

Third Quarter 2025 Investment Report

RTD staff provides a quarterly investment report to the Board of Directors per RTD's Investment Policy to provide information on the character of RTD's financial investments as well as the investment return for the period. RTD funds are invested in high-quality, short-term investments that are often affected by changing economic conditions and expectations and by actions of the Federal Reserve's Federal Open Market Committee (FOMC or Committee).

At the December FOMC meeting, the Committee decided to lower the target range for the federal funds rate to 3-1/2 to 3-3/4 percent. The chairman stated, "In considering the extent and timing of additional adjustments to the target range for the federal funds rate, the Committee will carefully assess incoming data, the evolving outlook, and the balance of risks. The Committee is strongly committed to supporting maximum employment and returning inflation to its 2 percent objective." and "The Committee judges that reserve balances have declined to ample levels and will initiate purchases of shorter-term Treasury securities as needed to maintain an ample supply of reserves on an ongoing basis."

RTD's Investment Policy (the "Policy") is conservative in nature and seeks to satisfy the three primary objectives of safety, liquidity, and yield in that order of importance.

The Policy specifies that:

"Investment reports shall be prepared on a quarterly, and annual basis. Transaction summaries shall be maintained and available in the office of the CFO or other authorized investment personnel. Quarterly investment reports shall be submitted to the Board of Directors and shall outline RTD's total investment return and compare the Portfolio's performance to a publicly available index of securities having similar quality and duration characteristics."

RTD manages its investment holdings in two main tiers:

1. The Liquidity Tier is intended to hold cash in very short-term investments which provide a small yield but allows immediate access for use in RTD's day-to-day operations with no exposure to capital gains or losses caused by fluctuations in interest rates.
2. The Enhanced Cash Tier has slightly longer holding periods than the Liquidity Tier to attempt to generate additional investment income that may have some minor exposure to capital gains and losses caused by fluctuations in interest rates if not held to maturity.

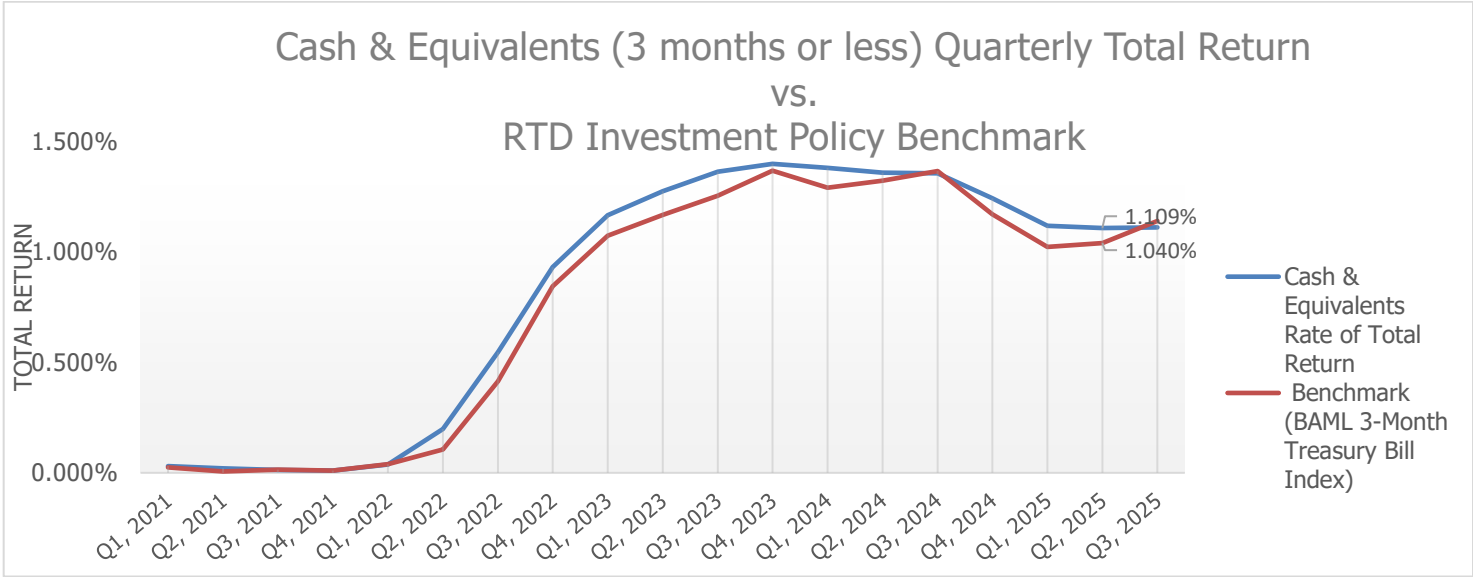
The total return on the liquidity and enhanced cash tiers of the District's unrestricted portfolio and investment benchmarks were as follows:

<u>Liquidity Tier:</u>	<u>Q3 2025</u>	<u>YTD</u>
RTD cash and cash equivalents	1.111%	3.338%
Bank of America/Merrill Lynch 3-month U.S. T-Bill Index	1.141%	3.204%
 <u>Enhanced Cash Tier:</u>		
RTD enhanced cash	1.153%	4.119%
Bank of America/Merrill Lynch 1-year U.S. Treasury Note Index	1.077%	3.030%

