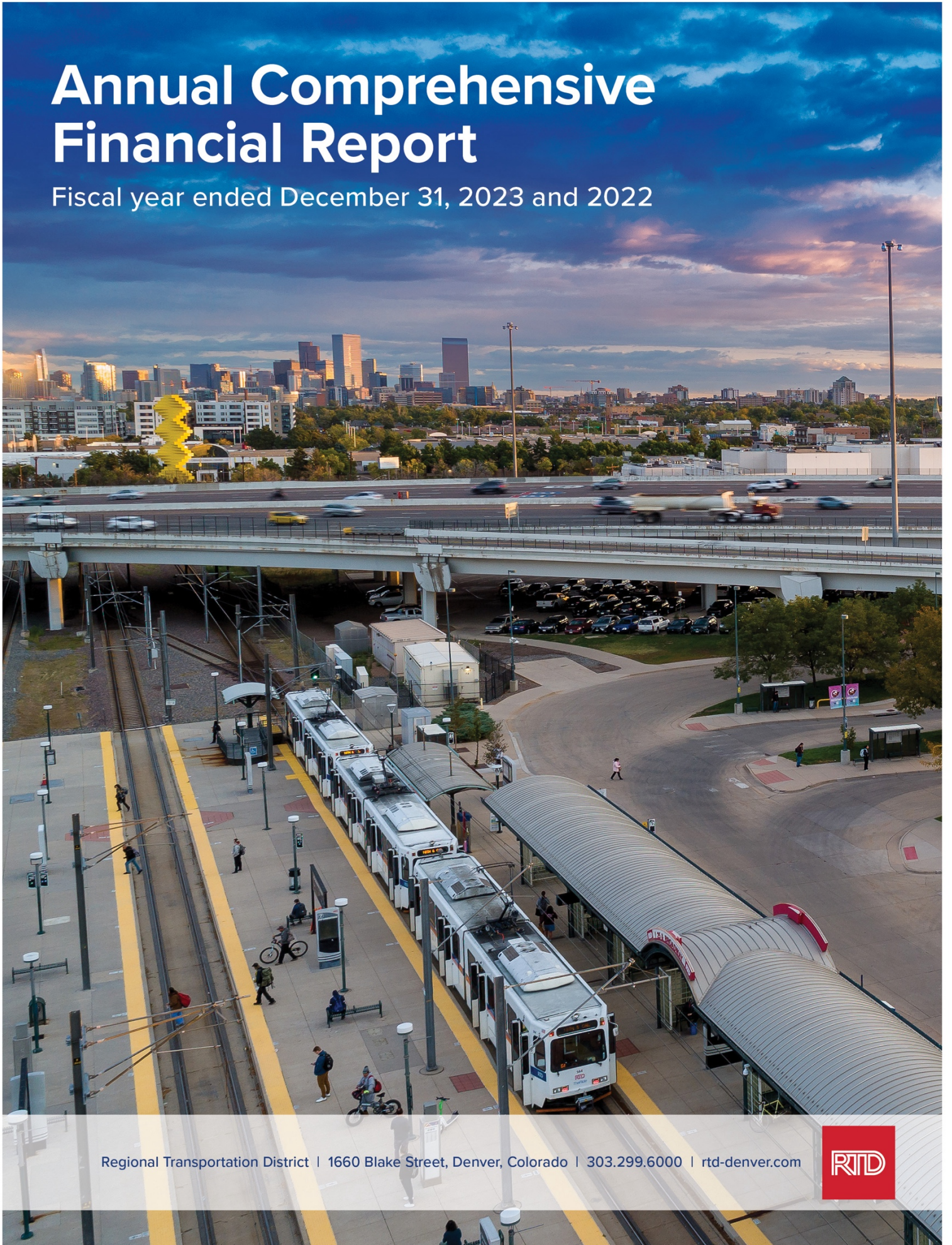


Annual Comprehensive Financial Report

Fiscal year ended December 31, 2023 and 2022

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

RTD





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June 17, 2024

Chair Davidson, Board Members and RTD service area residents,

State law requires that all general-purpose local governments publish within seven months of the close of each fiscal year a complete set of financial statements presented in conformance with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, the Annual Comprehensive Financial Report of the Regional Transportation District (RTD) for the fiscal year ended December 31, 2023, is hereby issued.

This report consists of management's representations concerning RTD's finances. Consequently, management assumes full responsibility for the completeness and reliability of all information presented in this report. To provide a reasonable basis for making these representations, management has established a comprehensive internal control framework that is designed both to protect the 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. The cost of internal controls should not outweigh the 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 the General Manager and CEO, I assert that, to the best of my knowledge and belief, this financial report is complete and reliable in all material respects.

RTD's financial statements have been audited by Plante Moran, PLLC, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of RTD for the fiscal year ended December 31, 2023, 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, 2023, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of this report in the *Financial Section*.

The independent audit of the 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.

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

RTD boundaries include Jefferson, Boulder, and Denver counties, most of the City and County of Broomfield, and portions of Adams, Douglas, Weld, and Arapahoe counties. Over 3.1 million people reside within RTD's 2,342 square mile service area.

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

In 2023, RTD employed 2,815 people, making it one of the largest employers in the eight-county area. In addition, RTD contracts with private carriers to provide paratransit service branded "Access-a-Ride", fixed route bus and commuter rail services employing 1,660 individuals. Besides its administrative headquarters in Denver, RTD has seven operating facilities (excluding purchased transportation services), including four in Denver, one in Aurora, one in Englewood, and one in Boulder.

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

RTD 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 RTD departments are required to submit requests for appropriation to the General Manager and CEO on or before August of each year. The General Manager and CEO uses these requests as the



starting point for developing a proposed budget. The General Manager and CEO then presents this proposed budget to the Board of Directors for review prior to October 15. The Board of Directors is required to hold a public hearing on the proposed budget and to adopt a final budget no later than December 31.

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

RTD’s policy also authorizes the General Manager and CEO to approve certain line-item transfers within the budget. Budget-to-actual comparisons are provided in the Supplementary Information Section of this report.

Factors Affecting Financial Condition

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

RTD serves the eight-county region, which is considered as 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 2024 report forecasts that the outlook for the economy is stable. Although economic activity has remained fairly steady while persistent inflation exceeding historical averages and a tight labor market are expected to continue to present challenges.

Economists for CLC reported the following key economic indicators for the Denver Metro Area:

Key Economic Indicators	2022 Actual	2023 Actual	2024 Forecast
Job Growth	4.3%	2.5%	1.3%
Unemployment	3.0%	3.4%	3.7%
Personal Income Growth	10.4%	5.2%	5.8%
Population Growth	0.5%	0.6%	1.0%
Inflation	8.0%	5.2%	2.6%

On November 3, 1992, the voters of Colorado approved a constitutional amendment known as the Taxpayer’s Bill of Rights (TABOR), 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 TABOR’s revenue and spending limitations through December 31, 2005. On November 2, 1999, the voters of the District further exempted RTD from TABOR’s revenue and spending limitations 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 for which full defeasance will occur in November 2024 which will result in



approximately 50% of RTD's revenues being subject to TABOR growth limitations beginning in 2025.

On November 2, 2004, the voters of the District authorized an increase in the District's sales and use tax rate from 0.6% for the Base System 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 under TABOR on the additional tax and on investment income generated by the increased tax revenue and allowed RTD to incur debt to finance the capital

improvements included in the FasTracks program. After the FasTracks debt is repaid in 2050, the District's 0.4% sales and use tax rate will be reduced to a rate sufficient to operate the transit system financed through FasTracks and the TABOR restriction exemption will expire beginning in 2051.

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 forecasting plan for RTD including both the Base System and 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), the Metropolitan Planning Organization. While the MTFP is developed separately for the Base System and FasTracks, RTD integrates both plans into a single medium and long-range 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. In October 2023, the Board of Directors approved the 2024-2029 MTFP.

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

FINANCIAL INFORMATION

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

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



As part of RTD's single audit, tests are made to determine the adequacy of the internal control structure, including that portion related to federal financial assistance programs, as well as to evaluate RTD's compliance. RTD's single audit for the fiscal year ended December 31, 2023 found no instances of material weakness in the internal control structures or significant violations of applicable laws and regulations. A separate report was prepared for this purpose.

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

Debt Administration: RTD formulates its debt policy to protect its credit ratings and soundly manage its assets and liabilities. Included in this policy is a requirement that debt will not be used to finance current operations. Another requirement precludes financing capital projects

beyond the useful life of the project. Additional policies go beyond these essential guidelines and result in further protection. RTD has separate ratings for its Base System and FasTracks sales and use taxes. Base System bonds secured by the 0.6% sales tax are rated by Moody's Investors Service as "Aa1", by Standard and Poor's Corporation as "AAA" and by Fitch Ratings as "AA". FasTracks Bonds that are secured by a first lien on the District's 0.4% sales tax and a subordinate lien on the 0.6% sales tax are rated by Moody's Investors Service as "Aa2", by Standard and Poor's Corporation as "AAA" and by Fitch Ratings as "AA".

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

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

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

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

Commercial insurance policies provide coverage including: property coverage up to \$500,000,000 for buildings, their contents, and rolling stock (other than collision); a commuter rail railroad liability policy of \$323,000,000 to cover the cap on damages set by federal law; a Commercial Crime Policy with a limit of \$10,000,000; a \$5,000 bond for Commercial Driver's License (CDL)



Testing Performance Bond; \$4,000,000 Workers' Compensation Bond; fiduciary coverage on the Trustees of the Salaried Pension Trust and Salaried 401(a) Plan, \$8,000,000. The District also maintains a Public Official Bond for 15 officials totaling \$150,000, Commercial General Liability covering Employment Practices Liability and Police Activity Liability, \$10,000,000 as well \$23,703,600 per occurrence for LRV-only damage resulting from a derailment.

OTHER INFORMATION

Awards: The Government Finance Officers Associations (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to RTD for its Annual Comprehensive Financial Report for the fiscal year ended December 31, 2022. RTD will submit its 2023 Report for award of this Certificate.

To receive the Certificate of Achievement for Excellence in Financial Reporting, RTD must publish an easily readable and efficiently organized Annual Comprehensive Financial Report, the contents

of which must conform to program standards. This report must also satisfy both GAAP and applicable legal requirements.

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

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

Sincerely,

A handwritten signature in blue ink, appearing to read "Debra A. Johnson".

Debra A. Johnson
General Manager and CEO



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2024 Board of Directors

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

District A

Jaime Lewis
Denver/Arapahoe counties

District B

JoyAnn Ruscha
Denver/Adams counties

District C

Michael Guzman, Secretary
Denver/Jefferson counties

District D

Bobby Dishell
Denver/Jefferson/Arapahoe counties

District E

Paul Rosenthal
Denver/Arapahoe counties

District F

Bob Broom
Arapahoe County

District G

Julien Bouquet, Treasurer
Arapahoe/Douglas counties

District H

Doug Tisdale
Arapahoe/Douglas counties

District I

Erik Davidson, Chair
Boulder/Broomfield/Adams/Weld counties

District J

Vince Buzek
Adams/Jefferson counties

District K

Troy Whitmore
Adams/Weld counties

District L

Ian Harwick
Jefferson/Adams counties

District M

Marjorie Sloan
Jefferson County

District N

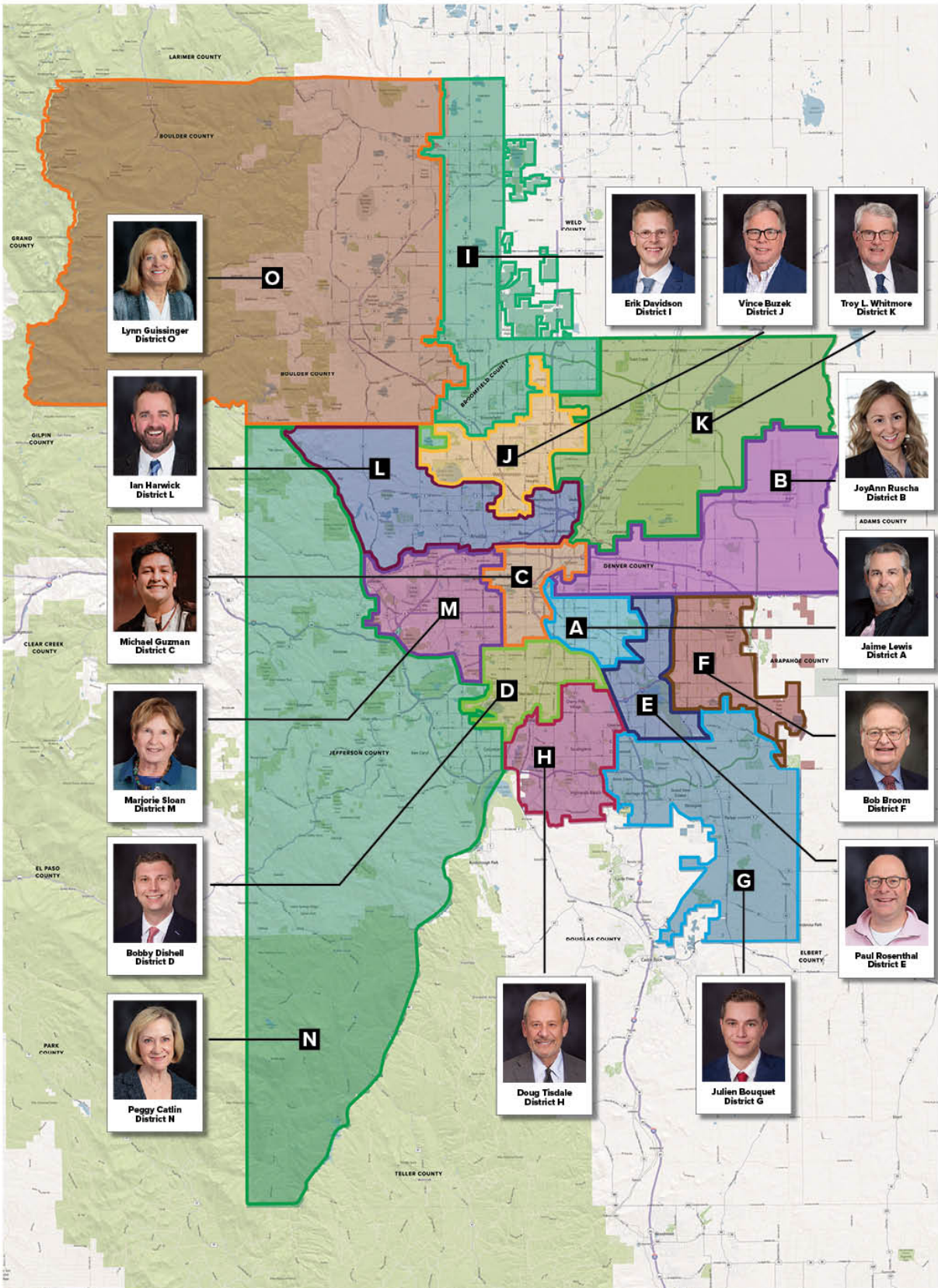
Peggy Catlin, First Vice Chair
Jefferson County

District O

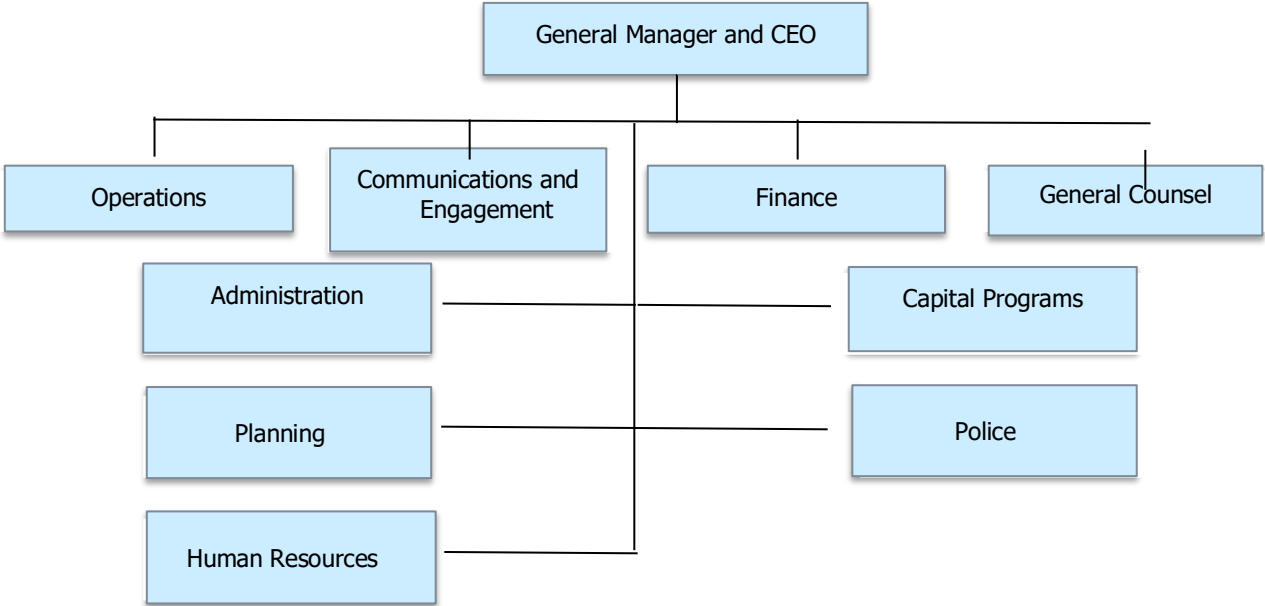
Lynn Guissing, Second Vice Chair
Boulder County

2024 BOARD OF DIRECTORS

DISTRICT BOUNDARIES



**Organization Chart
December 2023**



Leadership Team

General Manager and Chief Executive Officer
Debra A. Johnson

General Counsel
Melanie J. Snyder

Chief Financial Officer
Doug MacLeod

Chief People Officer
Charlene Polege

Chief Administration Officer
Leah Riley

Chief Operations Office
Michael Ford

Chief Communications and Engagement Officer
Stuart Summers

Chief of Police
Dr. Joel Fitzgerald

Acting AGM, Capital Programs and Facilities
Jyotsna Vishwakarma

Acting AGM, Planning
Brian Welch

AGM, Bus Operations
Fred Worthen

AGM, Rail Operations
Dave Jensen



Government Finance Officers Association

Certificate of Achievement
for Excellence in
Financial Reporting

Presented to

**Regional Transportation
District Colorado**

For its Annual Comprehensive Financial Report
For the Fiscal Year Ended December 31, 2022

Christopher P. Morill

Executive Director/CEO

Financial Section





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Independent Auditor's Report

To the Board of Directors
Regional Transportation District, Colorado

Report on the Audits of the Financial Statements

Opinions

We have audited the financial statements of the enterprise fund and aggregate remaining fund information of Regional Transportation District (the "District") as of and for the years ended December 31, 2023 and 2022 and the related notes to the financial statements, which collectively comprise the District's basic financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the enterprise fund and aggregate remaining fund information of Regional Transportation District as of December 31, 2023 and 2022 and the respective changes in its financial position and, where applicable, its cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audits of the Financial Statements* section of our report. We are required to be independent of the District and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions. The financial statements of the Salaried Pension Plan were not audited under *Government Auditing Standards*.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audits of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that audits conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

To the Board of Directors
Regional Transportation District, Colorado

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

- Exercise professional judgment and maintain professional skepticism throughout the audits.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audits in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audits, significant audit findings, and certain internal control-related matters that we identified during the audits.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information, as identified in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our 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.

