

ADOPTED BUDGET 2016



Regional Transportation District
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GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**Regional Transportation District
Colorado**

For the Fiscal Year Beginning

January 1, 2015

A handwritten signature in black ink, appearing to read 'Jeffrey R. Egan'.

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented an award of Distinguished Presentation to the Regional Transportation District for its annual budget for the fiscal year beginning January 1, 2015. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

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Part I. Introduction

Summary

This budget document is meant to provide the reader with a description of the 2016 Adopted Budget as approved by the Board of Directors of the Regional Transportation District (RTD) on November 17, 2015.

The budget is developed based on departmental budgets, which are based on approved goals and objectives. This system seeks to allocate resources among related and sometimes competing activities and to optimize those resources in a manner consistent with defined organizational goals and objectives. The document is divided into three sections:

Introduction and Organizational Structure

The introductory section outlines the organization and its budgetary issues, describes the region and the customers served by the District, and provides the layout of the document.

2016 Budget Summary

Summary information is provided relating to the District's 2016 operating budget, capital budget, and fund balance. The 2015 Amended Budget serves as a reference for the development of the 2016 Adopted Budget.

2016 Budget Review

The final section is broken into six parts, each focusing in detail on a particular aspect of the 2016 Budget. Performance Measures, Revenue, Operating Expenditures, Capital Expenditures, Fund Balances, and Debt Service details are presented to provide the reader with access to all fundamental portions of the Budget.

This final section provides detail on revenues and expenditures for both the operating and capital budget. The approved goals, objectives, and performance measures are included as well as a list of planned projects for 2016. A personnel summary documents changes in staffing levels.

Summary schedules have been rounded; therefore, minor differences may exist in totals. An appendix has been added to aid the reader.

For a complete listing of the contents of this document, please refer to the Table of Contents, Glossary, and Index.

General Manager's Budget Message

February 15, 2016

I am honored by been chosen to serve the Regional Transportation District as the General Manager and CEO, and look forward to leading RTD staff, in partnership with our Board of Directors, as we continue to pursue the excellence for which RTD has become known. Already in 2016, RTD has successfully delivered another FasTracks project with the Flatiron Flyer Bus Rapid Transit line along US 36 between Boulder and Denver. This is the first of the five major FasTracks rapid transit projects we will open this year.

With the opening of the Flatiron Flyer, we made significant increases in service frequency, trip speed and span of service compared with what was previously offered along US 36. RTD provided the single largest funding source for the Bus and High Occupancy Vehicle managed lanes, constructed by the Colorado Department of Transportation.

Among the numerous RTD highlights for 2015, we received two Gold Awards for Safety and Security from the American Public Transportation Association. One was for the Transit Watch Smart Phone App and the other for the Rail Safety Program. In addition, we won five first-place awards in the annual APTA Ad Wheels national competition.

But that wasn't the only recognition for the agency. RTD was awarded \$663,256 in grant funding from the Federal Transit Administration (FTA) for our Innovative Transit Workforce Development Programs, including the Workforce Initiative Now (WIN) program, Leadership Academy, and MAX programs. Our WIN Program is now serving nearly 500 participants and we are proud of the fact that we are putting people to work in some of the most impoverished areas of the metro area.

Among our top priorities is the successful completion of the FasTracks program of projects by engaging our stakeholders and the private sector to seek collaborative and innovative methods of project development and funding mechanisms. As we've seen, despite the fact the greatest recession since the Great Depression had a massive, unforeseen global economic impact, by the end of 2016 we will have completed the West Rail Line, Denver Union Station, US 36 Bus Rapid Transit, the University of Colorado A Line (East Rail), the G Line (Gold Rail), the I-225 R Line (I-225 Rail) and the first segment of Northwest Line's B Line (Northwest Rail) as parts of the FasTracks program of projects. We will also complete the first phase of the North Metro Rail Line in 2018, and shortly thereafter the Southeast Rail Line Extension, if we receive federal funds as anticipated. While these are major accomplishments of which we can all be proud, we know we still have more to do before the FasTracks vision becomes a complete reality.

Along with these major accomplishments, the 2016 Adopted Budget Document reflects the critical policy decisions, operational goals, and financial plans made by the RTD Board of Directors for the coming year. This document details the contents of the budget for the Board of Directors, the State of Colorado, and the residents of the District.

This budget message provides a description of the principles behind budget decisions and information regarding considerations that influenced budget development.

The stronger economy is leading to increasing sales and use tax collections. While collections have come close to last year's numbers, they still fall below what is needed to fully fund RTD's transportation services and capital programs at the optimal levels. The RTD Board of Directors and Staff have once again made tough choices and eliminated or deferred the completion of many of our operating and capital projects in order to balance our 2016 budget, while ensuring that our existing service levels will not be reduced. We have actively and extensively worked with RTD's stakeholders throughout the budgeting process to seek input as those budget choices have been developed.

The key drivers of the 2016 Budget have changed and will continue to change even as this Budget Document is completed. This document serves to chronicle RTD's initial adopted plan for 2016, which was approved by the Board of Directors in November 2015. As in years past, the Budget Document and its components will be reviewed and revised as necessary to meet the challenges of 2016 and future years as they arise.

As outlined in the budget process flowchart, development of the annual budget is an extensive undertaking. The RTD Board of Directors approves a mission statement and goals and objectives. The Board then establishes its priorities for operating expenditures and capital requirements to meet these goals and objectives based on projected revenues. The RTD staff develops departmental budgets allocating the necessary resources to achieve the Board adopted goals.

For 2016, the Board adopted a vision statement, mission statement, and seven overall goals.

RTD Vision Statement, Mission Statement and Goals

The District's vision is "to deliver regional multimodal transportation services and infrastructure improvements that significantly and continually increase transit market share".

The District's mission is "to meet our constituents' present and future public transit needs by providing safe, clean, reliable, courteous, accessible, and cost-effective service throughout the District". This vision and mission are expressed through the following goals:

- To meet the present transportation needs of the District by providing safe transportation service.
- To meet the present transportation needs of the District by providing clean transportation service.
- To meet the present transportation needs of the District by providing reliable transportation service.
- To meet the present transportation needs of the District by providing courteous transportation service.
- To meet the present transportation needs of the District by providing accessible transportation service.

- To meet the present transportation needs of the District by providing cost-effective transportation service.
- To meet the future transportation needs of the District.

Each goal has several related action items and performance measures. A complete copy of the Goals and related Performance Measures is included in Part V of this document.

2015 Accomplishments

The past year was a very busy one for the Regional Transportation District. Below is a partial list that highlights some of the events that took place during 2015:

- Completed installation of Smart Drive cameras on all RTD owned and operated buses currently in service
- Selected vendor for replacement of Mall shuttle buses that are beyond their useful life, with all- electric Zero Emission Vehicle to be delivered in 2016
- Awarded a design-build contract for the Southeast Rail Extension and issued Notice to Proceed for final design
- Started integrated testing on the Eagle project for planned grand opening of the University of Colorado A Line
- Opened Central Park Park-n-Ride to passengers in September
- Solicited and executed first major naming rights contract to the University of Colorado for the A Line that will gross \$5 million in additional revenue for RTD over five year contract period
- Marketed and supported Board Office hosting of 2015 APTA Board Support Conference
- Won five first-place awards in the annual national APTA AdWheels competition
- Issued Certificate of Participation (COPs) in the amount of \$212 million to facilitate the purchase of buses, light rail vehicles, ADA vans, and parts
- Isolated SCADA from the corporate network with a dedicated firewall significantly improving our cyber security
- Implemented tactics to improve recruitment and retention of bus operators, light rail operators, and mechanics
- Provided significant legal assistance to capital programs in contracts, intergovernmental agreements, change orders and issues resolution for ongoing capital projects
- Participated in ongoing negotiations and successful resolution of significant ATU 1001 Health and Welfare contract and trust issues
- Provided legal support and advice for RTD fare and pass program development
- Finalized Fare Study recommendations and received Board approval of recommended 2016 new fare structure and policies
- Substantial progress on TOD Projects: openings of Alameda apartments/transit plaza and Boulder Junction at Depot Square; selection of developer for the Bus Barn; completion of the TOD Assessment
- Southeast Rail Extension project was included in President's FY 2016 New Starts Funding Recommendations and received FTA approval to enter New Starts Engineering phase

- Successful installation and implementation of the Rail Operator Simulator used to train new hire operators and reaffirm current operators of safe operation of the Light Rail vehicle
- Remodeled the existing Navajo facility for expansion of the Rail Vehicle Technical Maintenance Training, SCADA and Transit Security departments
- Completed the West Line fiber network reconfiguration to provide a redundant and robust communication network for the signaling and grade crossing systems
- Received two APTA Gold Awards for Safety and Security, one for Transit Watch Smart Phone App and one for the Rail Safety Program
- Completed certification and opening of Boulder Junction at Depot Square Station
- Safety and Security staff collaborated with the ADA Manager to address internal and external ADA issues that impact Safety
- Solicited and awarded 6,070 Purchase Orders or Contracts totaling \$354,041,776
- Received \$690,368 revenue from public auction of surplus and obsolete District property
- Achieved a 1.14% District wide Stock out level (Performance Measure Goal is 1.5%)
- Received \$663,256 in grant funding from the Federal Transit Authority (FTA) for the Innovative Transit Workforce Development Program
- Launched the new ADA office and hired the ADA Manager
- EEO implemented new electronic complaint filing software district-wide and specialized EEO training to Bus and Rail Operations

2016 Planned Projects

- Successfully open an unprecedented five lines in 2016 and implement new fare structure
 - Open US 36 Bus Rapid Transit Flatiron Flyer Service between Denver and Boulder
 - Complete construction and testing on the remainder of the Eagle project (A, B, G Lines) and I-225 project (R Line) in order to meet advertised revenue service opening dates in 2016
 - Provide legal support to staff regarding agreements for 2016 openings including events, service changes, operations and maintenance agreements
- Implement restructured bus service to accompany rail openings
- Issue Notice to Proceed for construction of the Southeast Rail Extension
- Implement state of good repair projects for the existing light rail corridors and bus system
- Continue to replace transit fleets that have reached the end of their useful life including Mall Shuttles and 40 foot transit coaches
- Public release of Real Time Information (RTD website and 3rd party apps)
- Ensure that RTD is well represented at all levels of government—federal, state, local—as well as at stakeholder meetings and to keep the RTD Board of Directors and RTD staff apprised of pertinent information
- Successfully launch the new trip planner, replace the old planner used by Customer Care and the RTD website

- Ensure positions are filled in a timely manner with qualified talent and retain existing workforce
- Identify and optimize opportunities to complete FasTracks projects while providing adequate operating dollars for completed corridors
- Continue to provide technological advances while ensuring the underlying information technology infrastructure is well maintained and kept up-to-date
- Develop expertise in FRA regulated rail services including safety, labor, and equipment related issues
- Determine potential eligibility for FTA grants funding for Central Rail Extension, Northwest Rail, North Metro Phase II, and Southwest Extension
- Complete analysis and present findings to the Board for the Parking Pricing Technical Assessment
- Procure a consultant team and initiate the detailed planning, NEPA and Preliminary Engineering process for arterial BRT on State Highway 119
- Appropriately staff all Rail Operations divisions to ensure that we are able to operate and maintain the existing system properly and support the expansion of the new rail corridors
- Purchase and install advance warning safety system for Wayside Workers
- Complete system upgrades on selected system infrastructure elements to assure maximum operational safety, efficiency and on-time service delivery
- Complete the Security Command Center at the Commuter Rail Maintenance Facility
- Analyze accident data and evaluate current programs to reduce accidents and injuries
- Commence the renovation of Civic Center Station
- Continue to award and administer contracts to support RTD Base System and FasTracks
- Maintain District-wide Stock out level below 1.5% (Performance Measure Goal)
- Increase DBE/SBE participation in the area of Operations and Maintenance goods and services
- Coordinate a collaborative event with the City & County of Denver and CDOT for the DBE/SBE community
- Host a DBE/SBE recognition event for the Primes who exceeded expectations and DBE/SBE firms who performed work on the FasTracks corridors opening in 2016
- Assist with planning and sponsoring the 2016 National ADA Symposium
- Increase mobility options with 5 new services
- Continue focus on employee engagement, recruitment and retention
- Continue work with private sector regarding technology and FasTracks
- Maintain financial stability by managing competing priorities
- Maintain the agency's position as a transparent and collaborative partner throughout the region
- Maintain service without reductions
- Maintain state of good repair

This is just a partial listing of the many, many accomplishments and milestones the Regional Transportation District achieved and the goals and challenges RTD is working to complete by working together as a team and with our partners in the community.

Overview of the 2016 RTD Budget

Total operating budget: \$635.4 million
Total capital budget: \$1,572.1 million
Total appropriation: \$2,537.0 million
Unrestricted fund balance: \$15.8 million

The 2016 Adopted Budget program includes an operating budget of \$635.4 million, an interest expense budget of \$117.3 million, capitalized interest of \$33.0 million, new capital expenditures of \$484.9 million, debt payments of \$61.7

million, a FasTracks contingency reserve of \$15.9 million, a FasTracks Internal Savings Account of \$23.5 million, a Board appropriated fund of \$35.0 million, a capital replacement fund of \$27.3 million, and an estimated unrestricted fund balance of \$15.8 million. A carryforward of \$1,087.2 million from previously approved capital projects also has been appropriated, resulting in a total capital budget of \$1,605.1 million (including capitalized interest), and a total appropriation of \$2,537.0 million.

Total revenue (both Base system [non-FasTracks] and FasTracks) of \$1,121.1 million is expected to increase \$140.5 million (14.3%) in 2016 from the projected year-end 2015. The increase due to 1) an increase in fare revenue of \$34.7 million, 2) an increase in sales and use tax revenue of \$39.1 million, and 3) an increase

Sales and use tax revenue, RTD's major revenue source, is budgeted to increase 8.0% in 2016 over 2015 projected per the CU-Leeds School September forecast.

in grant revenue of \$69.6 million, offset by a decrease in investment income of \$3.1 million. Sales and use tax revenue, RTD's major revenue source, is expected to increase to \$590.5 million in 2016 or 8.0% over the 2015 projected level according to the September quarterly forecast by the University of Colorado-Leeds School of Business.

Farebox revenue of \$158.1 million is budgeted to increase \$34.7 million or 28.1% over 2015 projected. On the Base system, fare revenue is budgeted to increase 10% to \$131.3 million in alignment with a new simplified fare structure rolled out in 2016; however, ridership growth is expected to be flat. For FasTracks, fare revenue is budgeted at \$26.8 million, an increase of \$22.8

Farebox revenue is projected to increase \$34.7 million or 28.1% over 2015 due to a new fare structure in 2016 and the opening of five new FasTracks service lines (four rail lines and one BRT). Growth in ridership will come from FasTracks as ridership on the Base system is expected to be flat.

million over 2015 projected, due to the opening of five new service lines (I-225 Rail, East Rail, Gold Rail, Northwest Rail electrified segment, and US36 Bus Rapid Transit). Grant revenue overall (both operating and capital grants) is budgeted to increase \$69.6 million over the 2015 Amended Budget. Base system grants are projected to increase \$8.5 million while FasTracks grants will increase \$61.1 million due primarily to an estimated \$58.2 million New Starts grant for the Southeast Rail Extension, as well as increases in CMAQ-Eagle and US36 FASTER (State) grants. Investment income is budgeted to decrease \$3.1 million from continued low short-term interest rates coupled with deployment of invested funds.

Operating expenditures of \$635.4 million on a combined basis are budgeted to increase 14.4% or \$79.9 million in 2016 compared to the 2015 Amended Budget. The increase is primarily due to: 1) a service payment of \$57.1 million to Denver Transit Operators, an

Operating expenditures are budgeted to increase 14.4% over the 2015 Amended Budget largely due to contracted operating costs of the new FasTracks service lines and other one-time expenses. Diesel fuel is budgeted and locked at \$2.23/gallon for 2016. Gasoline is budgeted at \$3.00/gallon.

entity with whom RTD contracted to operate three of the new FasTracks service lines, 2) one-time costs of \$4.3 million for Grand Opening activities for the new FasTracks service lines, 3) cost allocation for the new service lines in 2016, 4) increased contributions totaling \$2.5 million to the salaried and union

pension and benefit plans, and 5) additional operator shift differential pay and pay for split shifts totaling approximately \$3.3 million. The expense project carryforward to 2016 is \$15.9 million for the Base system and \$35.9 million for FasTracks. These increases were offset by substantial reductions made to departmental operating budgets to align them with the Strategic Budget Plan target. Diesel fuel is budgeted at a locked price of \$2.23 per gallon in 2016, compared to a price of \$2.95 per gallon in 2015, for a savings of \$7.5 million. Prior to 2016 Budget adoption, RTD locked its diesel fuel requirements in the commodities market at \$2.23/gallon for all of 2016 which provided budget certainty. Gasoline, used mainly in ADA service, is budgeted at \$3.00/gallon for a \$630,000 savings from 2015 in which the budgeted price was \$3.40/gallon.

Interest expense of \$117.3 million in 2016 is budgeted to increase \$21.9 million from 2015 projected. The increase is due to the issuance of Certificate of Participation (COP) debt in 2015 for purchases of the bus and rail fleet, and anticipated new debt issuances in 2016. Of total interest expense, \$27.3 million is budgeted for Base system and \$90.0 million is budgeted for FasTracks. Capitalized interest on a combined basis is budgeted at \$33.0 million, the majority of which will occur in FasTracks. Capitalized interest will be part of the actual cash outlay for interest payments in 2016. Principal payments on debt are budgeted at \$61.7 million in 2016, \$2.8 million higher than the 2015 Amended Budget. Financing proceeds from the issuance of new debt is budgeted at \$150.0 million in bond funds for capital program construction for FasTracks (mainly the Southeast Rail Extension). No debt issuances are planned for the Base system.

Interest expense is budgeted to increase \$21.9 million in 2016 due to debt service on existing debt and issuance of new debt in 2016. Principal payments on debt will be \$61.7 million.

In 2016, the FasTracks drawn in the construction reserve is estimated to be \$18.7 million in support of FasTracks continuing construction. The construction reserve itself is budgeted at \$81.3 million, split between the construction reserve at \$56.3 million and a start-up operations reserve at \$25.0 million. The start-up operations reserve was established in the FasTracks financial plan for the years 2015-2016 in order to meet the required 1.2x debt service coverage requirement if needed. The 2016 budget reflects maintenance of a FasTracks contingency reserve at a balance of \$15.9 million, net of a drawdown of \$14.1 million for the North Metro Rail line construction, and is deemed sufficient to fund adjustments to the FasTracks construction schedule. FasTracks contributed capital of \$101.5 million will consist of concessionaire contributed capital on the Eagle Project and third-party betterments on the I-225 Rail and North Metro Rail construction projects that continue through 2016.

New capital expenditures in 2016 of \$484.9 million are budgeted to decrease \$174.3 million for FasTracks and increase \$4.4 million for the Base system from the 2015 budget. The combined capital carryforward is \$1,087.2 million.

Capital expenditures are comprised of both the capital carryforward from 2015, arising from timing of project completion, and new capital for 2016. The combined capital carryforward will be \$1,087.2 million made up of \$178.0 million on the Base system and \$909.2 million on FasTracks. New capital spending on a combined basis of \$484.9 million in 2016 is budgeted to decrease

\$170.0 million from the 2015 Amended Budget due mainly to project completion in FasTracks. For FasTracks, new capital spending will decrease \$174.3 million to \$373.3 million in 2016 due to on-going project completion on the East Line, US36 BRT, and Northwest Rail, offset by increases to the Southeast Rail Extension and I-225 Line. For the Base system, new capital spending will increase \$4.4 million to \$111.6 million. Of this amount, the Base system will spend \$0.1 million more on park-n-Rides and \$39.4 million more on bus and rail fleet modernization/expansion. These increases will be offset by \$4.1 million less on facilities construction and maintenance, \$0.5 million less on bus infrastructure (local government requests), \$16.5 million less in capital support projects (primarily IT support for the District), and \$13.8 million less on rail transit projects. The Base system new capital was approved as part of the Strategic Budget Plan in August 2015.

Notable designated reserve fund balance changes in 2016 include a decrease of \$0.2 million in the unrestricted year-end fund balance from the 2015 Amended Budget for a total unrestricted fund balance of \$15.8 million. The decrease consists of \$3.5 million on the Base system offset by an increase of \$3.3 million on FasTracks. Also, on a

RTD is budgeting increases to two of three of its reserve funds in 2015. The objective is for the three funds to total three months of operating expenses for the Base system and two months for FasTracks.

combined basis, the Board-appropriated fund is projected to increase by \$6.8 million to \$35.0 million, and the capital replacement fund is projected to increase by \$6.3 million to \$27.3 million. The establishment of both a Board-appropriated fund and capital replacement fund is in accordance with fiscal policies adopted by the RTD Board in 2012 and renewed annually. The objective is for the total of these three funds to equal approximately three months of operating expenses excluding depreciation for the Base system and two months of same for FasTracks.

The total of these unrestricted fund balances for 2016 is projected at \$78.1 million on a District-wide basis, which equates to 12.3% of operating expense and 7.0% of total revenue.

The 2016 Adopted Budget meets the cost recovery ratio mandated by the Colorado General Assembly. The estimated SB 154 recovery ratio, (all non-tax revenue except ADA farebox revenues divided by all expenditures, including depreciation, except ADA expenditures and expenditures incurred for long-term planning and development of rapid transit infrastructure) exceeds the annual target of 30% mandated by the Colorado General Assembly.

Issues

In the District's preparation of the 2016 annual budget, several challenges were encountered.

RTD combined sales and use tax revenue recorded strong growth of 8.3% in 2012, demonstrating a rebound in consumer spending after the recessionary years. The rate of growth slowed in 2013 increasing 4.2% above 2012 levels, but the growth rate surged

Sales and use tax growth in 2016 is budgeted at 8.0% over 2015 projected. But in 2016, we may see signs of more cautious spending and saving behavior by households going forward.

in 2014 increasing 9.8% over 2013. At this writing, the latest forecast for RTD's total 2015 sales and use tax collections is \$546.8 million, a 6.2% increase over 2014 revenue. This growth is expected to continue into 2016 at a rate of 8.0% to \$590.5 million. RTD taxable sales are impacted in part by both retail marijuana sales and HB 13-1272 (see below), as well as strong overall economic conditions in the state and the

District. In 2016, the Colorado unemployment rate is projected to continue to decline, personal income is projected to grow strongly, and retail sales will outpace the nation until 2019. An improving labor market continues to be reflected in both the moderate employment growth rate and a low unemployment rate. In 2016, it is worth noting that retail sales growth rates are projected to be lower than the rates of change in personal income, implying more cautious spending and saving behavior on the part of households going forward. In the 2016 Budget, RTD sales and use tax is budgeted to increase 8.0% over 2015 based on September forecasts used at the time of preparation of the 2016 Budget.

In 2013, Colorado House Bill 13-1272 was signed into law, which makes the RTD tax base the same as the state's tax base beginning January 1, 2014. Bringing RTD's tax base to parity with the state impacts the amount of use tax generated for RTD from the exclusion of machinery and machine tools and food sold through vending machines, and impacts sales taxes with the inclusion of cigarettes, candy and soda, and food containers in RTD's tax base. For 2016, the impact of HB 13-1272 has not been explicitly estimated, but the impact is inherent in 2015 revenues.

Beginning in 2014, there was another sales tax shift. Recreational marijuana was legalized under Amendment 64, and select jurisdictions within Colorado began allowing retail marijuana sales beginning January 1, 2014. As a result, RTD sales tax revenues from retail marijuana

The passage of legalized retail marijuana in 2014 added \$2.1 million to RTD's sales tax revenue in 2014, on top of \$2.5 million collected on the sale of medical marijuana in 2014. Sales tax collected on retail marijuana in the third quarter of 2015 showed significant growth over the same period in 2014.

totalled \$2.1 million in 2014. This compares to \$2.5 million RTD received from the sale of medical marijuana over the same period. Through September 2015, RTD collected \$2.6 million in retail marijuana sales, a 79% increase over the same period in 2014, and \$1.9 million in medical marijuana sales, a 4% increase over the same period in 2014.

Sales and use tax collections continue to be monitored closely as such taxes are RTD's primary operating revenue source. RTD receives its sales and use tax from the State of Colorado at the beginning of every month, and actual collections are evaluated against forecasts to identify shortfalls and the need for potential corrective actions to maintain the budget as early as possible. RTD has also received updated state-wide sales and use tax forecasts from the University of Colorado–Leeds School of Business on a quarterly basis; beginning in 2016, these forecasts will be produced semi-annually. The forecasts are used to update RTD's short-term and medium-term sales and use tax forecasts as well as update the FasTracks long range plan, and they also help to project the need for budget changes.

RTD contracts with the University of Colorado-Leeds School of Business for sales and use tax forecasting.

Actions necessary to balance the 2016 Budget included elimination or deferral of \$72.4 million in non-mission-critical projects from all projects initially requested.

In order to balance the 2016 Budget it will be necessary for RTD to continue implementation of: 1) cost control and on-going fiscal conservatism, 2) COP financing for transit buses, intercity buses, call-n-Ride cut-away buses,

and ADA cut-away buses scheduled fleet replacement and new light rail vehicles, 3) elimination or deferral of non-mission-critical capital and operating projects (totaling \$72.4 million), and 4) a lock price on diesel fuel of \$2.23/gallon. RTD is not anticipating drawing on its reserve balances or reducing service in 2016 in order to maintain a balanced budget.

Fluctuating fuel costs remain an issue that has been addressed for both the 2015 and 2016 budgets. RTD was faced with the choice of either 1) locking in the price per gallon of diesel fuel in order to avoid market price runs, or 2) riding the market float to see if benefits could be obtained if the market price were to drop. In 2014, a year of continued price fluctuation, diesel fuel consumption for the year was locked in at \$3.12/gallon. For 2015, prices moved favorably and RTD's diesel fuel cost was locked at \$2.95/gallon. In mid-year 2015, prior to approval of the 2016 Budget, RTD took advantage of a favorable opportunity to lock its diesel fuel price for 2016 at \$2.23 per gallon. This action was important because it guaranteed RTD a reasonable price and provided budget certainty for the year. The 2016 lock yielded savings of \$7.5 million from 2015. RTD has not historically locked in a gasoline price as gasoline consumption is far less than diesel fuel.

Prior to approval of the 2016 Budget, RTD locked its diesel fuel price for 2016 at \$2.23/gallon, \$0.72 less than the 2015 lock price for a savings of \$7.5 million.

With four rail lines and RTD's first Bus Rapid Transit line opening in 2016, the FasTracks expansion program is changing transportation in the region.

RTD continues its progress on the FasTracks expansion program. FasTracks is RTD's 2004 voter-approved multi-billion dollar comprehensive transit expansion plan to build 122 miles of commuter rail and light rail, 18 miles of

bus rapid transit service, add 21,000 new parking spaces, redevelop Denver Union Station and enhance bus service to better connect the eight-county District. In 2016, RTD will add four new rail lines and the Flatiron Flyer, a Bus Rapid Transit System along US36 between Denver and Boulder. Final stages of construction work will continue on

the rail lines, all of which are scheduled to open in 2016. These include the East Rail Line to DIA, the Gold Line to Arvada, the first part of the Northwest Rail Line to Westminster (all part of the Eagle project); and the I-225 light rail line connecting the East Line to Nine Mile. Also in 2016, construction activity will increase along the North Metro Rail Line which will open in 2018, and construction is expected to start in spring 2016 for the Southeast Rail Extension providing additional connections to the busy I-25.

The budget staff has been challenged to develop cost allocation methodologies for the FasTracks system elements.

A challenge for RTD's budgeting staff has been to develop appropriate cost allocation methodologies that accurately recognize the varied costs involved in operating and maintaining these unique facilities, bus and rail lines. The budget and planning staff will continue

its work in developing the most accurate and relevant cost allocation methods possible.

In 2010, RTD reached a major milestone in the comprehensive FasTracks program with the award of the contract for the Eagle project to Denver Transit Partners (DTP). The Eagle project, which includes the East and Gold Line Corridors, a commuter rail maintenance facility, and a short electrified segment of the Northwest Rail Corridor, is the

The Eagle project is the largest public-private partnership (P3) transit project in the U.S.

largest public-private partnership (P3) transit project in the United States. RTD has contracted with DTP to design, build, and finance the initial

construction of the project, and to operate and maintain all project assets through the year 2044. RTD will make annual service payments to DTP based on their performance of the operation and maintenance of the project. Through this contract, RTD will realize savings over its internal estimated construction costs, and RTD will establish its operating and maintenance costs for the first 30 years of corridor operations.

RTD has also harnessed the innovation of the private sector to help deliver two additional FasTracks corridor projects. In 2012, RTD received an unsolicited proposal to construct and finance the I-225 light rail line, resulting in a contract to complete the line by end of 2016, with RTD issuing sales tax bonds to finance the project. In 2013, RTD received an unsolicited proposal to construct and finance the North Metro commuter rail line, resulting in a contract to construct the line to the 124th Avenue station by 2018, with an option to complete the line to 162nd Avenue as funding becomes available. This project is the first FasTracks project to use COP financing for infrastructure, with the line itself serving as collateral for the COP.

Additionally, in 2015 RTD obtained a funding match from local stakeholders of 16.5% towards completion of the Southeast Rail Extension project. This local funding match is unprecedented and is far more than the 2.5% RTD asked from its local partners. Partnerships like these focused on ways to make progress on FasTracks projects that still need to be completed will continue to be a priority for RTD in the year ahead.

Despite its success with the projects currently nearing completion, implementation of the entire FasTracks plan continues to present challenges to RTD. Since the FasTracks vote in 2004, the program has encountered a number of challenges outside of RTD's control,

The FasTracks plan continues to challenge RTD from a cost perspective. RTD is moving forward with the remaining FasTracks projects in the best ways possible.

namely a significant increase in the cost of construction materials and a significant decrease in sales tax revenues. Due to these economic challenges, it will require additional revenues from what was originally planned to complete FasTracks sooner rather than later.

Given the ever changing market conditions and economic downturn, it is a challenge to identify a finite budget for the building out of FasTracks. That is why RTD conducts a comprehensive program evaluation each year. Numbers continue to fluctuate based on economic volatility. FasTracks will be funded by a combination of region-wide sales tax, federal funds, public-private partnerships and local contributions.

The FasTracks Team conducts an Annual Program Evaluation (APE) of scope, schedule, costs and revenues to modify the program as necessary to meet goals. The APE allows the agency to address trends and to make necessary modifications to the program while keeping our commitment to be fiscally responsible, efficient and cost effective. The process allows RTD to be proactive in making prudent management decisions and establishing strategies for cost containment, value engineering and innovation to complete the program as soon as possible.

The current adopted Regional Transportation Plan (RTP) identifies funding to complete only two additional FasTracks projects within its time horizon of 2040, and those projects are expected to be completed by 2019. RTD will continue to re-examine its financial plan for the completion of FasTracks to identify other opportunities to complete additional projects within the extended time horizon of the RTP.

Finally, part of my continuing vision for the organization is that we all continue to realize the tremendous public safety responsibility we have and that we seek to become the safest transit agency in the country, and that we continue to carry out the policies of the RTD Board in an outstanding fashion.

I thank each staff member who helped to prepare and present the 2016 Budget.