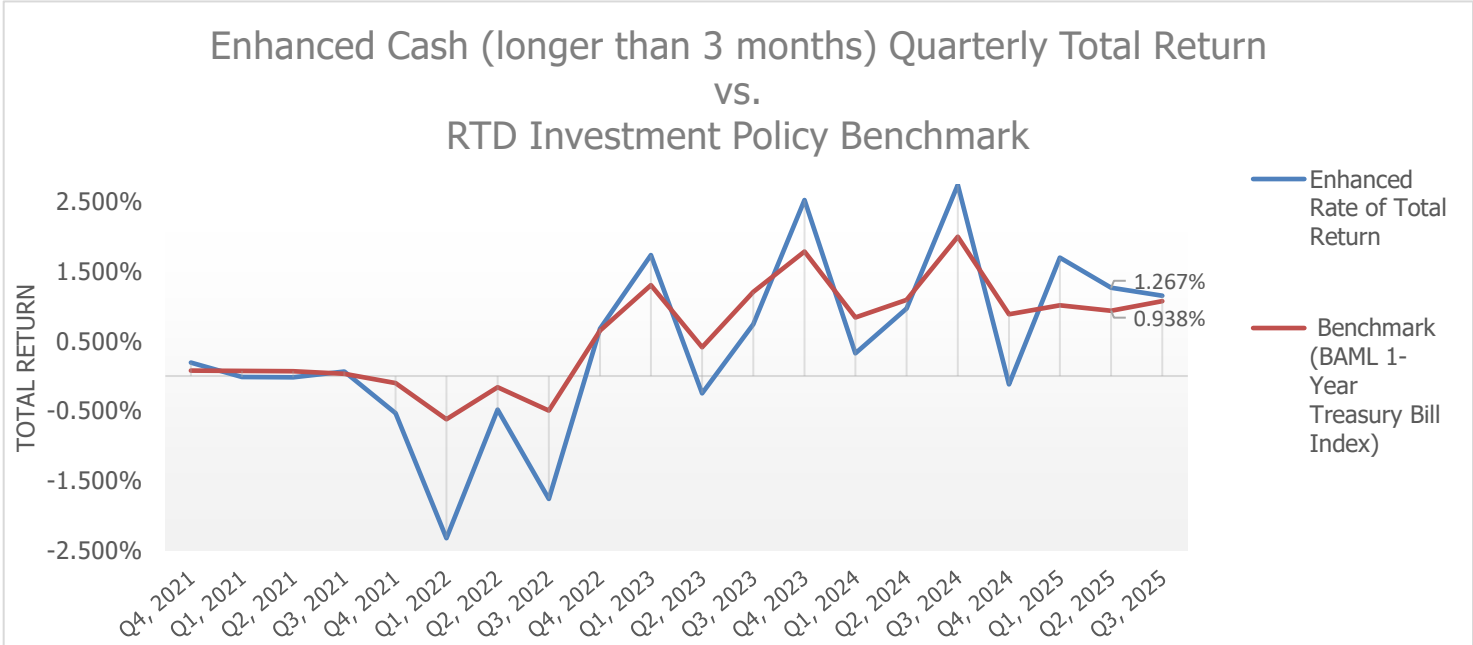


The yield of the unrestricted portfolio for the month of September was 3.98%. Year-to-date investment earnings produced income of approximately \$29.4 million. The weighted average life of the unrestricted, enhanced cash portfolio was 2.0 years.

Historical performance of the RTD Liquidity Tier investments relative to the Investment Policy benchmark is reflected in the following graph:



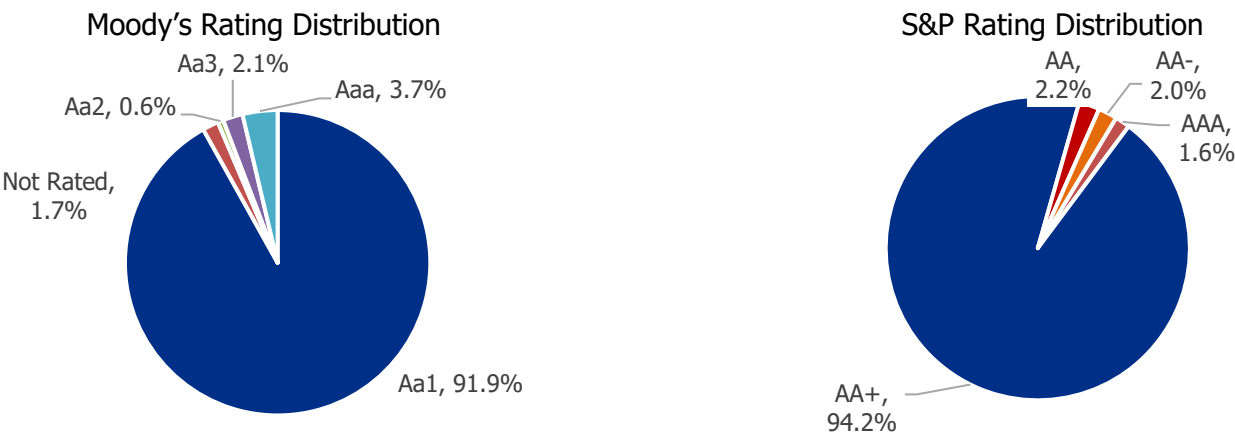
Historical performance of RTD Enhanced Cash Tier investments relative to the Investment Policy benchmark is reflected in the following graph:





In addition to the Liquidity and Enhanced Cash Tiers of the District’s portfolio, all other reserves are invested in accordance with state law and additional guiding documents such as bond indentures, and escrow agreements.

The following shows a graphical depiction of RTD’s unrestricted, enhanced cash holdings credit rating distribution:



The following shows a graphical depiction of RTD’s unrestricted, enhanced cash investment duration (holding term in years), which indicates investment price sensitivity to interest rate changes. Generally, investments with longer durations are more sensitive to interest rate changes, which can result in gains or losses if not held to maturity.

Duration in Years