Other Supplementary Information

Our audits were conducted for the purpose of forming opinions on the financial statements that collectively comprise Regional Transportation District's basic financial statements. The supplementary information, as identified in the table of contents, is presented for the purpose of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the Annual Comprehensive Financial Report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

To the Board of Directors
Regional Transportation District, Colorado

In connection with our audits of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements or whether the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 17, 2024 on our consideration of Regional Transportation District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Regional Transportation District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Regional Transportation District's internal control over financial reporting and compliance.

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

June 17, 2024

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The management of the Regional Transportation District (RTD) offers users of its financial statements this narrative overview and analysis of the financial activities for the years ended December 31, 2023 and 2022. This discussion and analysis is designed to assist the reader to focus on significant financial activities and identify any significant changes in RTD's financial position. It should be read in conjunction with the financial statements that follow this section. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

Financial Highlights

Following the COVID-19 Pandemic as well as completion of several transit service expansionary projects, RTD has undertaken several initiatives such as implementation of a System Optimization Plan and the 2021-2026 Strategic Plan. Strategic Priorities encapsulated within the Strategic Plan include RTD providing Community Value, Customer Excellence, Employee Ownership and Financial Success. Strategic Initiatives created from the Strategic Priorities include a focus on providing a Welcoming Transit Environment, People Power and Back to Basics as RTD continues to migrate from completion of the large FasTracks expansionary projects to redirecting additional efforts to operations and maintenance.

Inflation and supply chain issues continue to be challenging for RTD and mitigation efforts through contractual arrangements have avoided any material disruptions while also supporting budget certainty. Public Transit services are highly dependent on people power and significant efforts have been undertaken to shore-up chronic front-line staffing shortfalls which have been endemic throughout the industry. Focusing on people power has resulted in steady improvements in reducing vacancies while mitigating service disruptions. RTD has also implemented significant improvements to enhance personal security for employees and customers which has proven challenging in the past due to societal issues. RTD has expanded its transit police force and outreach efforts while reducing reliance on contracted security services. Several debt refinancings for interest savings over recent years has reduced debt service requirements. In addition, the remaining open pension plan was closed to new employees in January 2023 and replaced by a defined contribution plan. An 18-month fare study and equity analysis was undertaken to respond to stakeholder feedback which emphasized fare affordability, fare system simplicity and equity. Modifications to RTD's fare structure resulting from this study were implemented in January 2024. Each of these items have resulted in significant improvements while also reducing financial risk and improving RTD's financial results and position.

As of December 31, 2023 and 2022, total assets and deferred outflows of resources of RTD exceeded total liabilities and deferred inflows of resources by \$3,577,526 and \$3,558,484, respectively. The amount of unrestricted net position as of December 31, 2023, was \$566,708 compared to \$480,405 in 2022. RTD's 2023 unrestricted net position was positively impacted by positive cash flows resulting from efficient expenditures in alignment with the Strategic Plan, reduced debt service, improved investment returns and cash funding for state of good repair needs while year-over-year revenue remained flat.

The net position of RTD increased by \$19,042 (0.5%) during the current year compared to an increase of \$96,068 (2.8%) in the previous year. The increase in 2023 resulted from the aforementioned efforts while 2022 was positively impacted by final draws from COVID-19 federal grant relief apportionments.

RTD is heavily reliant on sales and use tax collections. Collections in 2023 were flat compared to 2022; however, improvements in investment returns and additional grant revenue collections assisted in offsetting increases in expenditures. Transit boarding decreases during COVID-19 and shifting travel patterns have



resulted in only 5% of fare revenue as a total of all revenues. This has not contributed to unexpected financial constraints and requires no significant financial adjustments since fares have historically comprised a relatively small percentage of revenue.

RTD's sales and use tax revenues are its largest single source of revenues. These tax revenues were flat in 2023 compared to 2022 which was expected after a significant recovery in collections following the economic recovery from COVID-19 impacts. A portion of RTD's revenue collections will be subject to TABOR revenue growth limitations beginning in 2025 and RTD is undertaking efforts to diversify its revenue portfolio while also seeking options to mitigate potential impacts of TABOR.

For 2023, total operating expenses exceeded total revenues resulting in a loss before non-operating revenue and expenses of \$1,052,717 compared to a loss of \$971,674 for 2022. The increase in operating loss for 2023 was primarily due to increased operating expenses from restored services, contractual wage increases, increased contracted services costs and recognition of additional expenses associated with retirement plans. RTD anticipates operating losses each year, as these losses are subsidized by non-operating sales and use tax, grant revenues and other miscellaneous income.

RTD's total debt decreased \$125,292 (4.2%) and decreased \$223,814 (6.9%) in 2023 and 2022, respectively. Outstanding debt decreased in 2023 and 2022 due to payment of outstanding principal balances through scheduled debt service and refinancing of certain outstanding obligations for interest savings and reduction of outstanding principal.

Capital grants and local contributions increased \$38,035 (241.1%) in 2023 after decreasing \$1,523 (8.9%) in 2022. The increase in 2023 was a result of reconciling remaining, outstanding expenditures and drawing grant funding under the FasTracks project as it winds down to completion.

Grant operating assistance decreased \$72,554 (23.6%) in 2023 as COVID-19 relief apportionments have ended. Grant operating assistance increased \$7,990 (2.7%) in 2022 due to continued COVID-19 federal assistance. This federal COVID-19 relief funding was 100% drawn at the end of 2023 and no additional similar COVID-19 operating assistance grants are anticipated.

RTD's capital assets, net of depreciation, decreased \$238,499 (4.0%) in 2023 and decreased \$337,952 (5.4%) in 2022 primarily due to depreciation.

Basic Financial Statements

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

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

The statements of net position present information on assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference between the two reported as the net



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

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

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

RTD provides bus, paratransit, light rail and commuter rail service in a 2,342 square mile area (District) in and around metropolitan Denver, Colorado. The activities of RTD are supported by a 0.6% and a 0.4% sales and use tax collected within the District. The 0.6% sales and use tax is used to fund the Base System operations of RTD. The Base System operations provide the bus and the majority of current light rail services in the Denver area. The 0.4% sales and use tax was used to fund the FasTracks build-out program and provide funding for operation and maintenance of those program elements as well as providing for enhanced transit services in the District. Additional revenue sources include fare collections, federal, state, and local financial assistance, investment income, and other income such as advertising and rental income.

Financial Analysis

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



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

Condensed Summary Statements of Net Position

	2023	2022	2021
Assets and Deferred Outflows of Resources:			
Current assets	\$ 921,195	\$ 834,787	\$ 945,785
Current assets - restricted	44,464	46,216	83,142
Capital assets (net of accumulated depreciation)	5,726,641	5,965,140	6,303,092
Other noncurrent assets	623,232	568,689	284,500
Total assets	<u>7,315,532</u>	<u>7,414,832</u>	<u>7,616,518</u>
Deferred outflows of resources	112,980	224,894	54,203
Total assets and deferred outflows of resources	<u>7,428,513</u>	<u>7,639,726</u>	<u>7,670,722</u>
Liabilities and Deferred Inflows of Resources:			
Current liabilities	198,075	226,728	186,595
Noncurrent liabilities	3,551,461	3,738,745	3,977,451
Total liabilities	<u>3,749,537</u>	<u>3,965,473</u>	<u>4,164,046</u>
Deferred inflows of resources	101,450	115,769	44,259
Total liabilities and deferred inflows of resources	<u>3,850,987</u>	<u>4,081,242</u>	<u>4,208,305</u>
Net position:			
Net investment in capital assets	2,316,267	2,427,540	2,551,814
Restricted debt service	69,936	89,868	126,822
Restricted TABOR	29,837	28,995	25,623
Restricted FasTracks	593,266	530,169	504,492
Restricted deposits	1,512	1,507	1,500
Unrestricted	566,708	480,405	252,166
Total net position	<u>\$ 3,577,526</u>	<u>\$ 3,558,484</u>	<u>\$3,462,416</u>

In 2023, current assets increased by \$84,656 (9.61%) primarily due to increased outstanding grants receivable due to reconciliation of outstanding expenditures remaining on the FasTracks project as well as improved returns on investments.

In 2023, capital assets net of accumulated depreciation decreased \$238,499 (4%) primarily due to the depreciation of assets.

Total liabilities and deferred inflows decreased \$230,255 (5.6%) in 2023 primarily due to reduction of debt through refinancings for interest savings.

The net position of RTD increased by \$19,042 (.5%) during 2023 compared to an increase of \$96,068 (2.8%) in the previous year. The lower increase in 2023 was due to sales tax revenues leveling out and the expiration of federal funding related to the COVID-19 Pandemic in addition to increases in net pension

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liabilities resulting from market underperformance. The increase in 2022 was primarily due to increased tax collections and federal funding in response to the COVID-19 Pandemic.

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

Summary of Revenues, Expenses, and Changes in Net Position			
	2023	2022	2021*
Operating revenue:			
Passenger fares	\$ 63,534	\$ 75,292	\$ 78,923
Advertising and other	1,519	2,707	4,197
Total operating revenue	<u>65,053</u>	<u>77,999</u>	<u>83,120</u>
Operating expenses:			
Salaries and wages	249,720	227,799	185,551
Fringe benefits	113,381	104,740	60,574
Materials and supplies	53,529	43,820	39,569
Services	97,340	82,633	74,328
Utilities	19,543	18,434	17,512
Insurance	14,148	13,221	10,104
Purchased transportation	223,349	196,016	174,747
Leases and rentals	2,492	1,540	1,643
Miscellaneous	4,398	3,263	2,213
Depreciation	339,870	358,207	343,167
Total operating expenses	<u>1,117,770</u>	<u>1,049,673</u>	<u>909,408</u>
Operating loss	(1,052,717)	(971,674)	(826,288)
Nonoperating revenues (expenses):			
Sales and use tax	858,133	855,146	756,974
Grant operating assistance	234,488	307,042	299,052
Investment income	58,111	(1,004)	2,401
Other income and gains	1,954	29,249	5,211
Interest expense	(134,609)	(138,337)	(154,096)
Net nonoperating revenue	1,018,077	1,052,096	909,542
Income before capital contributions	(34,639)	80,422	83,254
Capital grants and local contributions	53,681	15,646	17,169
Increase in net position	19,042	96,068	100,423
Net position, beginning of year	3,558,484	3,462,416	3,361,993
Net position, end of year	<u>\$ 3,577,526</u>	<u>\$ 3,558,484</u>	<u>\$ 3,462,416</u>

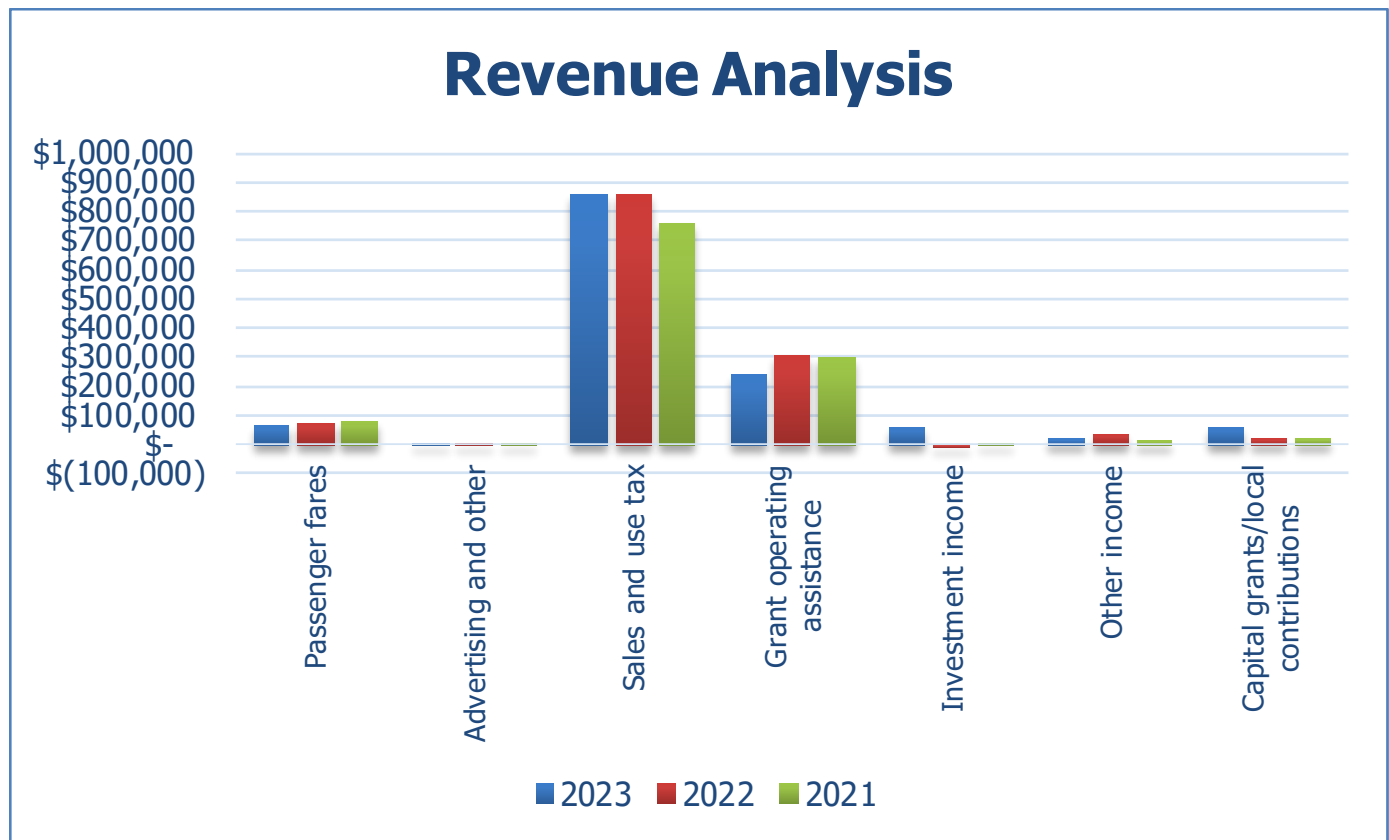
*2021 is after restatement due to GASB 87 implementation



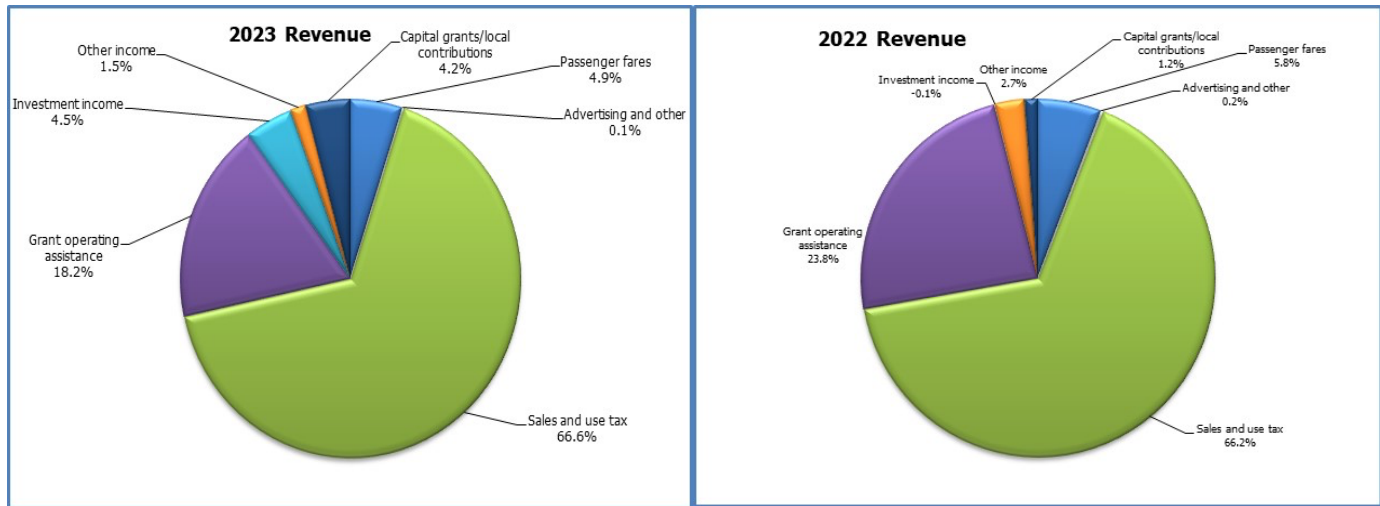
The information contained in the following condensed information tables is used as the basis for the revenue and expense discussion surrounding RTD’s activities for the fiscal years ended December 31, 2023, 2022 and 2021.

Revenues - The following tables and charts show the sources of revenue for the years ended December 31, 2023, 2022 and 2021.

Revenue Analysis			
	2023	2022	2021
Revenues			
Passenger fares	\$ 63,534	\$ 75,292	\$ 78,923
Advertising and other	1,519	2,707	4,197
Sales and use tax	858,133	855,146	756,974
Grant operating assistance	234,488	307,042	299,052
Investment income	58,111	(1,004)	2,401
Other income	18,990	34,370	11,998
Capital grants/local contributions	53,681	15,646	17,169
Total Revenues	\$ 1,288,456	\$ 1,289,199	\$ 1,170,714



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Passenger fares – Passenger fares provided 4.9% of total revenues in 2023 and 5.8% in 2022, respectively. Farebox receipts, monthly and annual pass revenue, and special event fares for bus and rail services are included in passenger fares. Passenger fares decreased by \$11,758 (15.6%) in 2023 compared to a decrease of \$3,631 (4.6%) in 2022. The decrease in both years was due to the Zero Fare for Better Air program which allowed customers to use RTD services with no fare for two months in 2023 and one month in 2022 through a state sponsored grant program, leading to state grant funding received to replace the lost fare revenue and recognized as grant revenue. Ridership remained relatively flat in both years and no fare changes were enacted.

Advertising and other – Advertising and other revenue provided 0.1% and 0.2% of total revenues in 2023 and 2022. Advertising and other income decreased \$1,188 (43.9%) in 2023 compared to a decrease of \$1,490 (35.5%) in 2022. The decreases in both years were primarily due to the advertising contract being treated as a lease under GASB 87 and the associated revenue being reclassified to nonoperating income.

Sales and Use Tax – Sales and use tax provided 66.6% and 66.3% of RTD’s total revenues in 2023 and 2022, respectively. Sales and use tax is a dedicated combined 1.0% tax imposed on certain sales within the District. Sales and use tax increased \$2,987 (0.3%) in 2023 compared to an increase of \$98,172 (13.0%) in 2022. The accelerated growth in spending experienced in 2022 slowed significantly in 2023, leading to a minimal increase in sales and use tax revenues.

Grant operating assistance – Grant operating assistance provided 18.2% and 23.8% of total revenues in 2023 and 2022. Grant operating assistance decreased \$72,554 (23.6%) in 2023 compared to an increase of \$98,172 (13.0%) in 2022. The increase in 2022 resulted from drawing remaining outstanding grant apportionments awarded to RTD for COVID relief. The 2023 decrease occurred due to the exhaustion of the additional COVID relief grant funding during 2022.

Investment Income – Investment income provided 4.5% and -0.1% of total revenues in 2023 and 2022. Investment income increased \$59,115 (5,890.3%) in 2023 compared to a decrease of \$3,405 (-141.8%) in 2022. The increase in 2023 resulted from increased investable funds combined with higher fixed income yields. The decrease in 2022 resulted from mark-to-market adjustments with rising interest rates.



Other Income/Gain on sale of Assets – Other income provided 1.4% and 2.7% of total revenues in 2023 and 2022. Other income includes interest subsidy income, rental income from retail space, parking, and miscellaneous other items. Other income decreased \$16,835 (1.4%) in 2023 compared to an increase of \$22,372 (186.5%) in 2022. The increase in 2022 was primarily due to the receipt of a returned credit risk premium associated with a prior year federal loan culminating in a decrease in 2023 due to the one-time occurrence of this receipt.