Respectfully,

David A. Genova
General Manager and CEO

Part II. Organization and Governance

Authority and Government

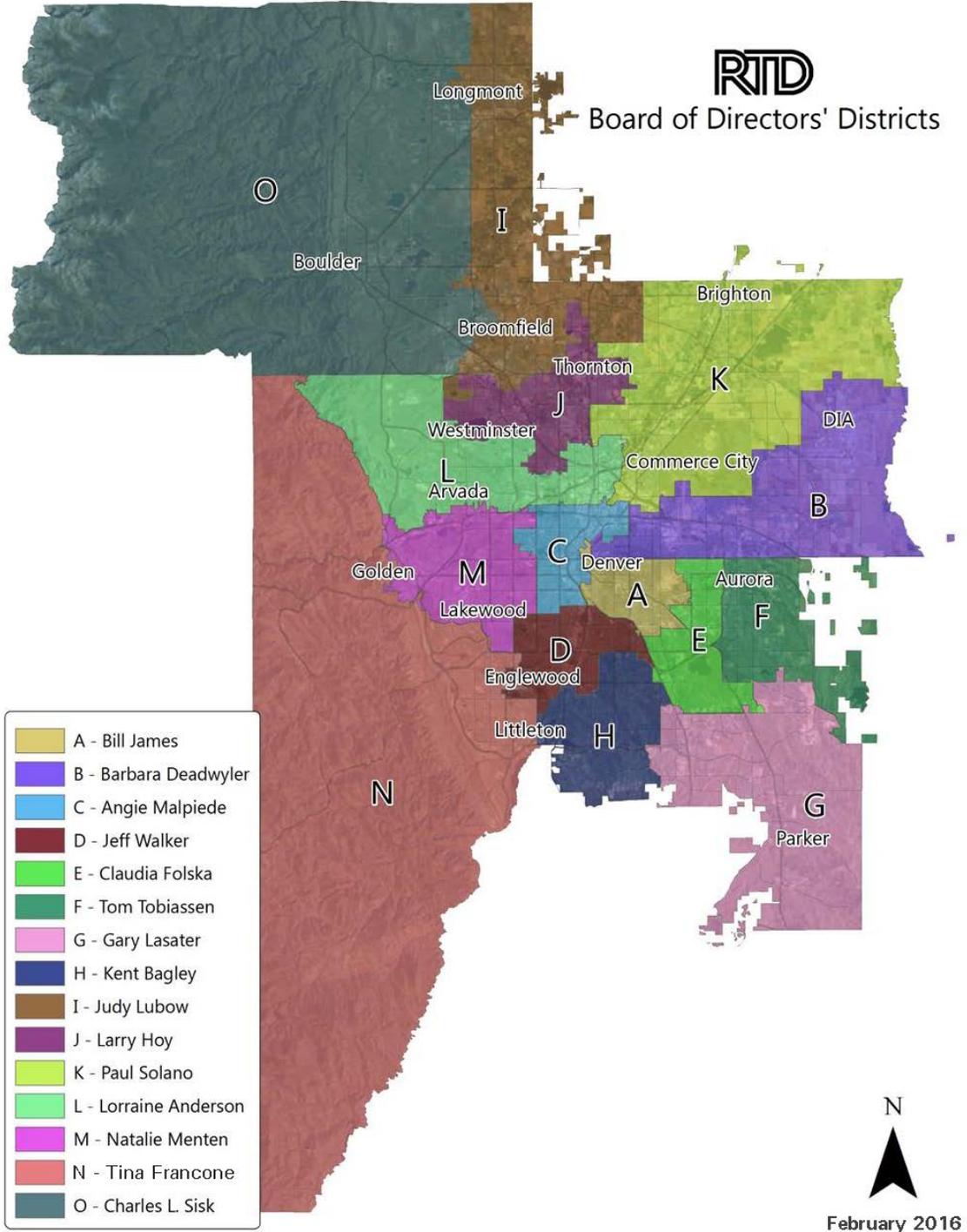
The Regional Transportation District (RTD) provides public mass transit service to the Denver Metro area. In 1969, the Colorado General Assembly found that public transit was a necessary part of the growing Denver Metropolitan Region and that public sector involvement was the best method to ensure the continuation of this vital component; thus, the Regional Transportation District was created as a political subdivision of the State effective July 1969 “to develop, maintain, and operate a public mass transportation system for the benefit of the inhabitants of the District”.

District boundaries include all of Denver, Boulder, Broomfield, and Jefferson counties, the urbanized portions of Adams, Arapahoe, Douglas Counties, and a portion of Weld County. Over 2.87 million people, or approximately 57% of the population of Colorado, reside within RTD’s 2,340 square mile area. This service area is shown in the map on the facing page.

Since 1983, the District has been governed by a fifteen-member Board of Directors who are elected by their constituents to serve four-year terms. There are over 180,000 voters per director district. The District’s Board is responsible for setting District policy, adopting the agency’s annual budget, and establishing short and long-range transit goals and plans in concert with local, state, and federal agencies.

The financial reporting entity includes all the financial activities of the Regional Transportation District, as well as those activities of its component unit, the RTD Asset Acquisition Authority, Inc., a nonprofit corporation established to implement the financing and acquisition of certain District projects financed through Certificates of Participation. The Authority has been included in the reporting entity as a blended component unit.

District Map



Officials

Board of Directors

RTD's governing body is a 15-member elected Board of Directors, with each member elected from one of the fifteen districts comprising RTD's service area. Each district is apportioned equally by population and most districts cross county boundaries. The districts are assigned letter designations from "A" to "O". The following are the members of the Board of Directors as of January 2016:

District A

Bill James
Denver/Arapahoe Counties

District B

Barbara Deadwyler, *Second Vice Chair*
Denver/Adams Counties

District C

Ernest Archuleta
Denver/Adams/Jefferson Counties

District D

Jeff Walker
Denver/Jefferson/Arapahoe Counties

District E

Claudia Folska
Denver/Arapahoe Counties

District F

Tom Tobiassen, *Chair*
Arapahoe County

District G

Gary Lasater
Arapahoe/ Douglas Counties

District H

Kent Bagley
Arapahoe/ Douglas Counties

District I

Judy Lubow
Boulder/Broomfield/Adams/Weld Counties

District J

Larry Hoy, *First Vice Chair*
Adams/Jefferson/Broomfield Counties

District K

Paul Solano, *Secretary*
Adams County

District L

Lorraine Anderson
Jefferson/Boulder/Broomfield Counties

District M

Natalie Menten,
Jefferson County

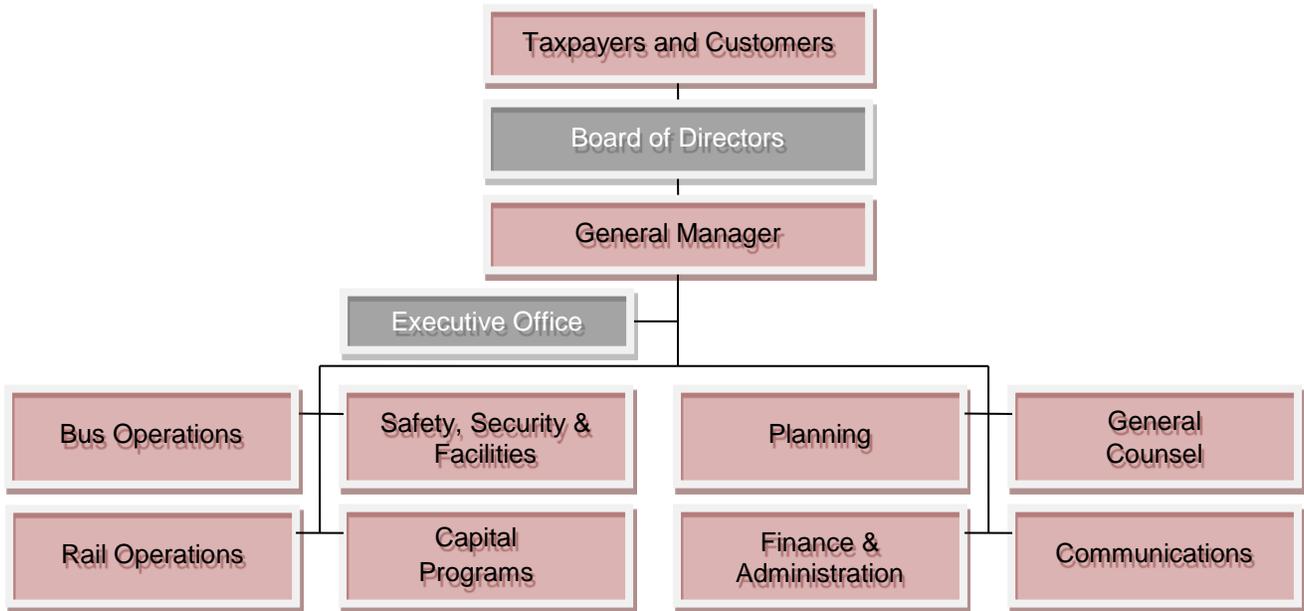
District N

Tina Francone, *Treasurer*
Jefferson/Denver Counties

District O

Charles Sisk
Boulder County

Organization Chart



Department Officials

General Manager

David Genova

AGM*, Bus Operations

Bruce Abel

AGM, Rail Operations

Terry Emmons

Interim AGM, Capital Programs

Henry Stoppelcamp

Interim AGM, Safety Security & Facilities

John Tarbert

AGM, Planning

Bill Van Meter

Acting General Counsel

Rolf Asphaug

AGM, Finance & Administration/CFO

Heather Copp

AGM, Communications

Scott Reed

*Assistant General Manager

Organization

RTD employs over 2,600 individuals, making it one of the largest employers in the eight county area. Besides its administrative headquarters in Denver, RTD has three bus operating facilities including one in Denver, one in Aurora, and one in Boulder. There is one central shop facility in Denver, one light rail maintenance facility in Denver, and one in Englewood. RTD also has four walk-in customer service centers: two on the Sixteenth Street Mall in Denver, one at Denver International Airport, and two in Boulder.

Cost Recovery Ratio

The 2016 Adopted Budget meets the cost recovery ratio mandated by the Colorado General Assembly. The estimated SB 154 recovery ratio, (all non-tax revenue except ADA farebox revenues divided by all expenditures, including depreciation, except ADA expenditures and expenditures incurred for long-term planning and development of rapid transit infrastructure), is 48.9%, which exceeds the annual target of 30% mandated by the General Assembly. The RTD operating revenue recovery ratio (operating revenues except ADA farebox revenues divided by the same cost basis as defined by the Colorado General Assembly) is estimated at 28.5%.

Part III. Service, Ridership, and Community

Service

RTD provides service on 137 fixed routes operating within its boundaries. These include local bus services along major streets, express and regional bus routes providing non-stop services along longer distances, bus service to Denver International Airport, a free shuttle on the Sixteenth Street Mall in downtown Denver, a free shuttle service on Seventeenth and Nineteenth Streets through downtown Denver and light rail service serving Denver and its southern and western suburbs. In addition to the fixed route services, RTD provides services to sporting events and other special events, special services for the disabled and senior citizens, and door-to-door services in limited areas of the District. RTD provides these services through a network of 9,751 bus stops and 77 park-n-Ride facilities.

Route, fare structure, schedule, and other system access information is available through route brochures, at all transfer stations and walk in customer service centers, at the RTD website (www.rtd-denver.com), and from the Telephone Information Center, 303-299-6000.

The following two tables provide a summary of the RTD fare structure which reflects the fare increase effective January 1, 2016:

Single Trip Fares		
Mode	Fare	Senior/Disabled/ Student¹
Mall Shuttle	Free	Free
Metro Ride	Free	Free
Local - Denver, Boulder, Longmont and Light Rail	\$2.60	\$1.30
Light Rail and Bus Regional ²	\$4.50	\$2.25
Light Rail and Bus Airport ³	\$9.00	\$4.50
skyRide		
Zone 1	\$9.00	\$4.50
Zone 2	\$4.50	\$2.25
Zone 3	\$2.60	\$1.30

¹ Seniors include age 65 and older. Student patrons include elementary, middle school, and high school students, ages 6 – 19 years of age.

² Trips consisting of three fare zones.

³ Trips consisting of four fare zones.

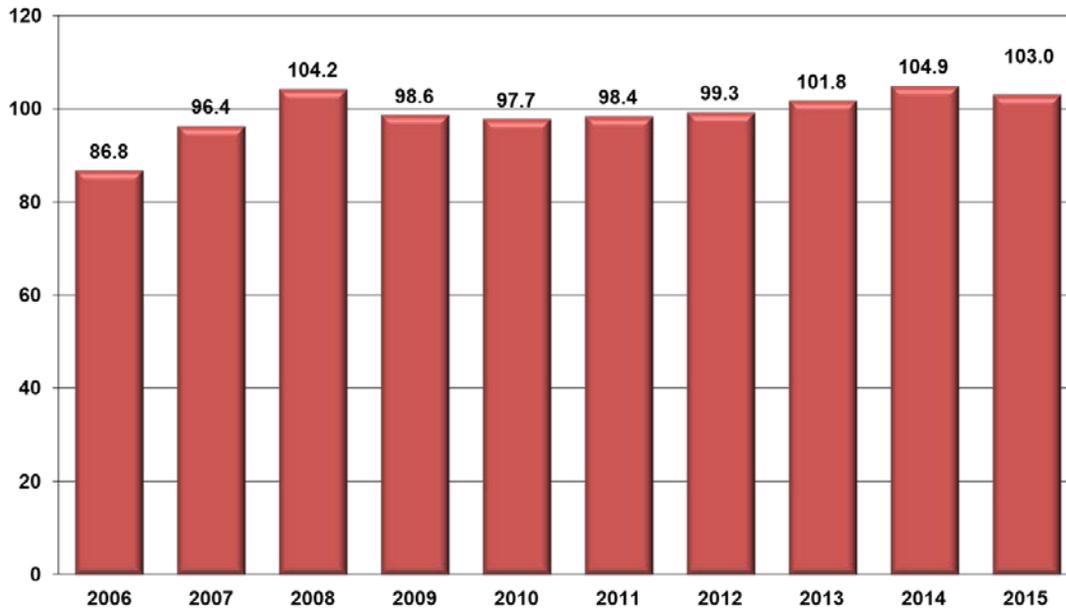
Multiple Trip Fares					
Mode	5-Day	10-Ride	Regular Monthly	Other Monthly⁴	ValuPass (Annual)
Local - Denver, Boulder, Longmont and Light Rail	\$26.00	\$23.50	\$99.00	\$49.00	\$1,089.00
Light Rail and Bus Regional	\$45.00	\$40.50	\$171.00	\$85.00	\$1,881.00
Light Rail and Bus Airport	\$45.00	\$40.50	\$171.00	\$85.00	\$1,881.00

⁴ Includes monthly fares for student, disabled, and senior patrons.

Ridership

In 2015, there were 103 million boardings on RTD service vehicles. This translates to approximately 338,000 boardings on an average weekday. The chart below shows RTD boarding trends for the past ten years.

RTD Annual Boardings - 2006-2015
(millions)



(1) 2006 Ridership was impacted by a disruption of service due to an operator strike in April and by inclement weather in December.

RTD experienced an overall ridership decrease of 1.9% from 2014 to 2015. Light Rail ridership experienced a 3% decrease while ridership on bus service decreased 2%.

RTD System Ridership
Twelve Month Comparison

Service Class	2015	2014	Difference	
			Boardings	Percent
Total Revenue Bus Service	62,239,999	63,549,979	(1,309,980)	(2.1%)
LRT	25,518,578	26,337,125	(818,547)	(3.1%)
Total Revenue Service Boardings	87,758,577	89,887,104	(2,128,527)	(2.4%)
Mall Shuttle and Free MetroRide	14,017,760	13,913,039	104,721	0.8%
Total Fixed Route Service Boardings	101,776,337	103,800,143	(2,023,806)	(1.9%)
access-a-Ride	886,082	685,431	200,651	29.3%
Vanpools	329,244	450,756	(121,512)	(27.0%)
TOTAL SYSTEMWIDE BOARDINGS	102,991,663	104,936,330	(1,944,667)	(1.9%)

Customer Profile

In a 2014 Customer Satisfaction Survey conducted by RTD, weekday riders of RTD's bus service, light rail, skyRide (airport service), and call-n-Ride were polled through questionnaire. The results indicate that the majority of RTD's ridership is in professional, managerial, sales, or clerical service. The questionnaire revealed that more women ride RTD than men, except on skyRide and Light Rail.

The annual household income of riders varies widely depending on the location and type of service. Per the customer satisfaction questionnaire, 51% of the bus riders surveyed had annual household incomes less than \$35,000. Respondents' riding light rail indicated 42% having household incomes less than \$35,000.

Annual Household Income	Bus Total (Excluding skyRide)	Light Rail	call-n-Ride	skyRide
Under \$15,000	22%	20%	17%	6%
\$15,000-\$24,999	15%	13%	11%	11%
\$25,000-\$34,999	14%	9%	8%	11%
\$35,000-\$49,999	12%	9%	14%	15%
\$50,000-\$74,999	13%	14%	23%	18%
\$75,000-\$99,999	10%	11%	13%	14%
\$100,000 or more	14%	23%	14%	25%

According to the 2014 Customer Satisfaction Survey conducted by RTD.

Surveyed weekday riders reported the following reasons for taking RTD.

Weekday Trip Purpose	Bus Total (Excluding skyRide)	Light Rail	call-n-Ride	skyRide
Commuting (work)	75%	59%	78%	71%
Personal Business	7%	12%	2%	24%
Social/Entertainment	2%	6%	3%	
Shopping/Eating Out	3%	5%	6%	
School/College	6%	14%	2%	
Medical appointment	4%	3%	2%	
Other	2%	1%	6%	5%

According to the 2014 Customer Satisfaction Survey conducted by RTD.

The RTD 2014 Customer Satisfaction Survey also showed that 43% of weekday bus passengers were “transit dependent” due to not owning a vehicle, because of having a mental or physical disability that prevented operating a vehicle, or not having a valid driver’s license. Further details are provided below:

Transit Dependency	Bus Total (Excluding skyRide)	Light Rail	call-n-Ride	skyRide
Transit Dependent	59%	41%	57%	22%

According to the 2014 Customer Satisfaction Survey conducted by RTD.

Local Economy

With a strong entrepreneurial environment, expanded infrastructure, and a talented workforce, Metro Denver is poised to achieve new economic milestones in 2016. With all indicators considered, it is expected that Denver will continue to perform better than the national economy and will expand at a faster than average pace in 2016.

Forbes ranked Denver as the nation's best place for business and careers and the sixth-fastest growing city for population and economic growth.

Compared with the national average, Denver's employment growth in 2015 was more than 1.1 percentage points higher at 3.2% (48,400 jobs), which included gains in each of 11 supersectors except information. The Denver Metro area in 2016 will experience particularly strong employment growth in the natural resources and construction, education and healthcare services, and the professional and business supersectors. The residential real estate market will continue to improve, with rising average home prices and increased construction, but the market will remain constrained due to the limited inventory.

Over 60% of employment is located in Metro Denver, resulting in the region having a large influence on statewide job levels. Employment in the City & County of Denver accounts for 19% of all Colorado employment. Over 20% of the region's employment base is in Arapahoe County and 15% is located in Jefferson County. Employment in the remaining four counties represents 1/3 of the Metro Denver total. Through 2015, Metro Denver reported stronger hiring prospects compared with the national average, signaling that area companies have a more positive outlook in the local business environment than the national average.

Job growth in 2015 pushed down the unemployment rate in Metro Denver to 3.1% in October, the lowest rate since November 2000. As the area continues to attract new companies, draw in talented workers, and promote entrepreneurship, the Denver area will experience steady job growth and a lower unemployment rate than the U.S. and Colorado. Labor conditions are expected to continue to tighten to an average of just 3.5% unemployment in 2016.

The Denver housing market made national headlines throughout 2015 as the market tightened to record low levels. With an improved economy and more confident consumers, demand is at record high levels but residential housing development has not kept up with the pace. The disequilibrium in supply and demand has pushed inventory levels for existing home sales to some of the lowest levels on record and pushed sales prices to the highest levels on record. The median home price in the Denver MSA rose nearly 12% between the third quarters of 2014 and 2015. Many factors contributed to the strong demand in the residential housing market including in-migration, low mortgage interest rates, and high consumer confidence.

Residential construction increased significantly between 2010 and 2013, adding over 44,600 units to the market during this period. After a 13.5% increase in new home construction in 2013, new residential units permitted fell 0.2% in 2014. Residential construction picked up in 2015, but the pace is not fast enough to free up demand

pressure on housing prices. Construction companies continue to face a lack of available skilled labor and rising development costs, which have restricted new construction activity. The number of new residential units permitted is expected to increase by 3.8% in 2016, a slightly slower pace than the 6.2% growth rate achieved in 2015. According to analysts, development in the Metro Denver retail market will be strongly tied to the growth of the area's housing market.

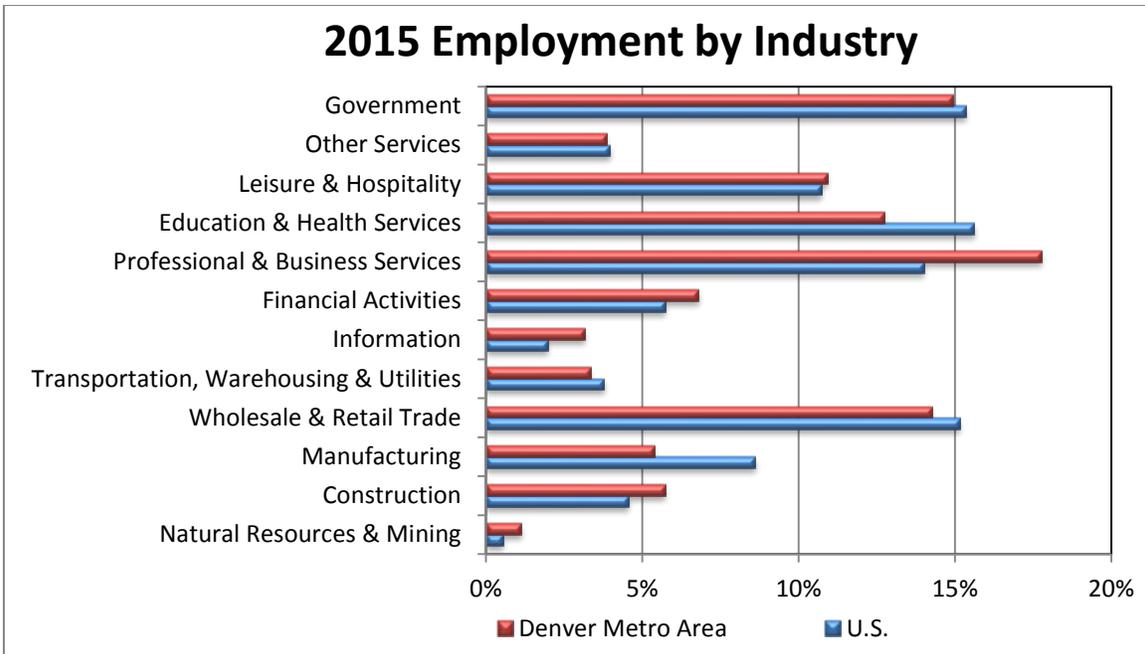
The industrial market reported the lowest vacancy rate in more than 15 years. During the fourth quarter of 2015, the vacancy rate fell to 3.2%. Nearly 3 million square feet of space was under construction in Metro Denver in the fourth quarter, with 1.4 million square feet of space completed during 2015. Analysts expect that demand for industrial space will continue to exceed supply for the near term and it will remain a seller's market in upcoming quarters.

Metro Denver is a high-income area compared to the competitor locations and the U.S. The median household income in Denver was \$66,870 in 2014, the highest of all the competitors and \$13,210 higher than the national median. Metro Denver's middle-income category was larger than the national middle-income category by 2 percentage points during 2014. Between 2011 and 2014, the national median household income increased an average of 2% per year, while Metro Denver recorded an average annual increase of 4.1% during the same period. All the competitor locations reported slower growth than Metro Denver.

Natural population increase accounted for approximately 46% of Metro Denver's population growth on average between 2005 and 2015. Net migration in the Denver MSA represented over 60% of total population growth in 2015 with total net migration reaching nearly 31,000 people. The metro area is expected to add an additional 160,000 people to its population between 2016 and 2020 through migration alone.

Source: Metro Denver Economic Development Corporation

Sources: U.S. Department of Labor, Bureau of Labor Statistics; Colorado Department of Labor & Employment.



Metro Denver is one of the top ten metro areas for young workers. In 2015, Colorado ranked #1 for labor prospects with 37% of adults having a bachelor’s degree or higher.

The 10 largest private employers in Metro Denver in 2015 are listed in the table below.

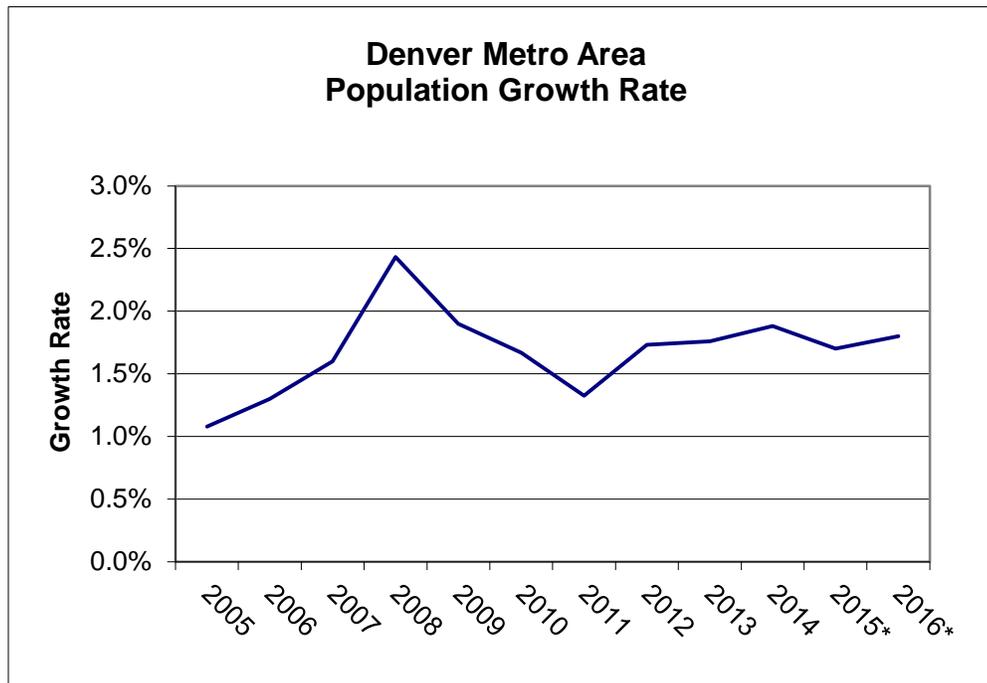
Largest Private Employers

Company	Product/Service	Employees
HealthONE Corporation	Healthcare	11,050
Centura Health	Healthcare	8,310
SCL Health System	Healthcare	8,270
Lockheed Martin Corporation	Aerospace & Defense	7,100
CenturyLink	Telecommunications	6,500
Kaiser Permanente	Healthcare	6,280
Comcast Corporation	Satellite TV & Equipment	5,910
University of Colorado Health	Healthcare, Research	5,860
Children’s Hospital Colorado	Airline	5,740
United Airlines	Healthcare	4,900

*Note: This list does not include retail or public/governmental organizations
Source: Metro Denver Economic Development Corporation*

Population

The seven-county Metro Denver area is now home to over 3 million people. Metro Denver's population growth averaged 1.7% per year between 2005 and 2015, maintaining a stable growth rate through most of the recent recession and recovery due to strong positive net migration. Forecasters with the State Demography Office expect the region's population growth rate will increase slightly to 1.8% in 2016, which would be significantly faster than the projected U.S. growth rate of 0.8% in 2016. Population growth in the region is expected to average 1.6% growth through 2025. The Regional Transportation District contains approximately 95% of the population in the region.



