation, acts of God, terrorism, war, riots, strikes, fire, floods, earthquakes, epidemics or other like occurrences beyond the control of the Trustee.

ARTICLE VIII

SUPPLEMENTAL INDENTURES

Section 8.01 Supplemental Indentures Not Requiring Consent of Owners of Bonds. The District and the Trustee may, without the consent of, or notice to, any of the Owners of the Bonds, enter into a Supplemental Indenture for any one or more of the following purposes:

(a) To cure any ambiguity or formal defect or omission in this Indenture;

(b) To grant to or confer upon the Trustee for the benefit of the Owners of the Bonds any additional rights, remedies, powers or authorities that may lawfully be granted to or conferred upon the Owners of the Bonds or the Trustee;

(c) To subject to this Indenture additional revenues, properties or collateral;

(d) To modify, amend or supplement this Indenture in such manner as to permit the qualification hereof under the Trust Indenture Act of 1939, as amended, or any similar federal statute hereafter in effect or to permit the qualification of the Bonds for sale under the securities laws of any of the states of the United States;

(e) In order to preserve or protect the excludability from gross income for federal income tax purposes of interest on the 2021B Bonds; or

(f) To make any other amendment to the terms and provisions of this Indenture if such amendment is necessary or desirable and is not materially adverse to the interests of the Owners of the Bonds.

Section 8.02 Supplemental Indentures Requiring Consent of Owners of Bonds. Subject to the terms and provisions set forth in this Section, the Owners of not less than a majority in aggregate principal amount of the Outstanding Bonds shall have the right, from time to time, to consent to and approve the execution by the District and the Trustee of such other Supplemental Indentures as shall be deemed necessary and desirable by the District for the purpose of modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions set forth in this Indenture; provided, however, that without the consent of the Owners of all the Bonds Outstanding affected thereby, nothing in this Indenture shall permit, or be construed as permitting:

(a) An extension of the maturity of the principal of, or the interest on, any Bond, or a reduction in the principal amount of or the rate of interest on, any Bond, or a privilege or priority of any Bond or Bonds over any other Bond or Bonds, or the deprivation of the Owner of any Bond of the lien hereby created on the Pledged Revenues; or

(b) A reduction in the aggregate principal amount of the Bonds required for consent to such Supplemental Indentures, or the creation of any lien on the Pledged Revenues or any part thereof, which is prior or superior to the lien of the Bonds, other than as created by this Indenture.

If at any time the District shall request the Trustee to enter into any such Supplemental Indenture for any of the purposes of this Section, the Trustee shall, upon being satisfactorily indemnified with respect to expenses, cause notice of the proposed execution of such Supplemental Indenture to be given by first class mail to the Owner of each Bond. Such notice shall briefly set forth the nature of the proposed Supplemental Indenture and shall state that copies thereof are on file at the Principal Corporate Trust Office of the Trustee for inspection by all Owners of the Bonds. If, within 60 days or such longer period as shall be prescribed by the District following such notice, the Owners of the requisite aggregate principal amount of the Bonds Outstanding at the time of the execution of any such Supplemental Indenture shall have consented to and approved the execution thereof as provided herein, no Owner of any Bond shall have any right to object to any of the terms and provisions contained therein, or the operation thereof, or in any manner to question the propriety of the execution thereof, or to enjoin or restrain the Trustee or the District from executing the same or from taking any action pursuant to the provisions thereof.

Section 8.03 Execution of Supplemental Indentures. The Trustee is authorized to join with the District in the execution of any such Supplemental Indenture and to make further agreements and stipulations which may be contained therein, but the Trustee shall not be obligated to enter into any such Supplemental Indenture which affects its rights, duties or immunities under this Indenture. Any Supplemental Indenture executed in accordance with the provisions of this Article shall thereafter form a part of this Indenture and all the terms and conditions contained in any such Supplemental Indenture as to any provision authorized to be contained therein shall be deemed to be part of this Indenture for any and all purposes. In case of the execution and delivery of any Supplemental Indenture, express reference may be made thereto in the text of the Bonds issued thereafter, if any, if deemed necessary or desirable by the Trustee.

Section 8.04 Trustee's Consents to Supplemental Indentures. In executing any Supplemental Indenture permitted by this Article, the Trustee shall be entitled to receive, and (subject to the provisions of Section 7.01 hereof) shall be fully protected in relying upon, an

Opinion of Counsel stating that the execution and delivery of such Supplemental Indenture is authorized or permitted by this Indenture.

ARTICLE IX

DEFEASANCE

Section 9.01 Defeasance. If, when the Bonds shall become due and payable in accordance with their terms or otherwise as provided in this Indenture and the whole amount of the principal of, premium, if any, and interest due and payable upon all of the Bonds shall be paid, or provision shall have been made for the payment of the same, together with all other sums payable hereunder and all amounts due and owing to the Provider of any Credit Facility Obligation relating to the Bonds and all Financial Products Payments pursuant to Parity Financial Products Agreements relating to the Bonds shall have been paid or provided for, then all covenants, agreements and other obligations of the District to the Owners of Bonds and the providers of any such Credit Facility Obligation and Parity Financial Products Agreement shall thereupon cease, terminate and become void and be discharged and satisfied. In such event, subject to the provisions of Section 3.12 hereof, upon the request of the District, the Trustee shall assign and transfer to the District all property then held by it, shall execute such documents as may be reasonably required by the District, shall turn over to the District or to such Person as may be designated by the District Representative any surplus held by it in any Fund and the Rebate Fund. Upon such defeasance, all money held by or on behalf of the District hereunder may be used for any lawful purpose.