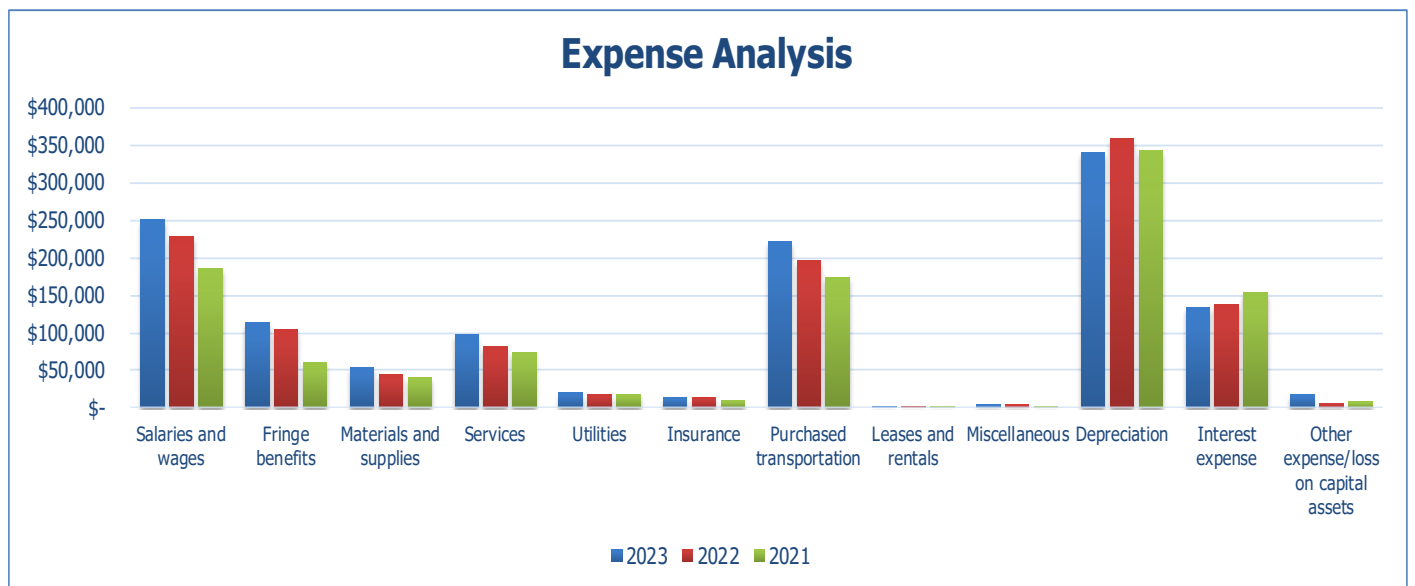
Capital grants and local contributions – Capital grants and local contributions provided 4.2% and 1.2% of total revenues in 2023 and 2022. Capital grants and local contributions increased \$38,035 (243.1%) in 2023 and decreased \$1,523 (-8.9%) in 2022. The increase in 2023 resulted from final reconciliation and closure of grants remaining from the FasTracks expansion program while the decrease in 2022 resulted due to a timing issue as grant close-outs were finalized.

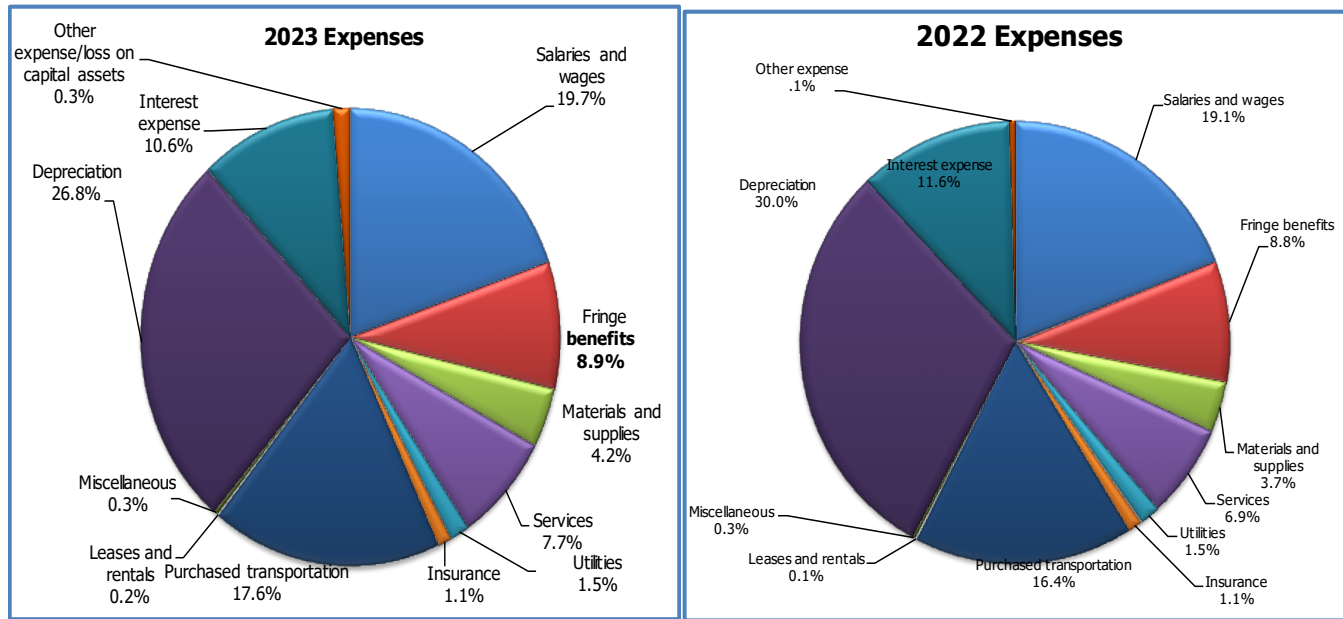


Expenses - The following tables and charts shows the major sources of expenses for the years ended December 31, 2023, 2022 and 2021.

Expense Analysis

Expenses	2023	2022	2021
Salaries and wages	\$ 249,720	\$ 227,799	\$ 185,551
Fringe benefits	113,381	104,740	60,574
Materials and supplies	53,529	43,820	39,569
Services	97,340	82,633	74,328
Utilities	19,543	18,434	17,512
Insurance	14,148	13,221	10,104
Purchased transportation	223,349	196,016	174,747
Leases and rentals	2,492	1,540	1,643
Miscellaneous	4,398	3,263	2,213
Depreciation	339,870	358,207	343,167
Interest expense	134,609	138,337	154,096
Other expense/loss on capital assets	17,036	5,121	6,787
Total Expenses	\$ 1,269,414	\$ 1,193,131	\$ 1,070,291





Salaries and wages – Other than depreciation, salary and wage expense is the largest expense category accounting for 19.7% and 19.1% of the total RTD expenses in 2023 and 2022, respectively. Salary and wage expenses increased by \$21,921 (9.6%) in 2023 compared to an increase of \$42,248 (22.8%) in 2022. The increase in both years was primarily due to contracted wage increase and inflationary adjustments.

Benefits – Fringe benefits accounted for 8.9% and 8.8% of total expenses in 2023 and 2022. Fringe benefits increased by \$8,641 (8.2%) in 2023 compared to an increase of \$44,166 (72.9%) in 2021. Increases are primarily tied to wages through payroll taxes in addition to inflationary increases for benefits such as health and welfare. In addition, the large increase in 2022 was due to recognition of higher pension liabilities resulting from investment market underperformance.

Materials and supplies – The materials and supplies expense category accounted for 4.2% of the total expenses in 2023 and 3.7% in 2022. Materials and supplies expenses increased \$9,708 (22.2%) in 2023 compared to an increase of \$4,251 (10.7%) in 2022. The increase in both years primarily resulted from higher-than-normal inflation and supply-chain constraints.

Services – Services expense accounted for 7.7% of total expenses in 2023 and 6.9% 2022. 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 \$14,707 (17.8%) in 2023 compared to an increase of \$8,305 (11.2%) in 2022. The higher increase in 2022 resulted from restoration of some service and both years incurred increases due to inflation.

Utilities – Utilities accounted for 1.5% of total expenses in both 2023 and 2022. Utilities expense includes electric, telecommunications, water and sewer, and natural gas for facilities as well as traction power for rail lines. Utilities expense increased \$1,109 (6.0%) in 2023 compared to an increase of \$922 (5.3%) in 2022. These increases are primarily the result of inflationary pressures rather than changes in volume of utilities consumed.



Insurance – Insurance accounted for 1.1% of total expenses in both 2023 and 2022. Insurance expense includes RTD's self-insured cost for general liability and worker's compensation claims as well as the premium cost for excess insurance lines, cybersecurity and railroad liability insurance. Insurance expense increased \$928 (7.0%) in 2023 and increased \$3,117 (30.8%) in 2022. The increase in 2023 resulted from adverse claims experience while the increase in 2022 was due to state increases in the caps for liability, higher worker's compensation reserves and restoration of some service.

Purchased transportation – The purchased transportation expense category accounted for 17.6% and 16.4% of the total expenses in 2023 and 2022. Purchased transportation represents the costs of contracted transportation services for Bus, Commuter Rail, Access-a-Ride, and FlexRide services. Purchased transportation costs increased \$27,333 (13.9%) in 2023 and increased \$21,269 (12.2%) in 2022. The increase in 2023 was driven by expiration of certain large, fixed route contracts with inflationary increases included in the new contracts. The increase in 2022 was due to some restoration of service and contractual increases.

Leases and rentals – Leases and rentals include lease expense for office space, office equipment, Park-n-Ride facilities, and use of communication towers and accounted for 0.2% and 0.1% of total expenses in 2023 and 2022, respectively. Leases and rentals expense increased \$952 (61.8%) in 2023 compared to a decrease of \$103 (-6.3%) in 2022. This category of expense is relatively immaterial and tends to fluctuate with vacancy changes.

Miscellaneous – Miscellaneous expense includes other incidental operating expenses not included in other defined categories and accounted for 0.3% of total expenses in 2023 and 2022. Miscellaneous expenses increased \$1,135 (34.8%) in 2023 compared to an increase of \$1,050 (47.4%) in 2022. This category includes additional one-time project expenses creating fluctuations between years.

Depreciation – The depreciation expense category accounted for 26.8% and 30.0% of the total expenses in 2023 and 2022, respectively. RTD's depreciation expense is a straight-line non-cash systematic allocation of the cost of capital assets over the estimated useful life of the assets. Depreciation expense decreased \$18,337 (5.1%) in 2023 compared to an increase of \$15,040 (4.4%) in 2022. The decrease in 2023 primarily resulted from certain assets reaching full depreciation while the increase in 2022 was due to recognition of amortization expenses related to GASB 87.

Interest expense – The interest expense category accounted for 10.6% and 11.6% of the total expenses in 2023 and 2022, respectively. Interest expense decreased \$3,729 (2.7%) in 2023 and decreased \$15,759 (10.2%) in 2022. The decrease in both years was attributable to lower outstanding balances resulting from paying down principal as well as refinancing of debt for interest savings.

Other expense – Other expense includes miscellaneous non-operating expenses not classified in other expense categories and accounted for 0.4% and 0.6% in 2023 and 2022, respectively. Other expenses increased \$11,995 (232.7%) in 2023 and decreased \$1,667 (24.6%) in 2022. The changes in both years resulted from activity related to retirement of capital assets.

Capital Assets – Investments in capital assets include land and right-of-way, buildings and improvements, leasehold improvements, revenue and non-revenue vehicles, shop and service equipment, security and surveillance equipment, computer equipment, and furniture. RTD's investment in capital assets, net of

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Management's Discussion and Analysis (Unaudited)
December 31, 2023 and 2022 (Dollars in Thousands)



accumulated depreciation in 2023 was \$5,726,641 compared to \$5,965,140 in 2022. The decrease in capital assets in 2023 was \$238,499 (4.0%) compared to a decrease of \$337,952 (5.4%) in 2022. The decrease in both years was due to additional accumulated depreciation.

Capital Assets - The following table summarizes capital assets, net of accumulated depreciation, as of December 31, 2023, 2022 and 2021.

Capital Assets			
	2023	2022	2021
Land	\$ 857,129	857,191	\$ 857,406
Lease-Right to Use Assets	53,567	32,052	24,096
Land improvements	5,904,988	5,878,968	5,846,148
Buildings	696,713	695,024	689,980
Revenue earning equipment	1,374,426	1,352,728	1,356,062
Shop, maintenance and other equipment	415,005	411,105	409,168
Construction in progress	81,041	71,346	115,696
Total	<u>9,382,869</u>	<u>9,298,414</u>	<u>9,298,556</u>
Less accumulated depreciation:			
Lease-Right to Use Assets	7,468	5,017	2,609
Land improvements	2,218,920	1,999,709	1,775,221
Buildings	339,426	320,725	301,969
Revenue earning equipment	747,779	693,183	629,644
Shop, maintenance and other equipment	342,635	314,640	286,021
Total accumulated depreciation	<u>3,656,228</u>	<u>3,333,274</u>	<u>2,995,464</u>
Total capital assets being depreciated, net	<u>4,788,471</u>	<u>4,992,180</u>	<u>5,329,990</u>
Capital assets, net	<u>\$ 5,726,641</u>	<u>\$ 5,965,140</u>	<u>\$ 6,303,092</u>

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



Debt Administration - The following table summarizes outstanding debt obligations as of December 31, 2023, 2022 and 2021.

Outstanding Debt			
	2023	2022	2021
Bonds and certificates payable:			
Sales tax revenue bonds	\$ 2,292,445	\$ 2,360,680	\$ 2,056,875
Certificates of participation (COPs)/JP Morgan Lease Purchase	377,596	453,994	955,782
Lease Liability	49,614	28,178	22,092
Total principal	2,719,654	2,842,852	3,034,749
Issuance premiums and discounts	164,622	166,716	198,633
Net bonds and certificates payable	\$ 2,884,276	\$ 3,009,568	\$ 3,233,382

Outstanding debt – Outstanding debt includes sales tax revenue bonds, certificates of participation, a purchase and assignment agreement and a lease liability as a result of the implementation of Government Accounting Standards Board (GASB) Statement 87. The 2023 outstanding debt was \$2,884,276 compared to \$3,009,568 in 2022. Outstanding debt decreased by \$125,291 (4.2%) in 2023 and decreased by \$223,814 (6.9%) in 2022. The decrease in both years was due to payment of principal on outstanding debt with the outstanding debt in both years also decreasing due to the completion of several refinancings for interest savings.

Sales tax revenue bonds – RTD issues sales tax revenue bonds to fund the acquisition and construction of assets. These bonds are secured by pledged future sales and use tax revenues. The sales tax revenue bonds were \$2,292,445 and \$2,360,680 as of December 31, 2023 and 2022, respectively. The sales tax revenue bonds decreased \$68,235 (2.8%) in 2023 compared to an increase of \$303,805 (14.8%) in 2022. The decrease in 2023 was the result of the issuance of Series 2023A bonds, the proceeds from which were used to refinance other debt issuances for interest savings. The increase in 2022 was a result of the issuance of taxable (convertible to tax-exempt) Series 2022AB bonds, the proceeds from which were used to refinance other debt issuances for interest savings.

Certificates of participation - Certificates of participation (Certificates) relate to financial obligations issued by the Asset Acquisition Authority, Inc. (Authority), a nonprofit corporation and component unit of RTD. Certificates are lease-purchase financial obligations secured by the underlying assets. Outstanding Certificates were issued with the proceeds being used to acquire certain equipment, facilities and infrastructure to be used by RTD. For financial reporting purposes, RTD accounts for the Certificates as its own debt. Certificates outstanding were \$377,596 and \$453,994 as of December 31, 2023 and 2022, respectively. The Certificates outstanding decreased \$76,398 (16.8%) in 2023 compared to a decrease of \$501,788 (52.5%) in 2022. The decrease in both years is due to payment of outstanding principal and refinancings for interest savings.



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

	Base System Bonds	FasTracks Bonds	Certificates of Participation
S&P Global Ratings	AAA	AA+	AA
Moody’s	Aa1	Aa2	Aa3
Fitch	AA	AA	AA-

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

Economic Factors and Subsequent Events after adoption of the 2023 Budget

RTD is dependent on sales and use taxes, which are the largest single source of revenue for RTD, representing 69.9% and 66.2% of the total revenues in 2023 and 2022, 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’s 2023 sales and use taxes increased 0.3% from the prior year indicating a slowdown and recessionary pressure experienced in the local Denver economy compared to the substantial increases seen 2022.

RTD is dependent on passenger fares collected for transit services that it provides. Passenger fares accounted for 5.8% of total revenues in both 2023 and 2022. Passenger fare collections decreased in both years due to planned programs to require no fares from customers during certain periods of each year. Lost fare revenue due to these programs was replaced with Colorado state grants in both years.

RTD is dependent on federal and local grant funding as well as local capital contributions for both operations and capital expenditures. Grant operating assistance provided 18.2% and 23.8% of total revenues in 2023 and 2022, respectively. These grant apportionments primarily result from information provided by transit agencies to the Federal Transit Administration’s (FTA) National Transit Database (NTD). This funding was larger in 2022 due to additional COVID relief grants.

Requests for Information

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



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Basic Financial Statements



REGIONAL TRANSPORTATION DISTRICT
Financial Statements
December 31, 2023 and 2022 (Dollars in Thousands)



REGIONAL TRANSPORTATION DISTRICT
STATEMENTS OF NET POSITION - BUSINESS TYPE ACTIVITIES

As of December 31,
(In Thousands)

	2023	2022
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES		
Current Assets:		
Cash and cash equivalents	\$ 540,422	\$ 532,266
Marketable interest bearing investments (Note B)	108,631	80,516
Receivables:		
Sales tax	148,286	151,846
Other, less allowance for doubtful accounts of \$26 and \$77 at December, 31 2023 and 2022, respectively	11,356	9,379
Grants	40,948	7,794
Leases	4,484	5,770
Inventories	40,788	39,332
Other current assets (Note C)	26,280	7,884
Cash and cash equivalents - restricted	41,300	39,342
Marketable interest bearing investments - restricted (Note B)	3,164	6,874
Total current assets	<u>965,659</u>	<u>881,003</u>
Noncurrent Assets:		
Lease receivable, non-current	50,530	53,236
Capital assets (Note D):		
Land	857,129	857,191
Right to use leased assets	53,567	32,052
Land improvements	5,904,988	5,878,968
Buildings	696,713	695,024
Revenue earning equipment	1,374,426	1,352,728
Shop, maintenance and other equipment	415,005	411,105
Construction in progress	81,041	71,346
Total capital assets	<u>9,382,869</u>	<u>9,298,414</u>
Less accumulated depreciation	<u>(3,656,228)</u>	<u>(3,333,274)</u>
Net capital assets	5,726,641	5,965,140
Other Noncurrent Assets:		
Long-term cash and cash equivalents - restricted	27,317	26,875
Long-term marketable interest bearing investments - restricted	49,467	66,674
Long-term marketable interest bearing investments - unrestrict	495,917	421,904
Total other noncurrent assets	<u>572,701</u>	<u>515,453</u>
Total noncurrent assets	<u>6,349,873</u>	<u>6,533,829</u>
Total assets	<u>7,315,532</u>	<u>7,414,832</u>
Deferred Outflows of Resources:		
Debt related (Note A)	20,156	23,637
Pension related (Note A and F)	92,824	201,257
Total deferred outflows of resources	<u>112,980</u>	<u>224,894</u>

The accompanying notes are an integral part of these statements.