Source: Metro Denver Economic Development Corporation

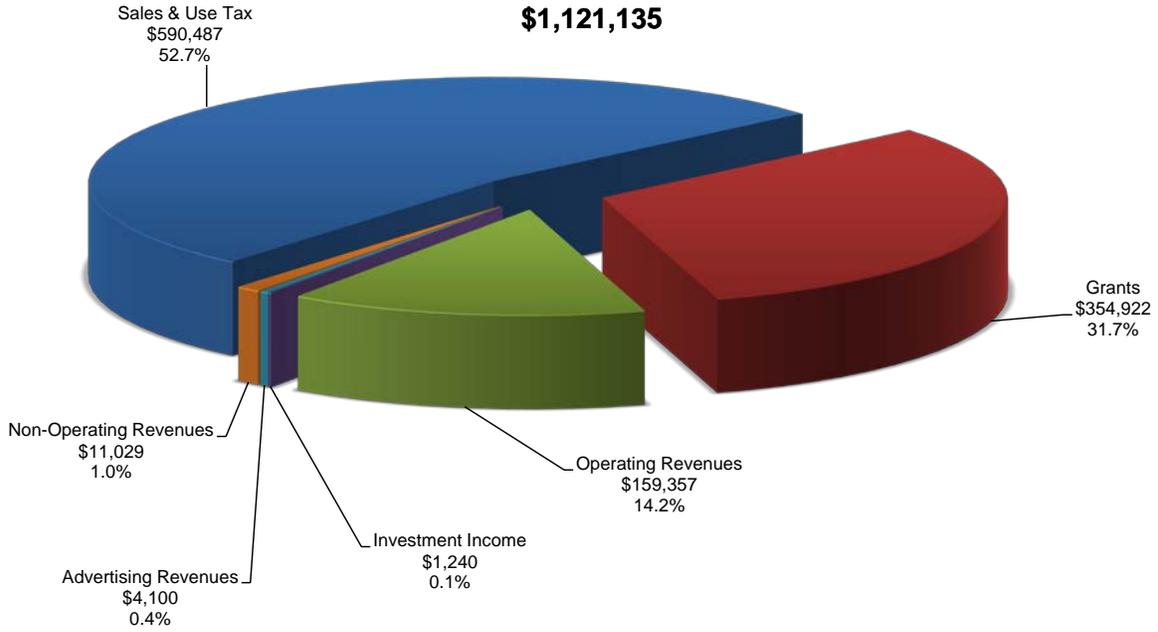
* Based on projected figures

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Part IV. 2016 Budget Summary

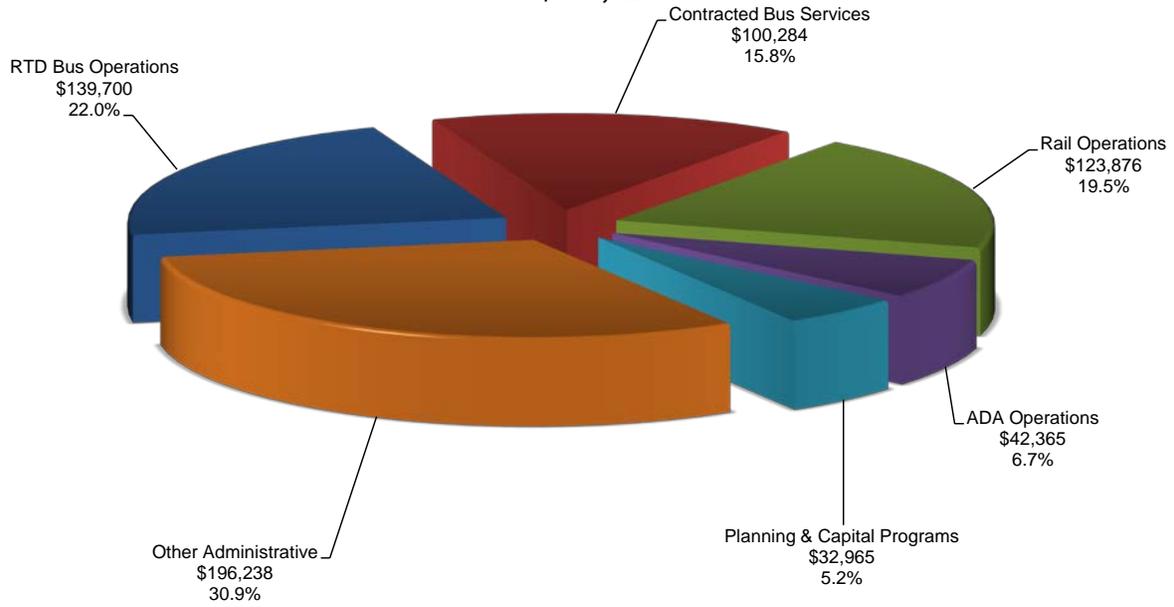
RTD Revenues - 2016
(dollars in thousands)

\$1,121,135

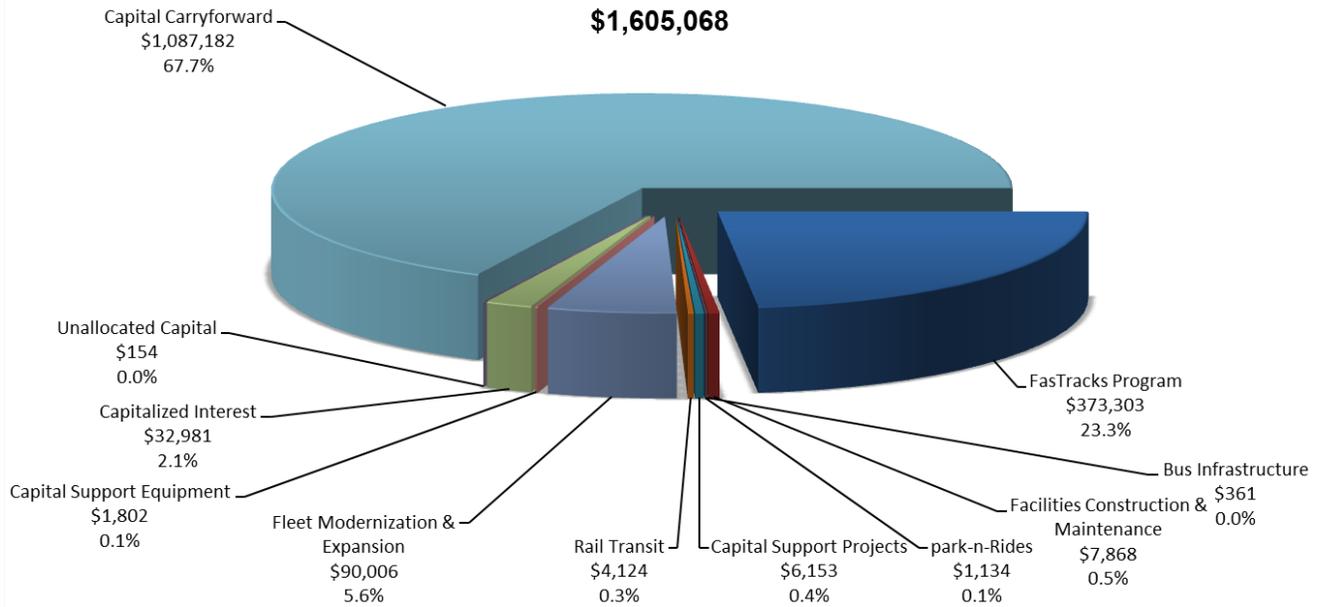


RTD Operating Expenses - 2016
(dollars in thousands)

\$635,428



**RTD Capital Expenditures - 2016
(New Capital & Capital Carryforward)
(dollars in thousands)
\$1,605,068**



**Regional Transportation District
Fiscal Year 2016 Adopted Budget
Combined (In Thousands)**

	2014 Actual	2015 Amended Budget	2015 Projected	2016 Recommended Budget	\$ Change 2015 Amended Budget vs. 2016 Recommended Budget	% Change 2015 Amended Budget vs. 2016 Recommended Budget
COMBINED						
Operating Revenue						
Farebox Revenues	\$ 120,498	\$ 123,373	\$ 123,373	\$ 158,073	\$ 34,700	28.1%
Advertising Revenues	4,324	4,000	4,000	4,100	100	2.5%
Joint Venture Revenue	(55)	870	870	897	27	3.1%
Other Operating Revenues	136	375	375	387	12	3.1%
Total Operating Revenue	124,903	128,618	128,618	163,457	34,839	27.1%
Operating Expenses (excluding Depreciation)						
Bus Operations	126,210	136,000	136,000	139,700	3,700	2.7%
Rail Operations	54,214	55,451	55,451	123,876	68,425	123.4%
Private Carrier Operations	118,189	100,162	100,162	100,284	122	0.1%
Access-a-Ride	39,869	40,866	40,866	42,365	1,499	3.7%
Planning	4,429	6,100	6,100	7,282	1,182	19.4%
Capital Programs	61,079	80,903	80,903	25,683	(55,220)	-68.3%
Safety, Security and Facilities	50,331	54,783	54,783	58,547	3,764	6.9%
General Counsel	9,058	10,236	10,236	10,710	474	4.6%
Finance and Administration	34,024	47,157	47,157	47,925	768	1.6%
Communications	11,425	14,227	14,227	18,925	4,698	33.0%
Executive Office	4,708	5,521	5,521	5,905	384	7.0%
Board Office	875	1,514	1,514	1,294	(220)	-14.5%
Other Non-Departmental Expenditures	5,646	2,626	2,626	1,182	(1,444)	-55.0%
Less: FasTracks Service Increases	-	-	-	-	-	0.0%
FasTracks Internal Savings Account (FISA) Contribution	-	-	(2,052)	-	-	0.0%
Expense Projects Carry-forward	-	-	(51,750)	51,750	51,750	100.0%
Total Operating Expenses (excluding Depreciation)	520,057	555,546	501,744	635,428	79,882	14.4%
Operating Income/(Loss)	(395,154)	(426,928)	(373,126)	(471,971)	(45,043)	-10.6%
Non-Operating Revenues						
Sales Tax	468,198	501,533	499,581	536,016	34,483	6.9%
Use Tax	46,523	49,835	47,231	54,471	4,636	9.3%
Grant Revenue - Operating	75,544	78,832	50,712	83,763	4,931	6.3%
Grant Revenue - Capital	171,550	206,451	166,543	271,159	64,708	31.3%
Investment Income	166	4,310	4,310	1,240	(3,070)	-71.2%
Other Income	13,256	11,020	11,020	11,029	9	0.1%
Total Non-Operating Revenues	775,237	851,981	779,397	957,678	105,697	12.4%
Income Before Debt Service and Cap Ex	380,083	425,053	406,271	485,707	60,654	14.3%
Debt and Reserves						
Debt Payments	(63,772)	(58,942)	(58,942)	(61,698)	(2,756)	-4.7%
Interest Expense	(72,293)	(95,365)	(95,365)	(117,313)	(21,948)	-23.0%
Financing Proceeds	569,101	329,098	286,705	150,000	(179,098)	-54.4%
Drawdown/(Increase) in FasTracks Construction Reserve	-	5,858	5,858	18,700	12,842	219.2%
Drawdown (Increase) in FasTracks Internal Savings Account	-	6,042	6,042	8,529	2,487	41.2%
Contributed Capital	34,881	116,093	93,093	71,300	(44,793)	-38.6%
Increase / (Decrease) in Debt and Reserves	467,917	302,784	237,391	69,518	(233,266)	-77.0%
Capital Expenditures						
Prior Year Approved Capital Carry forward	776,395	987,198	-	1,087,182	99,984	10.1%
Capitalized Interest	-	45,002	45,002	32,981	(12,021)	-26.7%
Facilities Construction and Maintenance	-	11,957	11,957	7,868	(4,089)	-34.2%
Bus Transfer Stations	-	-	-	-	-	0.0%
Bus Infrastructure	-	871	871	361	(510)	-58.6%
Rapid Transit Development	-	-	-	-	-	0.0%
Park-n-Rides	-	1,032	1,032	1,134	102	9.9%
Capital Support Projects	-	22,703	22,703	6,153	(16,550)	-72.9%
Rail Construction	-	195	195	-	(195)	-100.0%
Rail Transit	-	17,885	17,885	4,124	(13,761)	-76.9%
Fleet Modernization and Expansion	-	50,591	50,591	90,006	39,415	77.9%
Capital Support Equipment	-	1,844	1,844	1,802	(42)	-2.3%
Unallocated Capital	-	154	154	154	-	0.0%
Fastracks Program	-	547,644	497,345	373,303	(174,341)	-31.8%
Net Capital Expenditures	776,395	1,687,076	649,579	1,605,069	(82,007)	-4.9%
Current Activity	\$ 71,605	\$ (959,239)	\$ (5,917)	\$ (1,049,844)	\$ (90,605)	-1531.2%

**Regional Transportation District
Fiscal Year 2016 Recommended Budget - Fund Balance
Combined (In Thousands)**

	2014 Actual	2015 Amended Budget	2015 Projected	2016 Recommended Budget	\$ Change 2015 Amended Budget vs. 2016 Recommended Budget	% Change 2015 Amended Budget vs. 2016 Recommended Budget
NET POSITION						
COMBINED						
BEGINNING NET POSITION	\$ 2,977,449	\$ 3,300,400	\$ 3,300,400	\$ 3,768,146	\$ 467,746	14.2%
Income Before Debt Service and Cap Ex	380,083	425,053	406,271	485,707	60,654	14.3%
Debt and Reserves	467,917	302,784	237,391	69,518	(233,266)	-77.0%
Net Capital Expenditures	(776,395)	(1,687,076)	(649,579)	(1,605,069)	82,007	-4.9%
Current Activity	71,605	(959,239)	(5,917)	(1,049,844)	(90,605)	9.4%
Depreciation and Amortization	(139,045)	(142,904)	(137,018)	(221,857)	(78,953)	55.2%
Other ¹	355,510	1,565,706	472,586	2,568,951	1,003,245	64.1%
Contributed Capital & Deferred Interest	34,881	161,095	138,095	101,542	(59,553)	-37.0%
Total Change in Net Position	322,951	624,658	467,746	1,398,792	774,134	123.9%
ENDING NET POSITION	\$ 3,300,400	\$ 3,925,058	\$ 3,768,146	\$ 5,166,938	\$ 1,241,880	31.6%
NET POSITION						
Net Investment in Capital Assets	2,987,694	3,614,433	3,452,909	4,836,121	1,221,688	33.8%
Nonspendable Net Assets	2,987,694	3,614,433	3,452,909	4,836,121	1,221,688	33.8%
Debt Service Reserves ²	190,067	75,900	77,000	108,300	32,400	42.7%
Other Designated Reserves ²	1,500	3,983	6,758	3,918	(65)	-1.6%
Tabor Reserve	19,193	20,284	20,137	19,793	(491)	-2.4%
FasTracks Contingency Reserve ³	30,000	30,000	30,000	15,890	(14,110)	-47.0%
FasTracks Start-up Operations Reserve	40,000	40,000	-	25,000	(15,000)	-37.5%
FasTracks Construction Reserve ⁴	(19,495)	60,000	105,858	56,300	(3,700)	-6.2%
Restricted Net Position	261,265	230,167	239,753	229,201	(966)	-0.4%
FasTracks Internal Savings Account (FISA)	21,509	15,240	15,239	23,465	8,225	54.0%
Board Appropriated Fund	24,751	28,202	26,534	35,039	6,837	24.2%
Capital Replacement Fund	17,551	21,002	18,894	27,293	6,291	30.0%
Unrestricted Fund	(12,370)	16,014	14,817	15,818	(196)	-1.2%
Unrestricted Net Position	51,441	80,458	75,483	101,615	21,157	26.3%
TOTAL NET POSITION	\$ 3,300,400	\$ 3,925,058	\$ 3,768,146	\$ 5,166,938	\$ 1,241,880	31.6%

Notes:

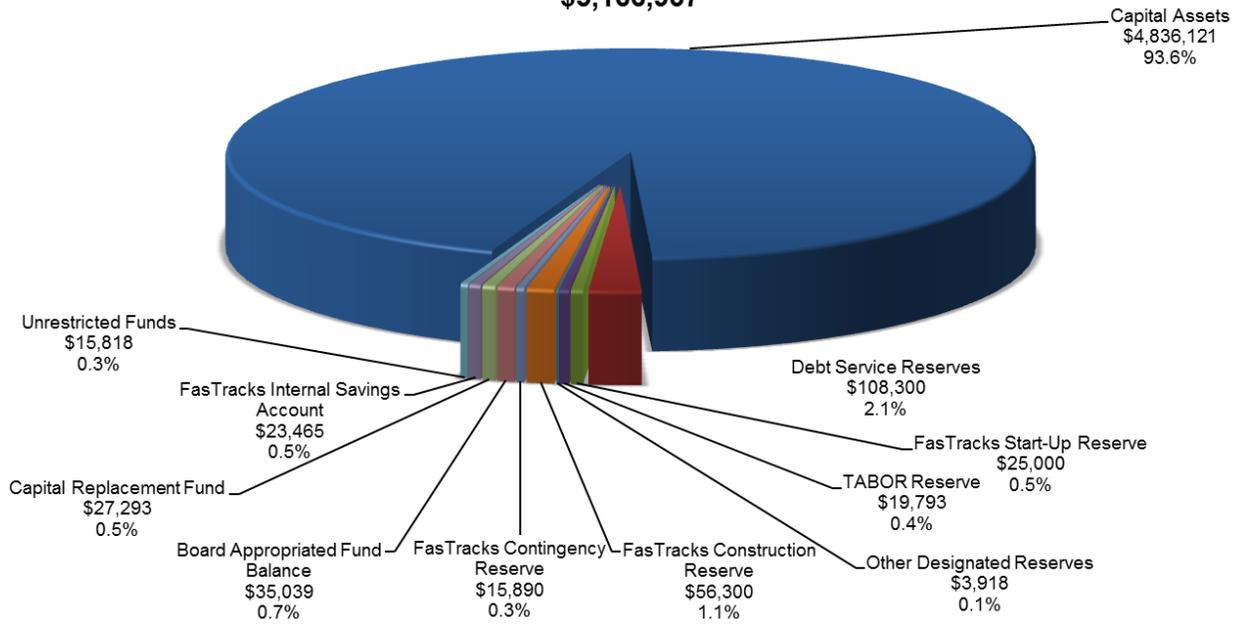
¹ Reconciling items reflect cash activity in capital projects, inventory, accounts receivable and prepaids, accruals and capitalized interest.

² Reserves include funds that are legally restricted by bond covenants, other contracts, Board designation and policy guidelines.

³ Reserves are an appropriated reserve which is available to fund unforeseen projects expenses (such as a contingency reserve).

⁴ Reserves represent revenues that are designated to be spent in future years for the construction of the FasTracks capital program.

RTD Projected Net Assets - Year-End 2016
(dollars in thousands)
\$5,166,937



Part V. 2016 Goals and Performance Measures

2016 Goals and Performance Measures

Introduction

Each year the RTD Board of Directors adopts a mission statement, goals, objectives, and specific performance measures. These measures provide a framework in which RTD can determine how well it provides service to its passengers and the citizens of the District. A report detailing year-to-date performance on each of these measures is presented to the Board of Directors at the end of each quarter.

In the preparation of the 2016 Budget, the goals and performance measures for 2016 were reviewed and updated to reflect changes to project-specific objectives. These performance measures are presented here. The Board of Directors reviewed the mission statement, goals, objectives, and performance measures for the year 2016 and adopted final performance measures in April 2015.

RTD Vision and Mission Statement

The District's vision is "to deliver regional multimodal transportation services and infrastructure improvements that significantly and continually increase transit market share".

The District's mission is "to meet our constituents' present and future public transit needs by providing safe, clean, reliable, courteous, accessible, and cost-effective service throughout the District".

RTD Goals, Objectives, and Performance Measures

The RTD Board of Directors adopted seven specific goals in support of this vision and mission statement:

- Goal 1: To meet the present transportation needs of the District by providing safe transportation service.
- Goal 2: To meet the present transportation needs of the District by providing clean transportation service.
- Goal 3: To meet the present transportation needs of the District by providing reliable transportation service.
- Goal 4: To meet the present transportation needs of the District by providing courteous transportation service.
- Goal 5: To meet the present transportation needs of the District by providing accessible transportation service.

Goal 6: To meet the present transportation needs of the District by providing cost-effective and efficient transportation service.

Goal 7: To meet the future transportation needs of the District.

The following pages present the objectives and specific performance measures associated with these goals.

2016 PERFORMANCE REPORT

VISION

TO DELIVER REGIONAL MULTI-MODAL TRANSPORTATION SERVICES AND INFRASTRUCTURE IMPROVEMENTS THAT SIGNIFICANTLY AND CONTINUALLY INCREASE TRANSIT MARKET SHARE.

MISSION STATEMENT

TO MEET OUR CONSTITUENTS' PRESENT AND FUTURE PUBLIC TRANSIT NEEDS BY OFFERING SAFE, CLEAN, RELIABLE, COURTEOUS, ACCESSIBLE, AND COST-EFFECTIVE SERVICE THROUGHOUT THE DISTRICT.

GOAL 1: TO MEET THE PRESENT TRANSPORTATION NEEDS OF THE DISTRICT BY PROVIDING SAFE TRANSPORTATION SERVICE.

Objectives:

- ◆ Reduce vehicle accident ratio
- ◆ Increase preventive maintenance
- ◆ Reduce passenger accident ratio
- ◆ Improve light rail safety
- ◆ Improve employee safety

PERFORMANCE MEASURES:

**1.1 Reduce the number of safety incidents.
(Department: Bus Operations)**

	2013 Actual	2014 Actual	2015 Goal	2015 3rd Qtr	2016 Goal
Vehicle Accident Involvements per 100,000 miles – Preventable ¹	0.6	0.7	≤2.0	0.9	≤2.0
RTD	0.7	0.6	≤2.0	0.7	≤2.0
First Transit - Commerce City	0.5	1.2	≤2.0	1.2	≤2.0
Veolia	0.2	0.5	≤2.0	0.7	≤2.0
First Transit – Denver*	0.4	1.0	≤2.0	1.1	≤2.0
First Transit – Longmont*	0.9	0.8	≤2.0	1.0	≤2.0
Passenger Accident Ratio per 100,000 miles – System-wide	0.05	0.12	≤0.18	0.10	≤0.18
RTD	0.05	0.11	≤0.18	0.08	≤0.18
First Transit - Commerce City	0.07	0.14	≤0.18	0.21	≤0.18
Veolia	0.08	0.12	≤0.18	0.11	≤0.18
First Transit – Denver*	0.04	0.18	≤0.18	0.15	≤0.18
First Transit – Longmont*	0.00	0.04	≤0.18	0.00	≤0.18
Operator-Passenger Assault Ratio per 100,000 boardings ²	0.04	0.04	≤0.06	0.04	≤0.06

**Historically tracked as combined Denver/Longmont. Starting in 2012, First Transit will be disaggregated as Denver and Longmont stand-alone operations and metrics will be tracked separately.*

¹*An accident is considered preventable any time the operator was not driving in full compliance with all applicable laws and regulations and in such a manner as to avoid involvement despite adverse conditions of road, weather or traffic or the errors of pedestrians or other drivers.*

²*In the 1st quarter, there were an unusual number of accidents reported that were incurred during January and February inclement weather. Veolia and First Transit are using DriveCam and Smart Drive technologies to help operators improve/correct driving practices. Both contractors are providing Smith System retraining to all of their operators. In the 2nd and 3rd quarter, many of the accidents were determined to be non-preventable.*

1.2 Percentage of Preventive Maintenance inspections incurred as scheduled every 6,000 miles.¹
(Department: Bus Operations)

	2013 Actual	2014 Actual	2015 Goal	2015 3rd Qtr	2016 Goal
Percentage of Preventive Maintenance inspections incurred as scheduled every 6,000 miles – system wide	99.6%	99.6%	98%	99.7%	98%
RTD	99.5%	99.3%	98%	99.8%	98%
First Transit - Commerce City	100%	100%	98%	100%	98%
Veolia	99.1%	99.5%	98%	99.7%	98%
First Transit – Denver*	100%	100%	98%	100%	98%
First Transit – Longmont*	100%	100%	98%	99.7%	98%

*Historically tracked as combined Denver/Longmont. Starting in 2012, First Transit will be disaggregated as Denver and Longmont stand-alone operations and metrics will be tracked separately.

¹ Inspections are scheduled 600 miles prior to 6,000 miles or 600 miles after 6,000 miles.

1.3 Improve response time to emergency dispatch calls.
(Department: Bus Operations)

	2013 Actual	2014 Actual	2015 Goal	2015 3rd Qtr	2016 Goal
Average Response Time	18 sec.	18 sec.	≤20 sec.	18 sec.	≤20 sec.

1.4 Reduce the number of light rail accidents.
(Department: Rail Operations)

	2013 Actual	2014 Actual	2015 Goal	2015 3rd Qtr	2016 Goal
Reportable Light Rail Auto Accidents per 100,000 miles – Preventable ²	0	0	≤2.0	1	≤2.0

² An accident is considered preventable any time the operator was not driving in full compliance with all applicable laws and regulations and in such a manner as to avoid involvement despite adverse conditions of road, weather or traffic or the errors of pedestrians or other drivers.

GOAL 2: TO MEET THE PRESENT TRANSPORTATION NEEDS OF THE DISTRICT BY PROVIDING CLEAN TRANSPORTATION SERVICE.

Objectives:

- ◆ Prompt graffiti removal
- ◆ Prompt bus interior and exterior cleaning
- ◆ Prompt shelter cleaning

PERFORMANCE MEASURES:

**2.1 Prompt response to facility complaints.
(Department: Safety, Security, and Facilities)**

	2013 Actual	2014 Actual	2015 Goal	2015 3rd Qtr	2016 Goal
Average Response Time Public Complaints	<4 hours	<4 hours	≤4 hours	<4 hours	≤4 hours
Average Graffiti Complaints per Month	1.2	1.0	≤1.5	1.0	≤1.5
Average Facilities Maintenance Complaints per Month	16.1	11.0	≤14.0 ⁴	12.4	≤20.0
Elevator ¹	3.0	3.3		5.7	
Snow/ice ²	2.3	2.7		0.0	
Shelter ³	2.0	1.0		2.0	
Other ⁴	4.7	5.0		2.3	

¹ These types of complaints are shown separately for the first time in 2013.

² The average for the quarter was 12.0 complaints, which matches the goal; however, the annual goal was not met.

³ The majority of the complaints have been related to paving and lighting issues.

⁴ The proposed goal was increased in 2015 to reflect system growth in facilities that challenged resources.

**2.2 Prompt response to vehicle complaints.
(Department: Bus Operations)**

	2013 Actual	2014 Actual	2015 Goal	2015 3rd Qtr	2016 Goal
Average Overdue Bus Interior Cleaning per Month	0.0	0.0	≤1.0	0.0	≤1.0
RTD	0.2	0.2	≤1.0	0.1	≤1.0
First Transit - Commerce City	0.0	0.0	≤1.0	0.0	≤1.0
Veolia	0.0	0.0	≤1.0	0.0	≤1.0
First Transit – Denver	0.0	0.0	≤1.0	0.0	≤1.0
First Transit – Longmont	0.0	0.0	≤1.0	0.0	≤1.0

GOAL 3: TO MEET THE PRESENT TRANSPORTATION NEEDS OF THE DISTRICT BY PROVIDING RELIABLE TRANSPORTATION SERVICE.

Objectives:

- ◆ Improve on-time performance
- ◆ Improve miles between lost service road calls
- ◆ Decrease number of missed trips

PERFORMANCE MEASURES:

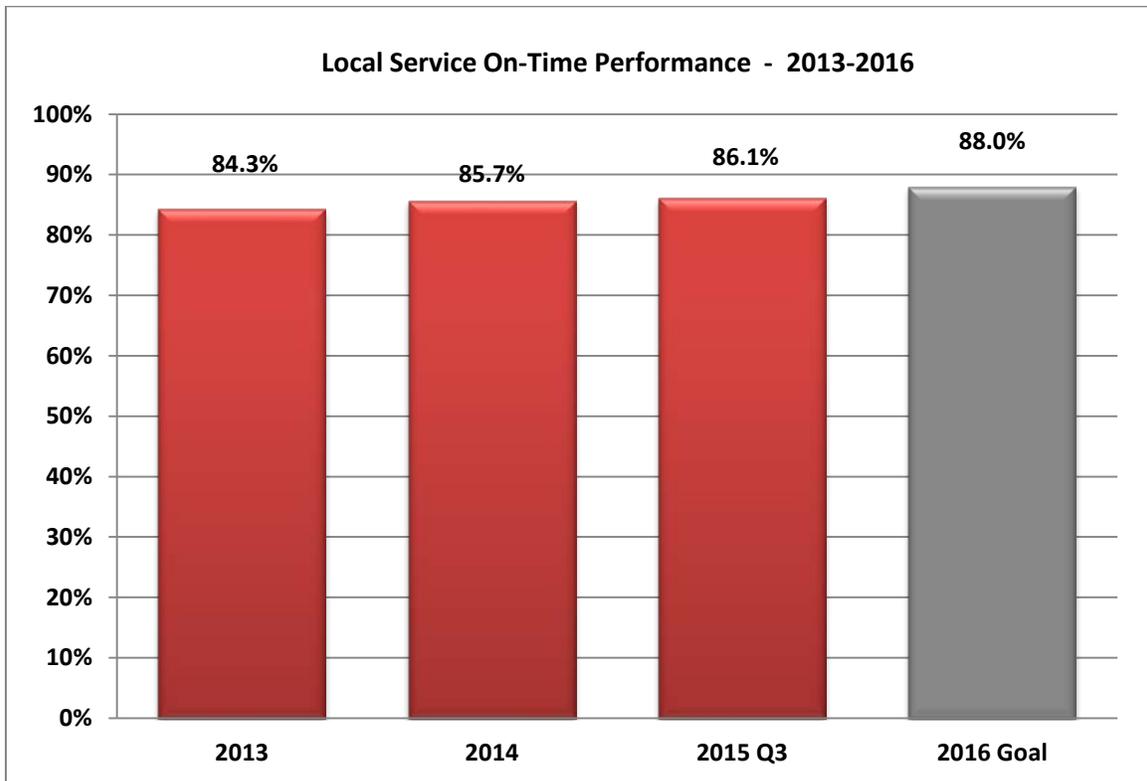
**3.1 Maintain system-wide on time performance.
(Departments: Bus Operations, Rail Operations)**

	2013 Actual	2014 Actual	2015 Goal	2015 3rd Qtr	2016 Goal
Local On-Time Service – System-wide ¹	84.3%	85.7%	88.0%	86.1%	88.0%
RTD Local	83.9%	84.0%	88.0%	84.4%	88.0%
First Transit - Commerce City	84.5%	83.7%	88.0%	83.5%	88.0%
Veolia	85.4%	88.3%	88.0%	88.3%	88.0%
First Transit – Denver	84.6%	87.1%	88.0%	88.4%	88.0%
First Transit – Longmont	84.4%	87.9%	88.0%	88.3%	88.0%
Regional & Express On-Time Service ²	87.5%	89.8%	94.0%	91.7%	94.0%
Light Rail - On-Time Service ³	91.2%	94.1%	90.0%	94.1%	90.0%
Light Rail - Service Available	99.9%	99.9%	99.0%	99.9%	99.0%

¹ On-time is arrival at a location no more than 1 minute early and no more than 5 minutes after the scheduled arrival time.

² Due to the transition to the new CAD/AVL system, on-time performance data is being generated on-line and is more accurate. We continue to focus on the worst routes and continue to identify the resources needed to improve. The GM will review the action steps currently being taken and consider changes that may be necessary.

³ The 2015 goal for on-time bus service will be approved by the Board of Directors later in fiscal year 2014.



**3.2 Adherence to scheduled Revenue Service trip start time.
(Department: Bus Operations)**

	2013 Actual	2014 Actual	2015 Goal	2015 3rd Qtr	2016 Goal
Adherence to scheduled Revenue Service trip start time – system wide	100%	100%	99.0%	100%	99.0%
RTD	100%	100%	99.0%	100%	99.0%
First Transit - Commerce City	100%	100%	99.0%	100%	99.0%
Veolia	100%	100%	99.0%	100%	99.0%
First Transit – Denver*	100%	100%	99.0%	100%	99.0%
First Transit – Longmont*	100%	100%	99.0%	100%	99.0%

* Historically tracked as combined Denver/Longmont. Starting in 2012, First Transit will be disaggregated as Denver and Longmont stand-alone operations and metrics will be tracked separately.

**3.3 Improve miles between road calls.
(Departments: Bus Operations)**

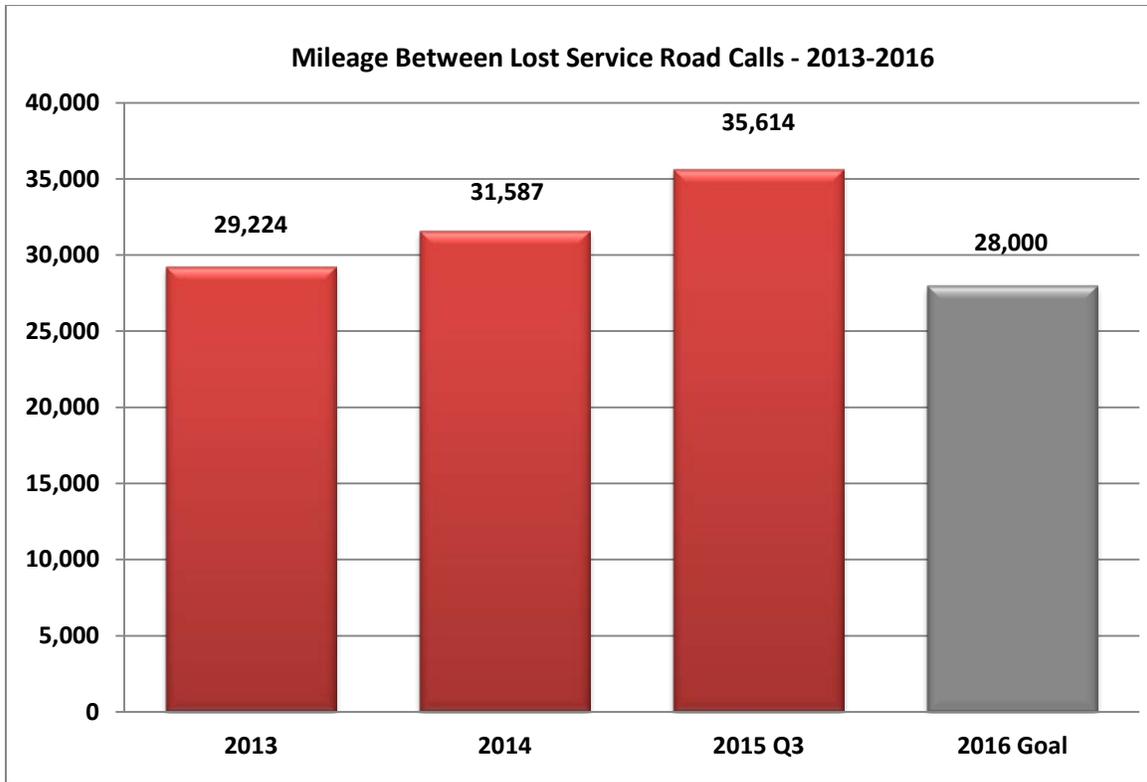
	2013 Actual	2014 Actual	2015 Goal	2015 3rd Qtr	2016 Goal
Mileage Between Lost Service Maintenance Road Calls (District) ^{1,4}	29,224	31,587	26,000	35,614	28,000
RTD	25,721	30,728	26,000	35,424	28,000
Transit Bus	23,084	27,990		32,257	
Medium Bus	N/A	N/A		N/A	
Articulated Bus	19,104	19,311		36,696	
Intercity Bus	36,821	51,640		40,414	
First Transit - Commerce City	42,134	37,345	26,000	39,175	28,000
Transit Bus	44,367	37,817		36,608	
Medium Bus	31,475	35,923		42,917	
Veolia	32,519	30,131	26,000	31,943	28,000
Transit Bus	29,538	24,706		25,737	
Medium Bus	40,072	51,209		55,734	
First Transit – Denver*	38,636	37,207	26,000	37,360	28,000
Transit Bus	36,955	39,838		39,081	
Medium Bus	72,546	24,824		27,151	
Cutaway Bus	N/A	N/A		N/A	
First Transit – Longmont*	43,954	61,463	26,000	39,531	28,000
Transit Bus	43,853	68,495		59,827	
Medium Bus	47,735	61,908		26,695	
Cutaway Bus	31,480	27,599		30,843	
Hours Between Lost Service Maintenance Road Calls (Mall) ²	1,995	2,175	≥600	2,301	≥600

¹ District-wide mileage between lost service maintenance road calls excludes the Mall Shuttles.