Any Bond shall, prior to the maturity or Redemption Date thereof, be deemed to have been paid within the meaning and with the effect expressed in this Section if: (i) in case such Bond is to be redeemed on any date prior to its maturity, the District shall have given to the Trustee irrevocable instructions to give notice of redemption of such Bond on said Redemption Date, such notice to be given in accordance with the provisions of Section 2.06 hereof; and (ii) there shall have been deposited in an Escrow Fund cash or Federal Securities, or both, in an amount sufficient (including the known minimum yield from Federal Securities in which such amount may be wholly or partially invested) to pay when due the Debt Service Requirements due and to become due on such Bond on and prior to the Redemption Date or maturity date thereof, as the case may be, as evidenced by a report of an independent firm of nationally recognized certified public accountants verifying the sufficiency of the Escrow Fund to pay the applicable Bonds in full on and prior to the Redemption Date or maturity date thereof, as the case may be. The Federal Securities shall not contain provisions permitting the redemption thereof at the option of the obligor and shall become due or be callable at the option of the holder at or prior to the respective times on which the proceeds thereof shall be needed to make such Debt Service Requirements. Neither such Federal Securities (or principal or interest payments received with respect thereto) nor moneys placed in such Escrow Fund shall be withdrawn or used for any purpose other than the payment of the Debt Service Requirements of such Bond and such Federal Securities or moneys shall be held in trust solely for the payment of such Debt Service Requirements of such Bond; provided, any cash received from the principal or interest payments on such Federal Securities if not then needed for such purpose shall, to the extent practicable, be reinvested in Federal Securities maturing at times and in amounts sufficient to pay when due the Debt Service Requirements to become due on such Bond on or prior to such

Redemption Date or maturity date thereof, as the case may be. Any such Bond shall no longer be secured by or entitled to the benefits of this Indenture, except for the purpose of any payment from such moneys or Federal Securities placed in such Escrow Fund.

Upon compliance with the provisions of this Section with respect to all Bonds then Outstanding, this Indenture may be discharged in accordance with the provisions of this Section, but the liability of the District in respect of such Bonds shall continue provided that the Owners thereof shall thereafter be entitled to payment only out of such Escrow Fund.

In the event that there is a defeasance of only part of the Bonds, the Registrar shall, if requested by the District in writing, institute a system to preserve the identity of the individual Bonds or portions thereof so defeased, regardless of changes in Bond numbers attributable to transfers and exchanges of Bonds, and the Registrar shall be entitled to reasonable compensation and reimbursement of expenses from the District in connection with such system.

ARTICLE X

MISCELLANEOUS

Section 10.01 Consents of Owners of Bonds. Any consent, request, direction, approval, objection or other instrument required by this Indenture to be signed and executed by the Owners of any Bonds may be in any number of concurrent documents and may be executed by such Owner in person or by an agent appointed in writing. Proof of the execution of any such consent, request, direction, approval, objection or other instrument or of the written appointment of any such agent or the ownership of Bonds, if made in the following manner, shall be sufficient for any of the purposes of this Indenture, and shall be conclusive in favor of the Trustee with regard to any action taken by it under such request or other instrument, namely:

(a) The fact and date of the execution by any Person of any such writing may be proved by the certificate of any officer in any jurisdiction who by law has power to take acknowledgments within such jurisdiction that the Person signing such writing acknowledged before him or her the execution thereof, or by an affidavit of any witness to such execution; and

(b) The fact of ownership of Bonds and the amounts, numbers and other identification of such Bonds, and the dates of ownership of the same shall be proved by the registration records maintained by the Registrar.

Any consent or waiver by the Owner of any Bond shall be conclusive and binding upon such Owner and upon all future Owners of such Bond and of any Bond issued in replacement thereof, whether or not notation of such consent or waiver is made upon such Bond.

Section 10.02 District and Trustee Representatives. Whenever under the provisions hereof the approval of the District or the Trustee is required, or the District or the Trustee is required or authorized to take some action at the request or upon the approval of the other, unless otherwise provided, such approval or such request shall be given for the District by the District Representative and for the Trustee by any officer thereof, and the District, and the Trustee, as the case may be, shall be authorized to act on any such approval or request. The designation of the District Representative may be changed from time to time by furnishing a new certificate to the Trustee.

Section 10.03 Limitation of Rights. With the exception of any rights herein expressly conferred, nothing expressed or mentioned in or to be implied from this Indenture or the Bonds is intended or shall be construed to give to any Person other than the parties hereto, the Owners of the Bonds, and the providers of any Financial Products Agreement any legal or equitable right, remedy or claim under or with respect to this Indenture or any covenants, conditions and provisions herein contained; this Indenture and all of the covenants, conditions and provisions hereof being intended to be and being for the sole and exclusive benefit of the parties hereto, the Owners of the Bonds, and the providers of any Financial Products Agreement as provided herein.

Section 10.04 Severability. If any provision of this Indenture shall be held or deemed to be or shall, in fact, be invalid or unenforceable, the same shall not affect any other provision or provisions herein contained or render the same invalid or unenforceable to any extent whatever.

Section 10.05 Notices. Any notice, request, complaint, demand, or other communication shall be sufficiently given and shall be deemed given when delivered or mailed by first class mail, postage prepaid, addressed as follows: if to the District, to Regional Transportation District, 1660 Blake Street, Denver, Colorado 80202, Attention: Chief Financial Officer; and if to the Trustee, to The Bank of New York Mellon Trust Company, N.A., 50 Fremont Street, Suite 3900, San Francisco, California 94105, Attention: Corporate Trust Administration. The District and the Trustee may designate by written notice given by each to the other any further means or communications or different addresses to which subsequent communications shall be sent.

Section 10.06 Payments Due on Holidays. If the date for making any payment or the last day for performance of any act or the exercise of any right, as provided in this Indenture, is not a Business Day, such payment may be made or act performed or right exercised on the next succeeding Business Day unless otherwise provided herein with the same force and effect as if done on the nominal date provided in this Indenture.

Section 10.07 Counterparts. This Indenture may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 10.08 Applicable Provisions of Law. This Indenture shall be governed by and construed in accordance with the laws of the State.