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

	<u>2023</u>	<u>2022</u>
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES		
Current Liabilities:		
Accounts and contracts payable	\$ 57,101	\$ 56,885
Accrued compensation	34,166	30,776
Other accrued expenses	20,538	48,644
Payable from Restricted Assets:		
Current portion of long term debt (Note E)	3,735	3,522
Accrued Interest	15,800	15,467
Current portion of long term debt (Note E)	65,403	69,667
Current portion of accrued interest	1,333	1,767
Total current liabilities	<u>198,075</u>	<u>226,728</u>
Noncurrent Liabilities:		
Long-term debt, net (Note E)	2,765,524	2,909,397
Net Pension Liability (Note F)	227,392	279,156
Lease Liability (Note G)	48,261	26,982
Other liabilities (Note E)	510,284	523,210
Total noncurrent liabilities	<u>3,551,461</u>	<u>3,738,745</u>
Total liabilities	<u>3,749,537</u>	<u>3,965,473</u>
Deferred Inflows of Resources:		
Debt related (Note A)	49,530	12,845
Pension related (Note A and F)	576	46,143
Lease Related	51,344	56,781
Total deferred inflows of resources	<u>101,450</u>	<u>115,769</u>
NET POSITION		
Net investment in capital assets (Note I)	2,316,267	2,427,540
Restricted debt service (Note I)	69,936	89,868
Restricted TABOR (Note I)	29,837	28,995
Restricted FasTracks (Note I)	593,266	530,169
Restricted deposits (Note I)	1,512	1,507
Unrestricted net position (Note I)	566,708	480,405
Total net position	<u>3,577,526</u>	<u>3,558,484</u>

The accompanying notes are an integral part of these statements.

REGIONAL TRANSPORTATION DISTRICT
Financial Statements
December 31, 2023 and 2022 (Dollars in Thousands)



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

	<u>2023</u>	<u>2022</u>
OPERATING REVENUE:		
Passenger fares	\$ 63,534	\$ 75,292
Advertising, rent, and other	1,519	2,707
Total operating revenue	<u>65,053</u>	<u>77,999</u>
OPERATING EXPENSES:		
Salaries and wages	249,720	227,799
Fringe benefits	113,381	104,740
Materials and supplies	53,529	43,820
Services	97,340	82,633
Utilities	19,543	18,434
Insurance	14,148	13,221
Purchased transportation	223,349	196,016
Leases and rentals	2,492	1,540
Miscellaneous	4,398	3,263
Depreciation	339,870	358,207
Total operating expenses	1,117,770	1,049,673
Operating loss	<u>(1,052,717)</u>	<u>(971,674)</u>
NONOPERATING REVENUE (EXPENSES):		
Sales and use tax	858,133	855,146
Grant operating assistance (Note A)	234,488	307,042
Investment (loss) income	58,111	(1,004)
Other income	18,990	34,370
(Loss) on capital assets	(17,036)	(5,121)
Interest expense (Note A)	(134,609)	(138,337)
Net nonoperating revenue (expenses)	1,018,077	1,052,096
Income (Loss) before capital grants and local contributions	(34,639)	80,422
Capital grants and local contributions (Note A)	53,681	15,646
Increase (Decrease) in net position	19,042	96,068
Net position, beginning of year	3,558,484	3,462,416
Net position, end of year	<u>\$ 3,577,526</u>	<u>\$ 3,558,484</u>

The accompanying notes are an integral part of these statements.

REGIONAL TRANSPORTATION DISTRICT
Financial Statements
December 31, 2023 and 2022 (Dollars in Thousands)



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

	2023	2022
Cash flows from operating activities:		
Receipts from customers	\$ 36,183	\$ 109,662
Payments to suppliers	(477,847)	(365,721)
Payments to employees	(302,282)	(485,392)
Net cash used in operating activities	(743,946)	(741,450)
Cash provided from noncapital financing activities:		
Grant operating assistance	225,333	353,120
Other revenue	18,990	34,370
Lease Adjustment	-	2,388
Sales and use tax collections	861,693	843,701
Net cash provided by noncapital financing activities	1,106,016	1,233,579
Cash flows from capital and related financing activities:		
Principal paid on long-term debt	(376,496)	(527,795)
Proceeds from issuance of debt	214,535	320,000
Issuance Premiums/Discounts	(2,094)	(31,917)
Capital grant funds and other contributions received	29,682	15,646
Proceeds from sale of assets	214	365
Acquisition and construction of capital assets	(97,895)	(17,786)
Cost of issuance	(1,817)	(311)
Interest paid on long-term debt	(94,544)	(130,934)
Net cash used in capital and related financing activities	(328,415)	(372,733)
Cash flows from investing activities:		
Purchases of investments	(111,207)	(335,076)
Proceeds from sales and maturities of investments	29,996	54,553
Interest and dividends on investments	58,112	(1,004)
Net cash (used in) provided by investing activities	(23,099)	(281,527)
Increase (Decrease) in cash and cash equivalents	10,556	(162,131)
Cash and cash equivalents - beginning of year	598,483	760,614
Cash and cash equivalents - end of year	\$ 609,039	\$ 598,483

The accompanying notes are an integral part of these statements.



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

	<u>2023</u>	<u>2022</u>
Reconciliation of operating loss to net cash used in operating activities		
Operating loss	\$ (1,052,717)	\$ (971,674)
Adjustment to reconcile to net cash used in operating activities:		
Depreciation expense	339,870	358,207
Bad debt expense	(72)	124
Changes in operating assets and liabilities:		
Increase in other accounts receivable	(692)	(1,621)
Increase in inventories	(1,456)	(4,640)
(Increase)/Decrease in other current assets	(18,396)	3,723
Increase/(Decrease) in deferred outflow pension	102,996	(173,632)
Decrease in accounts payable	(43,196)	(5,877)
Increase in accrued compensation and expenses	3,390	5,512
Increase/(Decrease) in other accrued expenses	(28,106)	33,160
Increase/(Decrease) in deferred inflow pension	(45,567)	15,267
Net cash used in operating activities	<u>\$ (743,946)</u>	<u>\$ (741,450)</u>

Reconciliation of cash and cash equivalents

Cash and cash equivalents	\$ 540,422	\$ 532,266
Cash and cash equivalents - restricted	68,617	66,217
Total cash and cash equivalents	<u>\$ 609,039</u>	<u>\$ 598,483</u>

Noncash investing, capital and financing activities:

RTD received noncash local match contributions for federal grants of \$14,465 and \$2,553 for 2023 and 2022 respectively.

The accompanying notes are an integral part of these statements.



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

	<u>2023</u>	<u>2022</u>
Assets		
Cash and cash equivalents	\$ 3,358	\$ 2,709
Investments		
Equities	\$ 14,965	\$ 13,099
Common Collective Trusts	\$ 101,270	\$ 86,816
Real Estate Investment Trusts	\$ 17,229	\$ 21,143
Mutual Funds	\$ 61,771	\$ 48,921
Total Investments	<u>195,235</u>	<u>169,980</u>
Receivables	35	17
Total assets	<u>198,628</u>	<u>172,705</u>
Liabilities		
Accounts payable	<u>38</u>	<u>49</u>
Total liabilities	38	49
Net position - restricted for pensions	<u>\$ 198,590</u>	<u>\$ 172,656</u>

The accompanying notes are an integral part of these statements.



REGIONAL TRANSPORTATION DISTRICT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

Years ended December 31,
(In Thousands)

	2023	2022
Additions		
Contributions	\$ 22,813	\$ 15,480
Forfeitures	519	264
Investment income and change in value	21,658	(25,412)
Investment Expense	(350)	(549)
Total additions	<u>44,640</u>	<u>(10,217)</u>
Deductions		
Distributions and benefits paid	18,227	18,216
Administrative expenses	480	254
Total deductions	<u>18,707</u>	<u>18,470</u>
Increase/(Decrease) in net position	25,933	(28,687)
Net position, beginning of year	<u>172,656</u>	<u>201,343</u>
Net position, end of year	<u>\$ 198,590</u>	<u>\$ 172,656</u>

The accompanying notes are an integral part of these statements.

Notes to Financial Statements





NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. *Organization*

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

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

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

2. *Financial Reporting Entities*

Blended Component Unit

The Asset Acquisition Authority, Inc. (Authority) was formed in 1987 as a nonprofit corporation on behalf of RTD for the purpose of issuing certificates of participation in a public offering collateralized by an installment purchase agreement with RTD. RTD's General Manager and CEO appoints the Board of Directors of the Authority. The Authority serves as a financing mechanism for various financing arrangements for RTD. RTD follows Governmental Accounting Standards Board (GASB) pronouncement 14 (GASB 14), as amended, which provides guidance regarding the inclusion of component units in the primary government's financial statement presentation. The activity related to the underlying financial obligations of the Authority has been included as a blended component unit in RTD's financial statements for the years ended December 31, 2023 and 2022. No financial activity occurred during 2023 or 2022, and no separately audited financial statements were prepared either year, for the Authority.

Fiduciary Funds

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



included the financial activity of each in 2023 and 2022 in the financial statement section of this report.

3. *Basis of Accounting*

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

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

4. *Cash and Cash Equivalents*

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

5. *Interest Bearing Investments*

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

6. *Inventories*

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

7. *Other Current Assets*

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



8. *Receivables*

Accounts receivables are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollected amounts through a charge to earnings and a credit to a valuation allowance based on its assessment of the 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 financial statements.

9. *Restricted Assets*

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

10. *Capital Assets*

Property and equipment are stated at historical cost. Capital assets are defined by RTD as assets with an initial, individual cost of more than \$5 and an estimated useful life 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 shares of proceeds from the sale of property and equipment, which were acquired with federal funds, is required to be reinvested in a similar asset.

Prior to 2020, interest was 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.

Total interest cost of RTD as of December 31, 2023, and 2022, respectively was \$134,609 and \$138,337.

11. *Depreciation*

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

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



12. *Deferred Outflows/Inflows of Resources*

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

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

13. *Compensated Absences*

RTD employees receive compensation for vacations, holidays, illness, and certain other qualifying absences. The number of days compensated in the various categories of absence is based generally on length of service. Compensated absences, which have been earned but not paid, have been included as liabilities in the accompanying financial statements.

14. *Self-Insurance*

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

15. *Revenue Recognition*

Passenger Fares

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

Sales and Use Taxes

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



Revenue and are remitted to a trustee who satisfies debt service requirements for these obligations through remittances to a trustee and then remits the remaining balance to RTD.

Sales and use taxes are recorded as revenue by RTD in the month collected by the merchant. Sales tax bond service will be paid from the collateralized sales and use tax revenues in the amount of approximately \$3,609,347 through 2050. Principal and interest paid for the current year were \$111,745 and pledged revenues received were \$858,133.

Grants and Local Contributions

RTD receives grants from the federal government through the Federal Transit Administration (FTA). Grants are also awarded to RTD by the 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 \$39,216 and \$12,490 in 2023 and 2022, respectively. Operating assistance grant revenue was \$234,488 and \$307,042 in 2023 and 2022, respectively. Other contributed revenue was \$14,465 and \$3,156 in 2023 and 2022, respectively.

RTD was awarded additional COVID-19 relief funding of \$53,241 through the American Rescue Plan Act (ARPA) Additional Assistance in July 2022. These funds were expended and drawn in 2023.

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



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

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

19. *Leases-GASB 87*

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

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

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

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

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

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

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



Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

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

- RTD uses the actual rate charged to lessees as the discount rate for leases. When the interest rate charged to lessees is not provided, RTD generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

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

20. *Upcoming Accounting Pronouncements*

GASB 100

In June 2022, the Governmental Accounting Standards Board issued GASB Statement No. 100, Accounting Changes and Error Corrections, which enhances the accounting and financial reporting requirements for accounting changes and error corrections. The provisions of this statement are effective for RTD's financial statements for the year ending December 31, 2024.

GASB 101

In June 2022, the Governmental Accounting Standards Board issued GASB Statement No. 101, Compensated Absences, which updates the recognition and measurement guidance for compensated absences under a unified model. This statement requires that liabilities for compensated absences be recognized for leave that has not been used and leave that has been used but not yet paid in cash or settled through noncash means and establishes guidance for measuring a liability for leave that has not been used. It also updates disclosure requirements for compensated absences. The provisions of this statement are effective for RTD's financial statements for the year ending December 31, 2024.

GASB 102

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



in the notes to the financial statements. The provisions of this statement are effective for the RTD's financial statements for the year ending December 31, 2025.

GASB 103

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

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

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

NOTE B – DEPOSITS AND INVESTMENTS

Deposits

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

As of December 31, 2023, and 2022, respectively, RTD had bank deposits of \$6,454 and \$13,436 collateralized with securities held by the pledging financial institutions' trust department or agent but not in RTD's name.



Investments

Enterprise Funds

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

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

As of December 31, 2022, investments in enterprise funds consisted of the following:

<u>Investment Type</u>	<u>Carrying Value</u>	<u><6 Months</u>	<u>6-12 Months</u>	<u>1-5 Years</u>
U.S. treasury securities	\$ 522,692	\$ 11,930	\$ 65,399	\$ 445,363
U.S. agency securities	11,596	176	4,833	6,587
Municipal bonds	15,391	3,681	538	11,172
Corporate bonds	26,289	833		25,456
CSIP investment pool	31,910	31,910		
CSAFE investment pool	457,711	457,711		
COLOTRUST investment pool	42,215	42,215		
Wells Fargo Stagecoach Sweep- Allsprings Money Market	31,136	31,136	-	-
Total	\$ 1,138,940	\$ 579,592	\$ 70,770	\$ 488,578

Interest Rate Risk

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

Credit Risk

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



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

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

Credit ratings of RTD’s portfolio, as of December 31, 2023 and 2022, 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 S&P Global Ratings service. Investments rated A-1+/P-1 are from the S&P Global Ratings and Moody’s rating services, respectively.

Enterprise Funds

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

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

As of December 31, 2022, investment credit ratings for enterprise funds consisted of the following:

AAA (S&P Global Ratings)	\$ 562,007
AA (S&P Global Ratings)	13,961
AAAm (S&P Global Ratings)	63,046
AAAmmf (Fitch)	457,711
AAAf (S&P Global Ratings)	42,215
Total	<u>\$ 1,138,940</u>



Fiduciary Funds

Fiduciary fund investments of \$195,235 and \$169,980 at December 31, 2023 and 2022, respectively, consist of a broad spectrum of individual holdings of cash and cash equivalents, equity mutual funds and fixed income mutual funds. Because these investments are primarily mutual funds consisting of multiple investments and contain equity investments, credit ratings of the underlying portfolios are not available.

Concentration of Credit Risk

Enterprise Funds

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

RTD's investment policy outlines the following maximum exposure limits for unrestricted investments. As of December 31, 2023, RTD followed these limits. As of December 31, 2022, RTD was following limitations set out in RTD's previous investment policy limitations.

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

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

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

As of December 31, 2023 and 2022, RTD had \$121,248 and \$139,765 of cash and investments that were restricted under the provisions of bond agreements.



Fiduciary Funds

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

Investment Type	Maximum Portfolio Percent	
	Section 401(a) Retirement Plan	Salaried Pension Plan
Domestic equity	100%	40.0%
International equity	100%	20.0%
Fixed income	100%	22.5%
Real estate	100%	15.0%
Cash	100%	2.5%

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 to enhance comparability of governmental financial statements by requiring fair value measurement for certain assets and liabilities using a consistent definition and accepted valuation techniques. This standard expands fair value disclosures to provide comprehensive information for financial statement users about the impact of fair value measurements on a government's financial position.

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

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

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



Enterprise Funds

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

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

The valuation inputs summary for the fiscal period ended December 31, 2022 were:

Investment Type	Level 1	Level 2	Level 3	Total
U.S. treasury securities	\$ -	\$ 522,692	\$ -	\$ 522,692
U.S. agency securities	-	11,596	-	11,596
Municipal bonds	-	15,391	-	15,391
Corporate bonds	-	26,289	-	26,289
Total	\$ -	\$ 575,968	\$ -	\$ 575,968

Fiduciary Funds

Valuation inputs summary for the period ended December 31, 2023

Investment Type	Valuation Inputs			Total
	Level 1	Level 2	Level 3	
Investments measured at fair value				
Domestic equities	\$ 14,340	\$ -	\$ -	14,340
Foreign equities	625	-	-	625
Mutual Funds	61,771	-	-	61,771
Total assets at fair value	76,736	-	-	76,736
Investments measured at net asset value				
Real estate investment trusts (1)	-	-	-	17,229
Common collective trusts (2)	-	-	-	101,270
Mutual funds (3)	-	-	-	-
Total assets at net asset value	-	-	-	118,499
Total	\$ 76,736	\$ -	\$ -	\$ 195,235



Valuation inputs summary for the period ended December 31, 2022

Investment Type	Valuation Inputs			
	Level 1	Level 2	Level 3	Total
Investments measured at fair value				
Domestic equities	\$ 12,743	\$ -	\$ -	\$ 12,743
Foreign equities	356	-	-	356
Mutual Funds	48,921	-	-	48,921
Total assets at fair value	62,021	-	-	62,021
Investments measured at net asset value				
Real estate investment trusts (1)	-	-	-	21,143
Common collective trusts (2)	-	-	-	86,816
Mutual funds (3)	-	-	-	-
Total assets at net asset value	-	-	-	107,959
Total	\$ 62,021	\$ -	\$ -	\$ 169,980

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

Investments in Entities That Calculate Net Asset Value per Share

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

RTD's investments in the Colorado Local Government Liquid Asset Trust (COLOTRUST) are measured at the net asset value method. There are no unfunded commitments, the redemption frequency is daily, and there is no redemption notice period. RTD's investment in COLOTRUST was \$43,473 and \$42,215 as of December 31, 2023 and 2022, respectively.

Investments in Entities That Calculate Amortized Cost

RTD's investment in Colorado Statewide Investment Pool (CSIP) is measured at amortized cost and, therefore, is not categorized in a level. The trust is similar to a money market fund, with each share valued at \$1.00. RTD's investment in CSIP was \$33,603 and \$31,910 as of December 31, 2023 and 2022, respectively.



RTD’s investment in the Colorado Surplus Asset Fund Trust (CSAFE) is measured at amortized cost and, therefore, is not categorized in a level. The trust is similar to a money market fund, with each share valued at \$1.00. RTD’s investment in CSAFE was \$427,916 and \$457,711 as of December 31, 2023 and 2022, respectively.

RTD’s investment in the Wells Fargo Stagecoach Sweep-Allsprings money market fund is measured at amortized cost and, therefore, is not categorized in a level. The trust is similar to a money market fund, with each share valued at \$1.00. RTD’s investment in Wells Fargo Stagecoach was \$83,948 and \$31,136 as of December 31, 2023 and 2022, respectively.

NOTE C – OTHER CURRENT ASSETS

Other Current Assets consist of:

	2023	2022
Prepaid expenses	\$ 8,113	\$ 6,229
Deposit with Escrow Agent*	\$ 16,512	\$ -
Assets held for sale	1,655	1,655
Total Other Current Assets	\$ 26,280	\$ 7,884

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



NOTE D – CAPITAL ASSETS

Capital asset activity as of December 31, 2023 was as follows:

(In Thousands)

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

Depreciation and amortization expense was \$339,870 and \$358,207 as of December 31, 2023 and 2022, respectively.