² Maintenance effectiveness of the Sixteenth Street Mall Shuttle is measured in terms of service hours.

³ This exception is due to the age of the fleet and deferral of fleet replacement. As the fleet is replaced in 2013-2014, this number is expected to improve

⁴ Average age of the fleet follows:



GOAL 4: TO MEET THE PRESENT TRANSPORTATION NEEDS OF THE DISTRICT BY PROVIDING COURTEOUS TRANSPORTATION SERVICE.

Objectives:

- ◆ Reduce customer response time
- ◆ Limit customer complaints
- ◆ Decrease average wait time for telephone information
- ◆ Complete installation of shelter boards by date of service change

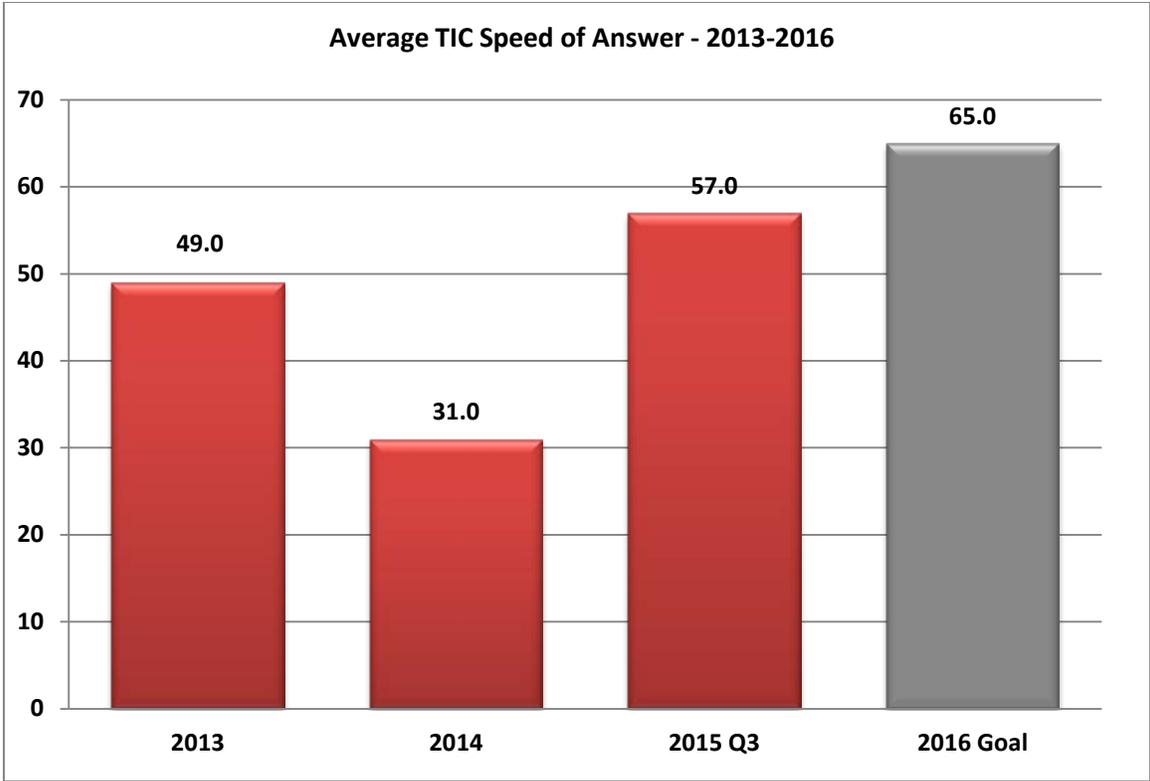
PERFORMANCE MEASURES:

**4.1 Reduce average customer response time.
(Department: Communications)**

	2013 Actual	2014 Actual	2015 Goal	2015 3rd Qtr	2016 Goal
Average TIC Speed of Answer (in seconds) ²	49	31	≤75	57	≤65

¹ English: 48 seconds, Spanish: 96 seconds.

² In 2015, the measure is changed from Average TIC Call Wait Time to Average Speed of Answer.



**4.2 Improve level of customer complaints.
(Departments: Bus Operations, Communications)**

	2013 Actual	2014 Actual	2015 Goal	2015 3rd Qtr	2016 Goal
Avg. Response Time to Customer Complaints ³					
Average Cycle Time ⁵	10.9 business days	10.7 business days	≤ 10 days	7.3 days	≤ 10 days
RTD Transportation (Bus and Rail)				4.62	
RTD All Other Departments				8.79	
First Transit – Commerce City				13.24	
First Transit - Denver				8.71	
First Transit - Longmont				6.44	
Veolia				6.17	
Complaints per Boardings (District)	.0004	.0004	.0004	.0004	.0004
RTD	.0003	.0003		.0004	
Local	.0003	.0003		.0003	
Express	.0003	.0003		.0003	
First Transit - Commerce City	.0005	.0004	.0004	.0005	.0004
Local	.0005	.0004		.0005	
Express	.0005	.0005		.0005	
Veolia	.0005	.0005	.0004	.0005	.0004
Local	.0005	.0005		.0005	
Express	.0007	.0004		N/A	
First Transit – Denver	.0005	.0005	.0004	.0005	.0004
Local	.0005	.0005		.0005	
Express	.0004	.0004		.0002	
First Transit – Longmont	.0004	.0003	.0004	.0003	.0004
Local	.0004	.0003		.0003	
Express	N/A	N/A		N/A	

³ The measure reports on resolution of customer complaints across all subject matter throughout the District and the number includes all departments utilizing TrapezeCOM system for commendation and complaint research. The 2013 number reflects the impact of the West Line and a vacant position earlier in the year.

⁴ The goal was increased in 2014 to account for static higher level of complaints due to the stroller/wheelchair policy, fare enforcement campaign, TIC availability, introduction of SmartCards, and the new West Line.

**4.3 Complete installation of shelterboards by date of service change.
(Department: Customer Services)**

Implementation scheduled for January 2016, May 2016, and August 2016 dates.

GOAL 5: TO MEET THE PRESENT TRANSPORTATION NEEDS OF THE DISTRICT BY PROVIDING ACCESSIBLE TRANSPORTATION SUPPORT SERVICE.

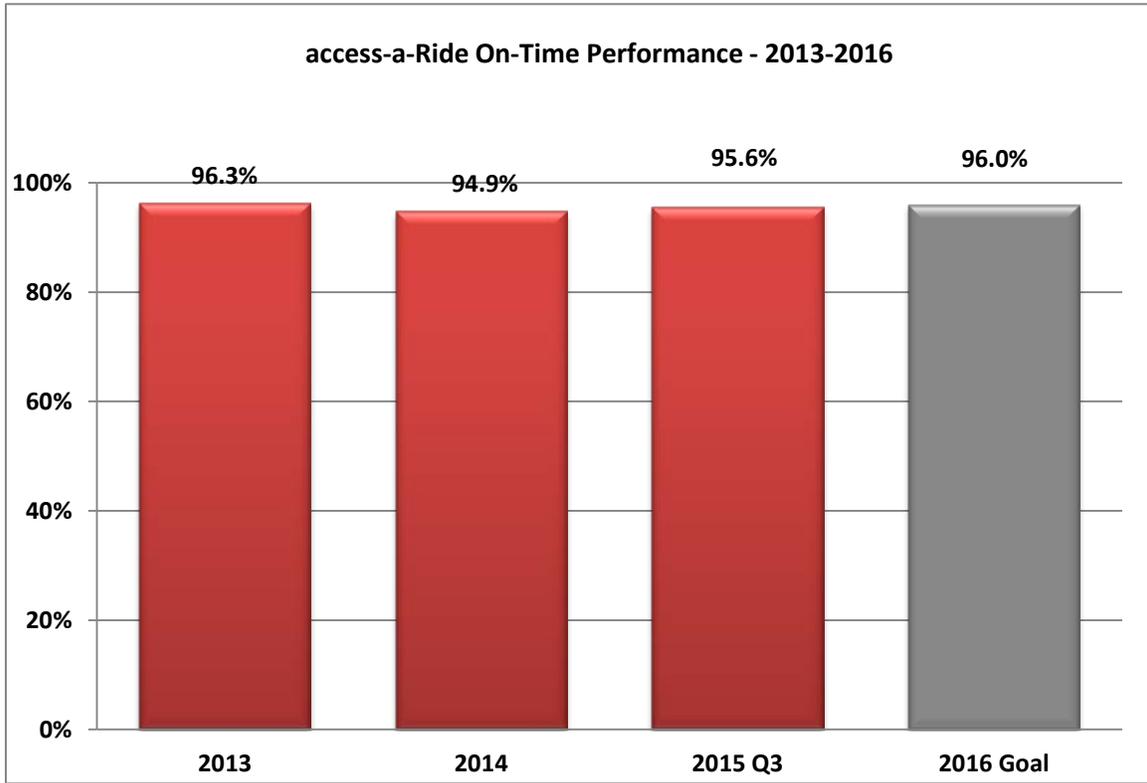
Objectives:

- ◆ Improve on-time performance standards
- ◆ Improve ADA trip availability
- ◆ Improve ADA courtesy

PERFORMANCE MEASURES:

**5.1 Improve ADA on-time performance.
(Department: Bus Operations)**

	2013 Actual	2014 Actual	2015 Goal	2015 3rd Qtr	2016 Goal
Access-a-Ride On-time Service	96.3%	94.9%	96.0%	95.6%	96.0%



**5.2 Improve ADA trip availability.
(Department: Bus Operations)**

	2013 Actual	2014 Actual	2015 Goal	2015 3rd Qtr	2016 Goal
Adherence to ADA mandate to have zero denials to service request	100%	100%	100%	100%	100%

**5.3 Improve ADA courtesy.
(Department: Bus Operations)**

	2013 Actual	2014 Actual	2015 Goal	2015 3rd Qtr	2016 Goal
Average ADA complaints per boarding	0.0009	0.0001	0.001	0.001	0.001

GOAL 6: TO MEET THE PRESENT TRANSPORTATION NEEDS OF THE DISTRICT BY PROVIDING COST-EFFECTIVE AND EFFICIENT TRANSPORTATION SERVICE.

Objectives:

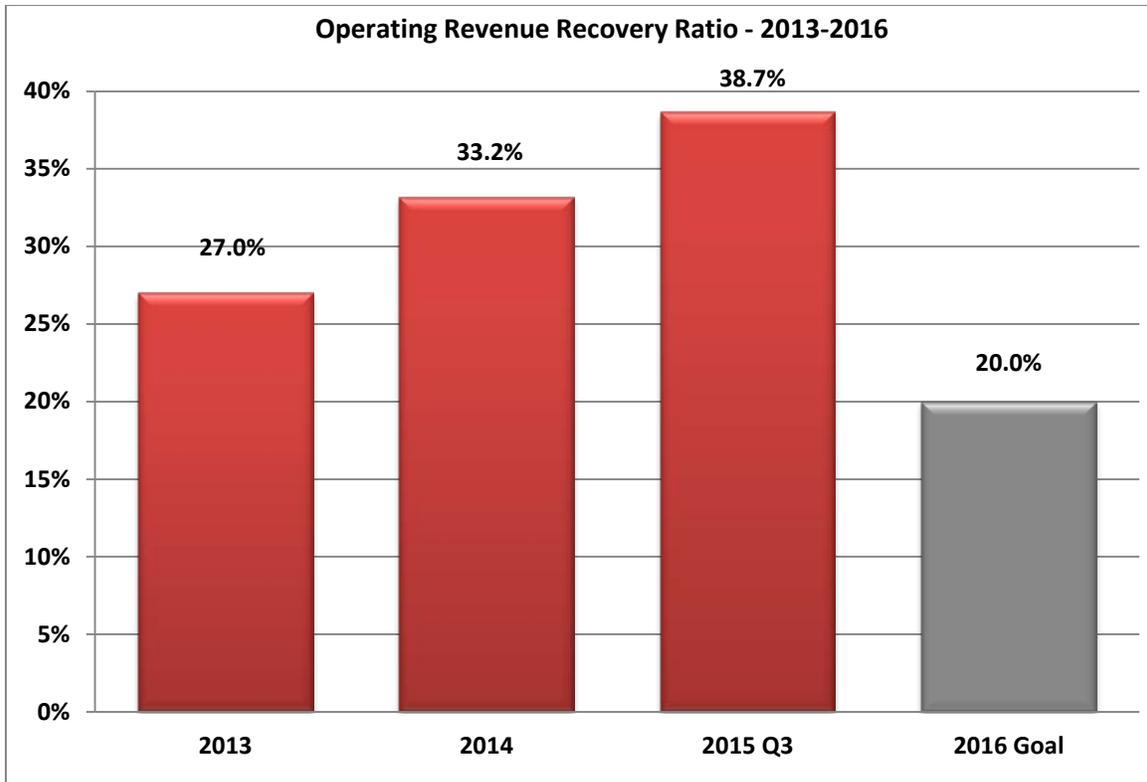
- ◆ Maintain cost recovery ratios
- ◆ Increase ridership
- ◆ Increase farebox and EcoPass revenue
- ◆ Improve route efficiency
- ◆ Monitor selected internal functions for efficiency
- ◆ Maintain cost effective and efficient transportation services
- ◆ Hire and train competent personnel

PERFORMANCE MEASURES:

**6.1 Maintain all required recovery ratios.
(Department: Finance)**

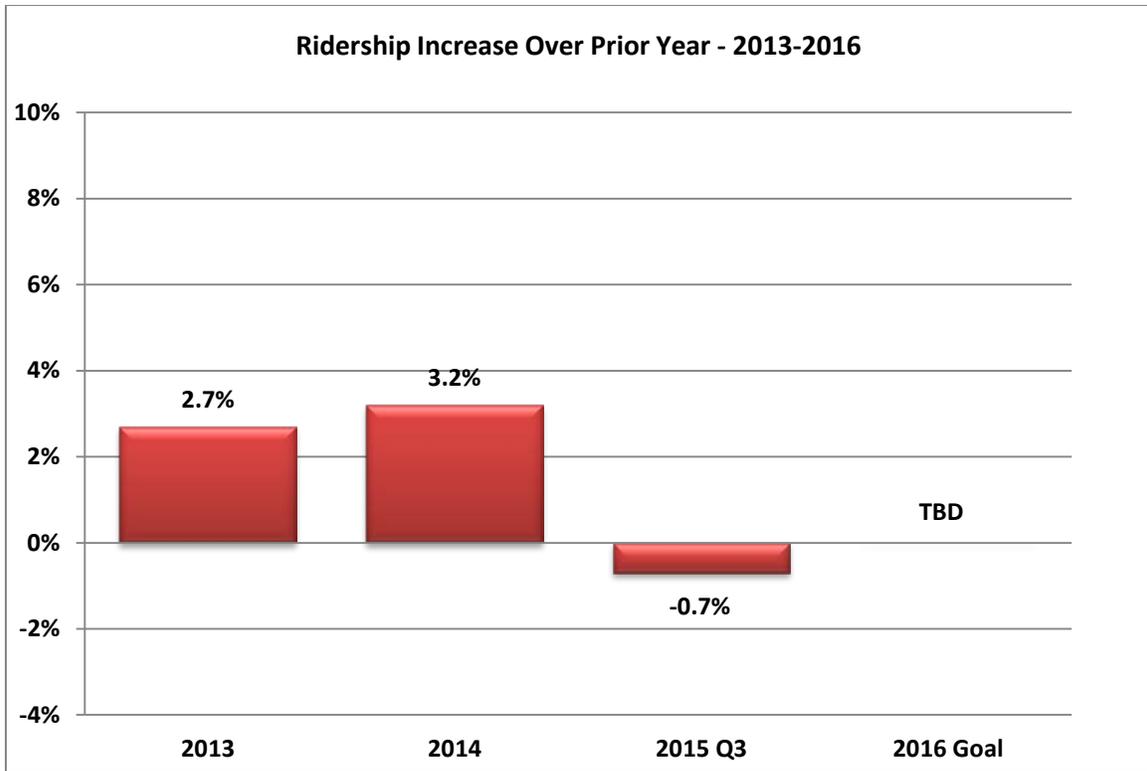
	2013 Actual	2014 Actual	2015 Goal	2015 3rd Qtr	2016 Goal
Operating Cost Recovery Ratio ¹	27%	33.2%	20%	38.7%	20%

¹SB154 Cost Recovery Ratio, which was previously presented as part 6.1 in this report, will be provided with the Financial Status Reports at the end of each calendar quarter only.



**6.2 Increase ridership.
(Department: Finance)**

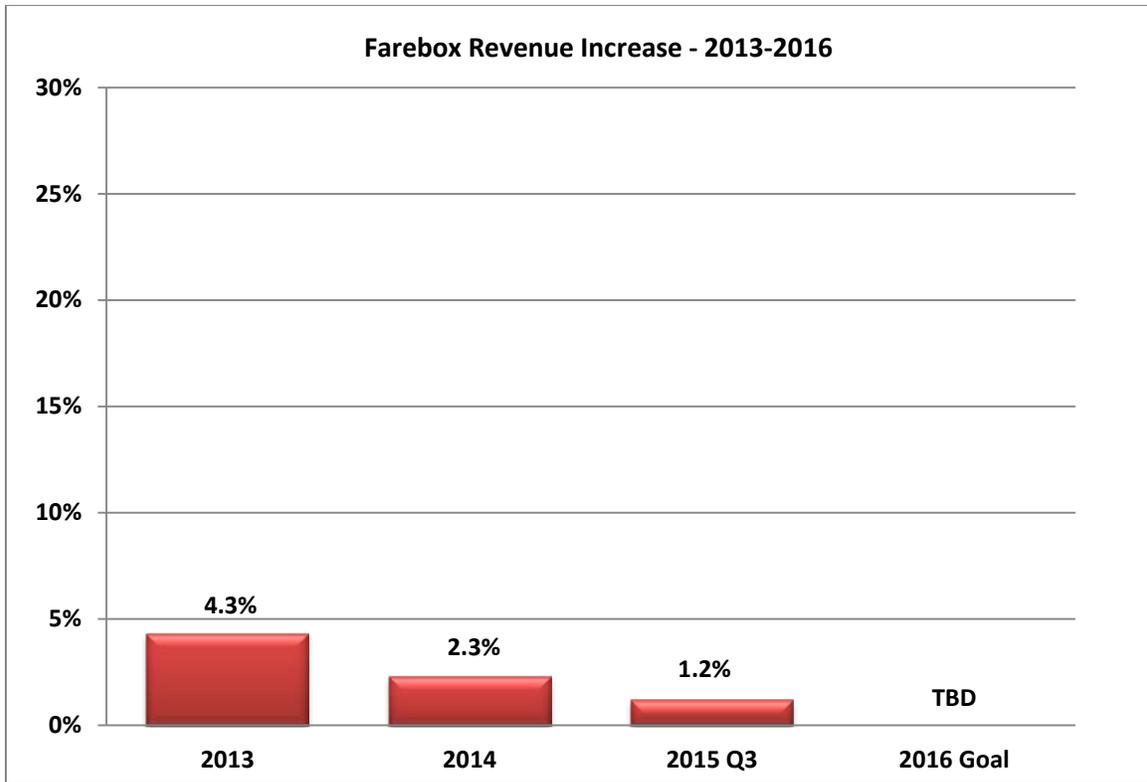
	2013 Actual	2014 Actual	2015 Goal	2015 3rd Qtr	2016 Goal
Overall Ridership Increase	2.7%	3.2%	0.0%	-0.7%	TBD



**6.3 Increase in fare revenue and total revenue.
(Departments: Finance, Communications)**

	2013 Actual	2014 Actual	2015 Goal	2015 3rd Qtr	2016 Goal
Fare Revenue ³	4.3%	2.3%	(1.3%)	1.2%	TBD
Total Operating Revenue	4.0%	1.5%	(1.4%)	1.7%	TBD

³ Last fare increases took effect 1/1/16.



**6.4 Monitor selected internal functions for efficiency.
(Department: Communications)**

	2013 Actual	2014 Actual	2015 Goal	2015 3rd Qtr	2016 Goal
Audits	19	21	20	14	20

¹ The number reflects the vacancy of the Manager, Internal Audit position for 3 months in 2013. The new manager completed 6 of 7 audits remaining to be completed with the final one in progress at end of year.

**6.5 Maintain bus operator/mechanic headcount within authorization.¹
(Department: Bus Operations)**

	2013 Actual	2014 Actual	2015 Goal	2015 3rd Qtr	2016 Goal
Bus Operator – Vacancies ²	0%	2.4%	≤5.0%	7.4%	≤5.0%
Bus Operator – Over Headcount	4.9%	0%	≤4.0%	0%	≤4.0%
Bus Mechanic – Vacancies	10.6%	9.5%	≤7.5%	8.6%	≤7.5%
Bus Mechanic – Over Headcount	0%	0%	≤0.0%	0%	≤0.0%

¹ Authorized headcount represents the level of personnel required to meet service demands in the current runboard.

² Human Resources has been authorized to exceed authorized headcount to compensate for operator attrition.

³ We are experiencing an unusually high level of vacancies in bus mechanics and operators; recruitment efforts are continuing. Vacancies are due to retirements, system growth, and the strong local economic recovery.

**6.6 Maintain stock-out level.
(Department: Administration)**

	2013 Actual	2014 Actual	2015 Goal	2015 3rd Qtr	2016 Goal
Stock-Out Level ⁴	1.0%	1.0%	1.5%	1.2%	1.5%

⁴ Calculated as number of stock-out occurrences divided by number of requests.

GOAL 7: TO MEET THE FUTURE TRANSPORTATION NEEDS OF THE DISTRICT.

PERFORMANCE MEASURES:

**7.1 Deliver civic and neighborhood presentations to communicate with the public regarding service issues.
(Departments: Communications, Executive Office, Bus Operations, Planning)**

	2013 Actual	2014 Actual	2015 Goal	2015 3rd Qtr	2016 Goal
Communications	43	96	§	288	§
General Manager	84	130	§	83	§
Service Change	11	17	§	19	§
Route and Service Planning	140	97	§	155	§
Local Government Planning Workshops	3	4	3	2	3
Community Advisory Committee Meetings	12	7	4	8	4
Info Rides	70	20	§	36	§

[§] The Board of Directors does not adopt goals for these performance measures; for reporting purposes only.

**7.2 Accurate Financial Analysis
(Department: Finance)**

	2015 Actual	2016 Goal
Distinguished Budget Presentation Award	Received Distinguished Budget Presentation Award from the Government Finance Officers Association in the third quarter.	Receive Distinguished Budget Presentation Award from the Government Finance Officers Association by year-end.
Certificate of Achievement for Excellence in Financial Reporting	Received Certificate of Achievement for Excellence In Financial Reporting from the Government Finance Officers Association in the fourth quarter.	Receive Certificate of Achievement for Excellence In Financial Reporting from the Government Finance Officers Association by year-end.

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Part VI. 2016 Revenues

2016 Base System Revenue Summary

(\$ in 000's)

Source	2014 Actual	2015 Amended	2015 Projected	2016 Adopted	\$ Change 15 Amend 16 Adopt	% Change 15 Amend 16 Adopt
Sales Tax	\$ 280,919	\$ 300,920	\$ 299,749	\$ 321,610	\$ 20,690	6.9%
Use Tax	27,914	29,901	28,339	32,683	2,782	9.3%
Fed. Grants - Operating	6,650	21,191	50,281	16,483	(4,708)	-22.2%
Carryforward (Expense) Grants	14,509	6,138	0	10,029	3,891	63.4%
Fed. Grants – 5307	54,800	50,275	0	55,716	5,441	10.8%
Farebox Revenues	116,469	119,342	119,342	131,276	11,934	10.0%
Advertising Revenues	4,324	4,000	4,000	4,100	100	2.5%
Other Operating Revenues	81	1,245	1,245	1,284	39	3.1%
Investment Income	692	1,160	1,160	510	(650)	-56.0%
Other Income	10,864	2,843	2,843	2,808	(35)	-1.2%
TOTAL	\$ 517,222	\$ 537,015	\$ 506,958	\$ 576,498	\$ 39,483	7.4%

Base Sales Tax

Sales Tax, which has been imposed and collected since January 1, 1974, is collected upon all transactions specified by the Colorado General Assembly. As of January 1, 2014, RTD's tax base is the same as that on which the State of Colorado collects its own sales tax. While bringing RTD's tax base to parity decreases the amount of use tax generated for RTD from certain items, parity now generates additional sales taxes with the inclusion of cigarettes, candy and soda, and food containers in RTD's tax base.

Sales tax must be collected at the time of the transaction. The State of Colorado is responsible for collecting and processing all RTD sales tax revenues, and it retains a small amount of sales tax revenues to cover its incremental costs. The maximum amount to be retained by the State is specified by statute and is partially offset by any interest income that accrues to the State between the receipt of the revenues from the vendors and their disbursement to RTD.

As of January 1, 2005, RTD collects a 1% tax on total sales in the District; 0.6% goes to the Base system and 0.4% goes to FasTracks.

Prior to January 1, 2005, the statutory sales tax rate was 0.6%. The FasTracks ballot initiative that was passed by the voters of the District on November 2, 2004 raised the sales tax rate to 1.0%, with the requirement that the portion attributable to the additional 0.4% be used to fund the FasTracks transit expansion program. Therefore, these additional funds generated by the increased sales tax are budgeted under a separate line item in the FasTracks Revenues section, entitled FasTracks Sales and Use Tax.

RTD's estimated future sales tax revenues are based on state-wide sales tax growth forecasts issued by the University of Colorado-Leeds School of Business adjusted for RTD tax structure

RTD projects sales tax revenue solely from data forecasts provided by the CU-Leeds School of Business.

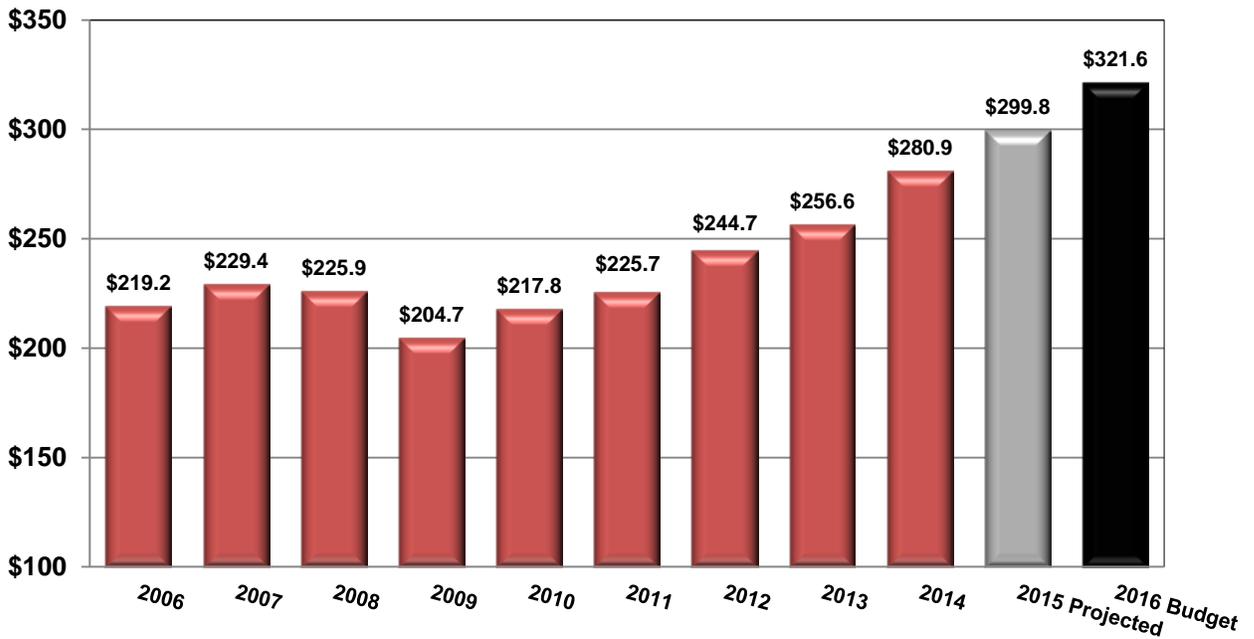
differences. RTD contracted with the CU-Leeds School in 2011 for the production of quarterly sales tax data forecasts. RTD relies solely on the CU-Leeds School forecasts for its estimates of future sales tax revenue and incorporates the CU-Leeds School September 2015 forecast in the 2016 Adopted Budget. In 2016, the frequency of these forecasts will be reduced to semi-annually.

Sales tax collections have increased every year since 2010 due to a rebound in consumer spending. Sales tax is projected to grow 6.7% in 2015 and 7.3% in 2016 from continuing growth in employment, personal income and retail sales.

The following chart shows the trend in RTD Base system sales tax revenues over the past ten years. Growth was stable in 2006, and 2007, but at slower-than-projected rates. In 2008, sales tax collections declined 1.5% from the prior year due to the onset of the severe recession which dramatically impacted the region in 2009. As the recession deepened, RTD sales tax

collections declined further by 9.4% in 2009 from 2008. As the economy began to recover and consumer spending rebounded, sales tax collections increased in each successive year beginning in 2010. In 2014, collections increased 9.5% over the prior year. Per the CU-Leeds School September 2015 quarterly forecast, 2015 collections are projected to increase 6.7% over 2014 and the 2016 Adopted Budget reflects an increase of 7.3% over the 2015 projected level. Fueling this 2016 increase is a continued strong economic conditions including a projected decline in the Colorado unemployment rate and strong growth in personal income and retail sales.

RTD Base Sales Tax Revenues - 2006-2016
(millions of dollars)



Base Use Tax

RTD also has authority to levy a 1% use tax in the District.

In 1989, the Colorado Supreme Court ruled that RTD was allowed to levy a use tax on items purchased for use inside the District. This ruling complements the existing authority to levy a sales tax. Consumer use tax is payable to the State by individuals and businesses when sales tax is due but has not been collected.

As is the case with RTD's sales tax, the statutory use tax rate was 0.6% before January 1, 2005. The FasTracks ballot initiative that was passed by the voters of the District on November 2, 2004 raised the use tax rate to 1.0%, with the requirement that the portion due to the additional 0.4% be used to fund the FasTracks transit expansion program. Therefore, these additional funds generated by the increased use tax are budgeted under a separate line item in the FasTracks Revenues section, entitled FasTracks Sales and Use Tax.