Section 10.09 Captions. The captions and headings in this Indenture are for convenience only and in no way define, limit or describe the scope or intent of any provisions or Sections of this Indenture.

Section 10.10 No Recourse. Pursuant to Section 11-57-209 of the Supplemental Act, if a member of the Board, or any officer or agent of the District acts in good faith, no civil recourse shall be available against such member, officer, or agent for payment of the principal, interest or prior redemption premiums, if any, on the Bonds. Such recourse shall not be available either directly or indirectly through the Board or the District, or otherwise, whether by virtue of any constitution, statute, rule of law, enforcement of penalty, or otherwise. By the acceptance of the Bonds and as a part of the consideration of their sale or purchase, any Person purchasing or selling such Bond specifically waives any such recourse.

Section 10.11 Electronic Signatures and Electronic Transactions. In the event that any individual who is authorized to execute this Indenture on behalf of the District or the Trustee is not able to be physically present to manually sign this Indenture, such individual is hereby authorized to execute this Indenture electronically via facsimile or email signature. The authorization to use electronic signatures is made pursuant to Article 71.3 of Title 24, C.R.S., also known as the Uniform Electronic Transactions Act. Any electronic signature so affixed to this Indenture shall carry the full legal force and effect of any original, handwritten signature.

The transactions described herein may be conducted and related documents may be stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

Section 10.12 Recitals. The Recitals set forth in this Indenture are hereby incorporated by this reference and made a part of this Indenture.

IN WITNESS WHEREOF, the District has caused these presents to be executed in its name and attested by its duly authorized officials with its seal hereunto affixed; and to evidence its acceptance of the trusts hereby created, the Trustee has caused these presents to be executed in its corporate name, as of the date first above written.

REGIONAL TRANSPORTATION DISTRICT

By____
Chair, Board of Directors

[SEAL]

Attest:

____
Secretary, Board of Directors

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., as Trustee

By:____
Authorized Officer

[Signature page to Indenture of Trust]

EXHIBIT A

FORM OF BONDS

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the District or its agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

REGIONAL TRANSPORTATION DISTRICT
(COLORADO)

[TAXABLE] [TAX-EXEMPT] SALES TAX REVENUE REFUNDING BOND
(FASTRACKS PROJECT)
SERIES [2021A][2021B]

R[A][B]-__ $__________

Interest Rate	Maturity Date	Dated as of	CUSIP
_____%	November 1, 20___	March 11, 2021	759136 ___

Registered Owner: Cede & Co.

Principal Amount:

Regional Transportation District (herein called the "District"), a public body politic and corporate and a political subdivision of the State of Colorado organized and existing under and by virtue of the laws of the State of Colorado, for value received hereby promises to pay to the Registered Owner specified above, or registered assigns, on the Maturity Date specified above (unless called for earlier redemption), but solely from the funds pledged therefor, the Principal Amount specified above and to pay to the Registered Owner hereof interest on such Principal Amount at the Interest Rate per annum specified above, payable on May 1 and November 1 in each year, beginning November 1, 2021, until the District's obligation with respect to the payment of such Principal Amount shall be discharged.

This Bond is one of a duly authorized issue of bonds of the District designated as its ["Taxable Sales Tax Revenue Refunding Bonds (FasTracks Project), Series 2021A" (the "Bonds")] ["Tax-Exempt Sales Tax Revenue Refunding Bonds (FasTracks Project), Series 2021B" (the "Bonds")] in the aggregate principal amount of $__________issued pursuant to the Regional Transportation District Act, being compiled as Article 9 of Title 32, Colorado Revised

Statutes, as amended (herein called the "Act") and Title 11, Article 57, Part 2, Colorado Revised Statutes, as amended (the "Supplemental Act"), under and pursuant to a resolution of the District, adopted January 26, 2021 (the "Resolution"), a Sale Certificate executed in accordance with the Resolution, and an Indenture of Trust, dated as of [Closing Date], 2021 (the "Indenture") between the District and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee").

This Bond bears interest, matures, is payable, is subject to redemption prior to maturity, and is transferable as provided in the Indenture.

[Interest on the 2021A Bonds is <u>included</u> in gross income for federal and State of Colorado income tax purposes.]

As provided in the Indenture, the Bonds are direct and special obligations of the District payable solely from and secured as to payment of the principal and redemption price thereof, and interest thereon, in accordance with their terms and the provisions of the Indenture solely from the Pledged Revenues, which include (i) the Sales Tax Revenues (as defined in the Indenture), (ii) moneys credited to or paid into and held in the 0.4% Sales Tax Increase Fund, the 0.6% Sales Tax Fund, the [2021A Bond Account] [2021B Bond Account], and the Costs of Issuance Fund, (iii) all interest or investment income on such funds, to the extent that such moneys are at any time required to be deposited into and held in such funds, and (iv) any additional revenues legally available to the District which the Board of Directors of the District in its discretion may hereafter pledge to the payment of the Bonds.

Copies of the Resolution and the Indenture are on file at the office of the District and at the principal office of the Trustee or its successor as Trustee, and reference to the Resolution and the Indenture and any and all supplements thereto and modifications and amendments thereof and to the Act is made for a description of the pledge and assignment and covenants securing the Bonds, the nature, extent, priority, and manner of enforcement of such pledge and assignment, the rights and remedies of the registered owners of the Bonds with respect thereto, the limitations on such rights and remedies and the terms and conditions upon which the Bonds are issued thereunder.

As provided in the Indenture, the District may issue additional securities from time to time that are payable from and that have a lien on all or a portion of the Pledged Revenues that is on a parity with the lien thereon of the Bonds, subject to the provisions and limitations of the Indenture.