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Capital asset activity as of December 31, 2022 was as follows:
(In Thousands)

	Balances 12/31/2021	Additions	Deletions	Balances 12/31/2022
Capital assets not being depreciated:				
Land	\$ 857,406	\$ 78	\$ 294	\$ 857,191
Construction in progress	115,696	17,786	62,135	71,346
Total capital assets not being depreciated	<u>973,102</u>	<u>17,864</u>	<u>62,429</u>	<u>928,537</u>
Capital assets being depreciated:				
Leased right to use asset-land	14,054	-	-	14,054
Land improvements	5,846,148	35,432	2,612	5,878,968
Buildings	689,980	5,294	249	695,024
Leased right to use asset-office space	9,375	7,882	-	17,257
Revenue earning equipment	1,356,062	2,771	6,105	1,352,728
Leased right to use asset-equipment	668	74		742
Shop, maintenance and other equipment	<u>409,168</u>	<u>18,561</u>	<u>16,624</u>	<u>411,105</u>
Total capital assets being depreciated	<u>8,325,454</u>	<u>70,013</u>	<u>25,590</u>	<u>8,369,877</u>
Less accumulated depreciation:				
Leased Right to Use Asset-Land	431	445	-	876
Land improvements	1,775,221	224,563	74	1,999,710
Buildings	301,969	18,769	13	320,725
Leased Right to Use Asset-Office Space	1,956	1,761	-	3,717
Revenue earning equipment	629,644	69,570	6,032	693,182
Leased Right to Use Asset-Equipment	222	202		424
Shop, maintenance and other equipment	<u>286,022</u>	<u>42,897</u>	<u>14,278</u>	<u>314,640</u>
Total accumulated depreciation	<u>2,995,464</u>	<u>358,207</u>	<u>20,397</u>	<u>3,333,274</u>
Total capital assets being depreciated, net	<u>5,329,990</u>	<u>(288,194)</u>	<u>5,193</u>	<u>5,036,603</u>
Capital assets, net	<u>\$ 6,303,092</u>	<u>\$ (270,330)</u>	<u>\$ 67,622</u>	<u>\$ 5,965,140</u>

Depreciation expense was \$358,207 and \$343,167 for years 2022 and 2021, respectively. 2021 is after restatement as a result of GASB 87 implementation.



NOTE E – LONG-TERM DEBT

RTD sales tax revenue bonds Series 2007A, 2010B, 2013A, 2016A, 2017A, 2017B, 2019A, 2021AB 2022AB and 2023A are secured by a pledge of future sales and use tax revenues. These tax-secured future liabilities of \$3,609,347 remain outstanding through 2050. The pledged revenue includes a 0.6% and 0.4% tax on the net taxable sales made within the District and use taxes of 0.6% and 0.4% on items purchased for use inside the District. For the year 2023, these tax-generated revenues were \$858,133.

RTD's Base System sales tax obligations are secured by a 0.6% sales and use tax. The Fastracks bonds are secured by a 0.4% sales and use tax and a subordinate pledge from the 0.6% Base System sales tax. Per TABOR, at the time that all FasTracks debt is repaid, RTD's 0.4% sales and use tax rate will be reduced to a rate sufficient to operate and maintain the assets financed through FasTracks. For the year 2023 and 2022, respectively, RTD paid interest and principal for sales tax revenue bonds of \$111,745 and \$99,115.

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

Direct borrowings/placements	2023	2022
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%.	62,996	93,369
Sales tax FasTracks Taxable revenue refunding bonds, Series 2022AB , due serially on November 1 of 2022 thru 2044 issued with a 3.28% to 3.89% coupon, payable semiannually on May 1 and November 1 of each year.	304,575	314,480
Total debt direct borrowings/placement	367,571	407,849
Less current portion	<u>(41,708)</u>	<u>(40,278)</u>
Total long-term direct borrowings/placements	\$ 325,863	\$ 367,571

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Other Debt-Bonds Secured by Sales and Use Tax Revenues	2023	2022
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 (\$393) and (\$426) for 2023 and 2022, respectively. In 2014, The District made a partial modification and exchange on these bonds resulting in a premium with an ending balance of \$9,994 and \$10,773 for 2023 and 2022, respectively. Furthermore, in 2017, the District made another partial modification and exchange on these bonds resulting in a premium with an ending balance of \$12,203 and \$13,154 for 2023 and 2022, respectively.	\$ 242,284	\$ 243,981
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 \$466 and \$1,025 for 2023 and 2022, respectively.	9,576	18,785
Sales tax FasTracks revenue bonds taxable (Direct Pay Build America Bonds), Series 2010B , due serially on November 1 of 2046 through 2050, issued with coupon of 5.844%, payable semiannually on May 1 and November 1 of each year.	300,000	300,000
Sales tax FasTracks revenue refunding bonds, Series 2013A , due serially on November 1 of 2027 and 2036, issued with coupon of 4.25% and 5.0%, payable semiannually on May 1 and November 1 of each year; including premium of \$25,060 and \$27,013 for 2023 and 2022, respectively	229,880	231,833
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 \$26,776 and \$27,948 for 2023 and 2022, respectively.	221,741	222,913
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 \$ 8,81 and \$8,667 for 2023 and 2022, respectively.	77,541	80,602
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 \$14,489 and \$15,618 for 2023 and 2022, respectively.	133,954	135,083
Sales tax FasTracks revenue refunding bonds, Series 2019A , due serially on November 1 of 2035 thru 2038 issued with a 3.258% coupon, payable semiannually on May 1 and November 1 of each year.	57,110	82,740
Sales tax FasTracks revenue refunding bonds, Series 2021A , due serially on November 1 of 2025 thru 2037 issued with a .070 to 2.387% coupon, payable semiannually on May 1 and November 1 of each year.	230,605	422,405
Sales tax FasTracks revenue refunding bonds, Series 2021B , due serially on November 1 of 2028 thru 2040, issued with a coupon between 4.0% to 5.0%, payable semiannually on May 1 and November 1 of each year, including premium of \$30,503 and \$31,900 for 2023 and 2022, respectively.	442,133	443,530
Sales tax FasTracks revenue refunding bonds, Series 2023A , due serially on November 1 of 2026 thru 2038, issued with a coupon of 5.0%, payable semiannually on May 1 and November 1 of each year, including premium of \$18,619 and \$0 for 2023 and 2022, respectively.	188,944	
Total Other debt bonds secured by sales tax revenues	2,133,768	2,181,872
Less current portion	(11,815)	(11,225)
Total Other Debt-Bonds secured by sales and use tax revenues	\$ 2,121,953	\$ 2,170,647

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Other Debt - Certificates of Participation (Certificates)	2023	2022
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 \$0 and \$11,584 for 2023 and 2022, respectively.	-	101,819
Certificates of participation obligations, Series 2015A , as lessee under an annually renewable lease purchase agreement. Payments are due semiannually on June 1 and December 1 to 2040, issued with coupons between 3.25% and 5.00%, including premium of \$7,895 and \$8,376 for 2023 and 2022, respectively.	114,845	115,326
Certificates of participation obligations, Series 2020A , as lessee under an annually renewable lease purchase agreement. Payments are due semiannually on June 1 and December 1 to 2031, issued with coupon rate of 5.00%, including premium of \$9,710 and \$11,084 for 2023 and 2022, respectively.	73,150	74,524
Certificates of participation obligations, Series 2023A , as lessee under an annually renewable lease purchase agreement. Payments are due semiannually on June 1 and December 1 to 2027, issued with coupon rate of 5.00%, including premium of \$1,119 and \$0 for 2023 and 2022, respectively.	45,328	-
Total other debt certificate of participation	333,323	391,669
Less current portion	(15,615)	(20,490)
Total other debt - Certificates of Participation (Certificates)	\$ 317,708	\$ 371,179
Total other debt	\$ 2,467,091	\$ 2,573,541
Total direct borrowing/placement	367,571	407,849
Less total current portion	(69,138)	(71,993)
Total long term debt	\$ 2,765,524	\$ 2,909,397

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

In 2022, RTD issued its Taxable (Convertible to Tax-Exempt) Sales Tax Revenue Bonds (FaTracks Project), Series 2022AB. Bond proceeds along with cash contributed by RTD were used to pay-off all outstanding Certificates of Participation, Series 2014A. The 2022AB bonds were purchased by CN Financing, Inc. and Bank of America, N.A., respectively.



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

<u>Year ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 41,708	\$ 11,288	\$ 52,996
2025	43,213	10,550	53,763
2026	12,130	9,972	22,102
2027	12,980	9,555	22,535
2028	13,885	9,109	22,994
2029-2033	85,440	37,693	123,133
2034-2038	105,255	21,552	126,807
2039-2043	42,600	7,207	49,807
2044	10,360	403	10,763
Total	<u>\$ 367,571</u>	<u>\$ 117,329</u>	<u>\$ 484,900</u>

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

Annual repayment requirements on sales tax bonds

<u>Year ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 11,815	\$ 83,738	\$ 95,553
2025	11,220	83,124	94,344
2026	59,530	82,924	142,454
2027	86,245	81,781	168,026
2028	89,510	77,468	166,978
2029-2033	473,310	323,365	796,675
2034-2038	469,675	221,847	691,522
2039-2043	318,515	146,355	464,870
2044-2048	337,475	88,167	425,642
2049-2050	130,575	11,558	142,133
Total	<u>\$ 1,987,870</u>	<u>\$ 1,200,327</u>	<u>\$ 3,188,197</u>

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

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



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

Year ending December 31,	Principal	Interest	Total
2024	\$ 15,615	\$ 17,291	\$ 32,906
2025	16,230	16,661	32,891
2026	28,560	15,541	44,101
2027	29,055	14,101	43,156
2028	15,810	12,979	28,789
2029-2033	92,410	51,483	143,893
2034-2038	85,970	20,778	106,748
2039-2040	30,950	1,870	32,820
Total	\$ 314,600	\$ 150,704	\$ 465,304

Changes in Long-Term Liabilities

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

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

REGIONAL TRANSPORTATION DISTRICT
Notes to Financial Statements
December 31, 2023 and 2022 (Dollars in Thousands)



Long-term liability activity for the year ended December 31, 2022, was as follows:

	Balance 12/31/2021	Additions	Reductions	Balance 12/31/2022	Due Within One Year
<u>Direct borrowings/placements</u>					
2016 JP Morgan lease purchase	13,055		13,055	-	
2017 JP Morgan lease purchase	122,997		29,628	93,369	30,373
2022AB Taxable Sales Tax Revenue Bonds		320,000	5,520	314,480	9,905
Total direct borrowings/placements	136,052	320,000	48,203	407,849	40,278
<u>Other debt</u>					
Sales tax revenue bonds	2,056,875		10,675	2,046,200	11,225
Certificates	819,730	-	459,105	360,625	20,490
Issuance premiums and discounts	198,633		31,917	166,716	-
Total other debt	3,075,238	-	501,697	2,573,541	31,715
<u>Other obligations</u>					
Net pension liability	260,200	190,204	171,248	279,156	-
Eagle P3 related liabilities	558,254	6,609	41,653	523,210	
LT Lease Liability	22,092	7,956	1,870	28,178	1,196
Total other obligations	840,546	204,769	214,771	830,544	1,196
Total long-term liability	\$4,051,836	\$ 524,769	\$ 764,671	\$ 3,811,934	\$ 73,189

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

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

In August 2022, RTD issued Sales Tax Revenue Refunding Bonds (FasTracks Project), Series 2022A and 2022B in the par amount of \$320,000 for refunding previously outstanding Series 2014A Certificates of Participation for interest expense savings. The transaction achieved a \$244,000 gross savings through 2044.



NOTE F – EMPLOYEE RETIREMENT AND UNEARNED COMPENSATION PLANS

Employee Retirement Plans

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

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

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

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

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

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

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

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

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

A summary of pension-related financial items as of December 31, 2022, is presented below:

Plan	Net Pension Liability	Deferred Outflow of Resources*	Deferred Inflows of Resources	Pension Expense
ATU 1001 Pension Plan	\$ 249,439	\$ 192,717	\$ 37,330	\$ 43,537
Salaried Pension Plan	29,717	8,541	8,813	3,196
Salaried Retirement Plan	-	-	-	7,191
Total	\$ 279,156	\$ 201,257	\$ 46,143	\$ 53,924



**The ATU 1001 Pension Plan deferred outflow of resources related to contributions made after the measurement date were \$177,530. The Salaried Pension Plan deferred outflow of resources related to contributions made after the measurement were \$8,400.*

ATU 1001 Pension Plan – Defined Benefit (2023)

Plan Description

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

Benefits Provided

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

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

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

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

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

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



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

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

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

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

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

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

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

Net Pension Liability

The components of the net pension liability of the plan for Fiscal Year Ending December 31, 2023, as follows:

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



Actuarial Methods and Assumptions Used to Calculate Net Pension Liability:

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

Single Discount Rate

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

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

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

Development of the Single Discount Rate

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



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

Changes in the Net Pension Liability

Changes in the Net Pension Liability (in thousands)	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balance on December 31, 2021	\$ 555,947	\$ 306,507	\$ 249,439
Changes for the year:			
Service cost	9,861		9,861
Interest	35,703		35,703
Differences between expected and actual experience	13,859		13,859
Changes to Benefit Terms	(2,358)		(2,358)
Assumption changes			-
Contributions-employer	(33,047)	176,239	(209,286)
Contributions-employee		5,659	(5,659)
Net investment income		(44,130)	44,130
Benefit payments and refunds of employee contributions		(33,047)	33,047
Administrative expense	-	(544)	544
Other changes	-		0
Net changes	24,019	104,176	(80,158)
Balance on December 31, 2022	\$ 579,965	\$ 410,683	\$ 169,282

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

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

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



Changes to Assumptions and Benefits

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

Contributions

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

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

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

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



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

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

With the signing of the new CBA in March of 2022, participation in this plan was closed to all new hires beginning January 1, 2023. As of the report date the effect on the net pension liability, although not expected to be significant, has not been determined. New members of ATU 1001 hired on or after this date are eligible to participate in the ATU 1001 Defined Contribution Plan, covered later in this note.

ATU 1001 Pension Plan – Defined Benefit (2022)

Employees covered by the benefit terms for the fiscal year ending December 31, 2022 (December 31, 2021, measurement date), pension plan membership consisted of the following:

Active plan members	1,595
Inactive plan members or beneficiaries currently receiving benefits	1,824
Inactive individuals entitled to but not yet receiving benefits	<u>1,883</u>
Total	<u>5,302</u>

Net Pension Liability

The components of the net pension liability of the plan for Fiscal Year Ending December 31, 2022, are as follows:

Total pension liability	\$ 555,947
Plan fiduciary net position	<u>306,507</u>
Plan's net pension liability	<u>\$ 249,439</u>
Plan fiduciary net position as a percentage of total pension liability	<u>55.13%</u>



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

Valuation Date:	January 1, 2022
Actuarial cost method	Entry age normal
Inflation	2.25%
Salary increases	3.00% to 10% including inflation
Investment return	6.50%
Retirement age	Aged-based rates starting at age 50 with 100% retirement at age 70
Healthy mortality	RP-2014 combined mortality table, generational projected with MP-2020
Disabled mortality	RP-2014 combined mortality table, generational projected with MP-2020
Other information	Following signing of new CBA, employer contributions were increased to 15% of pay effective January 1, 2022. A one-time \$160 million contribution was made in 2022 to support an increased benefit multiplier from 1% to 2% for participants hired between January 1, 2011, and December 31, 2022 retroactive to their hire date and to increase the funding level of the plan to 85%. The plan closed to new hires January 1, 2023

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).

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



Development of the Single Discount Rate

Single discount rate 6.50%
 Long-term expected rate of investment returns 6.50%
 Long-term municipal bond rate 1.84%
 Inflation assumption 2.25%
 Actuarial return assumption 6.5%

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

ATU Changes in the Net Pension Liability - 2022

Changes in the Net Pension Liability (in thousands)	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balance on December 31, 2020	\$ 495,786	\$ 276,551	\$ 219,235
Changes for the year:			
Service cost	7,788	-	7,788
Interest	34,117	-	34,117
Differences between expected and actual	(3,771)	-	(3,771)
Assumption changes	28,067	-	28,067
Contributions-employer	26,347	19,498	6,849
Contributions-employee	-	4,020	(4,020)
Net investment income	-	39,268	(39,268)
Benefit payments and refunds of employee contributions	(32,386)	(32,386)	(0)
Administrative expense	-	(448)	448
Other changes	-	4	(4)
Net changes	60,161	29,957	30,204
Balance on December 31, 2021	\$ 555,947	\$ 306,507	\$ 249,439



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

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

	1% Decrease (5.5%)	Current Discount Rate (6.5%)	1% Increase (7.5%)
Net pension liability	\$ 309,265	\$ 249,439	\$ 198,800

Changes to Assumptions and Benefits

The plan had a loss under Change in Benefit Terms due to a change in plan provisions which included an increase of employer contributions to 15% and a change in the benefit multiplier from 1% to 2% retroactive to the date of hire. There was also an increase in the pension liability under Change in Assumptions due to a decrease in the assumed discount rate. The discount rate decreased to 6.50% in 2022 from 7.00% in 2021.

Contributions

Contributions are made in accordance with the CBA. RTD signed a new CBA in April 2022, retroactive to January 1, 2022. As part of the new agreement, RTD made a one-time lump sum contribution of \$160,000 in May 2022, reported as a deferred outflow on the statement of net position to the plan. The plan also had contributions during the measurement year of \$19,498. Employer contributions were increased to 15% as part of the new CBA from the previous 13% contribution. Employee contributions remain at 5%. RTD has included the full amount of the actuarially determined net pension liability in accordance with financial reporting requirements. RTD is current in making all required contributions under the CBA.

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

For the year ended 2022 the employer recognized a pension expense increase of \$43,537. The employer reported deferred outflows and inflows of resources related from pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences in experience		\$ (2,587)
Differences in assumptions	15,187	(2,075)
Excess(deficit) investment returns		(32,668)
Contributions subsequent to measurement date	177,530	
Total	\$ 192,717	\$ (37,330)



Employer contributions after the measurement date of \$177,530 reported as deferred outflows of resources will be recognized as a reduction of the net pension liability in the year ended December 31, 2022. Other amounts reported as deferred outflow of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31,

2023	\$	(960)
2024		(9,441)
2025		(7,695)
2026		(4,047)
Total	\$	<u>(22,143)</u>

Salaried Pension Plan - Defined Benefit (2023)

Plan Description

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

Benefits Provided

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

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

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

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

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



year. Compensation includes deferrals made to the RTD Deferred Compensation Plan and RTD Flexible Spending Account Plan, overtime, shift differentials, leave pay and salary reductions.

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

Date of Member Count January 1, 2022

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

Net Pension Liability

The components of the net pension liability of the plan for Fiscal Year Ending December 31, 2023 (December 31, 2022, measurement date), are as follows:

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

Contributions

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



Actuarial Assumptions

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

Inflation	2.75%
Salary increases	3.70% – 6.45%, age-based
Investment Rate of Return	7.00%, net of investment expenses

The long-term expected rates of return on pension plan investments were determined using a building-block method in which best estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage including expected inflation.

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

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

Mortality Rates for Annuities (75% Election Assumption)

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

Disabled: RP-2014 Disabled Retiree Tables

Mortality Rates for Lump Sums (25% Election Assumption)

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

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



Single Discount Rate

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

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

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

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



Salaried Changes in the Net Pension Liability - 2023

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

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

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

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



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

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

Salaried Pension Plan - Defined Benefit (2022)

Employees covered by the benefit terms for the fiscal year ending December 31, 2022, (December 31, 2021 measurement date), pension plan membership consisted of the following:

Date of Member Count-January 1, 2021

Active plan members	183
Inactive plan members or beneficiaries currently receiving benefits	314
Inactive individuals entitled to but not yet receiving benefits	<u>112</u>
Total	<u>609</u>

Net Pension Liability

The components of the net pension liability of the plan for Fiscal Year Ending December 31, 2022 (December 31, 2021 measurement date), are as follows:

Total pension liability	\$ 184,609
Plan fiduciary net position	<u>154,892</u>
Plan's net pension liability	<u>\$ 29,717</u>
Plan fiduciary net position as a percentage of total pension liability	<u>83.90%</u>

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation with a date of January 1, 2021, using the following actuarial assumptions applied to all periods included in the measurement with a liability roll forward to December 31, 2021:

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



The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage including expected inflation.