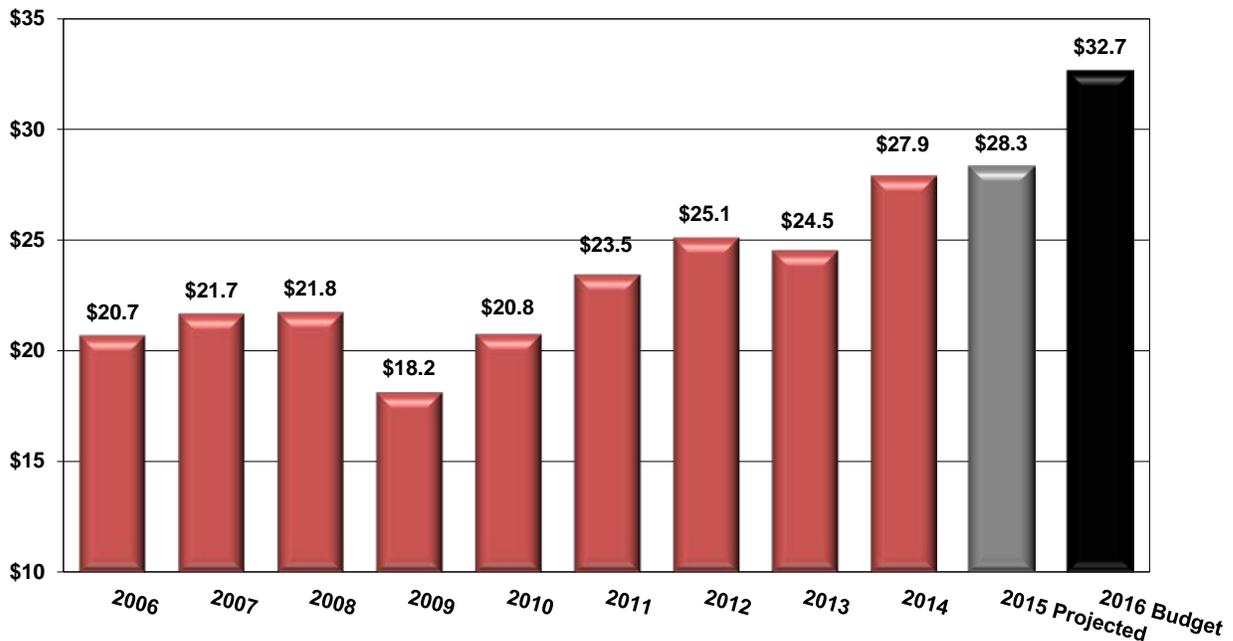
RTD's estimated future use tax revenues are based on statewide use tax growth forecasts issued by the University of Colorado-Leeds School of Business. RTD contracted with the CU-Leeds School in 2011 for the production of quarterly use tax data forecasts. RTD relies solely on the CU-Leeds School forecasts for its estimates of future use tax revenue. As of January 1, 2014, RTD's tax base is the same as that on which the State of Colorado collects its own use tax. While bringing RTD's tax base to parity decreases the amount of use tax generated for RTD from machinery and machine tools and food sold through vending machines, parity now generates new sales taxes with the inclusion of other items in RTD's tax base.

The chart below shows the trend in RTD use tax revenues over the past ten years. As with the sales tax, use tax revenues declined during the recession of 2009. The profound effect of the recession caused a 16.5% decline in 2009 use tax collections from 2008. As the economy began to recover, use tax growth increased in 2010-2012, but fell 2.4% in 2013, and increased strongly in 2014 by 13.9%. The 2015 projection shows a slight increase of 1.4% from 2014 and the 2016 Adopted Budget reflects much stronger growth of 15.5% over the 2015 projected level. As with sales tax, use tax collections will be driven by strong economic factors in the Denver metropolitan area in 2016.

After a rebound in 2014, use tax collections are projected to grow slightly in 2015 but show much stronger growth in 2016.

It should be noted that use tax receipts are inherently volatile and RTD has experienced dramatic swings in historical use tax collections.

**RTD Base Use Tax Revenues - 2006-2016
(millions of dollars)**



With 90% of RTD tax revenues coming from sales tax, the yearly changes in total tax revenues closely track those for sales tax revenue. The total of sales and use tax revenue is projected to grow 6.2% in 2015 and 8.0% in 2016 per the CU-Leeds School September 2015 forecast. RTD taxable sales have been outpacing state sales tax growth, and both the District and the state are outpacing national growth in retail sales, impacted by a stronger economy in Colorado and, in small part, to retail marijuana sales.

Federal Grant Revenue

RTD is a designated recipient of federal funds from the Federal Transit Administration (FTA). FTA provides financial assistance to transit agencies for provision and delivery of public transportation systems, capital investments in transit systems and facilities, as well as maintenance and repair of public transit systems. Federal grant income is applied in the form of operating assistance for use on operating projects, planning assistance, and capital assistance. Grant income is awarded through a proposal process. Formula grant programs are funded based on formulas of population, and discretionary grant programs are awarded based on meeting application requirements based on criteria specific to each. RTD competes with other transportation organizations for these discretionary funds each fiscal year.

Section 5307 formula funds for the years 1999 through 2003, a portion of which is collected from Federal fuel taxes, were allocated to all eligible areas in the Transportation Efficiency Act for the 21st Century (TEA-21) legislation passed by Congress in 1998. The Safe, Accountable, Flexible, and Efficient Transportation Equity Act - A Legacy for Users (SAFETEA-LU) legislation passed by Congress in 2005

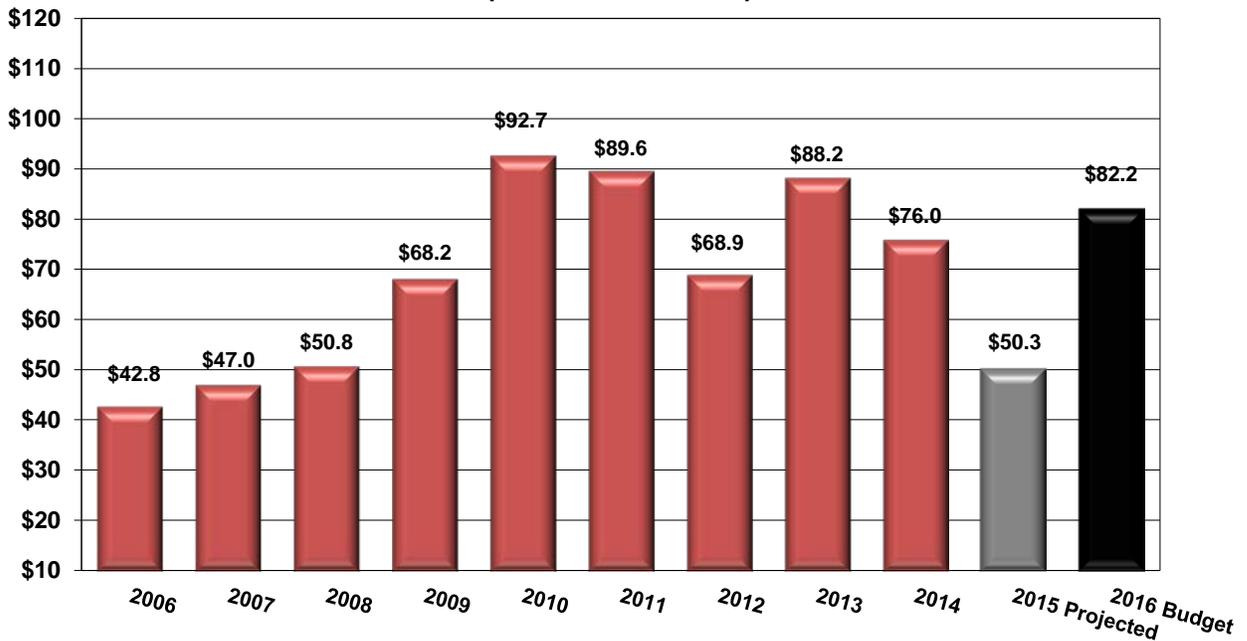
reauthorized these federal transportation grant programs through 2009 and through September 2012 by a series of extensions. Upon expiration in 2012, SAFETEA-LU was replaced by the Moving Ahead for Progress in the 21st Century (MAP-21) program reauthorizing surface transportation programs through fiscal 2016.

As of the adoption of the 2016 Budget, the federal government had not approved a final budget for fiscal year 2016. However, FTA had published estimates of grant funding to be made available to eligible areas, and these estimates were used to forecast grant receipts in the 2016 Adopted Budget. Other operating grant revenues are forecast based on specific projects that have been identified for funding through the District's planning process.

RTD uses as much of Section 5307 formula funding as possible for capital maintenance projects.

The chart below shows the trends in federal operating and capital maintenance grant revenues over the past ten years for the Base system. In 1997, the FTA began to allow certain expenditures classified by RTD as operating expenditures to be programmed for Section 5307 capital grants under a new category of grants called "Capital Maintenance". In 1998, the FTA expanded the range of projects that were considered eligible for these capital maintenance funds. As a result, RTD has chosen to use as much of its Section 5307 funding as possible for capital maintenance projects and the total revenues from these sources increased substantially between 2009 and 2014 in the chart below. In 2016, Section 5307 grant funding is budgeted at \$55.7 million of total federal operating grant revenue of \$82.2 million.

**RTD Federal Operating and Capital Maintenance
Grant Revenue - 2006-2016
(millions of dollars)**



With the U.S. Congress' adoption of the American Recovery and Reinvestment Act (ARRA) of 2009, RTD was privileged to be designated to be eligible to receive approximately \$72.8 million in new funding for its operating and capital projects. Of the total ARRA funds made available for RTD, approximately \$28.8 million was allocated for FasTracks projects, including capital maintenance costs. Of the ARRA funds made available for Base system, the majority were expended in capital maintenance in 2010, which accounts for the sharp rise in 2010 grant revenue in the chart. In 2011-2012, funds from this source significantly declined due to changes in priorities at the federal level as a result of the recovering economy. Beginning in 2015, RTD did not budget for any ARRA operating grants and there was no carryforward amount from 2014.

The receipt of ARRA funds in 2010 totaled \$72.8 million for operating and capital projects, but since then these funds have significantly declined due to changing priorities at the federal level.

The 2015 projected amount of grants of \$50.3 million is \$25.7 million lower than 2014 because the amount is shown net of the carryforward amount to 2016. Total federal operating grant revenue in the 2016 Adopted Budget including the carryforward is expected to increase \$31.9 million from 2015 projected to \$82.2 million. New grant funding is projected for 2016 based on identified increases in capital maintenance, fixed guideway, and State of Good Repair grants.

Effective 2013, the JARC (Job Access and Reverse Commute) and New Freedom programs have been replaced by other programs, including MAP-21. The Moving Ahead for Progress in the 21st Century (MAP-21) program was legislated to take effect in 2013. The passage of this bill allowed reauthorization of surface transportation programs through fiscal year 2015. Separate appropriations will no longer be available for the JARC and the ADA New Freedom Program. Both programs are now options within the 5307 and 5310 grants, respectively. Under MAP-21, RTD has budgeted Section 5307 grant funding of \$55.7 million in 2016. Other grants budgeted include \$11.3 million in fixed guideway, \$3.0 million in State of Good Repair, \$9.1 million in Congestion Mitigation and Air Quality (CMAQ), and FASTER (state funds) as well as various other carryforward grants.

Farebox Revenue

Farebox revenue includes all revenues collected on behalf of passengers using RTD services. These include cash collected from passengers on a vehicle, prepaid tokens, multiple-ride tickets, monthly passes sold at approximately 250 outlets throughout the RTD service area, and several prepaid pass programs including the new SmartCard. Fares are charged for all RTD bus and rail services, whether operated by RTD or its private contractors, with the exception of the free 16th Street Mall shuttle service in downtown Denver and the Free MetroRide introduced in 2014 and also in downtown Denver. The District's policy incorporates in its fare structure discount programs to assist both transit dependent and economically disadvantaged customers and other groups. RTD's Board of Directors approved a new fare structure that takes effect on January 1, 2016. The new fares are designed to simplify the way passengers pay for trips across RTD's expanding transit system. A summary of the District's fare structure is included in Part III of this document.

Farebox revenue on the Base System is budgeted to increase 10% in alignment with the new fare structure for 2016, which is designed to simplify the way passengers pay for trips across the expanding system. Actual growth in ridership is expected to be flat.

In prior years, RTD has forecast its farebox revenue based on projected fares and future service levels. The impacts of service changes are forecast based on the amount and type of service to be provided. RTD's farebox revenue on the Base system is projected to

increase 10% in 2016 in alignment with the new fare structure, however, actual growth in ridership is expected to be flat to minimal. No service reductions were necessitated in 2015 and none are required in the 2016 Budget in order to balance the budget. The Board of Directors has the discretion per policy of implementing a fare rate increase every three years. An increase was scheduled for 2014; however, Board consideration of such a fare rate increase was deferred until 2015 and again until 2016. The new fare structure for 2016 effectively incorporates a 10% fare increase. Any unbudgeted increase to actual farebox revenue in 2016 would come from growth in ridership.

The following chart shows an overall upward trend in RTD farebox revenues over the past ten years. In 2006, RTD implemented a fare rate increase of 20% on its local services and 10% on its Eco Pass program. An additional fare rate increase of 12.8% was budgeted and implemented in 2008, one year ahead of schedule. This was done in order to compensate for slowing sales and use tax collections, increases in system maintenance requirements for increased ridership, higher per gallon fuel costs, increasing costs on vehicle repair parts, the 2008 union labor contract, and rising health care cost trends.

For the second year in a row, a fare rate increase was implemented in 2009. It increased fares approximately 14% throughout the District and was designed to address the severe loss of sales and use tax revenues caused by a slowing economy. No fare rate increase was introduced in 2010.

Fare rate increases are planned to occur every three years, but the RTD Board has discretion over the timing and the amount.

In 2011, an overall fare rate increase of 12.5% took effect throughout the District. Per current Board policy, fare rate increases of 10% to track inflation are planned to occur at three-year intervals in accordance with the Strategic Budget Plan although the Board maintains discretion over

these planned increases. A rate increase would have occurred in 2014 per policy; however, the Board of Directors opted to defer such increase to 2015 and then again to 2016. A 10% fare rate increase is assumed in the Strategic Budget Plan in 2016 in accordance with the new fare structure.

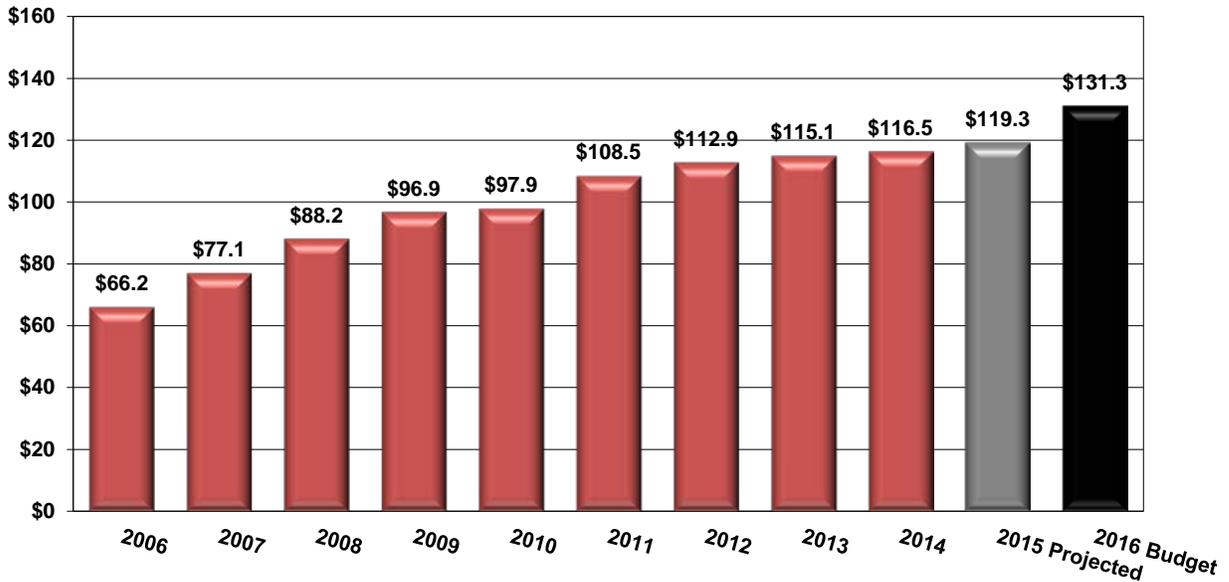
For a year-and-a-half beginning in 2014, RTD conducted a fare study with the intent of simplifying the fare structure and making it more equitable across the District. Extensive public input helped shape the fare structure through over a dozen public meetings as well as 16 formal public hearings to give the public numerous opportunities to provide feedback on proposed fare structure changes. The year 2016 will see the first fare rate increase in five years for RTD and a new fare structure for the first time in nearly a

The new fare structure in 2016 is the first fare rate increase in five years and establishes a new fare structure for the first time in nearly a dozen years.

dozen years. Also in 2016, RTD plans to phase in a tap-and-pay “smart card” system that will enable passengers to purchase and store fares electronically, and receive fare discounts as incentives to migrate away from paper and cash fares.

FasTracks fare revenue is budgeted separately and is, therefore, not included in this section.

**RTD Base Farebox Revenue - 2006-2016
(millions of dollars)**



Advertising Revenue

The District earns revenue from the sale of advertising space on the interior and exterior of its buses and rail cars and from the sale of advertising painted on buses and rail cars whose exteriors are painted with the advertisers’ messages. RTD contracts with an outside agency that determines the advertisers.

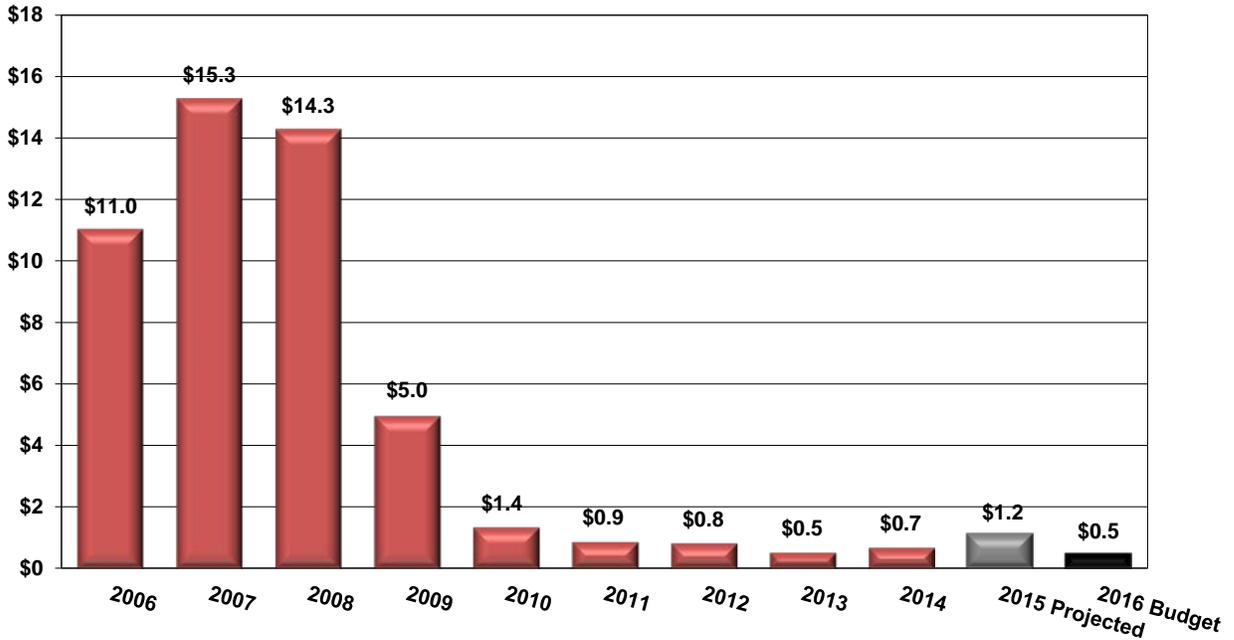
Effective January 1, 2015, RTD entered into a three-year contract with a two-year option with an advertising agency. Under the terms of the contract in effect at the time of budget development, RTD would receive 1) minimum guarantee of \$4.0 million in 2015, 2) \$4.1 million in 2016 and \$4.2 million in 2017, or 3) 70% of net sales, whichever is greater. The amount in 2016 is budgeted at \$4.1 million per the minimum guarantee.

Investment Income

Investment income is earned by investing RTD's investable assets as permitted by Board policy and Colorado State Statutes. Investment income fluctuates based on the amount of funds available for investment and interest rates. The average availability of investable funds for the Base system declined from 2008-2012 due to the end of ARRA funding and scheduled pay down of debt. Investable funds increased substantially in 2015 due to issuance of Certificates of Participation for bus and rail fleet purchases, and investment income rose as well. As these funds are deployed and absent any additional financing scheduled, 2016 investment income is expected to fall to \$0.5 million. The recent increase in short-term interest rates per Federal Reserve is expected to have some but not significant measurable impact on investment income. The chart below shows the trends in Base system investment income over the past ten years. FasTracks investment income is budgeted separately and is, therefore, not included in this section.

Investment yields on the District's investable balances are expected to decline in 2016 due to deployment of investable funds in capital purchases and no scheduled financing.

RTD Base Investment Income - 2006-2016
(millions of dollars)



Other Income

Other income includes rents from retail space and parking rentals, legal settlements, and various miscellaneous items.

Other operating income includes \$1.3 million budgeted in 2016 for joint venture agreements for construction work (\$897,000) and various inter-governmental agreements (\$387,000) based on historic trends.

The District has entered into a partnership agreement with another entity to operate the parking facility located in Civic Center Station. Under the terms of the current agreement, the District receives a monthly fixed fee of approximately \$52,000, net of operating costs. An "escalation of fixed fee" clause provides for additional payments to the District if the monthly revenues, net of operating costs, exceed \$50,000. The District is forecasting to earn parking fees of \$625,000 in 2016.

An additional \$674,000 from miscellaneous rentals is budgeted in 2016 based on historic trends. RTD has entered into lease agreements for other properties it owns at various locations in the District but does not currently use for transit purposes.

An additional \$1.2 million in miscellaneous non-operating income is budgeted in 2016 based on historic trends. This includes \$300,000 for the 16th Street mall maintenance which will be reimbursed by the City & County of Denver

Denver Union Station Revenues

In 2001, RTD purchased the historic Denver Union Station (DUS) for the purpose of long-term development of the property as a transportation hub serving the needs of District residents, commuters, business travelers and tourists. In 2014, the fully-renovated Denver Union Station opened to the public. The facility includes an underground bus complex constructed and operated by RTD, and the privately-developed Union Station retail and hotel complex. A partnership is responsible for the ongoing retail and hotel operations of the facility and RTD has contracted with the partnership to receive revenues from the tenants of the facility for its continued use.

In 2008, RTD budgeted \$2.2 million in revenues from DUS for rail operations, office leases, and parking. Due to the 2008 initiation of Denver Union Station Project Authority (DUSPA) as the permanent governing body for the development and operation of DUS, RTD did not plan on receiving any revenues from such sources in 2009 and beyond. This was to accommodate the next steps in the development of the property as a multimodal transportation hub. The timing of the development did make it possible for RTD to continue to earn money on the property from 2009 through 2014 from various tenants.

A contract between RTD and the partnership managing the DUS retail operations took effect in 2015. RTD will be paid by the partnership on March 31 of each year the greater of minimum rent or percentage rent based on a formula applied against a gross revenue threshold. For 2016, \$315,000 is budgeted in DUS rental revenue based on the 2015

run rate of \$300,000. This amount is expected to become more substantial in 2018 and beyond when the gross revenue threshold is anticipated to be met and exceeded.

Excess Property Sales

When the RTD Board of Directors has authorized the sale of surplus properties, estimated revenues are budgeted. There were no material sales of excess property recognized in 2015, and none is anticipated for 2016.

Drawdown from Working Capital

Drawdown from working capital represents the local share of expense projects above budget and not completed in the year the funds were originally budgeted, similar to a contingency fund. No drawdown is anticipated to be made in 2016.

2016 Base System Capital Sources Summary

(\$ in 000's)

Source	2014 Actual	2015 Amended	2015 Projected	2016 Adopted	\$ Change 15 Amend 16 Adopt	% Change 15 Amend 16 Adopt
New Capital Revenue						
<i>Federal-New Capital</i>						
Base System Capital	\$ 7,139	\$ -	\$ 8,835	\$ 12,870	\$ 12,870	0.0%
<i>Local and Private Funds-New Capital</i>						
Base System Capital	0	5,535	0	2,067	\$ (3,468)	-62.7%
Other Federal-Capital	0	0	0	0	\$ -	0.0%
Capital Carryforward Revenue						
<i>Federal-Capital Carryforward</i>						
Base System Capital-Carryforward	0	10,847	0	10,549	(298)	-2.7%
CMAQ Non-Corridor Grant-Carryforward	0	3,403	0	0	(3,403)	-100.0%
SOGR Capital Grant-Carryforward	0	9,238	0	7,448	(1,790)	-19.4%
Financing Proceeds	0	48,298	204,705	0	(48,298)	-100.0%
TOTAL	\$ 7,139	\$ 77,321	\$ 213,540	\$ 32,934	\$ (44,387)	-57.4%

Federal Grants – Capital

This group of line items represents capital grants for a variety of projects, including rapid transit corridors, bus facilities funding, State of Good Repair projects, Park-n-Rides and other projects. These grants include new grants appropriated in the current budget year and carryforward grants for projects not completed in prior years.

Budgeted federal grants for capital projects consist of new money and carryforward grants.

Base System Capital: These federal new capital line items represent federal grants, including Section 5307 discretionary grants and FASTER grants when available, and other discretionary capital grants used for the acquisition of assets other than new rapid transit corridors. RTD elected to use all of its eligible Section 5307 formula grant funds in 2015 for capital maintenance projects, which are considered operating revenues in the RTD budget. In 2016, RTD is budgeting to receive \$7.4 million for CMAQ operating assistance for mall shuttle purchases among other uses, and \$4.5 million in new federal grants for bus shelters, signage, and Bus Facilities funding, a new category of MAP 21 formula grants. Local new capital will be received for continuing work on a Colfax Avenue Transit Priority study to assess transportation options for one of the busiest bus routes in the nation, annual funding for ongoing 16th Street Mall Paver repairs, and a FASTER grant (state funds) for Park-n-Ride expansion.

Federal Capital Carryforward: In 2016, Federal carryforward capital revenue from 2015 is estimated to total \$18.0 million and will include \$7.4 million in continuing work on State of Good Repair at the Civic Center downtown bus station, and \$4.2 million for additional intercity buses through a Bus Livability grant. Remaining

carryforward grants consist of FASTER grants (state funds) for Park-n-Ride upgrades and expansions and FASTER funding for Civic Center reconstruction work.

Financing Proceeds

These line items represent proceeds of bonds, COPs, or commercial paper issued to fund elements of the Base system operations.

All amounts are for Certificates of Participation (COPs) issued for bus fleet and light rail vehicle purchases. In 2014, no new COPs were issued for fleet replacement and expansion. In late 2015, \$204.7 million in new COPs were issued to cover current and future fleet needs. These funds will be used in 2016-2019 to acquire over 170 40-ft. transit buses, 46 intercity buses, 35 transit cut-away buses, 46 call-n-Ride cut-away buses, over 200 ADA cut-away buses, and 24 light rail vehicles. Due to this large debt issuance, no new financing is budgeted in 2016 for the Base system.

Local and Private Funds

This represents contributions pledged by local governments and private interests toward the design and construction of rapid transit projects. No such local funds are anticipated or budgeted in 2016.

Drawdown from Capital Acquisition Reserve

The 2015 projection and 2016 Adopted Budget reflect no anticipated draw down from the capital acquisition reserve.

2016 FasTracks Sources of Funds Summary

(\$ in 000's)

Source	2014 Actual	2015 Amended	2015 Projected	2016 Adopted	\$ Change 15 Amend 16 Adopt	% Change 15 Amend 16 Adopt
FasTracks Sales and Use Tax	\$ 205,888	\$ 220,547	\$ 218,724	\$ 236,195	\$ 15,648	7.1%
FasTracks Investment Income	(526)	3,150	3,150	730	(2,420)	-76.8%
FasTracks Financing Proceeds	569,101	280,800	82,000	150,000	(130,800)	-46.6%
FasTracks Contributed Capital	34,138	116,093	93,093	71,300	(44,793)	-38.6%
FasTracks Operating Grant Revenue	(415)	1,228	431	1,535	307	25.0%
FasTracks Federal Grants - Capital	15,341	0	7,708	1,875	1,875	0.0%
FasTracks Federal New Starts Grant	0	25,553	0	58,176	32,623	127.7%
FasTracks Federal Eagle FFGA	149,070	150,000	150,000	150,000	0	0.0%
FasTracks CMAQ/Metro Grant	0	1,875	0	28,174	26,299	1402.6%
Drawdown-FasTracks Construct. Res.	0	5,858	5,858	18,700	12,842	219.2%
Drawdown-FasTracks Working Capital	0	6,042	6,042	8,529	2,487	41.2%
FasTracks Farebox Revenue	4,029	4,031	4,031	26,797	22,766	564.8%
FasTracks - Other Income	0	8,177	8,617	8,221	44	0.5%
TOTAL	\$ 976,626	\$ 823,354	\$ 579,654	\$ 760,232	\$ (63,122)	-7.7%

FasTracks Sales and Use Tax

In 2004, the voters of the RTD District authorized an increase in the RTD sales and use tax to finance the FasTracks transit program. This authorization increased the total sales and use tax rates from 0.6% to 1.0%, effective January 1, 2005. RTD budgets and accounts for the 0.4% sales and use tax for FasTracks separately from the Base system sales and use tax collections in order to ensure that the proceeds are used for the FasTracks program, as anticipated by the voters of the District.

RTD uses forecast data from CU-Leeds School of Business for FasTracks projections of sales and use tax revenue, same as the Base System.

RTD forecasts revenues from the FasTracks sales and use tax for the budget year using the same methodology as used for the Base system from forecasts provided by the CU-Leeds School of Business. FasTracks combined sales and use tax for 2015 is projected to increase 6.2% over 2014 actuals. In the 2016 Adopted Budget, sales and use tax revenue is forecast to increase 8.0% over the 2015 projection.

These increases mirror the budgeted increases on the Base system per the CU-Leeds School September 2015 quarterly forecast.

FasTracks Investment Income

FasTracks investment income is earned by investing any unspent revenues from the FasTracks program as permitted by Board policy and Colorado state statutes. This investment income is to be used to fund expenditures related to the FasTracks program. Investment income fluctuates based on the amount of funds available for investment and interest rates.

Investment income for FasTracks is derived from generally higher investable balances than the Base

Residual investable funds from

FasTracks debt issuances and 0.4% sales and use tax are projected to remain at the end of 2015. An influx of FasTracks cash was generated in 2014 from the issuance of \$569.0 million in new debt to support FasTracks capital projects (see FasTracks Financing Proceeds below). These funds plus new debt proceeds in 2015, less corridor right of way acquisitions and other FasTracks program costs, should produce \$3.1 million of investment income in 2015. Financing proceeds of \$150.0 million in new bond funds for capital construction, primarily the Southeast Rail Extension, is budgeted for 2016. Investment income is budgeted at \$0.7 million, however, due to rapid deployment of these funds.

FasTracks Financing Proceeds

These line items represent proceeds of bonds, COPs, or commercial paper issued to fund elements of the FasTracks rapid transit plan. These funds are legally restricted for use on the identified FasTracks projects or for required debt service reserves.

Sales Tax Revenue Bonds: In 2010, RTD issued \$289.0 million in sales tax revenue bonds and \$321.9 million in COPs to fund major elements of the FasTracks program.

An additional \$545.6 million in sales tax revenue bonds were issued in 2012. The proceeds of the bonds are being used to finance additional costs of improvements, facilities, vehicles and equipment for the I-225 Rail Line in Aurora, Colorado. The I-225 Rail Line is a 10.5-mile light rail transit Extension which will connect the existing Southeast Rail Line with the planned East Rail Line and will include eight stations; it will open in late 2016.

RTD issued \$545.6 million in sales tax revenue bonds in 2012 to finance construction of the I-225 Rail Line which will open in late 2016.

No revenue bonds were issued in 2015 but in 2016, \$150.0 million in bond issuances are planned for continued construction of FasTracks projects. Approximately \$111.0 million will be used for the Southeast Rail Extension. To be completed in 2019, the Southeast Rail Extension is a 2.3 mile-long extension to the popular Southeast Rail Line that will bring the total line to 21.4 miles. In addition to the planned bond issuance, RTD has applied for \$92 million in New Starts federal funding, and local business associations along the corridor are contributing \$25 million in cash and \$15 million in right-of-way permits and other in-kind contributions towards the project's total cost of \$207 million.

RTD plans to issue \$150.0 million in new revenue bonds in 2016, to be used mainly towards completion of the Southeast Rail Line Extension to be completed in 2019 at a total project cost of \$207 million.