To the extent and in the manner permitted by the terms of the Indenture, the provisions of the Indenture, or any indenture amendatory thereof or supplemental thereto, may be modified or amended by the District, in certain circumstances without the consent of or notice to the owners of the Bonds, and in certain circumstances, only with the written consent of the owners of at least a majority in aggregate principal amount of the combined principal amount of the Bonds then outstanding under the Indenture.

The principal and interest on this Bond and the issue of which this Bond is one are payable solely from the Pledged Revenues under the Indenture and neither this Bond nor the issue of which it is part shall in any way create or constitute an indebtedness, liability or obligation of the State of Colorado or any political subdivision thereof except the District and no property of the District, except the Pledged Revenues, shall be liable to be forfeited or taken in payment of this Bond or the issue of which this Bond is one.

It is hereby certified and recited that all conditions, acts and things required by law, the Resolution and the Indenture to exist, to have happened and to have been performed precedent to and in the issuance of this Bond, exist, have happened and have been performed and that the issue of Bonds of which this is one, together with all other indebtedness of the District, complies in all respects with the applicable laws of the State of Colorado, including, particularly, the Act and the Supplemental Act. This Bond and the issue of which this Bond is one is issued under authority of the Act and, as provided in Section 32-9-135 of the Act, this recital shall conclusively impart full compliance with all the provisions of the Act, and this Bond and the issue of which this Bond is one shall be incontestable for any cause whatsoever after their delivery for value. This Bond and the issue of which this Bond is one is also issued pursuant to the Supplemental Act, and pursuant to Section 11-57-210 of the Supplemental Act, this recital shall be conclusive evidence of the validity and the regularity of the issuance of this Bond and the issue of which this Bond is one after their delivery for value.

The Act provides that neither the members of the Board of Directors of the District nor any person executing the securities of the District shall be liable personally on such securities by reason of the issuance thereof.

This Bond shall not be entitled to any benefit under the Indenture or be valid or become obligatory for any purpose until this Bond shall have been authenticated by the execution by the Trustee of the Trustee's Certificate of Authentication hereon.

IN WITNESS WHEREOF, REGIONAL TRANSPORTATION DISTRICT has caused this Bond to be signed and executed in the name and on behalf of the District, to be signed with the manual or facsimile signature of the Chair of the Board of Directors of the District and to be attested with the manual or facsimile signature of the Secretary of the Board of Directors of the District and has caused its corporate seal (or a facsimile thereof) to be hereunto affixed, imprinted, engraved or otherwise reproduced, all as of the date of delivery hereof.

REGIONAL TRANSPORTATION DISTRICT

By: ____

Chair
Board of Directors

[SEAL]

Attest:

By:__________________________________

Secretary
Board of Directors

[FORM OF CERTIFICATE OF AUTHENTICATION]

This Bond is one of the bonds delivered pursuant to the within-mentioned Indenture.

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., as Trustee

Date: ______________________ By: ____
Authorized Signatory

[FORM OF ASSIGNMENT]

For value received, the undersigned hereby sells, assigns and transfers unto ____________________ the within bond and hereby irrevocably constitutes and appoints _______________ attorney, to transfer the same on the records of the Bond Registrar, with full power of substitution in the premises.

____

Dated: __________________

Signature Guaranteed by a member
of the Medallion Signature Program:

____

Address of transferee:
____
____
____

Social Security or other tax
identification number of transferee:

____

NOTE: The signature to this Assignment must correspond with the name as written on the face of the within bond in every particular, without alteration or enlargement or any change whatsoever.

EXCHANGE OR TRANSFER FEES MAY BE CHARGED

[END OF FORM OF BOND]

Appendix F

TENDERED 2012 BONDS; REFUNDED 2012 BONDS

Tendered 2012 Bonds

The following Series 2012A Bonds are being tendered by the holders thereof pursuant to the District's Invitation to Tender Bonds dated January 27, 2021 and are being purchased by the District with proceeds of the Bonds as described in "PLAN OF FINANCE":

Regional Transportation District
Sales Tax Revenue Bonds (FasTracks Project),
Series 2012A

Series	Tendered Par Amount	Coupon	Maturity Date (November 1)	CUSIP
2012A	$ 435,000	5.000%	2023	759136RD8
2012A	5,445,000	5.000	2024	759136RG1
2012A	14,005,000	5.000	2025	759136QT4
2012A	75,000	3.000	2026	759136QU1
2012A	1,050,000	5.000	2026	759136RE6
2012A	11,045,000	5.000	2027	759136QV9
2012A	4,760,000	5.000	2028	759136QW7
2012A	295,000	3.500	2029	759136QX5
2012A	900,000	5.000	2029	759136RL0
2012A	280,000	3.000	2030	759136QY3
2012A	235,000	5.000	2031	759136QZ0
2012A	24,700,000	4.000	2032	759136RH9
2012A	515,000	5.000	2032	759136RJ5
2012A	24,495,000	3.500	2037	759136RA4
2012A	325,000	4.000	2037	759136RC0
2012A	725,000	5.000	2037	759136RK2

Refunded 2012 Bonds

The following Series 2012A Bonds are being refunded and defeased by the District with proceeds of the Bonds as described in "PLAN OF FINANCE":

Series	Refunded Par Amount	Coupon	Maturity Date (November 1)	CUSIP1
2012A	$ 80,000	3.000%	2023	759136QS6
2012A	375,000	4.000	2023	759136RB2
2012A	18,860,000	5.000	2023	759136RD8
2012A	1,310,000	4.000	2024	759136RF3
2012A	13,980,000	5.000	2024	759136RG1
2012A	7,755,000	5.000	2025	759136QT4
2012A	3,435,000	3.000	2026	759136QU1
2012A	39,290,000	5.000	2026	759136RE6
2012A	28,825,000	5.000	2027	759136QV9
2012A	36,055,000	5.000	2028	759136QW7
2012A	2,705,000	3.500	2029	759136QX5
2012A	28,110,000	5.000	2029	759136RL0
2012A	1,680,000	3.000	2030	759136QY3
2012A	46,860,000	5.000	2031	759136QZ0
2012A	300,000	4.000	2032	759136RH9
2012A	19,180,000	5.000	2032	759136RJ5
2012A	95,400,000	3.500	2037	759136RA4
2012A	1,175,000	4.000	2037	759136RC0
2012A	40,275,000	5.000	2037	759136RK2