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

Asset Class	30-Year Long-term Expected Real Rate of Return	Target Asset Allocation
Domestic equity	4.4%	40.0%
International equity	4.7%	20.0%
Fixed income	2.5%	22.5%
Real estate	3.8%	15.0%
Cash	0.2%	2.5%

Mortality Rates for Annuities (75% Election Assumption)

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

Disabled: RP-2014 Disabled Retiree Tables.

Mortality Rates for Lump Sums (25% Election Assumption)

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

The actuarial assumptions used in the January 1, 2021 evaluation were based on the results of an actuarial experience study covering the period January 1, 2014 – December 31, 2017.

Single Discount Rate

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



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

The following presents the net pension liability as of December 31, 2022, calculated using the discount rate of 7.00%, as well as what the Plan's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	1% Decrease (6.0%)	Current Discount Rate (7.0%)	1% Increase (8.0%)
Net pension liability	\$ 46,939	\$ 29,717	\$ 14,803

Salaried Changes in the Net Pension Liability - 2022

	Increase (Decrease)		
	Liability (a)	Net Position (b)	Liability (a)-(b)
Balance on December 31, 2020	\$ 186,625	\$ 145,660	\$ 40,965
Changes for the year:			
Service cost	2,394	-	2,394
Interest	12,674	-	12,674
Differences between expected and actual experience	(1,146)	-	(1,146)
Assumption changes	-	-	-
Contributions-employer	-	6,100	(6,100)
Net investment income	-	19,230	(19,230)
Benefit payments and refunds of employee contributions	(15,937)	(15,937)	-
Administrative expense	-	(160)	160
Other changes	-	-	-
Net changes	(2,016)	9,233	(11,248)
Balance on December 31, 2021	\$ 184,609	\$ 154,892	\$ 29,717

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



For the year ended 2022 the employer recognized pension expense of \$3,196. The employer reported deferred outflows and inflows of resources related to pensions from the following resources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences in experience	\$ 141	\$ (527)
Differences in assumptions		-
Excess(deficit) investment returns		(8,287)
Contributions subsequent to measurement date	8,400	-
Total	\$ 8,541	\$ (8,813)

Employer contributions after the measurement date of \$8,400 will be recognized as a reduction of the net pension liability in the year ended December 31, 2022. Other amounts reported as deferred outflow of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31,	
2023	\$ (962)
2024	(4,114)
2025	(1,719)
2026	(1,877)
Total	\$ (8,673)

RTD Plan – 401(a) Defined Contribution

The RTD defined contribution plan is available for full-time salaried employees hired after January 1, 2008. The RTD Board adopted Amendment 8, effective January 1, 2008 for which RTD currently contributes the board approved 9% of the employee’s qualifying wages. Contributions totaled \$7,813 and \$7,191 in 2023 and 2022, respectively. RTD employees cannot contribute to this plan. Membership was 849 and 710 active employees in 2023 and 2022, respectively.

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

This plan became available for new members of ATU 1001 hired on or after January 1, 2023. Eligible employees include any newly hired member of the ATU who are 19 years old in addition to Part Time Retirees (as defined in the CBA). Eligibility for the 457 (b) plan begins on the first day of the month following completion of election form for Pre-tax and/or Roth contributions to the Plan. Eligibility for the 401(a) Plan begins on the employee’s date of hire or immediately for Part-Time Retirees. Contributions under the 457 (b) Plan can be made by the employee up to the applicable annual IRS limits, including catch-up and Roth (after-tax) Contributions. RTD will



make a Non-Elective Contribution each pay period to the 401(a) Plan equal to 9% of each eligible employees per-pay-period Compensation. Employee contributions (Pre-tax and/or Roth Contributions) to the 457(b) plan will be matched by RTD equal to 100% up to 5% of the employee's per-pay-period compensation. Employees are always fully vested under the 457(b) plan. Under the ATU 401(a) plan, 20% vesting will occur for each full year of completed service, with 100% vesting occurring after five years of completed service, upon attaining age of 65, or upon death or disability. Part-time Retirees are fully always vested. 2023 contributions by RTD under the 401(a) plan were \$896. RTD made an additional match of \$281 to the 457(b) plan. Employee contributions during 2023 to the 457(b) plan were \$315. As of December 31, 2023, there were 369 employees participating in the plan.

Amalgamated Transit Union Local 1001 Health and Welfare Trust

The Amalgamated Transit Union Local 1001 Health and Welfare Trust (Trust) was formed pursuant to a Trust Agreement effective July 1, 1971 between Amalgamated Transit Union (ATU) Local 1001 and an agent of a transit enterprise owned by the City and County of Denver, through July 3, 1974 and RTD thereafter. In addition to the original Denver Metro Division, employees of other RTD divisions have been approved for participation in the Trust benefits. The Trust agreement shall continue in full force and effect in all its terms and provisions so long as there continues to be a CBA between the ATU and RTD.

The Trust provides health benefits (hospital, medical, dental, vision, life and short-term disability) for represented employees of RTD and certain officers of the ATU and health care benefits for retired employees who actively worked 600 hours or more per quarter. The Trust is funded through contributions by the employer and employee in which the share of benefit plan contributions is set by the CBA. RTD's contribution was \$26,524 and \$23,877 for the years ended December 31, 2023 and 2022, respectively. The Trust also provides insurance coverage for felonious assault for each employee. The Trust self-insures part of its health, life insurance and short-term disability benefits. The Trust issues audited financial statements which include financial information for the plan. Those audited financial statements may be obtained from the Trust: RTD ATU 1001 Health and Welfare Trust, 2821 S. Parker Road, Suite 215 Aurora, Colorado 80014-2602.

Other Post Employment Benefits

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

RTD Employees Deferred Compensation Plan

RTD offers its employees an unearned compensation plan (Plan), created in accordance with Internal Revenue Code Section 457, which is available to substantially all employees (with the exception below) and permits them to defer a portion of their compensation to future years. Under the terms of the Plan, the unearned compensation is available to participants upon termination, retirement, death or in the event of an unforeseeable emergency or other financial hardship. RTD makes no contributions to this plan as contributions are voluntarily made by RTD



employees only. New members of ATU 1001 hired on or after January 1, 2023, are not able to participate in this plan as there was a separate deferred compensation plan established for these employees as described above.

Compensated Absences

RTD considers all accrued compensated absences as due within one year. Employees accrue paid time off (PTO), vacation and sick leave based on years of service. Employees are not allowed to accumulate more than twice their annual PTO or vacation accrual and sick leave based on years of service. Employees are paid any outstanding compensated absence balances upon leaving RTD. 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. Compensated absences activity for the year ended December 31, 2023, was as follows:

	12/31/2022	2023	2023	12/31/2023
	Balance	Accruals	Payments	Balance
Represented employees	\$ 3,262	\$ 2,134	\$ 2,294	\$ 3,102
Salaried employees	\$ 12,677	9,660	8,814	13,523
Total compensated absences obligations	<u>\$ 15,939</u>	<u>\$ 11,794</u>	<u>\$ 11,108</u>	<u>\$ 16,625</u>

Compensated absences activity for the year ended December 31, 2022, was as follows:

	12/31/2021	2022	2022	12/31/2022
	Balance	Accruals	Payments	Balance
Represented employees	\$ 3,067	\$ 2,294	\$ 2,099	\$ 3,262
Salaried employees	\$ 11,189	8,814	7,326	12,677
Total compensated absences obligations	<u>\$ 14,256</u>	<u>\$ 11,108</u>	<u>\$ 9,425</u>	<u>\$ 15,939</u>

The accrued compensation liabilities of \$34,166 and \$30,776 as of December 31, 2023 and 2022, respectively, include \$17,541 and \$14,837 of accrued wages, salaries and fringe benefits in addition to accrued compensated absences.



NOTE G— LEASES

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

RTD also leases office space that is subsequently subleased by RTD to a third party. The noncancelable terms of this leasing arrangement matures in 2054. The discount rate applicable to this leasing arrangement is 3%. Payments are fixed monthly.

RTD leases office space that is part of a lease-leaseback transaction. RTD leases office space, which is part of the Denver Union Station Building which RTD then leases to a third-party. As of December 31, 2023, RTD reported a lease asset of \$5,917 and Accumulated Amortization of \$592 related to the lease-leaseback transaction.

Lease activity for RTD is reported under Note D.

Future principal and interest payment requirements related to RTD’s lease liability as of December 31, 2023 are as follows:

Year ended December 31,	Principal	Interest	Total
2024	1,353	1,909	3,262
2025	1,475	1,853	3,328
2026	1,504	1,795	3,299
2027	1,617	1,734	3,351
2028	482	1,683	2,165
2029-2033	(49)	8,442	8,393
2034-2038	1,455	8,346	9,801
2039-2043	2,759	7,921	10,680
2044-2048	1,513	7,583	9,096
2049-2053	3,345	7,202	10,547
2054-2058	3,643	6,548	10,191
2059-2063	5,571	5,694	11,265
2064-2068	8,764	4,296	13,060
2069-2073	12,974	2,166	15,140
2074-2076	3,208	98	3,306
Total	<u>49,614</u>	<u>67,270</u>	<u>116,884</u>

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

The government also subleases certain assets that it initially leases from a third party. The noncancellable terms of these leasing arrangements mature in December 2054. The discount rate applicable to this leasing arrangements is 3%. Payments are fixed monthly.



During the year ended December 31, 2023, RTD recognized the following related to its lessor agreements:

Lease Revenue	\$5,626
Interest Revenue	\$1,612
Revenue from variable payments not previously included in the measurement of the lease receivable	\$689

NOTE H – COMMITMENTS AND CONTINGENCIES

Commitments

Capital Projects

As of December 31, 2023, RTD has contracts for the construction of various capital projects including RTD’s involvement in the renovation of the 16th Street Mall as well as the near-term light rail reconstruction project in downtown Denver for the maintenance of assets for a state of good repair. Commitments surrounding these and other projects total \$79,786 and \$150,266 in 2023 and 2022, respectively.

Grant Match Requirements

Under the provisions of current grants, RTD is obligated to satisfy certain matching requirements. As of December 31, 2023, RTD had a commitment to provide \$65,637 in matching funds in order to receive \$142,018 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 fixed route services not to exceed 58% as required by state law. As of December 31, 2023, 55.28% 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 (ADA) of 1990, RTD was mandated to provide complementary paratransit service to persons with disabilities unable to use RTD’s fixed route system. This service, branded Access-a-Ride, is a curb-to-curb transportation service. Customers eligible for Access-a-Ride services must originate their trip within 3/4 of a mile of an RTD fixed route. Since September 1996, RTD has been in full compliance with the ADA requirement to provide complementary paratransit service to persons with disabilities unable to use the fixed route system.

Future Commitments under Construction Contracts

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



Future Commitments under Service Contracts

Fixed commitments under purchased transportation third-party contracts primarily related to bus operations in the years subsequent to December 31, 2023 are as follows:

Privatization Contracts

2024	\$	179,770
2025		102,848
2026		66,246
2027		23,977
2028		
Total	\$	<u>372,841</u>

Commitments to the Eagle P3 concessionaire, Denver Transit Partners, are as follows:

Year ending December 31,	TABOR Secured Payment	Service Availability Payment	Total
2024	\$ 45,827	80,828	\$ 126,655
2025	48,429	88,355	136,784
2026	43,140	74,345	117,485
2027	44,092	72,264	116,356
2028	45,295	76,001	121,296
2029-2033	275,343	513,182	788,525
2034-2038	325,237	653,256	978,493
2039-2043	254,802	585,311	840,112
2044	23,751	73,668	97,419
Total	\$ 1,105,916	\$ 2,217,209	\$ 3,323,125

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

Diesel Fuel Contract

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

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



Contingencies

Federal Grants

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

Self-Insurance

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

RTD does not carry excess liability insurance for personal injury and property damage. Under the provisions of the Colorado Government Immunity Act, the maximum liability, with certain exceptions as defined in the Act, to RTD for claims involving personal injury and property damage is \$387 per individual and \$1,093 per incident for claims arising on or after January 1, 2018, and before January 1, 2022. For claims that arise on or after January 1, 2022, RTD's liability is limited to \$424 per person and \$1,195 per occurrence.

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



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

	Auto Liability	Workers' Compensation	Total
Unpaid claims, January 1, 2021	\$ 4,683	\$ 7,794	12,477
Incurred claims (including IBNR)	204	3,224	3,428
Claims payments	(506)	(4,642)	(5,148)
Unpaid claims, December 31, 2021	\$ 4,381	\$ 6,376	10,757
Incurred claims (including IBNR)	3,295	4,770	8,065
Claims payments	(2,463)	(4,423)	(6,886)
Unpaid claims, December 31, 2022	5,213	6,723	11,936
Incurred claims (including IBNR)	5,309	2,201	7,510
Claims payments	(2,819)	(3,578)	(6,397)
Unpaid claims, December 31, 2023*	<u>\$ 7,703</u>	<u>\$ 5,346</u>	<u>\$ 13,049</u>

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

Contract Disputes and Legal Proceedings

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

In 2018, Denver Transit Partners, LLC (DTP), RTD's concessionaire for its Eagle P3 Project, filed a lawsuit asserting force majeure and change in law claims and damages of approximately \$111 million against RTD. DTP claimed that the Colorado Public Utilities Commission and/or the Federal Railroad Administration created new interpretations of existing regulations and that DTP was therefore entitled to risk allocation in its favor of costs incurred. A four-week bench trial on the claims began on September 21, 2020. On February 10, 2023, the court issued its Findings of Fact, Conclusions of Law and Order for Entry of Judgment finding in favor of RTD on DTP's above claims. DTP filed its notice of appeal on March 30, 2023. Briefing in the Colorado Court of Appeals was completed on January 23, 2024, and oral argument was held on April 16, 2024. DTP also filed a bill of costs against RTD as the prevailing party on RTD's counterclaims for approximately \$2.2 million, which costs were denied by the court. On May 9, the Colorado Court of Appeals issued its opinion affirming the District Court's judgement in RTD's favor, agreeing that regulators applied existing law and no change in law occurred. In response to the May 9 decision by the Colorado Court of Appeals, DTP filed a petition for a rehearing on May 22, 2024. The court's response to the latest petition has not been issued as of the date of this report.



NOTE I – NET POSITION

(In Thousands)

	December 31,	
	2023	2022
Net Investment in Capital Assets	\$ 2,316,267	\$ 2,427,540
Restricted net position		
Restricted debt service	69,936	89,868
Restricted TABOR	29,837	28,995
Restricted FasTracks	593,266	530,169
Restricted deposits	1,512	1,507
Total restricted net position	<u>694,551</u>	<u>650,539</u>
Unrestricted net position		
Unrestricted - represented net pension liability*	(169,508)	(94,053)
Unrestricted - salaried net pension liability	(41,949)	(29,990)
Unrestricted net position	<u>778,165</u>	<u>604,448</u>
Total unrestricted net position	<u>566,708</u>	<u>480,405</u>
Total net position	<u>\$ 3,577,526</u>	<u>\$ 3,558,484</u>

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

NOTE J – BUDGETARY DATA

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



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

	2023	2022
Revenues and Proceeds		
Revenue, actual	\$1,234,775	\$1,273,553
Proceeds from debt/arbitrage relief	214,535	320,000
Federal capital grants and local contributions	53,681	15,646
Revenue, actual (budgetary basis)	1,502,991	1,609,199
Revenue, budget	1,184,222	1,126,692
Expenditures		
Expenses, actual	1,269,414	1,193,131
Capital outlays	97,895	17,786
Depreciation, amortization, other	(339,870)	(358,207)
Long-term debt principal payments	376,496	527,795
Expenditures, actual (budgetary basis)	1,403,935	1,380,505
Appropriations, budget	1,532,121	1,654,508
Unused/(Excess use of) appropriations	\$ 128,186	\$ 274,004

Unused appropriations lapse at year-end, except the RTD Board of Directors has the authority, as stated in the adopted appropriation resolution, to carry over the unused portion of funds for capital projects not completed for a period not to exceed three years. As of December 31, 2023, there was \$232,774 of unused 2023 capital appropriations approved for carryover into 2024.

NOTE K – TAX, SPENDING AND DEBT LIMITATIONS

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

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

On November 2, 2004, the voters of the District authorized an increase in RTD’s sales and use tax rate from 0.6% to 1.0%, effective January 1, 2005, to finance the FasTracks transit



improvement program. This authorization also exempted RTD from any revenue and spending limitations on the additional tax and on any investment, income generated by the increased tax revenue and allowed RTD to incur debt to finance the capital improvements included in the FasTracks program. At the time that all FasTracks debt is repaid in 2050, RTD's 0.4% sales and use tax rate will be reduced to a rate sufficient to operate the transit system financed through FasTracks.

Beginning in 2025, RTD's revenues, with exception of federal funding and the 0.4% sales and use tax, will be subject to annual growth limitations constrained by the local Consumer Price Index (CPI) plus the change in property tax assessments due to new construction. It is estimated that approximately 50% of total revenues will be subject to this provision. RTD is undertaking measures to mitigate, to the extent possible, any adverse impacts these growth limitations will have on funding.

NOTE L – SUBSEQUENT EVENTS

Following an 18-month fare study and equity analysis, RTD implemented certain changes to its fare structure effective at the beginning of 2024 to simplify the fare structure, reduce fares, and ensure equity. Because fare revenue comprises a relatively small proportion of total revenues, RTD does not anticipate these changes to have a material impact to its ability to fund necessary expenditures and has budgeted accordingly.

On Wednesday, February 14, 2024, the Colorado Department of Labor and Employment (CDLE) held an election to determine whether eligible Transit Police Officers and Corporals employed by RTD would be represented by the Fraternal Order of Police Lodge #72 (FOP 72) for purposes of collective bargaining. On Thursday, February 15, 2024, RTD's General Counsel's office received formal notification of the election's results from CDLE staff, which certified that the eligible voters elected to form a Collective Bargaining Unit. RTD Labor Relations staff with support from RTD Police Department command staff are working collectively with the FOP 72 to negotiate and implement this first-time collective bargaining agreement.

On May 9, 2024, RTD received notice of the court's decision in response to RTD's concessionaire, Denver Transit Partners' (DTP's), appeal of the February 10, 2023 Findings of Fact, Conclusions of Law and Order for Entry of Judgement finding in favor of RTD. The Colorado Court of Appeals issued its opinion affirming the District Court's judgement in RTD's favor, agreeing that regulators applied existing law and no change in law occurred. In response the court's May 9, 2024 decision, DTP filed a petition of rehearing on May 22, 2024. The court has not responded to this petition as of the date of this report.