Certificates of Participation: A Certificate of Participation (COP) issuance yielded \$569.0 million of proceeds in 2014, to be used to support costs of construction of the North Metro

RTD issued \$569.0 million in Certificates of Participation (COPs) in 2014 to finance construction of the North Metro Rail Line. These were the first-ever COPs issued for rail line construction.

electric commuter rail line. This was the first COP issuance in the country for rail line construction. RTD will make annual “rent” payments on the certificates until they mature in 2044 at which time RTD will assume ownership of all the assets. The 18.5 mile North Metro Rail Line will serve Denver’s northern suburbs through Colorado Highway 7 in North Adams County with a target opening date of 2018. RTD has selected a construction partnership to design and build the first phase of North Metro Rail through 124th Avenue with options to extend it farther as funds become available. Ground-breaking occurred in March 2014.

Scheduled issuances of new COPs in 2015 include \$7.0 million for acquisition of two light rail vehicles.

TIFIA Loans: RTD received a federal loan through the U.S. Department of Transportation Infrastructure Finance and Innovation Act (TIFIA) for up to \$280 million which is being used on the FasTracks Eagle project. RTD has used the TIFIA loan to fund a portion of its contribution to the Eagle Project and began drawing on the funds in 2013 to a total of \$125 million. Another \$80 million was drawn in 2014 and a final \$75 million in loan draws occurred in 2015. The advantage of this loan is that it has given RTD greater flexibility to finance the project during the construction period.

RTD drew down \$125 million on the TIFIA loan in 2013 for the FasTracks Eagle project; \$80 million was drawn in 2014, and a final \$75 million was drawn in 2015.

FasTracks Contributed Capital

FasTracks contributed capital represents funding received from an entity other than RTD to fund assets that ultimately are owned by RTD. The FasTracks program contributed capital comes from three sources:

- The Eagle project public-private partnership includes private financing of a portion of the project costs.
- The Denver Union Station project includes funding from the Denver Union Station Project Authority (DUSPA) to cover project costs that are not covered by RTD funding or grants.
- Outside entities also contribute funds to RTD to provide corridor amenities and betterments beyond the basic scope of the corridor projects. These could include items such as additional amenities at stations or connecting bike paths, and could be funded by other local governments or private entities. RTD has identified such projects and budgeted funds for the I-225 Rail project and North Metro Rail project in 2016.
- The Southeast Rail Extension project includes private local financing from local business associations and businesses along the corridor. RTD has budgeted for such contributions in 2016.

The 2014 contributed capital included both private financing and City & County of Denver financing for the Eagle project and DUS. The 2015 amount includes private financing for the Eagle project. The 2016 budgeted amount includes private financing

for the Eagle project, I-225 Rail project, North Metro Rail project and Southeast Rail Extension.

FasTracks Grant Revenue

RTD is the recipient of funding for the development of station area master plan work for the West Corridor, North Metro Corridor, East Corridor, Gold Line Corridor, I-225 Corridor, and US 36 Corridor.

FasTracks Operating Grant Revenue is composed of the CMAQ Station Area Master Plan funding, East Corridor New Start funds, Federal Homeland Security funding, and CMAQ 5309 grant funding. In 2016, operating grant revenue consists only of CMAQ STAMPS grant funding and a new CMAQ Metro Ride grant.

FasTracks Federal Grants – Capital includes all other federal corridor grants and state grants not elsewhere identified. Funding for 2016 includes only FASTER (state funds) for the US36 BRT project.

FasTracks Federal New Starts Grant consists of \$58.2 million for the Southeast Rail Extension project.

FasTracks Federal Eagle FFGA of \$150.0 million consists of partial drawdowns of the Eagle project Full Funding Grant Agreement. In 2011, the U.S. Department of Transportation and FTA awarded RTD a \$1.03 billion FFGA for construction of the East Rail Line to Denver International Airport and the Gold Rail Line to Arvada and Wheat Ridge. This was the largest transit grant awarded by the Obama Administration and a historic milestone for RTD. Drawdowns began in 2012. In 2016, \$150 million is budgeted to be drawn.

FasTracks CMAQ/Metro Grant consists of CMAQ/Metro grant funding for the Eagle project.

FasTracks Drawdown from Construction Reserve

This amount is derived from proceeds of COPs or bonds issued prior to the beginning of a budget year. These funds are legally restricted for use on the projects for which COPs or bonds were issued.

In 2016, the FasTracks Construction Reserve is split between the construction reserve at \$56.3 million and a start-up operations reserve at \$25.0 million. The start-up operations reserve was established for the years 2015-2016 in order to meet 1.2x debt service coverage if needed.

The amount anticipated to be drawn down from the total Construction Reserve is \$18.7 million in 2016, up from \$5.8 million in 2015. In these years, it is assumed projects will be built out with FFGA funds rather than from the construction reserve. However, the timing of completion of various projects is difficult to forecast. During the amended

budget process in mid-2016, the construction reserve will be reassessed and re-budgeted as necessary.

FasTracks Drawdown from Working Capital

This amount is also known as the FasTracks Internal Savings Account and is derived from contributions made largely by the Base system to help offset FasTracks projects costs. Drawdowns to date consist of \$6.0 million in 2015 and \$8.5 million budgeted in 2016.

FasTracks Farebox Revenue

FasTracks farebox revenue consists of the existing West Line (opened in 2013), and estimated farebox revenue from the opening of five new service lines in 2016, consisting of the East Rail Line, Gold Rail Line, I-225 Rail Line, Northwest Rail Line electrified segment, and US36 Bus Rapid Transit (BRT). Farebox revenue is budgeted to increase \$22.8 million over 2015. This estimate is per the FasTracks Annual Program Evaluation financial plan.

FasTracks Other Income

Other income mainly consists of the Build America Bonds subsidy (\$8.2 million). Build America Bonds are taxable municipal bonds that carry special tax credits and federal subsidies for either the bond issuer or the bondholder. Build America Bonds were created under Section 1531 of American Recovery and Reinvestment Act (ARRA) created in 2009. The subsidy is a percentage of the interest paid on the bonds. Although the program expired at the end of 2010, the subsidy to RTD will continue as long as the bonds remain outstanding. Other income also includes naming rights on the A Line (\$550,000).

Excess Property Sales

When the RTD Board of Directors has authorized the sale of surplus properties, estimated revenues are budgeted. There were no material sales of excess property recognized in 2015, and none is anticipated for 2016.

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Part VII. 2016 Operating Expenditures

RTD Operating Assumptions

Service Levels

RTD provides four primary types of service to its 2,340 square mile district:

Bus service is provided along major streets, freeways, and designated high-occupancy-vehicle (HOV) lanes using vehicles that hold between 14 and 70 seated passengers. Service typically follows a fixed route on a regular schedule, with designated pickup and drop-off points at on-street bus stops and park-n-Ride lots. Some service is provided to sporting events and other special events as well. Bus service is available to any passenger who arrives at a designated bus stop or who calls a vehicle in certain areas.

Call-n-Ride service is demand responsive, shared ride, curb-to-curb service in designated geographic areas, using small, wheelchair accessible vehicles. Customers may book their rides up to two weeks in advance through their vehicle operators.

Light Rail service is provided along light rail lines, and it uses rail cars powered by overhead catenary electric lines. Light rail cars hold 64 seated passengers each and currently can be operated in trains of up to four cars. Passengers board trains at designated stations, most of which have park-n-Ride lots. Light rail service is available to any passenger who arrives at a station, and ramps are available at all stations to serve passengers with disabilities.

Commuter Rail service is provided along commuter rail lines. It uses rail cars powered by overhead catenary electric lines and hold 91 seated passengers each. Trains are operated in pairs of two or four cars and passengers board trains at designated stations.

Access-a-Ride service is curb-to-curb demand responsive service for people with disabilities, as required by the Americans with Disabilities Act (ADA) of 1990. Service is provided on an advance reservation basis to passengers who are certified as unable to use either regular bus or LRT service.

The following table presents an overview of the service hours assumed in the development of the 2016 Budget. The sections below present further details on the types of service provided.

RTD Service Hours – 2015 and 2016

	2015	2016	Change	% Change
Bus Service	3,029,567	3,086,649	57,082	1.9%
call-n-Ride Service	121,726	126,488	4,762	3.9%
Rail Service	224,626	291,046	66,420	29.6%
access-a-Ride	615,750	625,656	9,906	1.6%
SUBTOTAL	3,991,669	4,129,839	138,170	3.5%
Other Purchased Services	19,814	32,655	12,841	64.8%
TOTAL	4,011,483	4,162,494	151,011	3.8%

Bus Service

RTD provides an extensive network of fixed route bus services throughout its district. Much of this service is operated by RTD employees. To comply with Colorado State law, since January 2005 and as revised in 2008, not more than the statutory 58% of all vehicular service, including bus, call-n-Ride, and access-a-Ride service has been operated by private contractors under contract to RTD.

In addition to its regular scheduled bus service, RTD also operates call-n-Ride service. This service provides door-to-door service in limited areas. Passengers in those areas may call the bus operator directly to arrange a pickup and drop off within the identified service area. All call-n-Ride service is operated by private providers under contract to RTD.

The following tables detail the bus service assumptions used to build the 2016 Budget. The first table shows services to be provided by RTD directly, and the second table shows the service to be provided by private contractors.

RTD Directly Operated Service Hours – 2015 and 2016

	2015	2016	Change	% Change
Regular Route Service	1,550,209	1,683,716	133,507	8.6%
Unscheduled Service Hours	40,000	40,000	-	0.0%
skyRide Service	130,230	66,508	(63,722)	(48.9%)
DASH and STAMPEDE	7,358	9,195	1,837	25.0%
Bus Service Maintenance / Increases	-	-	-	0.0%
TOTAL – RTD-OPERATED BUS	1,727,797	1,799,419	71,622	4.1%

Private Carrier Operated Bus Service Hours – 2015 and 2016

	2015	2016	Change	% Change
Fixed Route Bus Service				
Regular Route Service	1,243,959	1,229,413	(14,546)	(1.2%)
JUMP/BOUND**	51,691	51,691	-	0.0%
Englewood art Shuttle	6,120	6,126	6	0.1%
Bus System Maintenance / Increases	-	-	-	0.0%
Subtotal - Fixed Route Bus Service	1,301,770	1,287,230	(14,540)	(1.1%)
call-n-Ride Bus Service				
Base System	121,726	126,488	4,762	3.9%
Subtotal - call-n-Ride Bus Service	121,726	126,488	4,762	3.9%
TOTAL – PRIVATE CARRIER BUS	1,423,496	1,413,718	(9,778)	(0.7%)

Light Rail Service

RTD opened its first light rail line, the Central Corridor, in October 1994. This 5.3-mile line serves downtown Denver, the three-college Auraria Campus, and major transfer centers in Northeast Denver and South Central Denver. In July 2000, RTD opened its Southwest Corridor light rail line. This 8.7-mile line extended the Central Corridor line southwest from I-25 and Broadway to Mineral Avenue, serving the suburban communities of Englewood, Sheridan, and Littleton, as well as Denver. A third line, the Central Platte Valley light rail extension, which connects with the Central Corridor near Colfax Avenue and runs from that point to Union Station in Lower Downtown opened in 2002.

In November 2006, RTD opened its fourth light rail line, the Southeast light rail line. This 19.1-mile line extends from I-25 and Broadway along I-25 to Lincoln Avenue. It also provides service from Nine Mile Station in Aurora to I-225 and I-25. RTD increased its light rail service levels to accommodate this new line. The Southeast line provides access to the central downtown and lower downtown areas from the Denver Tech Center and Southwest Aurora as well as access from Central Denver to the Denver Tech Center and other employment centers in the Southeast Corridor. In April 2013, RTD opened the West Rail Line, 12.1 miles of light rail connecting Union Station with West Denver, Lakewood and Golden light rail service. In late 2016, RTD will be opening the I-225 Rail Line (aka the R Line), a 10.5 mile extension from the current Nine Mile Station to the Peoria Station on the University of Colorado A Line (or East Rail Line) commuter rail.

Commuter Rail Service

In April of 2016, RTD will be opening its first commuter rail line, The University of Colorado A Line (aka East Rail Line), running 23 miles from Union Station to Denver International Airport. In summer of 2016, the B Line (aka Northwest Rail Line) will open, providing service from Union Station to Westminster over 6 miles and in the fall RTD will be opening the G Line (aka Gold Rail Line), travelling 11 miles from Union Station to Arvada and Wheatridge.

The table below details the rail service assumptions used to prepare the 2016 Budget:

Rail Service Hours* – 2015 and 2016

	2015	2016	Change	% Change
Scheduled Service	219,026	285,446	66,420	30.3%
Unscheduled Service	5,600	5,600	-	0.0%
TOTAL – RAIL SERVICE	224,626	291,046	66,420	29.6%

** Service hours are equivalent to train hours. Trains may consist of up to four cars.*

Other Assumptions

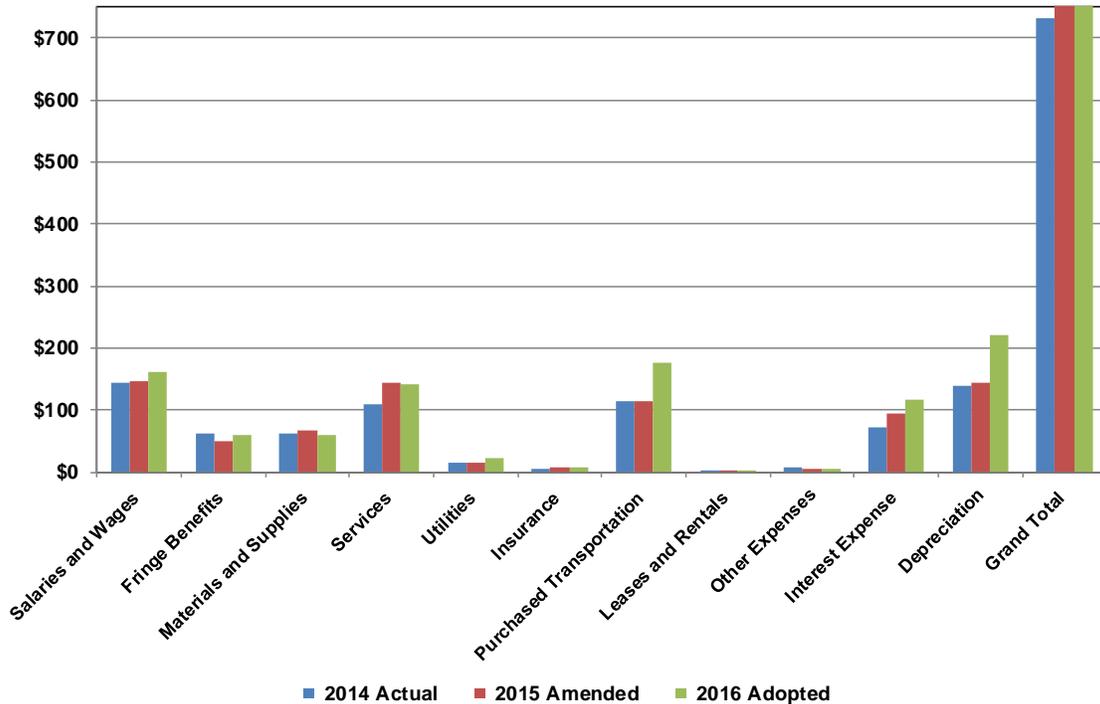
In addition to the service level assumptions, other economic assumptions were made in the preparation of the 2016 Budget. These are detailed below:

- The rate of inflation was assumed at 3.1%, based on inflation forecasts by the Colorado Legislative Council, and was applied to certain operating and capital costs.
- Diesel fuel cost was assumed at \$2.23 per gallon.
- Salaried benefits were assumed at a rate of 34% of salary.

RTD District Summary of Program Costs

Cost Category	2014 Actual	2015 Amended	2015 Projected	2016 Adopted	Change /15 Amended	% Change /15 Amended
Salaries and Wages	\$ 143,113,281	\$ 147,100,518	\$ 147,100,518	\$ 162,471,425	\$ 15,370,907	10.4%
Fringe Benefits	61,676,851	50,401,943	50,401,943	58,758,862	8,356,919	16.6%
Materials and Supplies	62,155,754	67,655,667	66,028,318	58,555,591	(9,100,076)	(13.5%)
Services	108,920,129	144,557,489	94,449,694	141,191,465	(3,366,024)	(2.3%)
Utilities	14,151,239	15,000,087	14,984,755	21,478,871	6,478,784	43.2%
Insurance	5,272,407	7,595,000	7,595,000	7,740,000	145,000	1.9%
Purchased Transportation	114,942,221	113,948,409	113,948,409	176,360,997	62,412,588	54.8%
Leases and Rentals	3,264,370	3,415,335	3,415,335	3,732,390	317,055	9.3%
Other Expenses	6,561,103	5,872,547	3,820,547	5,138,479	(734,068)	(12.5%)
Sub Total	\$ 520,057,355	\$ 555,546,995	\$ 501,744,519	\$ 635,428,080	\$ 79,881,085	14.4%
Interest Expense	72,293,000	95,365,000	95,365,000	117,313,000	21,948,000	23.0%
Depreciation and Amortization	139,044,514	142,904,000	137,018,000	221,857,000	78,953,000	55.2%
Grand Total	\$ 731,394,869	\$ 793,815,995	\$ 734,127,519	\$ 974,598,080	\$ 180,782,085	22.8%

Trend Analysis of Program Costs (millions of dollars)



Personnel Summary

Regional Transportation District Personnel Summary (Measured in Full Time Equivalents)

Salaried	2014	'13-14	2015	'14-15	2016	'15-16
	Adopted	Change	Adopted	Change	Adopted	Change
Bus Operations	215	6	220.5	5.5	225.5	5
Rail Operations	81.75	12.75	86.75	5	92.75	6
Planning	19	1	19	0	20	1
Capital Programs	147	7	151	4	155	4
Safety, Security and Facilities	71.5	0	72.5	1	91.5	19
General Counsel	16	0	17	1	18	1
Finance and Administration	154	6	157	3	176.5	19.5
Communications	62	4.25	63	1	81	18
Executive Office	28	0	29	1	29	0
Board Office	4	1	4	0	4	0
Non-Departmental	3.5	0	3.5	0	3.5	0
Total Salaried	801.75	38	823	21.5	896.8	73.5

Represented	2014	'13-14	2015	'14-15	2016	'15-16
	Adopted	Change	Adopted	Change	Adopted	Change
Bus Operations	1,244.25	7	1,238	-6.00	1285.25	47
Rail Operations	331.5	4	331.5	0.00	382.5	51
Safety, Security and Facilities	118	0	118	0.00	123	5
Finance and Administration	46.5	1.5	49.5	3.00	54.5	5
Communications	47.75	-2.25	47.8	0.00	50.75	3
Executive Office	18	0	18	0.00	18	0
Total Represented	1,806	10.25	1,803.00	-3.00	1,914.00	111.00

Grand Total	2,607.75	48.25	2,626.25	18.50	2,810.75	184.50
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**Changes to Personnel from 2014 Adopted to 2015 Adopted
(Measured in Full Time Equivalents)**

Salaried

Bus Operations

ADA Compliance Technician	1
Adjunct Dispatcher (2)	0.5
Assistant Manager, Maintenance Operating Division	1
Assistant System Administrator, Maintenance Reporting	1
Contracted Services Technician	1
Dispatcher	1.0
Maintenance Supervisor	(1)
Senior Technician, Vehicle Engineering	1
Senior Equipment Engineer	1
Warranty Engineer	(1)

Rail Operations

Administrative Specialist	1
Assistant Manager, MOW	(1)
Field Supervisor	(2)
General Superintendent, Rail Infrastructure	1
Manager, Maintenance Training	1
Lead Instructor/Supervisor, Transportation	1
Lead LRT Field Supervisor	1
Supervisor, Light Rail Storeroom	1
Training Instructor-Maintenance	2

Capital Programs

Document Control Analyst	1
Engineer I	2
Estimator	1
Landscape Architect/Urban Designer	(1)
Manager, Engineering Configuration	1
Quality Oversight Manager	1
Senior Manager, Property	1
Senior Civil Engineer	(2)
Structural Engineer	(1)
Senior Structural Engineering Tech	1

Safety, Security and Facilities

System Safety Engineer	1
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**Changes to Personnel from 2014 Adopted to 2015 Adopted
(Measured in Full Time Equivalents)**

Finance and Administration	
HR Generalist-Compensation and Benefits	1
Oracle Fusion Middleware Apps DBA	1
Project Manager	1
Business Relationship Manager	(1)
Senior Network Engineer	1
Senior Accountant-Debt	1
Grants Coordinator/Capital Budget Analyst	1
Cost and Budget Manager	2
Senior Manager, Revenue	1
Sales Tax and Fare Revenue Analyst	1
Data Analyst/Statistician	1
Controller	1
Manager, Financial Reporting	(1)
Senior Budget Analyst	(1)
Senior Contract/Budget Analyst	(2)
ARRA Grants Analyst	(1)
Accounts Payable Technician	(1)
Senior Technician, Vehicle Engineering	(1)
Estimator	(1)
Communications	
Front End Developer	1
Sr. Community Relations Specialist	1
Public Relations Specialist	(1)
Executive Office	
ADA Manager	1
General Counsel	
Paralegal	1
Total Salaried	21.5
Represented	
Bus Operations	
Body Shop Mechanics	(4)
Mechanics	(2)
Finance and Administration	
Mobile Technologies Technician	1
Electronic Technician	2
Total Represented	(3)
Total Personnel Changes	18.50

**Changes to Personnel from 2015 Adopted to 2016 Adopted
(Measured in Full Time Equivalents)**

Salaried

Bus Operations

Assistant General Superintendent of Street Operations	1
Supervisor, Equipment Maintenance	1
Adjunct Equipment Maintenance Supervisor	1
Division Supervisor	1
Rail Service Planner/Scheduler II	1

Rail Operations

Engineer/Supervisor, Rail Equipment	1
Maintenance Supervisor	(1)
Commuter Rail Contract Management Specialist	1
Commuter Rail Regulatory Specialist	1
LRT Division Supervisor	2

Capital Programs

Project Control Manager	1
Cost Engineer	1
Engineer IV Construction	(1)
Team Lead, Engineering	1
NW Construction Manager	1

Safety, Security and Facilities

Technician, Facility Maintenance	1
Public Safety Supervisor	1
Video Investigations Specialist	1
Public Safety Technicians	3
Public Safety Technicians	3
Transit Police Officer	2
Transit Police Officer	2
Senior Manager, Asset Management	1
Public Safety Technicians	6
Video Investigations Specialist	1

Finance and Administration

Service Desk Analyst	1
ITS Systems Administrator	1
Senior Budget Analyst	1
Senior Payroll Data Analyst	1
Senior Business Analyst	1
Senior Web Developer	1
Physical Therapist- Part-time	0.5
Records Analyst	2
Human Resources Compliance Manager	1

**Changes to Personnel from 2015 Adopted to 2016 Adopted
(Measured in Full Time Equivalents)**

Computer Support Analyst	1
Computer Support Analyst	1
Sr. ERP Developer	1
Senior Java Developer	1
Lead BI Developer	1
Senior Interface Developer	1
Oracle Developer	1
Senior Accountant	(2)
Senior Finance Analyst	1
IT Security Systems Specialist	1
ITS System Administrator	1
ECM Analyst	(1)
Sr. Linux Systems Administrator	1
Sr. Java SOA Developer	1
Senior Interface Developer	1
 Communications	
Sales and Information Representative	1
Special Event Coordinator	1
Sales and Information Representative	2
Marketing Account Executive	1
Web Designer	1
Graphic Web Designer	1
Special Event Coordinator	2
Smart Card Data Analyst	2
Digital Communications Manager	1
Digital Customer Relations Liaison	1
Jr. Account Executive, Smart Card	1
Sales and Outreach Specialist	(1)
Supervisor, Market Development	1
 Executive Office	
Compliance Officer, SBO	1
Certification Specialist, SBO	1
Civil Rights Specialist, EO	1
 Planning	
Title VI Specialist	1
Senior Associate, TOD	1
 General Counsel	
Risk Management Assistant	2
 Total Salaried	 73.5

**Changes to Personnel from 2015 Adopted to 2016 Adopted
(Measured in Full Time Equivalents)**

Represented

Bus Operations

Body Shop Mechanics	(1)
Bus Operator	35
General Repair Mechanic	(5)
Helper	10
Parts Clerk	2
Service Person	5
Service Worker	3
Service/Vault	(3)
Sign Fabricator	1
Support Vehicle Mechanic	1
Unit Shop Technician	(1)

Rail Operations

Train Operator	40
Electro Mechanic	2
Laborer	5
Signal/Traction Power Maintainer	4

Safety, Security and Facilities

Certified FM Electrician	2
Certified FM Mechanic	1
Custodian	1
FM Mechanic	3
Facility Maintenance	(2)

Finance and Administration

Revenue Technician	5
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Communications

Bilingual Information Specialist	2
Information Specialist	1

Total Represented **111**

Total Personnel Changes **184.5**

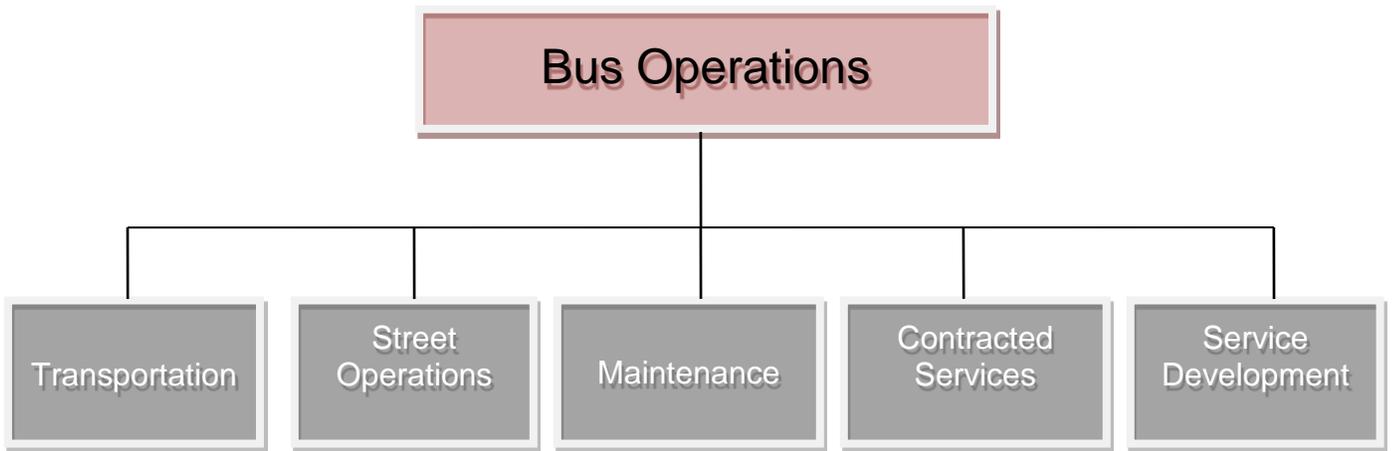
Operating Expenditures by Department

- Bus Operations
- Rail Operations
- Safety, Security & Facilities
- Planning
- Capital Programs
- General Counsel
- Finance & Administration
- Communications
- Executive Office
- Board Office
- Non-Departmental

The following segment, Operating Expenditures by Department, is designed to aid the reader in understanding each major area of departmental expenditure and operations. Each departmental breakdown includes:

- Organizational chart
- General description of activities for each division
- Budget summary and trend analysis for each department
- Major changes between 2015 and 2016 budgets
- 2015 accomplishments
- Planned projects for 2016

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Bus Operations

General Description

The Bus Operations Department consists of five functional groups whose mission is to meet our constituents' present and future public transit needs by offering safe, clean, reliable, courteous, accessible, and cost-effective fixed-route bus service throughout the District.

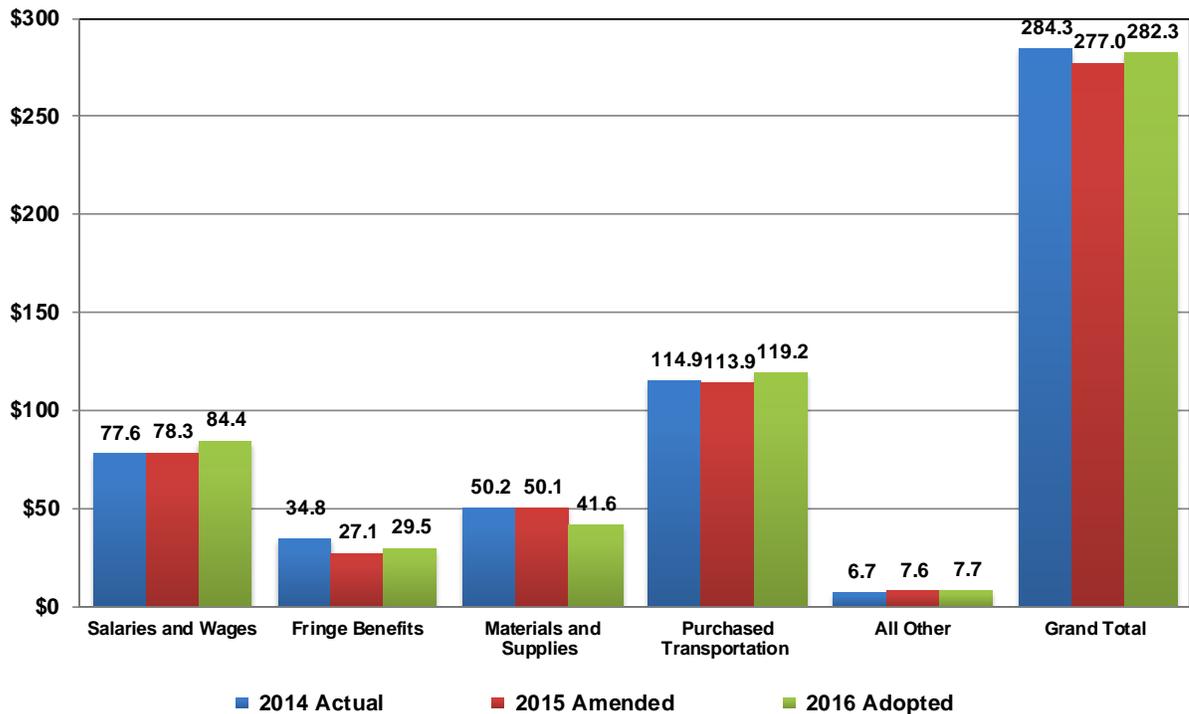
- Transportation provides all activities related to the training and supervision of the District's bus operators. This group includes all of the District's bus operators providing service from the three bus operating divisions: East Metro, Platte, and Boulder. The Transportation Training area provides training and retraining for all of RTD's Commercial Motor Vehicle Operators.
- Street Operations provides coordination of daily bus service, both RTD and the private contractors, on the street and liaison activities with light rail operations. Special services such as BroncosRide, SeniorRide, and RockiesRide are coordinated by Street Operations as well.
- Vehicle Maintenance is responsible for all activities related to the maintenance of the District's revenue bus fleet and support vehicles. In addition to day-to-day maintenance, servicing, and cleaning of RTD's vehicles at the three bus operating divisions, the unit shop provides component overhauls and rebuilds while the body shop handles all body, paint, glass, and upholstery work. Vehicle Maintenance coordinates all vehicle purchases for the District as well as retrofit programs to maintain an up-to-date, efficient bus fleet.
- Contracted Services consists of three groups that administer and oversee all RTD services provided by private contractors. Together, these three (3) groups oversee the provision of approximately 57% of RTD's rubber tire services.
 - Competitive Services administers and oversees all fixed-route RTD bus services provided by private contractors as originally mandated by Senate Bill 88-164, and revised in 1999 under HB99-103, in 2003 by HB03-1103, and in 2008 by Senate Bill 07-251.
 - Paratransit Services administers and oversees all transportation services provided as a result of the requirements established by the Americans with Disabilities Act (ADA) of 1990. This division administers and coordinates all activities related to the access-a-Ride and access-a-Cab programs, including certification of eligibility for service, contract administration, service monitoring, and community involvement.
 - Special Services administers and oversees all non-traditional and alternative services provided by or financially supported by RTD. This division administers and coordinates RTD's call-n-Ride program, SeniorRide program, and sporting event programs, such as BroncosRide and RockiesRide. It coordinates RTD's involvement with regional vanpool programs and administers RTD contracts for financial support of non-traditional services provided by RTD partner organizations.