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Appendix G

CLIMATE BOND VERIFIER'S REPORT

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VERIFIER'S REPORT SUMMARY

Kestrel Verifiers is of the opinion that the Denver Regional Transportation District Sales Tax Revenue Refunding Bonds (FasTracks Project) Series 2021A (Green Bonds – Climate Bond Certified) and 2021B (Green Bonds – Climate Bond Certified) ("Bonds") conform with the Transport sector criteria (Version 2) of the Climate Bonds Standard.

Use of Proceeds

Proceeds will be used to refund an outstanding bond and loan which primarily financed infrastructure for fully electric commuter and light rail projects which were part of RTD's FasTracks program.

Process for Project Evaluation and Selection

RTD's project selection process is guided by the voter approved FasTracks program and its environmental and social sustainability goals. RTD's operations also closely align with Denver Regional Council of Governments' Metro Vision sustainability goals.

Management of Proceeds

Proceeds from the Bonds will be tracked using RTD's accounting procedures and reviewed by the Finance Committee and the Board of Directors. Proceeds will be fully allocated to refund outstanding debt and financing costs. Proceeds will be invested in U.S. Treasury Obligations or not invested prior to their use to pay principal of and interest on the bonds to be refunded.

Reporting

RTD has reported on project status and the impact of the transit system in its FasTracks Status Reports and the Quality of Life Sustainability Report. RTD will also submit continuing disclosures to the Municipal Securities Rulemaking Board (MSRB) annually on the Electronic Municipal Market Access (EMMA) system. Kestrel Verifiers will be engaged to provide a Post-Issuance report within 24 months of certification.

Impact and UN SDGs

By financing expansion of a reliable public transport system, RTD is directly supporting UN SDG 9: Industry, Innovation and Infrastructure and SDG 11: Sustainable Cities and Communities.

ISSUER
Regional Transportation District (Colorado)

OPINION ON
Sales Tax Revenue Refunding Bonds (FasTracks Project) Series 2021A (Green Bonds – Climate Bond Certified) and 2021B (Green Bonds – Climate Bond Certified)

SECTOR CRITERIA
Transport (Version 2)

SDGs

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

11 SUSTAINABLE CITIES AND COMMUNITIES

EVALUATION DATE
January 2021

KESTREL VERIFIERS CONTACTS:

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(+1) 541-399-6806

April Strid, Lead Verifier
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VERIFIER'S REPORT

Par:	$834,035,000
Issuer:	Regional Transportation District (Colorado)
Issue Description:	Taxable Sales Tax Revenue Refunding Bonds (FasTracks Project) Series 2021A (Green Bonds – Climate Bond Certified) and Tax-Exempt Sales Tax Revenue Refunding Bonds (FasTracks Project) Series 2021B (Green Bonds – Climate Bond Certified)
Project:	FasTracks Projects
Sector Criteria:	Transport (Version 2)
Evaluation Date:	January 2021

CLIMATE BONDS VERIFIER'S REPORT

Regional Transportation District (Colorado) ("RTD") is issuing Taxable Sales Tax Revenue Refunding Bonds (FasTracks Project) Series 2021A (Green Bonds – Climate Bond Certified) and Tax-Exempt Sales Tax Revenue Refunding Bonds (FasTracks Project) Series 2021B (Green Bonds – Climate Bond Certified) ("Bonds") to refund outstanding debt used to expand and improve Denver, Colorado's regional public transportation system.

This Verifier's Report reflects Kestrel Verifiers' view of RTD's projects and financing, allocation and oversight, and conformance of the bonds with the Climate Bonds Standard (V3.0), and the Transport sector criteria (Version 2). In our opinion, the Bonds are aligned with the internationally accepted Climate Bonds Standard and the Transport criteria (Version 2).

ABOUT THE ISSUER

The Denver Regional Transportation District ("RTD") provides public transportation in eight counties surrounding Denver, Colorado. RTD is a public agency with a mission to provide safe, clean, reliable, courteous, accessible, and cost-effective public transit. RTD provides transit services to over 3.08 million people located within 2,342 square miles. These services include bus, rail, shuttles, ADA paratransit services, and, more recently, an expansion of transit through the FasTracks program.

RTD is committed to both social and environmental sustainability. Colorado's statewide Climate Action Plan and House Bill 19-1261 set a goal to reduce emissions by 90% below 2005 levels by 2050. The transportation sector is the source of most greenhouse gas (GHG) emissions in the region. RTD actively tracks fleet and facility GHG emissions and continually aims to reduce their environmental impact. Initiatives to increase adoption of zero emission vehicles and expand access and system efficiency will support GHG emission reduction goals. RTD also provides strong public benefit through a focus on transit-oriented development, safety, and public health.

As of 2019, RTD has an average weekday ridership of over 320,000 and operates 146 transit service routes. Services include local and regional routes, transit to and from Denver International Airport, light rail, a free shuttle service in downtown Denver, curb-to-curb services, and door-to-door paratransit service for people with disabilities. RTD owns bus and rail maintenance facilities, light rail facilities, administrative buildings, and passenger terminals.

RTD maintains a high standard of transparency in all aspects of operations and planning and has a track record of prioritizing projects that have a demonstrated positive impact on transit access and sustainability. RTD has ongoing programs to expand transit signal priority for transit vehicles to increase speed and reliability of services. They are working to improve transit accessibility through the First and Last Mile Strategic Plan, and they consistently partner with other entities to improve the existing system and better serve the region.

