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through connections.**

September 15, 2026

Five-Year Financial Forecast

2027–2031

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Outline



Background



**Financial Planning
Process**



**2027–2031
Assumptions**



**Five-Year
Financial Forecast
(FYFF)**



Next Steps

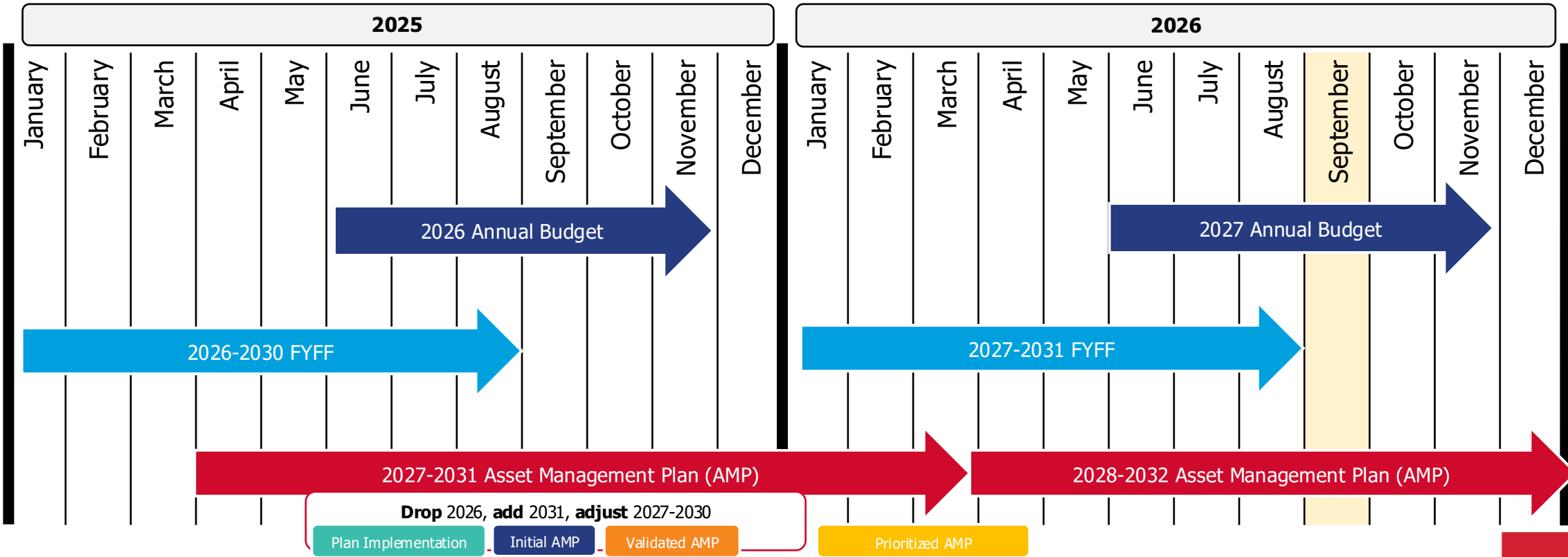
Background

- Annual five-year revenue and expenditure forecast
 - Basis for RTD's budget preparation, not an appropriation
 - Can be updated as needed throughout the year
- Strategic Plan alignment to Financial Success
- Transit Asset Management (TAM) Plan
- Asset Management Plan (AMP)



Financial Planning Process

Goal: The **right money** in the **right year** for the **right requests** for the **right reasons**



2027–2031 FYFF Assumptions

- Low-single-digit fare revenue growth with no fare rate change
- March 2026 sales and use tax forecast
- No unawarded grants or debt restructuring not yet transacted
- 3% annual inflation
- Fuel price lock at \$3.00, up from \$2.57 in 2026
- Board-directed 2027 \$20 million service modification
- No potential system expansions not yet Board-approved (i.e., joint service and N Line completion)
- Three months operating coverage and 1.2x net revenue coverage ratio