Required Supplementary Information



REGIONAL TRANSPORTATION DISTRICT
Required Supplementary Information
December 31, 2023 and 2022 (Dollars in Thousands)



REGIONAL TRANSPORTATION DISTRICT
PENSION PLANS SUMMARY

As of December 31,
Schedule of Contributions Multiyear
Last 10 Fiscal Years*
(in thousands)

ATU 1001 Pension Plan

Period ending December 31,	2023	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially determined contribution	\$ 25,009	\$ 20,343	\$ 22,670	\$ 22,594	\$ 18,109	\$ 17,664	\$ 17,170	\$ 17,131	\$ 18,752
Actual contribution	176,239	19,498	22,454	21,345	20,163	13,168	12,128	11,543	10,758
Contribution excess (deficiency)	151,230	(845)	(216)	(1,249)	2,054	(4,496)	(5,042)	(5,588)	(7,994)
Covered payroll	\$ 123,493	\$ 99,609	\$ 108,766	\$ 107,888	\$ 103,646	\$ 103,729	\$ 94,802	\$ 82,994	\$ 84,774
Contribution as a percentage of covered payroll	142.71%	19.57%	20.64%	19.78%	19.45%	12.69%	12.79%	13.91%	12.69%

* Fiscal year 2015 was the first year of implementation

Actuarial methods and assumption used to calculate actuarially determined contributions:

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

REGIONAL TRANSPORTATION DISTRICT
Required Supplementary Information
December 31, 2023 and 2022 (Dollars in Thousands)



REGIONAL TRANSPORTATION DISTRICT
PENSION PLANS SUMMARY

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

ATU 1001 Pension Plan

Period ending December 31,

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

* Fiscal year 2015 was the first year of implementation



Notes to Schedule

Changes in Assumptions

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

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

Assumption changes for the Fiscal Year Ending December 31, 2017 (December 31, 2016 measurement date, January 1, 2016 actuarial valuation date): Assumption changes were a result of the update of mortality assumptions to RP-2014 blue-collar tables published by

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

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

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

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

REGIONAL TRANSPORTATION DISTRICT
Required Supplementary Information
December 31, 2023 and 2022 (Dollars in Thousands)



REGIONAL TRANSPORTATION DISTRICT
PENSION PLANS SUMMARY

As of December 31,
Schedule of Contributions Multiyear
Last 10 Fiscal Years*
(in thousands)

RTD Salaried Pension Plan

Period ending December 31,	2023	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially determined contribution	\$ 8,548	\$ 8,319	\$ 8,643	\$ 8,082	\$ 7,954	\$ 7,296	\$ 7,632	\$ 6,768	\$ 5,682
Actual contribution	8,400	6,100	6,100	6,100	5,100	4,600	4,100	3,100	3,100
Contribution excess (deficiency)	(148)	(2,219)	(2,543)	(1,982)	(2,854)	(2,696)	(3,532)	(3,668)	(2,582)
Covered payroll	\$ 18,604	\$ 19,450	\$ 21,336	\$ 23,631	\$ 26,460	\$ 27,619	\$ 30,378	\$ 31,257	\$ 30,880
Contribution as a percentage of covered payroll	45.15%	31.36%	28.59%	21.58%	19.27%	16.66%	13.50%	9.92%	10.04%

* Fiscal year 2015 was the first year of implementation

Actuarial methods and assumption used to calculate actuarially determined contributions:

Valuation date:	January 1, 2022
Notes:	Actuarially determined contribution rates are calculated as of January 1st, 12 months prior to end of the fiscal year in which contributions are reported.
Actuarial cost method:	Entry age normal
Amortization method:	Level dollar, fixed and declining 20 years
Remaining amortization period:	9 years
Asset valuation method:	Smoother over 5 yrs based on the Actuarial Value of Assets Expected return
Inflation rate:	2.75%
Wage increases:	5.50% across-the-board for 2022; thereafter 3.70%-6.45%, age-based
Investment rate of return:	7.00%

REGIONAL TRANSPORTATION DISTRICT
Required Supplementary Information
December 31, 2023 and 2022 (Dollars in Thousands)



Retirement age:

Effective January 1, 2022:		Prior to January 1 2022:	
Age	Rate	Age	Rate
55	5.00%	55	5.00%
56-59	10.00%	56-61	10.00%
60	25.00%	62	25.00%
61	10.00%	63-64	15.00%
62	25.00%	65-69	40.00%
63-64	15.00%	70 or older	100.00%
65-69	40.00%		
70-71	50.00%		
70 or older	100.00%		

Vested inactive participants are assumed to retire at age 65

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

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

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

Mortality (lump sums):

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

Other:

Turnover: 0.00% - 9.93% based on age

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

Expenses: \$178 per year payable monthly, with a 2% annual increase thereafter

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

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

REGIONAL TRANSPORTATION DISTRICT
Required Supplementary Information
December 31, 2023 and 2022 (Dollars in Thousands)



REGIONAL TRANSPORTATION DISTRICT
PENSION PLANS SUMMARY

As of December 31,

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

Last 10 Fiscal Years*

(in thousands)

RTD Salaried Pension Plan

Period ending December 31,

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

* Fiscal year 2015 was the first year of implementation

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

REGIONAL TRANSPORTATION DISTRICT
Required Supplementary Information
December 31, 2023 and 2022 (Dollars in Thousands)



Notes to schedule:

Measurement Period: January 1, 2022-December 31, 2022 for the Fiscal Year Ending December 31, 2023 (one-year lookback election).

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

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

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

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

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

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

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

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

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

Supplementary Information



REGIONAL TRANSPORTATION DISTRICT
Supplementary Information
December 31, 2023 and 2022 (Dollars in Thousands)



REGIONAL TRANSPORTATION DISTRICT
SCHEDULE OF EXPENSE AND REVENUE
BUDGET AND ACTUAL - BUDGETARY BASIS
Year Ended December 31, 2023
(In Thousands)

	Adopted Budget (Unaudited)	Final Budget (Unaudited)	Actual	Variance
Operating revenue				
Passenger fares	\$ 98,180	\$ 74,883	\$ 63,534	\$ (11,349)
Other	8,353	8,400	1,519	(6,881)
Total operating revenue	<u>106,533</u>	<u>83,283</u>	<u>65,053</u>	<u>(18,230)</u>
Operating expenses				
Salaries and wages	249,615	250,101	249,720	381
Fringe benefits	101,312	101,509	113,381	(11,872)
Materials and supplies	53,446	60,680	53,529	7,152
Services	140,425	162,436	97,340	65,096
Utilities	19,432	21,229	19,543	1,686
Insurance	14,700	14,700	14,148	552
Purchased transportation	223,696	231,533	223,349	8,184
Leases and rentals	3,356	3,366	2,492	874
Miscellaneous	10,455	10,173	4,398	5,775
Total operating expenses	<u>816,437</u>	<u>855,727</u>	<u>777,900</u>	<u>77,827</u>
Operating loss	<u>(709,904)</u>	<u>(772,444)</u>	<u>(712,847)</u>	<u>59,597</u>
Nonoperating revenue (expenses)				
Sales and use tax	852,827	888,096	858,133	(29,963)
Grant operating assistance	176,104	334,748	234,488	(100,260)
Investment income		10,000	58,111	48,111
Other income			18,990	18,990
Gain/loss on capital assets	-	-	(17,036)	(17,036)
Interest expense	(140,933)	(140,936)	(134,609)	6,327
Total nonoperating revenue (expenses)	<u>887,998</u>	<u>1,091,908</u>	<u>1,018,077</u>	<u>(73,831)</u>
Proceeds from debt	-	-	214,535	214,535
Capital outlay				
Capital expenses	643,828	450,632	97,895	(352,737)
Less capital grants	-	25,800	(53,681)	(79,481)
	<u>643,828</u>	<u>476,432</u>	<u>44,214</u>	<u>(432,218)</u>
Long-term debt principal payment	(87,790)	(81,324)	(376,496)	(295,172)
Excess (deficiency) of revenue and nonoperating income over (under) expenses, capital outlays and debt principal payments	<u>\$ (553,524)</u>	<u>\$ (238,292)</u>	99,056	<u>\$ 337,348</u>
Increases (decreases) to reconcile budget basis to GAAP basis				
Capital expenses			97,895	
Proceeds from debt			(214,535)	
Long-term debt principal payment			376,496	
Depreciation			(339,870)	
INCREASE IN NET POSITION			<u>\$ 19,042</u>	



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

	Section 401(a)	Salaried Pension Plan	2023	Section 401(a)	Salaried Pension	2022
Assets						
Cash and cash equivalents	\$ 117	\$ 3,240	\$ 3,358	\$ 50	\$ 2,658	\$ 2,709
Investments						
Equities		14,965	14,965		13,099	13,099
Common Collective Trusts		101,270	101,270		86,816	86,816
Real Estate Investment Trusts		17,229	17,229		21,143	21,143
Mutual Funds	54,323	7,448	61,771	42,581	6,340	48,921
Total Investments	<u>54,323</u>	<u>140,912</u>	<u>195,235</u>	<u>42,581</u>	<u>127,399</u>	<u>169,980</u>
Receivables						
Accrued interest receivable	-	34	34		17	17
Other receivables	1	0	1			-
Total assets	<u>54,441</u>	<u>144,187</u>	<u>198,628</u>	<u>42,631</u>	<u>130,074</u>	<u>172,705</u>
Liabilities						
Accounts payable	-	38	38	-	49	49
Total liabilities	-	38	38	-	49	49
Net position - restricted for pensions	<u>\$ 54,441</u>	<u>\$ 144,150</u>	<u>\$198,590</u>	<u>\$ 42,631</u>	<u>\$130,025</u>	<u>\$ 172,656</u>



REGIONAL TRANSPORTATION DISTRICT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

Years ended December 31,
(In Thousands)

	Section 401(a) Retirement Plan	Salaried Pension Plan	2023	Section 401(a) Retirement Plan	Salaried Pension Plan	2022
Additions						
Contributions	\$ 7,813	\$ 15,000	\$ 22,813	\$ 7,080	\$ 8,400	\$ 15,480
Forfeitures	519	-	519	264	-	264
Investment income and change in value	7,549	14,108	21,658	(7,583)	(17,828)	(25,412)
Investment expenses	(39)	(311)	(350)	(122)	(427)	(549)
Total additions	<u>15,842</u>	<u>28,797</u>	<u>44,640</u>	<u>(361)</u>	<u>(9,855)</u>	<u>(10,217)</u>
Deductions						
Distributions and benefits paid	3,742	14,485	18,227	3,374	14,842	18,216
Administrative expenses	291	188	480	84	170	254
Total deductions	<u>4,033</u>	<u>14,673</u>	<u>18,707</u>	<u>3,458</u>	<u>15,012</u>	<u>18,470</u>
Increase in net position	11,809	14,125	25,933	(3,819)	(24,867)	(28,687)
Net position, beginning of year	42,631	130,025	172,656	46,451	154,892	201,343
Net position, end of year	<u>\$ 54,441</u>	<u>\$ 144,150</u>	<u>\$ 198,590</u>	<u>\$ 42,631</u>	<u>\$ 130,025</u>	<u>\$ 172,656</u>



STATISTICAL SECTION

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

Contents

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

REGIONAL TRANSPORTATION DISTRICT
Statistical Information (Unaudited)
December 31, 2023 and 2022 (Dollars in Thousands)



REGIONAL TRANSPORTATION DISTRICT
NET POSITION BY COMPONENT¹ (In Thousands)

Table 1

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Net Investment in Capital										
Assets (Note I)	\$ 2,316,267	\$ 2,427,540	\$ 2,551,814	\$ 2,813,989	\$ 2,987,538	\$ 3,144,175	\$ 3,135,186	\$ 3,119,274	\$ 2,936,397	\$ 2,987,694
Restricted (Note I)										
Emergencies	29,837	28,995	25,623	26,861	25,940	24,079	25,735	21,609	20,284	19,193
Debt and other	664,714	621,544	632,814	519,978	488,810	502,558	475,792	395,948	304,667	155,345
Total restricted net position ²	694,551	650,539	658,437	546,839	514,750	526,637	501,527	417,557	324,951	174,538
Unrestricted net position (note H)	566,708	480,405	252,166	1,165	(165,410)	(207,306)	(223,204)	(214,479)	(84,409)	18,842
Total net position	<u>\$ 3,577,526</u>	<u>\$ 3,558,484</u>	<u>\$ 3,462,417</u>	<u>\$ 3,361,993</u>	<u>\$ 3,336,878</u>	<u>\$ 3,463,506</u>	<u>\$ 3,413,509</u>	<u>\$ 3,322,352</u>	<u>\$ 3,176,938</u>	<u>\$ 3,181,074</u>

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
Statistical Information (Unaudited)
December 31, 2023 and 2022 (Dollars in Thousands)



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

Table 2

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Operating revenues:										
Passenger fares	\$ 63,534	\$ 75,292	\$ 78,923	\$ 76,265	\$ 154,390	\$ 143,231	\$ 140,217	\$ 134,622	\$ 120,497	\$ 120,497
Other	1,519	2,707	4,197	6,183	6,553	7,535	7,159	5,803	5,347	4,406
Total operating revenues	65,053	77,999	83,120	82,448	160,943	150,766	147,376	140,425	125,844	124,903
Operating expenses:										
Salaries, wages, fringe benefits	363,101	332,539	246,125	248,595	251,074	236,892	263,977	260,039	227,207	204,790
Materials and supplies	53,529	43,820	39,663	42,108	54,983	51,335	44,686	52,180	58,884	62,156
Services	97,340	82,633	74,500	84,673	96,085	81,189	77,323	58,560	79,749	108,920
Utilities	19,543	18,434	17,512	16,206	17,823	16,419	16,503	14,220	13,673	14,151
Insurance	14,148	13,221	10,104	10,186	10,833	9,941	13,319	10,382	8,102	5,273
Purchased transportation	223,349	196,016	174,747	203,964	203,559	176,416	159,051	156,605	113,216	114,942
Leases and rentals	2,492	1,540	3,202	3,397	3,204	1,996	2,829	3,288	3,462	3,264
Miscellaneous	4,398	3,263	2,213	2,546	5,053	4,317	4,213	4,183	4,531	6,561
Total operating expenses	777,900	691,466	568,066	611,675	642,614	578,505	581,901	559,457	508,824	520,057
Operating loss before depreciation	(712,847)	(613,467)	(484,946)	(529,227)	(481,671)	(427,739)	(434,525)	(419,032)	(382,947)	(395,154)
Depreciation	339,870	358,207	340,558	339,833	355,417	285,653	248,633	222,154	152,531	139,045
Operating loss	(1,052,717)	(971,674)	(825,504)	(869,060)	(837,088)	(713,392)	(683,158)	(641,186)	(535,478)	(534,199)
Nonoperating income (expense):										
Sales and use tax revenues	858,133	855,146	756,974	632,665	659,418	634,192	598,187	563,598	541,518	514,721
Grant operating assistance	234,488	307,042	299,052	316,848	86,263	86,403	80,412	77,335	73,383	75,544
Interest income	58,111	(1,004)	2,401	8,965	17,669	13,409	63,030	6,371	3,164	165
Other income	18,990	34,370	11,596	10,397	26,582	12,618	10,596	9,927	10,322	10,248
Gain/Loss on capital assets	(17,036)	(5,121)	(6,787)	(3,822)	(2,452)	(1,449)	4,022	5,664	1,085	6,613
Interest expense	(134,609)	(138,337)	(154,096)	(167,055)	(200,845)	(62,770)	(65,346)	(77,272)	(79,686)	(72,293)
Other expense/unrealized loss assets	-	-	-	-	(672)	(16)	(2,981)	(1,258)	(1,422)	(3,605)
Total nonoperating income	1,018,077	1,052,096	909,140	797,998	585,963	682,387	687,920	584,365	548,364	531,393
Net income before capital grants and local contributions	(34,639)	80,422	83,636	(71,062)	(251,125)	(31,005)	4,762	(56,821)	12,886	(2,806)
Capital grants and local contributions	53,681	15,646	17,169	96,177	124,497	81,002	86,395	202,235	169,313	206,431
Increase in net position	19,042	96,068	100,805	25,115	(126,628)	49,997	91,157	145,414	182,199	203,625
Net position, beginning of year, (as previously reported)	3,558,484	3,462,416	3,361,993	3,336,878	3,463,506	3,413,509	3,322,352	3,176,938	3,181,074	2,977,449
Change in accounting principle, (note A)			(382)						(186,335)	
Net position, beginning of year, (as restated)									2,994,739	
Prior period adjustment										
Net position at end of year	\$ 3,577,526	\$ 3,558,484	\$ 3,462,416	\$ 3,361,993	\$ 3,336,878	\$ 3,463,506	\$ 3,413,509	\$ 3,322,352	\$ 3,176,938	\$ 3,181,074

REGIONAL TRANSPORTATION DISTRICT
Statistical Information (Unaudited)
December 31, 2023 and 2022 (Dollars in Thousands)



REGIONAL TRANSPORTATION DISTRICT
OPERATING AND OTHER EXPENSES AND CAPITAL OUTLAYS¹

Table 3

10 Years (Unaudited)
(In Thousands)

Year	Operating Expenses	Depreciation	Interest Expense	Other Nonoperating Expenses	Capital Outlays ²	Total
2014	520,057	139,045	72,293	3,605	862,701	1,597,701
2015	508,824	152,531	79,686	1,422	870,055	1,612,518
2016	559,457	222,154	77,272	1,258	693,159	1,553,300
2017	581,901	248,633	65,346	2,981	451,245	1,350,106
2018	578,505	285,653	62,770	1,465	335,080	1,263,473
2019	641,614	355,417	200,845	672	350,221	1,548,769
2020	611,675	339,833	167,055			1,118,563
2021	566,241	343,167	154,096		30,259	1,093,763
2022	691,466	358,207	138,337	-	17,786	1,205,796
2023	777,900	339,870	134,609	-	97,895	1,350,273

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

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



REGIONAL TRANSPORTATION DISTRICT
REVENUE BY SOURCE¹

10 Years (Unaudited)
(In Thousands)

Table 4

<u>Year</u>	<u>Operating Revenues</u>	<u>Sales/Use Tax</u>	<u>Grant Operating Assistance</u>	<u>Interest Income</u>	<u>Other</u>	<u>Total Revenue</u>	<u>Capital Grants</u>	<u>Local Contributions</u>	<u>Total Revenue and Capital Grant & Contributions</u>
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	26,582	950,875	116,303	8,194	1,075,372
2020	82,448	632,665	316,848	8,965	10,397	1,051,323	66,215	29,962	1,147,500
2021	83,120	756,974	299,052	2,401	11,998	1,153,545	15,739	1,430	1,170,714
2022	77,999	855,146	307,042	(1,004)	34,370	1,273,553	12,490	3,156	1,289,199
2023	65,053	858,133	234,488	58,111	18,990	1,234,775	39,216	14,465	1,288,456

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



REGIONAL TRANSPORTATION DISTRICT
DEBT COVERAGE RATIOS¹

(In Thousands)

Table 5

10 YEARS

	Sales Tax Bond Debt Service Requirements			Sales Tax Collections	Coverage Ratio
	Interest	Principal	Total		
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
2020	83,292	19,475	102,767	632,665	6.16
2021	73,961	14,795	88,756	756,974	8.53
2022	82,920	16,195	99,115	855,146	8.63
2023	90,615	21,130	111,745	858,133	7.68
Certificate of Participation Debt Service Requirements					
	Interest	Principal	Total		
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		
2020	47,953	58,653	106,606		
2021	45,335	62,301	107,636		
2022	32,525	60,873	93,398		
2023	20,538	50,863	71,401		



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

Table 5

	Total Debt Service Requirements			Total Revenue	Coverage Ratio
	Interest	Principal	Total		
2014	128,323	57,002	185,325	938,625	5.06
2015	141,327	54,348	195,675	924,662	4.73
2016	145,863	61,698	207,561	1,005,655	4.85
2017	145,104	58,066	203,170	990,018	4.87
2018	140,211	64,700	204,911	978,390	4.77
2019	137,603	67,335	204,938	1,075,372	5.25
2020	131,245	78,128	209,373	1,147,500	5.48
2021	119,296	77,096	196,392	1,170,714	5.96
2022	115,445	77,068	192,513	1,281,691	6.66
2023	111,153	71,993	183,146	1,288,456	7.04