ALIGNMENT TO CLIMATE BONDS STANDARD AND CERTIFICATION SCHEME

RTD has engaged Kestrel Verifiers to provide an independent verification on the alignment of the Bonds with the Climate Bonds Standard (V3.0) and Certification Scheme, and the Transport sector criteria (Version 2). The Climate Bonds Initiative (the "CBI") administers the Standard and sector criteria. Additionally, Kestrel Verifiers has examined alignment of the Bonds with the United Nations Sustainable Development Goals ("SDGs") and the drafted EU Taxonomy.

Kestrel Verifiers is a Climate Bonds Initiative Approved Verifier. The Kestrel review team included environmental scientists and public finance experts. We performed a Reasonable Assurance engagement to independently verify that the Bonds meet, in all material respects, relevant criteria defined in Figure 1.

For this engagement, Kestrel Verifiers reviewed RTD's Green Bond Framework and relevant plans, environmental impact assessments, and budgets. We examined public and non-public information and interviewed members of RTD's management and finance teams. Our goal was to understand the planned use of proceeds, procedures for managing proceeds, and plans and practices for reporting in sufficient detail to verify the Bonds.

Verifier's Responsibilities

Kestrel Verifiers' responsibilities for confirming alignment of the Bonds with the Climate Bonds Standard and Transport criteria (Version 2) include:

- assess and certify RTD's internal processes and controls, including selection process for projects and assets, internal tracking of proceeds, and the allocation system for funds;
- assess policies and procedures established by RTD for reporting;
- assess the readiness of RTD to meet the Climate Bonds Standard (V3.0) and Transport sector criteria (Version 2); and
- express a Reasonable Assurance conclusion.

Relevant Climate Bonds Sector Criteria and Other Standards

The Bonds align with the Climate Bonds Standard (V3.0) and Transport criteria (Version 2).

Assurance Approach

Kestrel Verifiers' responsibility is to conduct a Reasonable Assurance engagement to determine whether the Bonds meet, in all material respects, the requirements of the Climate Bonds Standard. Our reasonable assurance was conducted in accordance with the Climate Bonds Standard (V3.0) and the *International Standard on Assurance Engagements (ISAE) 3000: Assurance Engagements Other than Audits or Reviews of Historical Financial Information*.

Kestrel Verifiers has relied on information provided by RTD. There are inherent limitations in performing assurance, and fraud, error or non-compliance may occur and not be detected. Kestrel Verifiers is not responsible or liable for any opinions, findings or conclusions that are incorrect. Our assurance is limited to RTD's policies and procedures in place as of January 2021. The distribution and use of this verification report are at the sole discretion of RTD. Kestrel Verifiers does not accept or assume any responsibility for distribution to any other person or organization.

Use of Proceeds and Conformance to Sector Criteria

Proceeds from the Bonds will be used to refinance RTD's Sales Tax Revenue Bonds (FasTracks Project), Series 2012A ("2012A Bonds") and a loan pursuant to a Loan Agreement, dated as of December 1, 2011, as amended, between the District and the United States Department of Transportation, an agency of the United States of America, acting by and through the Federal Highway Administrator (the "TIFIA Loan"). The financed projects consist of electric rail, dedicated support facilities, and a minor portion to Bus Rapid Transit (BRT) projects which were originally authorized in 2004 by voters under the FasTracks program. Extensive environmental impact assessments were successfully completed for multiple projects. The assets have not been nominated for other Green or Climate Bonds.

FasTracks:

In November 2004, voters approved FasTracks transit tax for region-wide expansion of transit service over 12 years. The measure approved an increased sales tax by 0.4% to provide funds to build 122 miles of new commuter rail and light rail, 18 miles of bus rapid transit, and 21,000 new parking spaces at rail and bus stations. When voters approved the program in 2004, corridors for investment had been identified in Denver Regional Council of Governments' Regional Transportation Plan. The FasTracks program consists of six new rapid transit corridors and three existing corridor extensions and to expand and enhance service across the eight-county district. A subset of these projects were financed by the 2012A Bond and the TIFIA Loan to be refunded by the Bonds. All financed projects discussed below have been completed and are open to the public.

TIFIA Loan:

The TIFIA Loan was issued in 2011 to finance a portion of RTD's Eagle P3 Project which was a component of FasTracks. Eagle P3 Projects include expansion of fully electric rail line and construction of a maintenance facility dedicated to the electric transport system. Projects financed by the TIFIA Loan which were part of the Eagle P3 Project included the following:

- University of Colorado A Line: A 22.8-mile commuter rail line which provides service between Denver Union Station and Denver International Airport
- G Line: A 11.2-mile commuter rail line between Denver Union Station and Wheat Ridge
- Commuter Rail Maintenance Facility: A 31-acre site equipped and built solely to repair and maintain electric commuter rail vehicles and the commuter rail network

2012A Bonds:

The 2012A Bond which will be refunded was used to finance multiple electric light rail and electric commuter rail projects, an electric circulator bus, bus rapid transit (BRT) projects, and associated administrative costs. A full list of projects is included in Appendix B. Following is a selection of projects from the 2012A Bond:

Commuter Rail: A portion of the 2012A Bond proceeds financed the dedicated electric sections of the Northwest Rail NWR which connected transit service between Denver, Boulder, and Longmont. Commuter rail projects also include lines between the Commuter Rail Maintenance Facility (CRMF) and Pecos Street and the CRMF and Denver Union Station.

Bus Rapid Transit: The BRT projects include the construction of an Express Lane for BRT, improved electronic display signage at stations, construction of a commuter bikeway, and bus priority improvements at ramps.