- Service Development plans and develops efficient and effective routes and operating schedules for all bus and light rail service provided by RTD, including identification of services to be provided by private contractors. This division also develops short and medium-range service plans, incorporating fixed-route bus, light rail, and new types of services to serve emerging needs throughout the District and participates in long range planning activities. This division also provides information regarding system schedule adherence and passenger counts through the Service Monitoring group.

Bus Operations Summary of Program Costs

Cost Category	2014 Actual	2015 Amended	2015 Projected	2016 Adopted	Change /15 Amended	% Change /15 Amended
Salaries and Wages	\$ 77,597,795	\$ 78,263,271	\$ 78,263,271	\$ 84,354,283	\$ 6,091,012	7.8%
Fringe Benefits	34,806,588	27,145,987	27,145,987	29,522,708	2,376,721	8.8%
Materials and Supplies	50,215,840	50,117,767	50,117,767	41,566,576	(8,551,191)	(17.1%)
Services	6,551,730	6,856,835	6,856,835	6,990,560	133,725	2.0%
Utilities	-	57,984	57,984	54,382	(3,602)	(6.2%)
Insurance	(231,157)	-	-	-	-	0.0%
Purchased Transportation	114,942,221	113,948,409	113,948,409	119,211,729	5,263,320	4.6%
Leases and Rentals	227,107	266,550	266,550	275,204	8,654	3.2%
Other Expenses	158,522	371,100	371,100	373,750	2,650	0.7%
Grand Total	\$ 284,268,646	\$ 277,027,903	\$ 277,027,903	\$ 282,349,192	\$ 5,321,289	1.9%

Bus Operations Trend Analysis of Program Costs (millions of dollars)



Major Changes Between 2015 and 2016 Budgets

Salaries and Wages/Fringe Benefits

- Increase in Salaries and Wages/Fringe Benefits due to contractual progression wage and fringe increases for represented personnel, merit and progression increases for salaried staff, and the addition of represented personnel for new BRT service

Materials and Supplies

- Decrease in Materials and Supplies due to a reduction in diesel fuel and gasoline expense related to lower fuel prices

Purchased Transportation

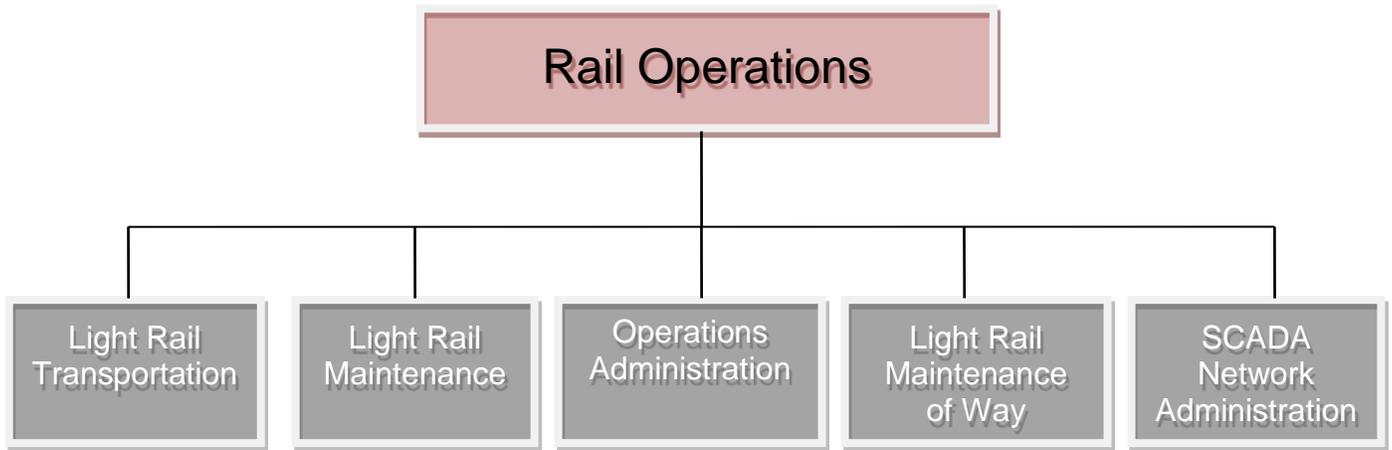
- Increase in Purchased Transportation due to contractual rate increases for private carriers

2015 Accomplishments

RTD's Goals	
Safe	<ul style="list-style-type: none"> Completed installation of Smart Drive cameras on all RTD owned and operated buses currently in service
Clean	<ul style="list-style-type: none"> Selected vendor for replacement of Mall Shuttle buses that are beyond their useful life. Selected an all-electric Zero Emission Vehicle to be delivered in 2016
Reliable	<ul style="list-style-type: none"> Completed replacement of Artic bus fleet that had reached/exceeded the end of their useful life
Courteous	<ul style="list-style-type: none"> Opened Boulder Transit Village and adjusted service and schedules accordingly
Accessible	<ul style="list-style-type: none"> Developed University of Colorado A-Line and R-Line Bus and Rail Service Plan adopted by the Board
Cost-effective	<ul style="list-style-type: none"> Co-managed the restructuring of RTD Fare Policy with RTD's Planning group
Meets Future Needs	<ul style="list-style-type: none"> Developed US 36 BRT Service Plan adopted by the Board

2016 Planned Projects

RTD's Goals	
Safe	<ul style="list-style-type: none"> Utilize Smart Drive cameras and Refresher training to enhance operator skills
Clean	<ul style="list-style-type: none"> Receive Mall Shuttle replacement vehicles and place them into service
Reliable	<ul style="list-style-type: none"> Procure remainder of 40 foot transit coaches to complete the replacement of the 40 foot transit coach fleet that has reached the end of their useful life
Courteous	<ul style="list-style-type: none"> Collaborative, trusting and productive relationship with the Amalgamated Transit Union (ATU)
Accessible	<ul style="list-style-type: none"> Implement restructured bus service plan to accompany the opening of the University of Colorado A-Line commuter rail
Cost-effective	<ul style="list-style-type: none"> Implement restructured bus service plan to accompany the openings of the B-Line and G-Line commuter rail Implement restructured bus and rail service plan to accompany the opening of the R-Line light rail expansion
Meets Future Needs	<ul style="list-style-type: none"> Open US 36 Bus Rapid Transit (BRT) Flatiron Flyer service between Denver and Boulder



Rail Operations

General Description

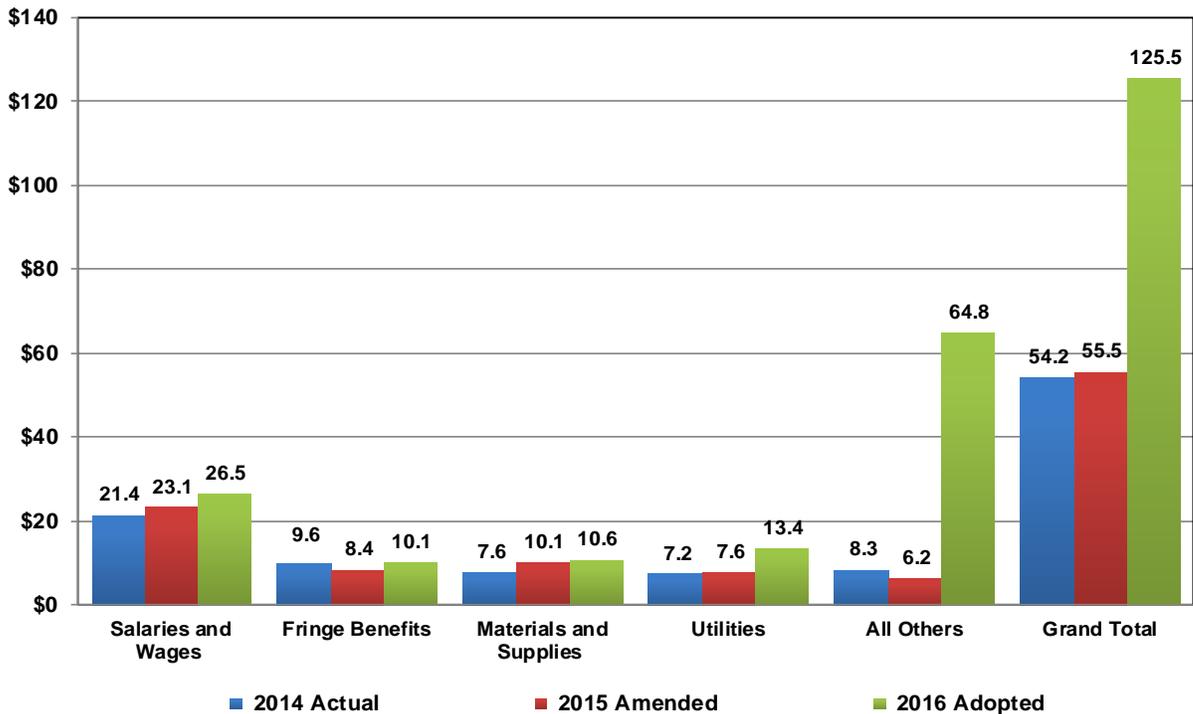
The Rail Operations Department consists of five functional groups whose mission is to provide safe, reliable, and efficient light rail transit service to the citizens of the District.

- Operations Administration provides the overall management for Rail Operations. This group includes all departmental budgeting, fiscal planning and monitoring, capital project planning, performance monitoring, overall reporting, educational development, and quality assurance. Project management is provided for all rail vehicle procurement. Oversight and technical expertise is provided for corridor rail construction projects.
- Transportation staff provides regular and special event operations and oversees the fare inspection staff whose goal is to ensure compliance with the District's fare policy.
- Vehicle Maintenance is responsible for ensuring the maintenance and cleanliness of the District's rail fleet. In addition to preventive maintenance, accident repairs, service, and cleaning of the vehicles, this group provides component overhauls and rebuilds as well as all body shop functions including body, paint, glass, and upholstery work.
- Maintenance of Way is responsible for the maintenance of the District's rail rights of way. Included in this function are traction power substations, overhead catenary systems, signal systems, track, and track rights of way such as rail beds and structures.
- SCADA Network Administration provides oversight of the fiber optics and information technology to function and maintain the Supervisory Control and Data Acquisition that enables staff to visually track and control the vehicles and wayside equipment, such as substations and track switches, in the District's rail corridors.

Rail Operations Summary of Program Costs

Cost Category	2014 Actual	2015 Amended	2015 Projected	2016 Adopted	Change /15 Amended	%Change /15 Amended
Salaries and Wages	\$ 21,417,060	\$ 23,124,595	\$ 23,124,595	\$ 26,485,600	\$ 3,361,005	14.5%
Fringe Benefits	9,602,711	8,361,842	8,361,842	10,117,471	1,755,629	21.0%
Materials and Supplies	7,647,642	10,129,861	8,530,512	10,642,803	512,942	5.1%
Services	8,259,661	6,033,175	6,033,175	7,473,795	1,440,620	23.9%
Utilities	7,209,261	7,604,768	7,604,768	13,393,733	5,788,965	76.1%
Insurance	(15,049)	-	-	-	-	0.0%
Purchased Transportation	-	-	-	57,148,788	57,148,788	100.0%
Leases and Rentals	11,000	24,000	24,000	24,000	-	0.0%
Other Expenses	83,877	173,000	173,000	189,500	16,500	9.5%
Grand Total	\$ 54,216,163	\$ 55,451,241	\$ 53,851,892	\$ 125,475,690	\$ 70,024,449	126.3%

Rail Operations Trend Analysis of Program Costs (millions of dollars)



Major Changes Between 2015 and 2016 Budgets

Salaries and Wages/Fringe Benefits

- Net increase in Salaries and Wages/Fringe Benefits due to contractual progression wage and fringe increases for represented personnel, merit and progression increases for salaried staff, and the addition of personnel related to the testing and opening of the I-225 Light Rail line

Materials and Supplies

- Increase in Materials and Supplies due to new SCADA software and slight increases in vehicle repair parts

Services

- Increase in Services due to multiple projects to replace and maintain various elements of the rail infrastructure

Utilities

- Increase in Utilities due to testing and opening of the I-225 Light Rail line

Purchased Transportation

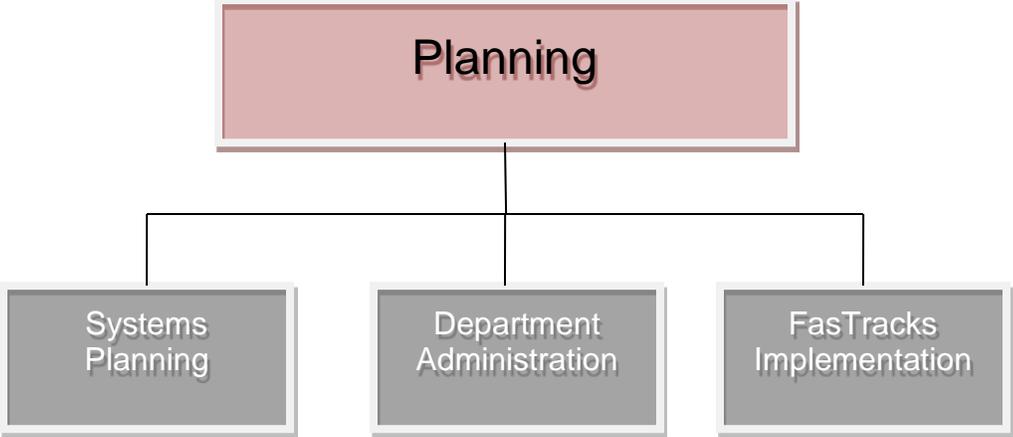
- Increase in Purchased Transportation due to the openings of the A (East), B (Northwest) and G (Gold) Commuter Rail lines; budgeted service payment of \$57.1 million to Denver Transit Operators

2015 Accomplishments

RTD's Goals	
Safe	<ul style="list-style-type: none"> • Hired, trained, and certified more than 43 Rail Operators • Continued improvements to signaling system for safe operation and installed additional train signaling equipment in CPV junction to provide safe stopping distances • Conducted state of good repair infrastructure assessments • Investigated concept, test, and requested future Roadway Worker Protection System and secured 2016 funding • Implemented the Roadway Worker Protection Committee (RWPC)
Reliable	<ul style="list-style-type: none"> • Revitalization of aging rail car fleet with midlife campaign • Effectively delivered service to all Rockies, Avalanche, Nuggets, and Broncos games, as well as various special events (Parade of Lights, CU-CSU football game, concerts, etc.)
Courteous	<ul style="list-style-type: none"> • Continued to serve all RTD customers courteously and efficiently • Installed wayside lubricators to provide a friendly environment with neighboring communities by reducing noise emitted from rail squeal in curves and also results in a reduction of rail wear
Accessible	<ul style="list-style-type: none"> • Moved Transit Police, SCADA and LRT Maintenance Training into remodeled Navajo building for expansion to function more effectively and provide a cutting edge training facility • Improvements with the ADA customer complaint process and providing timely responses
Cost-effective	<ul style="list-style-type: none"> • Conducted operator refresher training to keep current with operating changes and refocus on effective operation • Completed the design, configuration, and implementation of a new improved fiber optic network system in the West Corridor for better efficiency of the grade crossing operation, reduce staff labor response and will be incorporated in the I225 corridor
Meets Future Needs	<ul style="list-style-type: none"> • Startup of the Rail Operations Continuous Improvement Alliance (CIA) to improve departmental staff communications • Involvement with the criteria and design of the future corridors to include lessons learned (i.e., SERE, CRE & NMRL) • Implement and refine training program with the new Operator Training Simulator to better equip Rail Operators and reduce revenue service interruptions

2016 Planned Projects

RTD's Goals	
Safe	<ul style="list-style-type: none"> • Provide annual refresher training to all Transportation staff; continue to test staff members on critical safety Rules and Procedures • Staff new Commuter Rail Contract Services group to provide oversight in the rail integrated testing and associated safety and regulatory activities • Purchase and begin installation of Wayside Worker protection system (on trains and in field) to alert Train Operators and Wayside Workers of each other as the train approaches
Clean	<ul style="list-style-type: none"> • Perform regularly-scheduled LRV cleaning • Maintain a clean corridor appearance, including trash policing and graffiti removal within 24 hours • Manage good housekeeping in the maintenance facilities
Reliable	<ul style="list-style-type: none"> • Administer the contract for the new LRV procurement activities and monitor the manufacture to meet the RTD requirements in building an acceptable light rail vehicle to deliver service on future corridors • Continuation with midlife rail car campaign to revitalize aging fleet • Repair aging infrastructure on the Central Corridor
Courteous	<ul style="list-style-type: none"> • Refine effective interaction and communication with the public by utilizing new technologies • Continue with quick response in the Rider Alert notification system, keeping customers advised of service interruptions and planned maintenance activities
Accessible	<ul style="list-style-type: none"> • Administer the operators' training simulators to provide more quality time behind the controls in operating a LRV safely and effectively with numerous scenarios encountered • Participate in the shorter weeknight (Sunday-Thursday) service hours so more maintenance activity can occur during hours of no train activity, and so that trains can be effectively cleaned and serviced
Cost-effective	<ul style="list-style-type: none"> • Emphasize/prioritize State of Good Repair and Asset Management in the Rail Operations department • Continue to work with Capital Programs, Commuter Rail, and Planning staff to assure that new lines incorporate lessons learned that will reduce ongoing Operations expenses due to inefficiencies
Meets Future Needs	<ul style="list-style-type: none"> • Prepare Rail Department for upcoming rail openings in 2016, i.e., staffing, training, oversight, communications, and leadership • Complete conversion of old MOW building into Maintenance Training and SCADA shop building • Complete Mariposa building to accommodate Rail Transportation Field Supervisors and Operators • Execute on-call projects to include upgrade of emergency turn outs and installation of electric heat for the switches in the Mariposa yard • Installation of the 13th Ave Grade Crossing upgrades • Rebuilding of the SB Speer Crossing and Cherry Creek Bridge Plinths



Planning

General Description

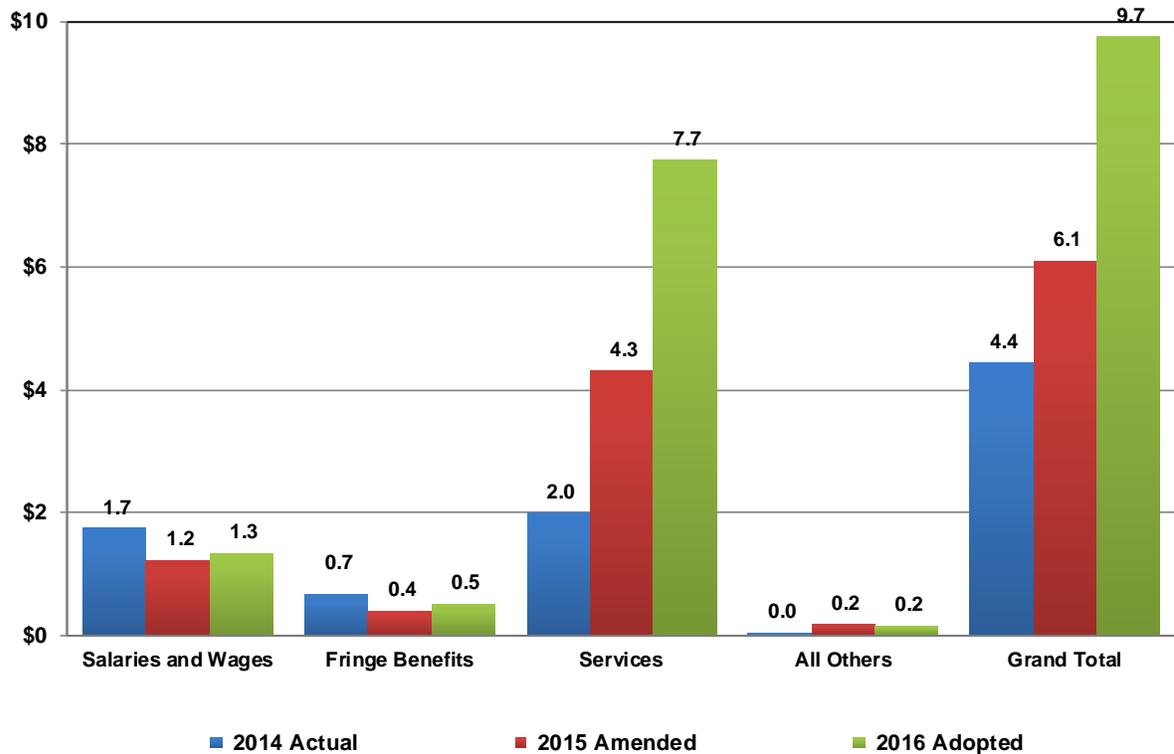
The Planning Department consists of two functional units responsible for Technical Planning Services and for Transit Oriented Development and Planning Coordination consistent with District goals. The Department coordinates the District's long-range planning activities with local, state and federal agencies and jurisdictions in the planning and environmental clearance of projects, competitive grants applications, and the provision of continued support through project implementation.

- Systems Planning is responsible for medium and long-range planning and environmental work for RTD transit projects including FasTracks, service, systems, and facilities. This division also is responsible for the District's transit-oriented development activities and for coordinating planning activities with other local governments, the Denver Regional Council of Governments, and the Colorado Department of Transportation.
- FasTracks Implementation is responsible for the design and construction of all rapid transit corridor projects in the FasTracks Program. This includes oversight of all design and construction contracts, systems design, and quality assurance for the FasTracks program. This group works closely with all other divisions of the Planning and Capital Programs Departments and all other departments of the District to ensure that FasTracks corridors are completed on schedule and within budget.

Planning Summary of Program Costs

Cost Category	2014 Actual	2015 Amended	2015 Projected	2016 Adopted	Change /15 Amended	% Change /15 Amended
Salaries and Wages	\$ 1,733,494	\$ 1,223,261	\$ 1,223,261	\$ 1,342,238	\$ 118,977	9.7%
Fringe Benefits	681,779	404,992	404,992	510,085	105,093	25.9%
Materials and Supplies	(14,583)	74,000	74,000	40,000	(34,000)	(45.9%)
Services	1,978,216	4,295,367	1,832,407	7,734,910	3,439,543	80.1%
Utilities	-	6,912	6,912	2,400	(4,512)	(65.3%)
Insurance	-	-	-	-	-	0.0%
Purchased Transportation	-	-	-	-	-	0.0%
Leases and Rentals	-	-	-	-	-	0.0%
Other Expenses	50,380	96,080	96,080	115,966	19,886	20.7%
Grand Total	\$ 4,429,286	\$ 6,100,612	\$ 3,637,652	\$ 9,745,599	\$ 3,644,987	59.7%

Planning Trend Analysis of Program Costs (millions of dollars)



Major Changes Between 2015 and 2016 Budgets

Salaries and Wages/Fringe Benefits

- Increase in Salaries and Wages/Fringe Benefits due to merit and progression increases for salaried staff

Services

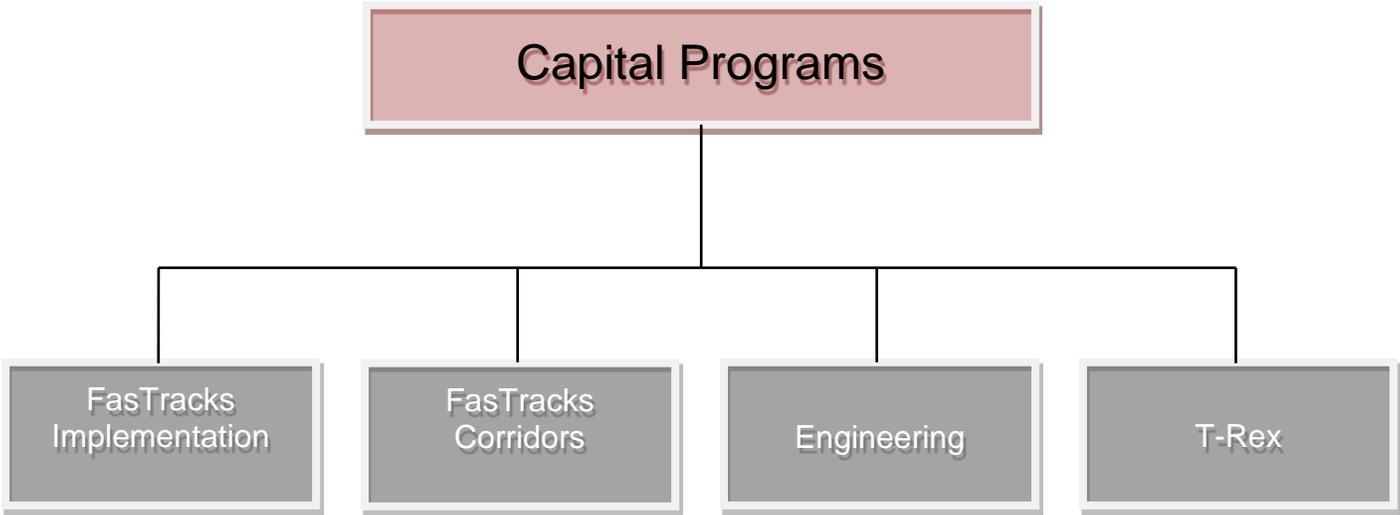
- Increase in Services due to environmental work for future BRT service and additional Station Area Master Plan projects

2015 Accomplishments

RTD's Goals	
Safe	<ul style="list-style-type: none"> • Completed and received Board approval for the 2015 – 2020 RTD Strategic Plan, identifying Safety as a top priority • Completed the Bike Parking and Accessibility Study laying a groundwork for safer integration/access for bicycles at RTD
Clean	<ul style="list-style-type: none"> • Received the FTA Award for Excellence in Environmental Documentation for the Southeast Rail Extension Environmental Assessment • Documented and closed dozens of environmental mitigation measures on the Eagle and I-225 projects • Completed the North Metro 404 Permit modification (environmental)
Reliable	<ul style="list-style-type: none"> • Celebrated the openings of Alameda Station apartments/transit plaza and Boulder Junction at Depot Square integrating reliable transit operations at these two TODs • Developed new Joint Development and Unsolicited Proposal policies for Real Property assuring a more reliable and transparent approach for third party developers to work with RTD • Completed first all Employee Survey in 10 years; began implementation of continuous improvement pilot projects in response to address opportunities for improvement District-wide
Accessible	<ul style="list-style-type: none"> • Completed Title VI equity analyses of new fare structure and service plans for the East, Gold, Northwest, US 36 BRT and I-225 Corridors • Completed the Quality of Life High Level Measures 2014 Report
Cost-effective	<ul style="list-style-type: none"> • Worked collaboratively with all Departments, providing project management leadership to finalize the Fare Study recommendations; and received Board approval of recommended 2016 fare structures and policies • Submitted multiple Federal and State grant applications, received over \$4 million in grant awards • Obtained and began using the FARES model to determine accurate fares by service class; used the O&M cost model to determine O&M costs by service class
Meets Future Needs	<ul style="list-style-type: none"> • Worked collaboratively with all Departments, providing project management leadership to finalize the Fare Study recommendations; and received Board approval of recommended 2016 fare structures and policies • Submitted multiple Federal and State grant applications, received over \$4 million in grant awards • Obtained and began using the FARES model to determine accurate fares by service class; used the O&M cost model to determine O&M costs by service class

2016 Planned Projects

RTD's Goals	
Safe	<ul style="list-style-type: none"> • Complete the environmental clearance for the 16th Street Mall transit way rehabilitation assuring a path forward for continued safe operations of the Free MallRide
Clean	<ul style="list-style-type: none"> • Monitor and document compliance/closeout of multiple FasTracks projects including the East, Gold, Northwest, and I-225 Corridors
Reliable	<ul style="list-style-type: none"> • Complete analysis and present findings to the Board of the Parking Pricing Technical Assessment, identifying potential options for continued reliable parking access to RTD services • Continuous Improvement program implementation: identifying training needs and paths to improve efficiency and work experience for employees • Complete construction of the Olde Town Transit Hub in Arvada and complete the planning and design of the Transit Oriented Community on the site
Accessible	<ul style="list-style-type: none"> • Complete the FTA-required After Study for the West Corridor and Before Study for the Eagle project • Prepare the Detailed Quality of Life Report for 2015 to document system accessibility and related measures prior to the 2016 FasTracks openings • Continue advancement of Transit Oriented Communities managing expectations for RTD's ongoing role in affordable housing, first and final mile connections, gentrification, Title VI and joint development opportunities
Cost-effective	<ul style="list-style-type: none"> • Determine potential of FTA New Starts or Small Starts funding for Central Rail Extension, Northwest Rail, North Metro Phase II, and Southwest Extension • Continue to track and pursue all federal, regional, and non-profit funding opportunities to support the Base System and FasTracks • Working with Finance and other departments, improve the post grant award implementation and tracking process
Meets Future Needs	<ul style="list-style-type: none"> • Procure a consultant team and initiate the detailed planning, NEPA and Preliminary Engineering process for arterial BRT on State Highway 119 • Secure \$92 million FFGA for Southeast Rail Extension • Attain NEPA clearance and required permits for the 15 LTD Route Improvements project and manage the planning and design process



Capital Programs

General Description

The Capital Programs Department is responsible for project delivery of major capital programs at RTD. The department takes the lead upon completion of planning in the engineering, construction and integration of capital projects. This includes RTD's FasTracks program. Specific areas include all areas of engineering including civil, drainage, structural, trackwork, utilities, architectural, mechanical, electrical, and systems (traction power, overhead contact systems, train control, communications, corrosion control and system wide electrical). The three divisions include program implementation, engineering and systems engineering. The Capital Programs Department is responsible for delivery project on-time, with budget and with high quality that meets RTD requirements. The department works closely with all other RTD departments in project delivery.

- FasTracks Implementation and FasTracks Corridors are responsible for the design and construction of all rapid transit corridor projects in the FasTracks Program. This includes oversight of all design and construction contracts, systems design, and quality assurance for the FasTracks program. These groups works closely with all other divisions of the Capital Programs Department and all other departments of the District to ensure that FasTracks corridors are completed on schedule and within budget.
- Engineering is responsible for the design and construction of capital projects outside the FasTracks Program, including bus and LRT systems, park-n-Ride and transfer facilities, renovation and expansion of existing park-n-Rides, and construction of enhancements to the existing transit system. It is also responsible for engineering and design support for the FasTracks program, in the areas of utilities, drainage, trackwork engineering, and structural/civil engineering. This division also is responsible for all District property management activities, including acquisition, leases, joint-use agreements, easements, and license agreements.

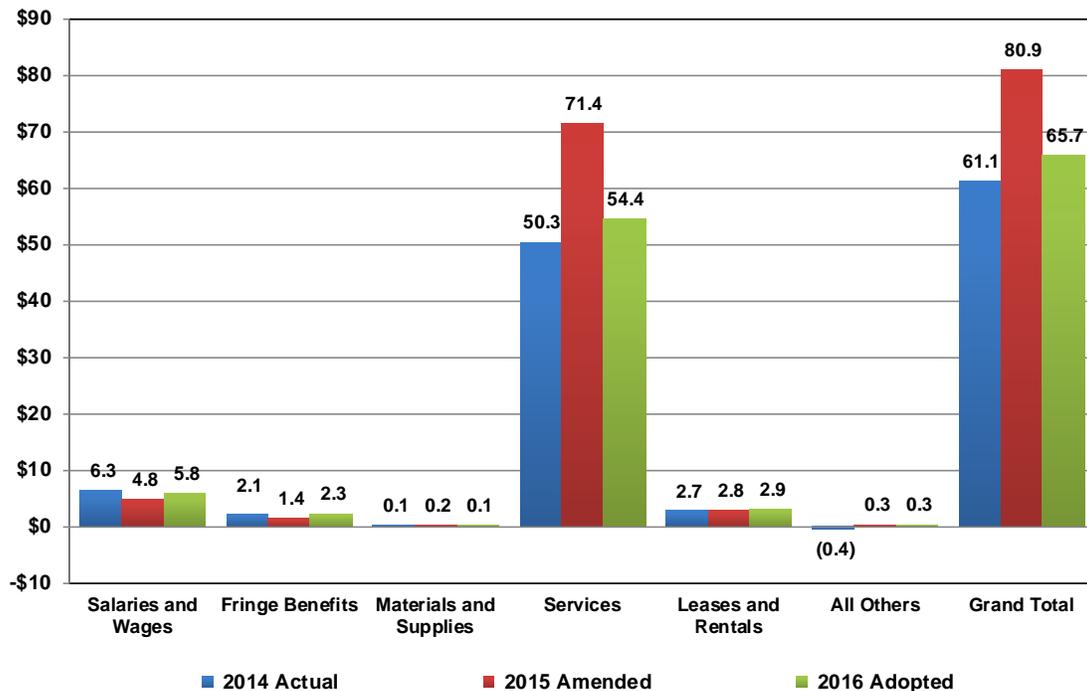
FasTracks: All divisions of Capital Programs, as well as other departments in the District, carry responsibility for the FasTracks Program. The District has added project positions for the duration of the FasTracks program to carry out the additional work required to implement the program, and these positions are budgeted as part of the FasTracks program. However, other staff performs duties related to the FasTracks program as appropriate.