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

REGIONAL TRANSPORTATION DISTRICT
Statistical Information (Unaudited)
December 31, 2023 and 2022 (Dollars in Thousands)



REGIONAL TRANSPORTATION DISTRICT
DEMOGRAPHIC AND OPERATING DATA

Table 6

Last Ten Years (Unaudited)

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
January 1 population within RTD service area ¹	3,098,000	3,098,000	3,098,000	3,080,000	3,090,000	3,080,000	2,920,000	2,920,000	2,870,000	2,870,000
Cities and towns served	40	40	40	40	40	40	40	40	40	40
Square miles in service area	2,342	2,342	2,342	2,342	2,342	2,342	2,342	2,342	2,340	2,340
Total service miles	47,932,575	60,532,485	37,337,138	35,550,924	64,369,963	59,239,576	49,348,647	44,368,116	47,575,444	45,746,927
Passenger stops	9,720	9,720	9,720	9,750	9,800	9,800	9,077	9,077	9,566	9,751
Number of fixed routes	137	137	134	134	169	169	172	172	137	138
Local	107	107	99	89	124	124	132	132	86	82
Express			-	-	-	-	-	-	15	14
Regional	17	17	17	23	23	23	16	16	20	17
Skyride	3	3	2	3	3	3	3	3	5	5
Limited	10	10	10	14	14	14	16	16	18	11
Miscellaneous			6	5	5	5	5	5	8	9
Average weekday ridership	195,501	187,529	145,998	164,886	345,299	321,891	326,413	331,580	338,363	344,348
Total Annual Boardings	65,175,290	61,602,568	49,029,218	52,616,640	105,823,892	105,388,415	106,849,922	101,322,384	102,991,663	104,987,248
Total Revenue Boardings	63,422,065	57,802,831	45,604,684	48,877,655	93,982,340	94,033,303	87,822,890	82,019,742	88,973,903	90,955,825
Average weekday miles operated	118,971	115,142	117,620	135,495	176,356	141,621	142,489	136,677	131,221	119,706
Fare revenue as a % of operating exp	5.70%	7.30%	8.50%	8.00%	15.50%	16.60%	16.90%	17.20%	18.20%	18.30%
Operating cost per rider	\$ 17.15	\$ 17.04	\$ 18.53	\$ 18.08	\$ 9.43	\$ 8.20	\$ 7.77	\$ 7.71	\$ 6.42	\$ 6.28
Diesel fuel consumption, gallons ⁴	3,922,027	3,374,838	3,376,453	4,032,532	5,178,712	5,238,000	5,550,000	5,550,000	5,550,000	5,550,000
Total active buses	1,019	1,035	1,034	1,026	1,030	1,026	1,023	1,023	1,021	1,011
Wheelchair lift equipped buses	1,019	1,035	1,034	1,026	1,030	1,026	1,023	1,023	1,021	1,011
Number of employees ²										
Salaried	998	869	785	923	870	870	817	779	779	735
Represented (includes part-time)	1,817	1,739	1,722	2,063	2,018	2,018	1,962	2,034	1,955	1,929
Operating facilities ⁴	8	8	8	8	7	7	7	7	7	7

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

² Excludes purchased transportation services.



Debt Disclosure Tables for 2023 ACFR

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

REGIONAL TRANSPORTATION DISTRICT
Debt Disclosures (Unaudited)
December 31, 2023 and 2022 (Dollars in Thousands)



REGIONAL TRANSPORTATION DISTRICT
2024-2029 MID-TERM FINANCIAL PLAN (In Thousands)

Table 7

Modified Accrual Basis	2024	2025	2026	2027	2028	2029	Total
Operating revenue	\$ 63,930	\$ 67,416	\$ 70,465	\$ 77,205	\$ 78,749	\$ 80,324	\$ 438,089
Sales and use tax revenue	923,479	949,047	975,544	1,000,373	1,026,141	1,054,758	\$ 5,929,342
Grant revenue	231,959	230,691	265,502	265,245	265,081	270,015	\$ 1,528,493
Other Income		-	-	-	-		\$ -
Total revenue	1,219,367	1,247,155	1,311,511	1,342,823	1,369,971	1,405,097	7,895,924
Operating expenses (excluding depreciation)	856,400	926,538	930,048	975,777	1,030,397	1,083,752	5,802,912
Capital expenditures and state of good repair	64,050	56,291	65,884	65,567	91,429	113,021	456,242
Debt service	223,284	229,054	252,169	282,264	268,209	259,338	1,514,318
Total expenditures	1,143,734	1,211,883	1,248,101	1,323,608	1,390,035	1,456,111	7,773,472
Net sources/(uses) of funds	75,633	35,272	63,410	19,215	(20,064)	(51,014)	122,452
Contributions to/(use) of reserves	(11,513)	35,000	26,000	41,000	47,000	53,000	190,487
Remaining funds	\$ 731,895	\$ 770,166	\$ 833,574	\$ 852,789	\$ 832,726	\$ 781,711	\$ 781,711



REGIONAL TRANSPORTATION DISTRICT
STATEMENT OF DEBT
as of December 31, 2023

Table 8

Direct Borrowings/Placements:	Outstanding ²
2017A JPM Lease Purchase Agreement Refunding	62,996
RTD Sales FasTracks Tax Revenue Bonds, Series 2022AB	304,575
	\$ 367,571
Sales Tax Bonds	
RTD Sales Tax Revenue Refunding Bonds, Series 2007 ¹ - FasTracks	\$ 242,284
RTD Sales Tax Revenue Refunding Bonds, Series 2007 ¹	9,576
RTD Sales FasTracks Tax Revenue Bonds, Series 2010B ¹	300,000
RTD Sales FasTracks Tax Revenue Bonds, Series 2013A ¹	229,880
RTD Sales FasTracks Tax Revenue Bonds, Series 2016A ¹	221,741
RTD Sales FasTracks Tax Revenue Bonds, Series 2017A ¹	77,541
RTD Sales FasTracks Tax Revenue Bonds, Series 2017B ¹	133,954
RTD Sales FasTracks Tax Revenue Bonds, Series 2019A ¹	57,110
RTD Sales FasTracks Tax Revenue Bonds, Series 2021AB ¹	672,738
RTD Sales FasTracks Tax Revenue Bonds, Series 2023A ¹	188,944
Total Sales Tax Revenue Debt	\$ 2,133,768
Lease Purchase Agreements	Outstanding ²
Master Lease Purchase Agreement II Fixed Rate Certificates of	100,000
Master Lease Purchase Agreement II Fixed Rate Certificates of	114,845
Master Lease Purchase Agreement II Fixed Rate Certificates of	73,150
Master Lease Purchase Agreement II Fixed Rate Certificates of	45,329
Total Certificates of Participation Debt	\$ 333,324
Total Debt	\$ 2,834,663
RTD District Population ³	3,098,000
Per Capita Debt Requirement	\$ 915

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

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

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

REGIONAL TRANSPORTATION DISTRICT
Debt Disclosures (Unaudited)
December 31, 2023 and 2022 (Dollars in Thousands)



ANNUAL RIDERSHIP AND FARE REVENUE - 2014-2023

Table 9

(In Thousands)

Year	Revenue Boardings ¹	Fare Revenue	Percent Change in Fare Revenue
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%
2020	48,878	76,265	-50.6%
2021	48,172	78,923	3.5%
2022	57,803	75,292	-4.6%
2023	63,422	63,534	-15.6%

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

ADVERTISING AND ANCILLARY REVENUES - 2014-2023

Table 10

(In Thousands)

Year	Advertising Revenue	Ancillary Revenues
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	4,484	1,699
2021	1,135	3,062
2022	86	2,621
2023	50	1,469

GRANT RECEIPTS AND LOCAL CONTRIBUTIONS - 2014-2023

Table 11

(In Thousands)

Year	Grant Capital	Local Contributions	Grant Operating Assistance
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	66,215	29,962	316,848
2021	15,739	1,430	284,604
2022	12,490	3,156	307,042
2023	27,154	14,465	234,488

REGIONAL TRANSPORTATION DISTRICT
Debt Disclosures (Unaudited)
December 31, 2023 and 2022 (Dollars in Thousands)



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

Table 12

	Years Ended December 31,				
	2023	2022	2021	2020	2019
Operating revenues:					
Passenger fares	\$ 63,534	\$ 75,292	78,923	\$ 76,265	\$ 154,390
Other	1,519	2,707	4,197	6,183	6,553
Total operating revenues	65,053	77,999	83,120	82,448	160,943
Operating expenses:					
Salaries, wages, fringe benefits	363,101	332,539	246,125	248,595	251,074
Materials and supplies	53,529	43,820	39,569	42,108	54,983
Services	97,340	82,633	74,328	84,673	96,085
Utilities	19,543	18,434	17,512	16,206	17,823
Insurance	14,148	13,221	10,104	10,186	10,833
Purchased transportation	223,349	196,016	174,747	203,964	203,559
Leases and rentals	2,492	1,540	1,643	3,397	3,204
Miscellaneous	4,398	3,263	2,213	2,546	5,053
Total operating expenses	777,900	691,466	566,241	611,675	642,614
Operating loss before depreciation	(712,847)	(613,467)	(483,121)	(529,227)	(481,671)
Depreciation	339,870	358,207	343,167	339,833	355,417
Operating loss	(1,052,717)	(971,674)	(826,288)	(869,060)	(837,088)
Nonoperating income (expense):					
Sales and use tax revenues	858,133	855,146	756,974	632,665	659,418
Grant operating assistance	234,488	307,042	299,052	316,848	86,263
Interest income	58,111	(1,004)	2,401	8,965	17,669
Other income	18,990	34,370	11,998	10,397	26,582
Gain/Loss on capital assets	(17,036)	(5,121)	(6,787)	(3,822)	(2,452)
Interest expense	(134,609)	(138,337)	(154,096)	(167,055)	(200,845)
Other expense/Unrealized Loss	-	-	-	-	(672)
Total nonoperating income	1,018,077	1,052,096	909,542	797,998	585,963
Net income before capital grants and local contributions	(34,639)	80,422	83,254	(71,062)	(251,125)
Federal capital grants and local contributions	53,681	15,646	17,169	96,177	124,497
Increase in net position	19,042	96,068	100,423	25,115	(126,628)
Net position, beginning of year (as previously reported, 2021 restated)	3,558,484	3,462,416	3,361,993	3,336,878	3,463,506
Net position at end of year	\$ 3,577,526	\$ 3,558,484	\$ 3,462,416	\$ 3,361,993	\$ 3,336,878

REGIONAL TRANSPORTATION DISTRICT
Debt Disclosures (Unaudited)
December 31, 2023 and 2022 (Dollars in Thousands)



REGIONAL TRANSPORTATION DISTRICT

Table 13

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

	2023		2022		2021		2020		2019	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
Operating revenues:										
Passenger fares	\$ 98,180	\$ 63,534	\$ 98,180	\$ 75,292	\$ 88,462	\$ 78,923	\$ 158,116	\$ 76,265	\$ 163,600	\$ 154,390
Other	8,353	1,519	8,353	2,707	4,805	4,197	6,596	6,183	5,616	6,553
Total operating revenues	<u>106,533</u>	<u>65,053</u>	<u>106,533</u>	<u>77,999</u>	<u>93,267</u>	<u>83,120</u>	<u>164,712</u>	<u>82,448</u>	<u>169,216</u>	<u>160,943</u>
Operating expenses:										
Salaries, wages, fringe benef	350,927	363,101	318,801	332,539	258,338	\$ 246,125	286,691	\$248,595	279,004	251,074
Materials and supplies	53,446	53,529	57,932	43,820	55,562	\$ 39,569	59,563	42,108	63,563	54,983
Services	140,425	97,340	135,628	82,633	146,574	\$ 74,328	119,625	84,673	139,262	96,085
Utilities	19,432	19,543	19,425	18,434	17,482	\$ 17,512	19,685	16,206	19,926	17,823
Insurance	14,700	14,148	12,270	13,221	13,120	\$ 10,104	14,295	10,186	14,151	10,833
Purchased transportation	223,696	223,349	213,746	196,016	207,773	\$ 174,747	225,361	203,964	211,016	203,559
Leases and rentals	3,356	2,492	4,496	1,540	4,555	\$ 1,643	4,303	3,397	3,090	3,204
Miscellaneous	10,455	4,398	8,576	3,263	8,773	2,213	10,220	2,546	7,204	5,053
Total Operating Expenses	<u>816,437</u>	<u>777,900</u>	<u>770,874</u>	<u>691,466</u>	<u>712,177</u>	<u>566,241</u>	<u>739,743</u>	<u>611,675</u>	<u>737,216</u>	<u>642,614</u>
Operating loss	(709,904)	(712,847)	(664,341)	(613,467)	(618,910)	(483,121)	(575,031)	(529,227)	(568,000)	(481,671)
Nonoperating revenue (expense):										
Sales and use tax	852,827	858,133	768,369	855,146	799,069	756,974	659,417	632,665	662,376	659,418
Grant operating assistance	176,104	234,488	209,494	307,042	209,494	299,052	209,021	316,848	92,013	86,263
Interest income	-	58,111	-	(1,004)	-	2,401	7,496	8,965	15,695	17,669
Other income	-	18,990	-	34,370	-	11,998	12,969	10,397	12,871	26,582
Gain/Loss on capital assets	-	(17,036)	-	(5,121)	-	(6,787)	-	(3,822)	-	(2,452)
Interest expense	(140,933)	(134,609)	(147,378)	(138,337)	(153,844)	(154,096)	(170,834)	(167,055)	(152,155)	(200,845)
Other expense/Unrealized lo	-	-	-	-	-	-	-	-	-	(672)
Total nonoperating revenue	<u>887,998</u>	<u>1,018,077</u>	<u>830,485</u>	<u>1,052,096</u>	<u>854,719</u>	<u>909,542</u>	<u>718,069</u>	<u>797,998</u>	<u>630,800</u>	<u>585,963</u>
Proceeds from issuance of long	-	214,535	-	320,000	-	834,904	-	-	-	(96,071)
Capital outlay										
Capital expenses	643,828	97,895	575,574	17,786	643,555	30,259	613,324	548,927	693,520	350,221
Less capital grants	-	(53,681)	25,800	(15,646)	-	(17,169)	(218,109)	(231,088)	(266,591)	(124,497)
	<u>643,828</u>	<u>44,214</u>	<u>601,374</u>	<u>2,140</u>	<u>643,555</u>	<u>13,090</u>	<u>395,215</u>	<u>317,839</u>	<u>426,929</u>	<u>225,724</u>
Long-term debt principal paym	<u>87,790</u>	<u>(376,496)</u>	<u>87,790</u>	<u>(527,795)</u>	<u>81,324</u>	<u>(896,843)</u>	<u>88,174</u>	<u>88,174</u>	<u>76,771</u>	<u>146,475</u>
and nonoperating income over (under) expenses, capital outlay and debt	<u>\$ (553,524)</u>	<u>99,056</u>	<u>\$(523,020)</u>	<u>228,694</u>	<u>\$(489,070)</u>	<u>377,572</u>	<u>\$(340,351)</u>	<u>(137,242)</u>	<u>\$(440,900)</u>	<u>(363,978)</u>
Increases (decreases) to reconcile budget basis to GAAP basis										
Capital expenditures		97,895		17,786		30,259		548,927		350,221
Long-term debt proceeds		(214,535)		(320,000)		(834,904)		-		96,071
Long-term debt principal		376,496		527,795		896,843		88,174		146,475
Depreciation		(339,870)		(358,207)		(340,558)		(339,833)		(355,417)
Net income	<u>\$ 19,042</u>		<u>\$ 96,068</u>		<u>\$ 129,212</u>		<u>\$ 160,026</u>		<u>\$ (126,628)</u>	

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

REGIONAL TRANSPORTATION DISTRICT
Debt Disclosures (Unaudited)
December 31, 2023 and 2022 (Dollars in Thousands)



REGIONAL TRANSPORTATION DISTRICT
FISCAL YEAR 2023 AND 2024 BUDGET SUMMARY (in thousands)

Table 14

	2023 <u>Adopted Budget</u>	2023 <u>Amended Budget</u>	2024 <u>Adopted Budget</u>
Beginning net position	\$ 3,657,615	\$ 3,479,952	\$ 3,277,051
Revenues:			
Operating	89,515	74,882	63,930
Sales & use taxes	852,827	888,096	932,541
Federal and local grants	176,104	202,844	310,666
Interest and other income	8,400	18,400	38,400
FasTracks - change in debt service reserve			
FasTracks - change in FISA	(20,614)	(20,614)	(20,614)
Change in capital acquisition reserve			
Financing proceeds	-	-	-
Contributed capital and other income			
Total Revenues	<u>1,106,232</u>	<u>1,163,608</u>	<u>1,324,923</u>
Expenditures:			
Operating	824,214	855,729	1,040,849
Interest expense	140,933	140,933	138,457
Debt payments	84,827	84,827	84,827
Current capital	75,868	57,603	185,460
Capital carryforward	567,931	393,029	232,774
Total expenditures	<u>1,693,773</u>	<u>1,532,121</u>	<u>1,682,367</u>
Adjustments ¹	<u>396,210</u>		
Ending net position	<u>\$ 3,466,284</u>	<u>\$ 3,111,439</u>	<u>\$ 2,919,607</u>
Net position summary:			
Net investment in capital assets	\$ 2,427,540	\$ 2,343,909	\$ 2,343,909
Restricted debt service, project related and other ²	112,822	286,070	153,191
Restricted TABOR fund	26,247	29,837	31,046
Restricted FasTracks ³	652,147		
Restricted Board appropriated and capital replacement ⁴	86,531	185,000	185,000
Unrestricted fund	174,665	432,235	471,771
Ending net position	<u>\$ 3,479,952</u>	<u>\$ 3,277,051</u>	<u>\$ 3,184,917</u>

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

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

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

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

REGIONAL TRANSPORTATION DISTRICT
Debt Disclosures (Unaudited)
December 31, 2023 and 2022 (Dollars in Thousands)



REGIONAL TRANSPORTATION DISTRICT
TRIP FARES

Table 15

Trip Fares	Full Fare	Discount Fare (includes Airport) ¹	Youth Fare until August 31, 2024 ²	Youth Fare starting September 1, 2024 (includes Airport) ³
<u>Single Trip Fares</u>				
Mall Shuttle and Free Mall Ride	Free	Free	Free	Free
Local	\$ 2.75	\$ 1.35	Free	\$ 0.85
Airport	10.00	1.35	Free	0.85
<u>Multiple trip fares (10 Ride Ticket Book)</u>				
Local	\$ 27.50	\$ 13.50	Free	\$ 8.50
Airport		13.50	Free	8.50
<u>Multiple trip fares (Day Pass)</u>				
Local	\$ 5.50	\$ 2.70	Free	\$ 1.70
Regional/airport	10.00	2.70	Free	1.70
<u>Multiple trip fares (monthly pass)</u>				
Local	\$ 88.00	\$ 27.00	Free	\$ 27.00
Regional/Airport	88.00	27.00	Free	\$ 27.00

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

² Youth ages 19 and under ride at no cost until August 31, 2024, due to the Zero Fare for Youth pilot program

³ Youth Fare applies to youth ages 6-19 (up to three children ages 5 and younger ride free with a fare-paying adult)

REGIONAL TRANSPORTATION DISTRICT
Debt Disclosures (Unaudited)
December 31, 2023 and 2022 (Dollars in Thousands)



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

Table 16

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

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



**We make lives better
through connections.**