Electric Light Rail: Projects in the Electric Light Rail category include the I-225 rail line (also known as the R line) that consists of a 22-mile light rail line with 16 stations in total and opened in 2017 for public use. System enhancements and extensions were also financed by the 2012A bonds on the Central (L Line), Southeast (E, F & H Lines), Southwest (C and D Lines), and West Corridor rail lines. The West Corridor line improved connection between downtown Denver, Lakewood, and Golden. The Southeast corridor was prioritized to reduce congestion and connect major employment centers in the region.

Electric Circulator Bus: A portion of the 2012A Bond proceeds financed the acquisition of fully electric buses for the 16th Street Free MallRide route. The all-electric Free MallRide shuttle buses went into service in 2016.

Sector Criteria

Transport Criteria (Version 2)

The projects financed by the TIFIA Loan and the 2012A Bonds align with the CBI Transport Criteria (Version 2) under the Asset Classes Infrastructure and Buses. The majority of proceeds financed projects which fall under the definition, "Dedicated infrastructure for electrified public transport." These projects meet eligibility of the sector criteria with no further disclosure required.

A portion of the TIFIA Loan financed infrastructure for a bus rapid transit system (US 36 BRT). This bus line has sufficiently low emissions intensity (42 g CO_2 per passenger km) to meet the 2020 universal emissions intensity threshold (50 g CO_2 per passenger-km). While certain buses run on alternative fuels in the RTD system (biodiesel), the emissions intensity threshold is not exceeded when assuming the US 36 buses operate using 100% conventional diesel. Calculations and constants are provided in Appendix A.

Process for Project Evaluation and Selection

Multiple plans and oversight guide RTD's efforts to build and maintain a sustainable regional transportation system. A 15-member elected Board of Directors governs RTD and directs decision-making. Denver Regional Council of Governments (DRCOG) (an association of local governments) works closely with RTD to provide project approvals and alignment with regional sustainability and development goals.

DRCOG is responsible for developing the Metro Vision Regional Transportation Plan (Regional Plan) which establishes a pathway to a coordinated transit and roadway system in the Denver metropolitan area through 2040. The Regional Plan is mandated by the U.S. Department of Transportation. DRCOG provides review of certain RTD activities, including approving financial plans for RTD rapid transit projects such as FasTracks. When voters approved the program in 2004, DRCOG had identified corridors for investment in the Regional Transportation Plan and RTD had led Major Investment Studies in each of the corridors. FasTracks planning was informed by three core goals:

- Provide improved transportation choices and options to the citizens of the district
- Increase transit mode share during peak travel times
- Establish a proactive plan that balances transit needs with future regional growth

RTD has submitted various reports and project change reports to DRCOG to establish a baseline system status and to monitor FasTracks project updates and changes. Most recently, the RTD Accountability Committee in DRCOG was established in June 2020 by Gov. Jared Polis to act as an independent reviewer of RTD operations. The partnership and accountability required by DRCOG ensures alignment of RTD projects with a vision for a sustainable future. DRCOG's Metro Vision has multiple pillars which guide long-range regional planning efforts in many sectors and uses key performance measures to indicate progress toward the goals.

RTD's recommendations for the Regional Plan are provided in their Long Range Financial Plan. On a slightly shorter timescale, RTD administers their capital program with the Mid-Term Financial Plan (MTFP). The MTFP is an RTD-specific, six-year financial plan which outlines expenditures on FasTracks and the Base System (all non-FasTracks projects and maintenance). The MTFP is updated annually and is used to determine the services that the District can provide in accordance with projected financial resources. It is also a component of the regional six-year Transportation Improvement Program which is required by federal regulation and is adopted biennially by DRCOG. The first year of the MTFP serves as the basis for the preparation of the annual budget.

Projects and expansion plans such as FasTracks are evaluated based on their relative costs and benefits, relative need, and to what extent they meet the RTD mission statement and Transit Asset Management. All of the Green Bond projects have been appropriated in the annual budget. RTD's Budget Office, Senior Staff, and Board of Directors all review projects before they are approved in the adopted budget.

Management of Proceeds

Proceeds from the Bonds will be allocated to refund and pay debt service through the optional redemption date on the Series 2012A Bonds and outstanding TIFIA loan which was administered and used solely to finance the eligible green projects. Proceeds will be tracked by the RTD Debt Manager and internal accounting. RTD's Chief Financial Officer prepares regular reports with financials for review by the Finance Committee and Board of Directors. The proceeds will be invested in U.S. Treasury Obligations or will not be invested prior to their use to pay principal of and interest on the refunded bonds. 100% of the proceeds financed the projects described in the Use of Proceeds section above and financing costs. Only bonds that financed projects which meet the Climate Bond Standard 3.0 are to be refunded with Climate Bond proceeds.

Reporting

RTD expects to report on the Bonds and the associated projects in multiple forms. RTD expects to continue to prepare FasTracks Status Reports and to submit these to DRCOG for inclusion in the publicly available Resource Library. Although project construction has been completed for the projects refinanced with the Green Bonds, these Status Reports provide relevant updates. RTD's existing Quality of Life Sustainability Reports have pertinent metrics and information regarding impact of the FasTracks Program and progress towards the FasTracks Program goals.

RTD will enter a continuing disclosure agreement to provide disclosures on the Municipal Securities Rulemaking Board (MSRB) so long as the Bonds are outstanding. The reporting will be done annually on the Electronic Municipal Market Access (EMMA) system operated by the MSRB.

Within 24 months of certification, Kestrel Verifiers will also provide one post-issuance Update Report to the Climate Bonds Initiative. This report will provide assurance that RTD is conforming to all of the post-issuance requirements of the Climate Bonds Standard and that the nominated projects continue to be in alignment with the Green Bonds Framework. It is expected to include information about uses of proceeds, funds allocated, and project status on a portfolio or project-specific basis. RTD intends to post this report as a voluntary disclosure on the EMMA website and on their website: www.rtd-denver.com/.