2027–2031 Five-Year Financial Forecast

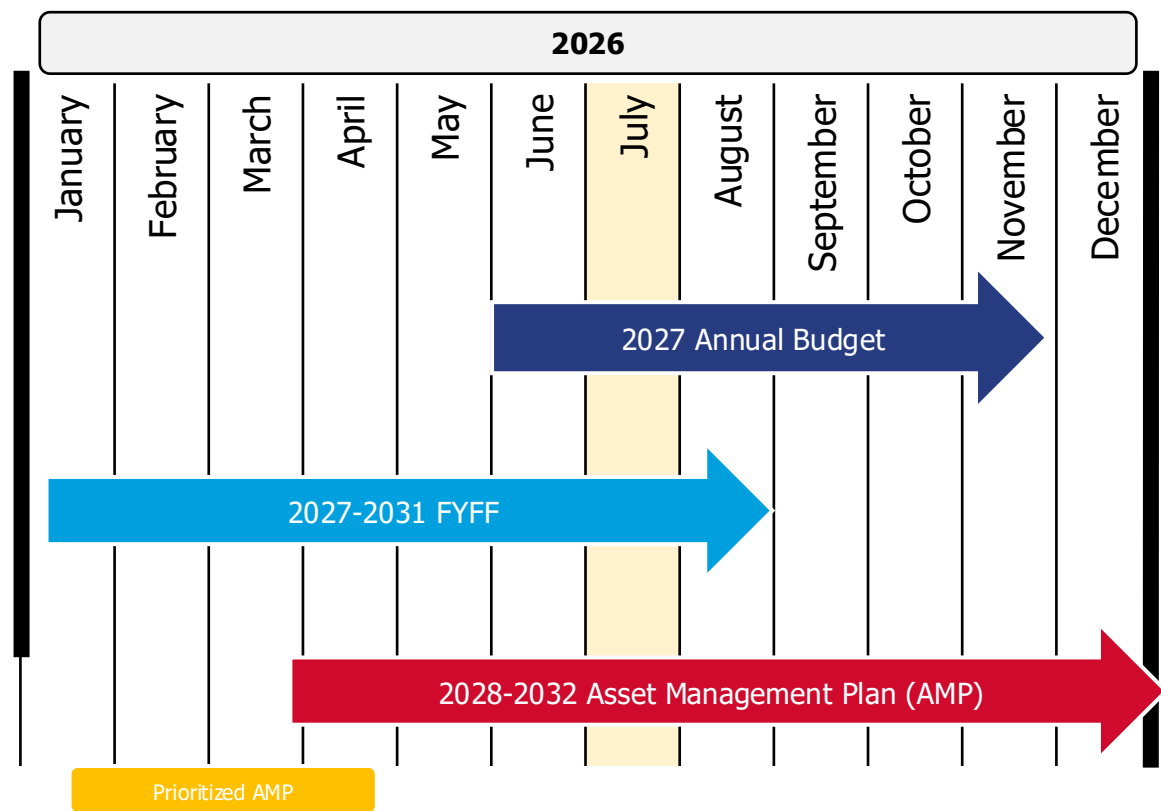
(\$ Thousands)

	2026 Budget	2026 Projected	2027	2028	2029	2030	2031	Annual Growth Rate
Fares	\$ 61,490	\$ 64,144	\$ 61,011	\$ 61,203	\$ 62,427	\$ 63,675	\$ 64,949	1.6%
Sales and use taxes	877,163	897,338	905,811	958,089	1,000,722	1,039,950	1,078,610	4.5%
Grants and contributions	308,737	313,337	175,690	174,960	180,149	185,441	190,891	2.1%
Investment income	23,000	23,000	28,293	26,150	22,212	19,565	22,137	-5.9%
Other income	9,000	9,000	9,000	9,042	9,086	9,131	9,178	0.5%
Total Revenue	1,279,390	1,306,819	1,179,805	1,229,444	1,274,596	1,317,763	1,365,765	3.7%
Operating expenses	1,113,232	1,121,345	900,000	831,097	868,896	947,205	907,874	0.2%
Financing Proceeds	-	-	-	-	-	(256,141)	-	N/A
To/(From) Operating Reserve	-	-	(8,809)	(17,226)	9,450	19,577	(9,833)	2.8%
To/(From) Capital Reserve	-	-	(115,763)	(12,399)	(33,020)	(4,818)	-	-100.0%
To/(From) FISA Reserve	-	-	-	-	-	-	-	N/A
Capital expenditures*	603,344	497,844	84,302	632,440	133,914	553,395	78,916	-1.6%
Debt service	190,636	190,636	252,957	260,168	258,057	246,504	270,610	1.7%
Total Expenditures	1,907,212	1,809,825	1,112,687	1,694,080	1,237,297	1,505,722	1,247,567	2.9%
Net Sources and Uses	(627,822)	(503,006)	67,119	(464,635)	37,299	(187,959)	118,198	15.2%
Operating reserve	227,403	233,809	225,000	207,774	217,224	236,801	226,969	0.2%
Capital replacement reserve	166,000	166,000	50,237	37,838	4,818	-	-	-100.0%
FISA reserve	191,532	182,952	182,952	182,952	182,952	182,952	182,952	0.0%
Unrestricted reserve	227,144	73,968	37,500	30,000	30,000	(48,615)	(2,125)	N/A
Total Available Reserves	812,079	656,729	495,689	458,565	434,994	371,138	407,796	-4.8%
Cash and Equivalents		911,184	881,384	387,124	373,200	200,000	308,364	-23.1%
Net Revenue Coverage	1.1	1.2	1.2	1.5	1.6	1.5	1.7	
Months Operating Reserve	3.0	3.0	3.0	3.0	3.0	3.0	3.0	

- 2026 includes East Colfax Bus Rapid Transit (BRT) one-time passthrough revenue and expense of \$139 million
- Capital replacement reserve is utilized; does not meet Fiscal Policy
- To meet 1.2x net revenue coverage ratio, 2027 Operating Expense would need to be \$900 million
- Potential future financing
- Capital carryforward from 2026 is likely*
- "Known unknowns" of \$0.7B for 2027-2031 in the Asset Management Plan are not yet incorporated
- Figures are estimates and subject to change

Financial Planning Next Steps

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Thank you.