Impact and Alignment with UN SDGs

SUSTAINABLE DEVELOPMENT GOALS

RTD's commitment to expansion of zero-emission, reliable and affordable public transport systems supports the sustainable vision of the UN Sustainable Development Goals (UN SDGs). The *2030 Agenda for Sustainable Development* adopted by all United Nations member states in 2015 provides "a shared blueprint for peace and prosperity for people and the planet." The United Nations' Agenda describes 17 Sustainable Development Goals (SDGs). The Bonds directly support UN SDGs 9 and 11 by expanding zero- and low-emission public transportation options in the Denver region. A comprehensive list of targets and background on UN SDG 9 and 11 is available on the United Nations' website: https://www.un.org/sustainabledevelopment/

UN SDG	Green Category (SDG Targets)	Possible Indicators
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	• Clean Transportation (Target 9.1)	• Number of people with access to sustainable transport systems • Reduction in fossil fuel use as a result of bond projects
11 SUSTAINABLE CITIES AND COMMUNITIES	• Clean Transportation (Targets 11.2, 11.3, 11.6)	• Number of individuals with access to public transportation • Avoided greenhouse gas emissions (tons CO2eq) • Avoided air pollutant emissions (other than greenhouse gases) • Number of avoided hospitalizations as a result of improved air quality

Applicable SDG targets include:

9.1 Develop quality, reliable, sustainable and resilient infrastructure, including regional and transborder infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all

11.2 By 2030, provide access to safe, affordable, accessible and sustainable transport systems for all, improving road safety, notably by expanding public transport, with special attention to the needs of those in vulnerable situations, women, children, persons with disabilities and older persons

11.3 By 2030, enhance inclusive and sustainable urbanization and capacity for participatory, integrated and sustainable human settlement planning and management in all countries

11.6 By 2030, reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management

CONCLUSION

Based on the Reasonable Assurance procedures we have conducted, in our opinion, the Bonds conform, in all material respects, with the Climate Bonds Standard, and the bond-financed activities are aligned with the Transport sector criteria (Version 2). RTD's efforts are expediting a transition to a zero-emission transportation sector and advancing regional greenhouse gas emission reduction goals.

ABOUT KESTREL VERIFIERS

For 20 years Kestrel has been a trusted consultant in sustainable finance. Kestrel Verifiers, a division of Kestrel 360, Inc. is a Climate Bonds Initiative Approved Verifier qualified to verify transactions in all asset classes worldwide. Kestrel is a US-based Women's Business Enterprise.

For more information, visit www.kestrelverifiers.com

DISCLAIMER

This opinion aims to explain how and why the discussed financing meets the Climate Bonds Standard based on the information which was available to us during the time of this engagement (January 2021) only. By providing this opinion, Kestrel Verifiers is not certifying the materiality of the projects financed by the Climate Bonds. It was beyond Kestrel Verifiers' scope of work to review issues relating to regulatory compliance and no surveys or site visits were conducted. Furthermore, we are not responsible for surveillance on the project or use of proceeds. Kestrel Verifiers relied on information provided by RTD. The opinion delivered by Kestrel Verifiers does not address financial performance of the Bonds or the effectiveness of allocation of its proceeds. This opinion does not make any assessment of the creditworthiness of RTD, or its ability to pay principal and interest when due. This is not a recommendation to buy, sell or hold the Bonds. Kestrel Verifiers is not liable for consequences when third parties use this opinion either to make investment decisions or to undertake any other business transactions. This opinion may not be altered without the written consent of Kestrel Verifiers. Kestrel Verifiers certifies that there is no affiliation, involvement, financial or non-financial interest in RTD or the projects discussed. Language in the offering disclosure supersedes any language included in this Verifier's Report.

APPENDIX A

The following methodology was used to determine the BRT infrastructure financed by the refunded TIFIA loan does not exceed the universal passenger threshold and is eligible under the Transport Criteria (Version 2).

Constants

g CO_2 per gallon diesel = 10,160[1]

RTD Metrics

Total average passengers = 32.5[2]

Fuel efficiency: 4.6 mi per gallon conventional diesel = 7.4 km per gallon

Methodology

$$\frac{g\ CO_2\ per\ km}{total\ average\ passengers} = g\ CO_2\ per\ passenger\ km$$

$$\frac{1{,}372.4}{32.5} = 42.2\ g\ CO_2\ per\ passenger\ km$$

[1] U.S. Energy Information Administration, Carbon Dioxide Emissions Coefficients by Fuel. 2016. https://www.eia.gov/environment/emissions/co2_vol_mass.php. *Accessed January 2021.*

[2] 2019 US 36 BRT ridership

APPENDIX B

Table 1. Projects financed with the 2012A refunded bonds

Project Name	Project Type
Central Corr Enhancements	Electric Light Rail
Central Corridor Extension	Electric Light Rail
Colfax Cross-Over	Electric Light Rail
Communications Systems Upgrade	Electric Light Rail
CPV Enhancements	Electric Light Rail
CR Maintenance Facility	Electric Commuter Rail
CRMF to Pecos	Electric Commuter Rail
Downtown Circulator	Electric Circulator Bus
DUS Electrification	Electric Commuter Rail
DUS Systems- Eagle	Electric Commuter Rail
DUS to CRMF Corridor	Electric Commuter Rail
FasTracks Admin Projects	Administrative
I-225 Corridor	Electric Light Rail
I-225 LRT Vehicle Storage	Electric Light Rail
Longmont Station	Electric Commuter Rail
Northwest Rail NWR	Electric Commuter Rail
Peoria Interface Coordination	Electric Light Rail
Southeast Enhancements	Electric Light Rail
Southeast Extension	Electric Light Rail
Southwest Enhancements	Electric Light Rail
Southwest Extension	Electric Light Rail
US 36 BRT - Phase 2	Bus Rapid Transit
US 36 Managed Lanes	Bus Rapid Transit
West Corridor CNPA	Electric Light Rail