The Capital Programs department is organized along functional lines, with FasTracks and non-FasTracks staff reporting through a single organizational structure. However, the FasTracks budget segregates Capital Programs department expenses funded through FasTracks from those paid through RTD's non-FasTracks funding. The FasTracks budget also includes FasTracks-related expenses incurred by other departments, as well as interest expense on debt issued for the FasTracks program.

Capital Programs Summary of Program Costs

Cost Category	2014 Actual	2015 Amended	2015 Projected	2016 Adopted	Change /15 Amended	% Change /15 Amended
Salaries and Wages	\$ 6,286,709	\$ 4,760,589	\$ 4,760,589	\$ 5,759,644	\$ 999,055	21.0%
Fringe Benefits	2,109,607	1,430,078	1,430,078	2,330,870	900,792	63.0%
Materials and Supplies	138,681	196,700	196,700	99,700	(97,000)	(49.3%)
Services	50,331,583	71,413,944	31,383,718	54,353,272	(17,060,672)	(23.9%)
Utilities	114,856	39,216	39,216	51,842	12,626	32.2%
Insurance	(650,046)	-	-	-	-	0.0%
Purchased Transportation	-	-	-	-	-	0.0%
Leases and Rentals	2,660,690	2,818,735	2,818,735	2,919,686	100,951	3.6%
Other Expenses	87,195	244,471	244,471	198,427	(46,044)	(18.8%)
Grand Total	\$ 61,079,275	\$ 80,903,733	\$ 40,873,507	\$ 65,713,441	\$ (15,190,292)	(18.8%)

Capital Programs Trend Analysis of Program Costs (millions of dollars)



Major Changes Between 2015 and 2016 Budgets

Salaries and Wages/Fringe Benefits

- Net increase in Salaries and Wages/Fringe Benefits due to merit and progression increases for salaried staff and some conversions of contract staff to full time staff

Services

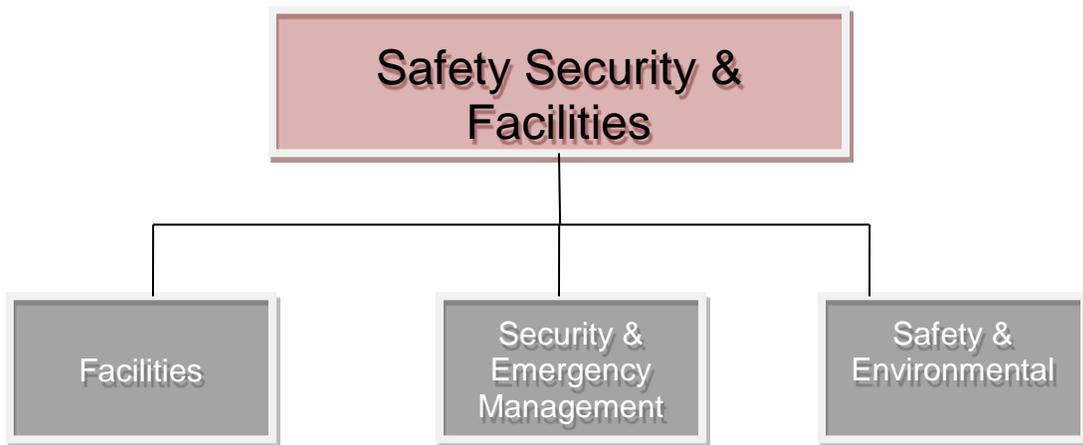
- Decrease in Services due to progression/completion of expense projects for FasTracks components under construction, primarily US 36 BRT and Eagle Project (East Line and Gold Line)

2015 Accomplishments

RTD's Goals	
Safe	<ul style="list-style-type: none"> • Began installation of CCTV and emergency telephones on the US 36 BRT corridor • Administered bridge inspections for Light Rail bridges, pedestrian bridges, and DUS commuter rail bridges • Developed procedures and documentation for a Light Rail Bridge Management Program in compliance with APTA guidelines • Managed the design and construction of the Light Rail Simulator Room • Installed a radar based dynamic crossing for observation at the Garrison Street at-grade crossing along the West Rail Line
Clean	<ul style="list-style-type: none"> • Completed US36 & Sheridan Park-n-Ride - Pedestrian Bridge Paint & Surface Improvements IFB/RFP • Awarded Landscape On-Call Contract
Reliable	<ul style="list-style-type: none"> • Conducted pavement repairs and replacements at Park-n-Ride locations around the District • Completed emergency repairs to the light rail tracks in downtown Denver • Continued 16th Street Mall maintenance
Courteous	<ul style="list-style-type: none"> • Collaborated with stakeholders, agencies, consultants and contractors on all projects • Installed additional smart media validators at select locations on our existing LRT lines
Accessible	<ul style="list-style-type: none"> • Demolished/rebuilt obsolete station high blocks at two locations • Completed 39 individual street improvement projects
Cost-effective	<ul style="list-style-type: none"> • Managed all FasTracks corridor projects within the approved schedule and budget • Managed design and construction contracts to ensure the District obtains best value • Implemented value engineering on North Metro Rail Line • Started doing small surveys for design purposes in-house
Meets Future Needs	<ul style="list-style-type: none"> • Completed major civil construction and started systems installation on the I-225 light rail project • Completed the US 36 Managed Lanes to 88th Street and started using the lanes in revenue service • Selected Balfour Beatty as the Design Build Contractor for the Southeast Rail Extension and issued Notice to Proceed 1 • Started environmental process to explore different alternatives to 16th Street Mall paving • Executed a Work Order to upgrade to the switches at Mineral Station & 7th Ave crossovers to power switches

2016 Planned Projects

RTD's Goals	
Safe	<ul style="list-style-type: none"> • Complete installation of CCTV and emergency telephones on the US 36 BRT corridor • Continue to administer bridge inspection programs • Oversee replacement of TREX coping panels • Complete PUC review process for the North Metro Rail Line, verifying safety compliance at crossings
Clean	<ul style="list-style-type: none"> • Initiate landscape improvement upgrades
Reliable	<ul style="list-style-type: none"> • Start preliminary design to improve customer experience and reliability of 15L bus route
Courteous	<ul style="list-style-type: none"> • Collaborate with stakeholders, agencies, consultants and contractors on all projects • Install fare collection equipment on the A, B, G, and R lines, and at Denver Union Station
Accessible	<ul style="list-style-type: none"> • Continue individual street improvement projects
Cost-effective	<ul style="list-style-type: none"> • Continue to manage all FasTracks corridor projects within the approved schedule and budget • Manage design and construction contracts to ensure the District obtains best value
Meets Future Needs	<ul style="list-style-type: none"> • Complete integrated testing on the Eagle Project to meet the advertised revenue service dates for the A, B, and G lines • Complete systems installation and integrated testing on the I-225 light rail project to meet the advertised revenue service date for the R line • Complete corridor design and bridge construction on the North Metro Rail Line • Receive Full Funding Grant Agreement and issue Notice to Proceed 2 for construction of Southeast Rail Extension • Advanced design and updated cost estimate for Southwest Rail Extension • Migrate property records to a digital format with a graphic user interface • Look at a pilot program with electric pool cars and charging stations



Safety Security & Facilities

General Description

The Safety, Security & Facilities Department consists of three divisions whose mission is the safety, security and emergency management, and facilities maintenance and management of the District.

Facilities is responsible for maintaining and upgrading all RTD fixed facilities, stations, real estate, and parking management. This group includes three functional units, Facilities Engineering, Facilities Maintenance, and Parking Management.

- Facilities Engineering is responsible for the design, construction, and renovation of all District facilities, including maintaining and enforcing ADA compliance requirements at the District's facilities.
- Facilities Maintenance is responsible for maintenance, cleaning, landscaping, and snow removal at all operating and passenger facilities including light rail stations, passenger shelters, and park-n-Rides.
- Parking Management is responsible for the development and implementation of RTD's parking management program.

Security & Emergency Management is responsible for the District's security, emergency management, and emergency preparedness planning. This Division is responsible for physical security including security patrols and coordination with local law enforcement agencies. Additionally this Division is responsible for the design, installation, and maintenance of RTD's security systems and Security Command Center and serves as the point of contact for emergency management and planning.

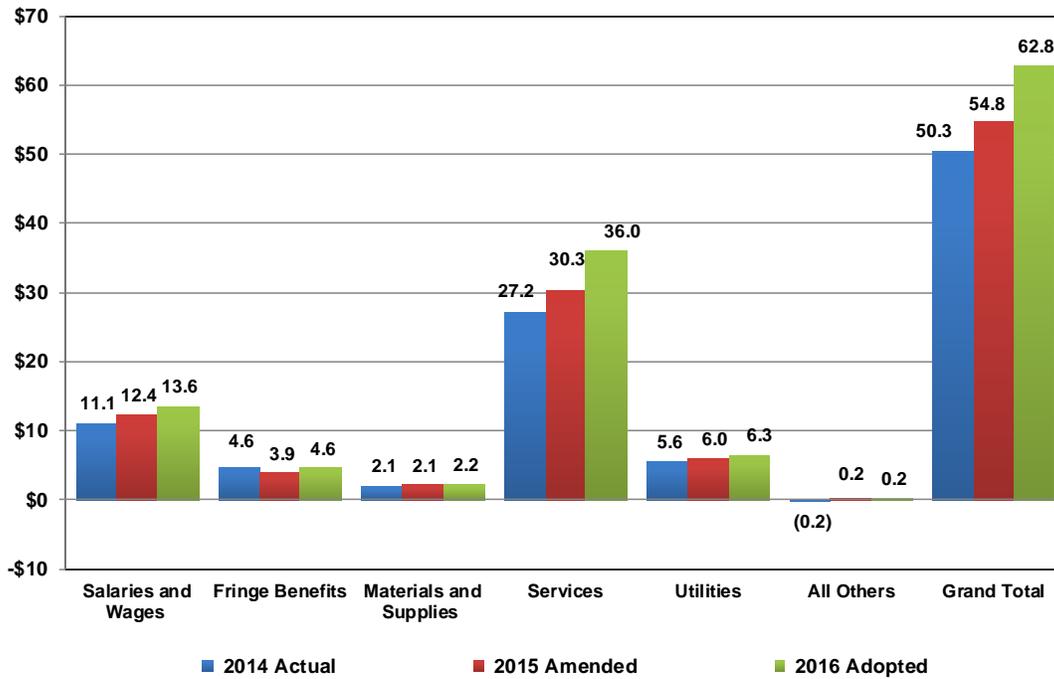
Safety & Environmental is responsible for the District's occupational safety, system safety, environmental regulatory compliance programs, and site assessments. This division consists of two units, Safety and Environmental Compliance.

- Safety encompasses all modes of transportation and maintenance safety and is designed to assure regulatory compliance, prevent accidents, protect lives and property, and reduce costs associated with accidents.
- Environmental Compliance includes environmental assessments for property acquisition, hazardous waste minimization and disposal, remediation of contaminated sites, monitoring for environmental hazards during construction, and ensuring compliance with all federal, state, and local environmental laws.

Safety Security & Facilities Summary of Program Costs

Cost Category	2014 Actual	2015 Amended	2015 Projected	2016 Adopted	Change /15 Amended	% Change /15 Amended
Salaries and Wages	\$ 11,107,737	\$ 12,385,027	\$ 12,385,027	\$ 13,551,120	\$ 1,166,093	9.4%
Fringe Benefits	4,552,403	3,883,491	3,883,491	4,608,596	725,105	18.7%
Materials and Supplies	2,092,787	2,108,649	2,108,649	2,199,109	90,460	4.3%
Services	27,195,163	30,268,588	25,968,053	35,983,609	5,715,021	18.9%
Utilities	5,579,325	5,979,144	5,979,144	6,335,502	356,358	6.0%
Insurance	(314,763)	-	-	-	-	0.0%
Purchased Transportation	-	-	-	-	-	0.0%
Leases and Rentals	-	-	-	-	-	0.0%
Other Expenses	119,301	159,044	159,044	169,475	10,431	6.6%
Grand Total	\$ 50,331,953	\$ 54,783,943	\$ 50,483,408	\$ 62,847,411	\$ 8,063,468	14.7%

Safety Security & Facilities Trend Analysis of Program Costs (millions of dollars)



Major Changes Between 2015 and 2016 Budgets

Salaries and Wages/Fringe Benefits

- Increase in Salaries and Wages/Fringe Benefits due to merit and progression increases for salaried staff and addition of security personnel for new commuter rail lines opening in 2016

Services

- Increase in Services due to additional contracted security services related to the opening of commuter rail lines

Utilities

- Increase in Utilities due to new park-n-Ride locations on new commuter rail lines and I-225 light rail line

2015 Accomplishments

RTD's Goals	
Safe	<ul style="list-style-type: none"> • Implemented a new digital mobile video CCTV program on more than 600 buses with the addition of forward, rear and side exterior cameras to aide in incident and accident investigations • Implemented a CCTV web sharing server to provide video to neighboring law enforcement agencies • Implemented safety programs and training which have resulted in a significant decline of on-the-job injuries • Developed and maintained policy and procedures for the Emergency Vehicle Access (EVA) lane between historic DUS and Commuter Rail Platform
Clean	<ul style="list-style-type: none"> • Utilized security & law enforcement patrols to minimize vandalism/graffiti of RTD facilities and equipment • Conducted employee training on infectious disease prevention. Also implemented proper procedures for cleaning and disinfecting buses • Started a pilot program to evaluate a rust encapsulating system. Currently labor intensive. Continuing to evaluate and investigate other methods or product to mitigate the rust epidemic due to magnesium chloride
Reliable	<ul style="list-style-type: none"> • Security Command Center continues to upgrade to HD Video Cameras and Node-video recorders within the rail system • Replaced Blake Street cooling with modern, more reliable system • Completed another three Public Utilities Commission/Regional Transportation District Joint Audit cycle with no findings • Installed new 'smart' pay stations in all 37 managed parking facilities
Courteous	<ul style="list-style-type: none"> • Ongoing training for all security officers regarding interaction to ridership and street supervision • Created model to track all PDP training / people / resources and schools for Education Training and Development • Reduced customer complaints in the public facilities sector by 50%
Accessible	<ul style="list-style-type: none"> • Maintained secure access to all RTD facilities • Expanded eTel systems for more availability to ridership • Monthly inspections were conducted at all operations facilities to identify and correct hazards
Cost-effective	<ul style="list-style-type: none"> • Expanded CCTV user base to FM Maintainers for 24/7 visual condition assessments • Trained and Certified more than 75 individuals in (CERT) Community Emergency Response • Implemented safety programs and training that have resulted in a significant decline in on-the-job injuries • Selected and tested a 'smart' parking management pay station that is user friendly and automatically identifies 'out of District' license plates, improving revenue control • Managed over 9,000 requests to investigate or review video surveillance from video systems representing a 50% increase in video cases from 2013

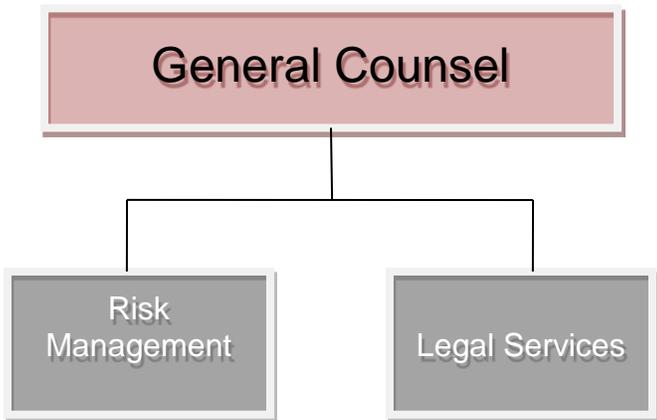
Meets Future Needs	<ul style="list-style-type: none"> • Regional Swat RTD Bus Training Exercises Conducted • Regional Swat RTD Light Rail and Commuter Rail Training Exercises • Consistently enforce all contract specifications to ensure clean, well maintained facilities for RTD patrons, regardless of facility location, age or servicing contractor
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2016 Planned Projects

RTD's Projects	
Safe	<ul style="list-style-type: none"> • Opening of second Security Command and 911 dispatching center at the commuter rail maintenance facility • Implementation of "Situator" incident management software used to create redundancy and standardize processes within two Security Command Centers • CCTV updates and expansions within several Transit Oriented Developments • Establish a web-based On Track Safety Training portal for internal and external customers • Collaborate with local law enforcement agencies to react to and reduce the occurrence of incidents within the District
Clean	<ul style="list-style-type: none"> • Continue to utilize security and police patrols to minimize vandalism/graffiti and crimes on RTD property • Continue to manage contracted services across the District for compliance for keeping shelters, plazas, and platforms clean and free of snow • Submit SBP to replace bus wash at Platte
Reliable	<ul style="list-style-type: none"> • Continue to maintain RTD security systems and equipment in a state of good repair (asset management) • Continue to work closely with the Public Utilities Commission and FTA in safety program development • Continue Asset Management inspections of all RTD transit coach buses, RTD light rail vehicles and all Park-n-Ride locations, including light rail stations
Courteous	<ul style="list-style-type: none"> • Maintain customer service and customer focus in all interactions with the Public, contractors and employees • Continue training security officers to perform their functions as ambassadors • Continuing to answer and address daily Customer Care complaints
Accessible	<ul style="list-style-type: none"> • Continue to maintain secure access to all RTD facilities • Continue to work with the RTD ADA committee. • Submit SBP project for redundant elevator at Broomfield
Cost-effective	<ul style="list-style-type: none"> • Continue the Citizen Emergency Response Training (CERT) • Continue Police Uniform patrols in Denver, Aurora & Lakewood, answering calls for service from the Security Command Center (SCC) • Instituting the plan for AM involvement in sustainability, infrastructure resilience and adaptation • Begin forecasting condition of assets based on performance • Implementation of sensors and real time data to modify maintenance and early warning of failure detection

Meets Future Needs	<ul style="list-style-type: none">• Continue with emergency preparedness exercises and training• Continue to participate in FasTracks/Eagle projects• Host Transportation Safety Institute Classes for employees and outside transit agencies• Continue to assist with the opening of the new rail lines and facilities• Begin construction on Civic Center Plaza rehabilitation
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General Counsel

General Description

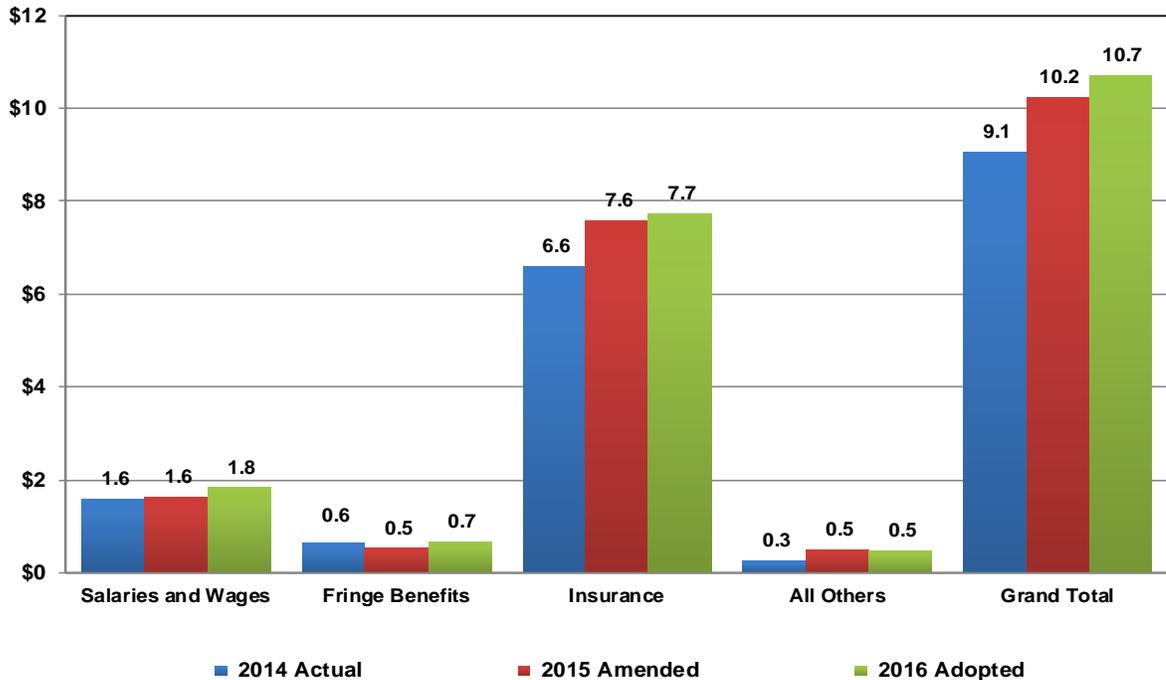
The General Counsel Department's mission is to manage legal affairs and risk management for the District.

- Risk Management functions include adjusting personal injury, property damage, and workers' compensation claims; administering the District's self-insured liability and workers' compensation programs; and securing property and other required insurance coverage.
- Legal Services represents RTD in all litigation by or against the District. This includes personal injury, property damage, subrogation, employment litigation including workers' compensation claims, real estate matters, construction litigation, environmental disputes, grievance arbitration, and any miscellaneous lawsuits.

General Counsel Summary of Program Costs

Cost Category	2014 Actual	2015 Amended	2015 Projected	2016 Adopted	Change /15 Amended	% Change /15 Amended
Salaries and Wages	\$ 1,586,340	\$ 1,626,320	\$ 1,626,320	\$ 1,824,181	\$ 197,861	12.2%
Fringe Benefits	621,136	524,244	524,244	671,875	147,631	28.2%
Materials and Supplies	7,006	4,500	4,500	3,750	(750)	(16.7%)
Services	131,512	305,000	305,000	300,000	(5,000)	(1.6%)
Utilities	-	3,456	3,456	-	(3,456)	(100.0%)
Insurance	6,593,454	7,595,000	7,595,000	7,740,000	145,000	1.9%
Purchased Transportation	-	-	-	-	-	0.0%
Leases and Rentals	-	-	-	-	-	0.0%
Other Expenses	118,468	177,250	177,250	169,750	(7,500)	(4.2%)
Grand Total	\$ 9,057,916	\$ 10,235,770	\$ 10,235,770	\$ 10,709,556	\$ 473,786	4.6%

General Counsel Trend Analysis of Program Costs (millions of dollars)



Major Changes Between 2015 and 2016 Budgets

Salaries and Wages/Fringe Benefits

- Increase in Salaries and Wages/Fringe Benefits due to merit and progression increases for salaried staff

Insurance

- Increase in Insurance due to general increases in insurance premiums for both the District as a whole and an increase in the self-insurance claims program

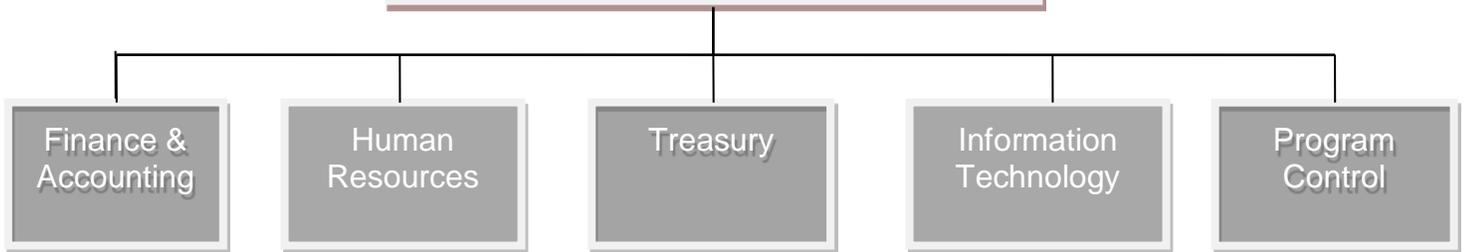
2015 Accomplishments

RTD's Goals	
Safe	<ul style="list-style-type: none"> • Successful resolution of significant ATU 1001 Health and Welfare contract and trust issues
Accessible	<ul style="list-style-type: none"> • Provided legal support and advice for RTD fare and pass program development
Cost-effective	<ul style="list-style-type: none"> • Provided significant assistance to capital programs in contracts and intergovernmental agreements • Participated in ongoing negotiations of significant ATU 1001 Health and Welfare contract and trust issues
Meets Future Needs	<ul style="list-style-type: none"> • Provided significant assistance with change orders and issues resolution for ongoing capital projects – I-225, North Metro, Eagle and Southeast Rail Extension

2016 Planned Projects

RTD's Goals	
Safe	<ul style="list-style-type: none"> • Develop expertise in FRA regulated rail services including safety, labor, and equipment related issues
Reliable	<ul style="list-style-type: none"> • Provide legal support to staff
Accessible	<ul style="list-style-type: none"> • Resolve current Americans With Disabilities Act case regarding light rail filed by the Colorado Cross Disability Coalition and 17 individual plaintiffs
Meets Future Needs	<ul style="list-style-type: none"> • Provide legal support to RTD staff regarding agreements including events, service changes, operations and maintenance agreements

Finance & Administration



Finance & Administration

General Description

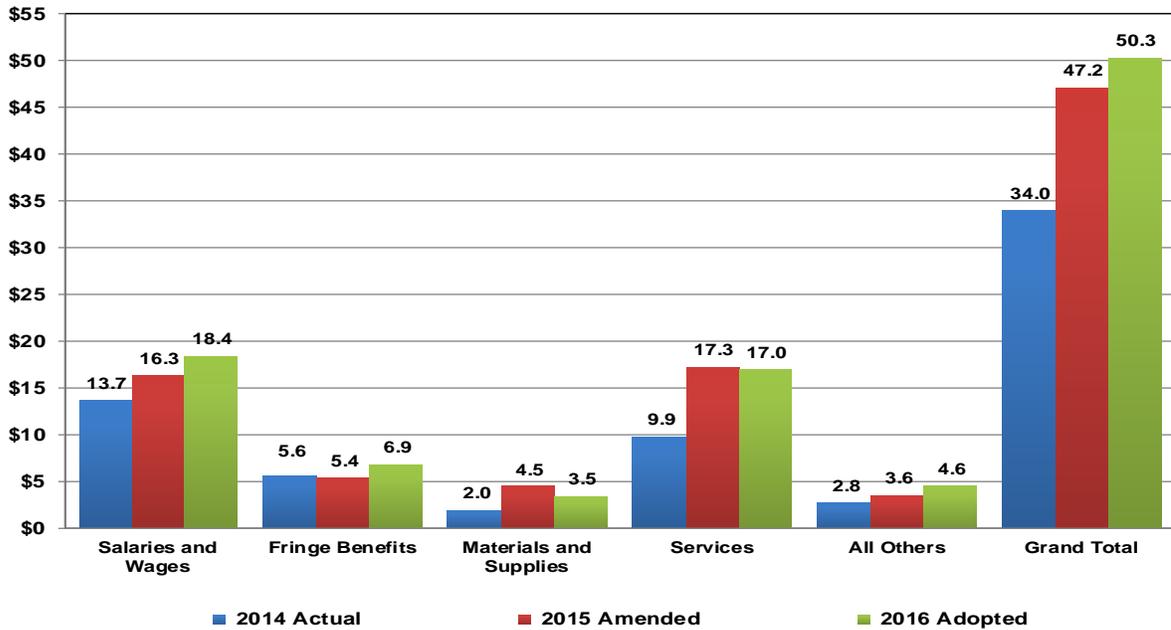
The Finance & Administration Department supports both the RTD base system and FasTracks and oversees the finances of the entire district. Finance & Administration is comprised of Treasury, Accounting, Budget & Financial Analysis, Debt & Investment Management, Statistics, Human Resources, Information Technology, Financial Reporting, and FasTracks Program Controls.

- Finance & Accounting is responsible for all accounting, financial planning, budgeting, debt, investments and grant management functions. These include payroll, accounts payable, accounts receivable, fixed asset accounting, ridership reporting, investment and cash management, issuance of long-term debt, budget development and monitoring, financial reporting and forecasting, grant monitoring and associated reports for the Federal Transit Administration.
- Human Resources is responsible for personnel issues, recruitment and selection of employees, performance management, employee compensation, labor negotiations and administration of the collective bargaining agreement, employee benefits, professional development programs, the employee wellness program, employee travel, office services, and the federally mandated Substance Abuse Program.
- Treasury is responsible for collection, transportation and depositing of all cash revenue received through fare collection equipment and customer sales outlets. All monies are possessed in accordance with Federal Reserve standards. Additionally, the Treasury provides preventive maintenance and all servicing needs to the District's farebox fleet and Light Rail ticket vending machines. This includes servicing and maintaining change, token, 10-ride book and monthly pass vending machines available for public use at the District's customer service stations.
- Information Technology (IT) develops, operates, and maintains the District's information and telecommunications systems. IT designs, programs, and maintains software applications that support all business and technical communications processes within the District, including the Enterprise Resource Planning project. Additionally, IT provides RTD riders with useful itinerary and on-time information using the RTD website or RTD Information Kiosks.
- Program Control is responsible for all financial support functions of the Planning and Capital Programs Departments and the FasTracks program. This includes cost control, document control, budget development and monitoring, contract control and monitoring, project scheduling and schedule control, project change control and project cost estimation. This division is also responsible for the FasTracks financial plan.

Finance & Administration Summary of Program Costs

Cost Category	2014 Actual	2015 Amended	2015 Projected	2016 Adopted	Change /15 Amended	% Change /15 Amended
Salaries and Wages	\$ 13,741,162	\$ 16,338,782	\$ 16,338,782	\$ 18,427,202	\$ 2,088,420	12.8%
Fringe Benefits	5,624,068	5,436,287	5,436,287	6,855,293	1,419,006	26.1%
Materials and Supplies	2,011,229	4,493,440	4,465,440	3,456,603	(1,036,837)	(23.1%)
Services	9,874,022	17,295,250	14,954,965	16,979,923	(315,327)	(1.8%)
Utilities	1,232,850	1,250,935	1,235,603	1,590,862	339,927	27.2%
Insurance	-	-	-	-	-	0.0%
Purchased Transportation	-	-	-	480	480	100.0%
Leases and Rentals	359,707	300,050	300,050	505,500	205,450	68.5%
Other Expenses	1,181,417	2,041,829	2,041,829	2,492,591	450,762	22.1%
Grand Total	\$ 34,024,455	\$ 47,156,573	\$ 44,772,956	\$ 50,308,454	\$ 3,151,881	6.7%

Finance & Administration Trend Analysis of Program Costs (millions of dollars)



Major Changes Between 2015 and 2016 Budgets

Salaries and Wages/Fringe Benefits

- Increase in Salaries and Wages/Fringe Benefits due to contractual progression wage and fringe increases for represented personnel, merit and progression increases for salaried staff, and addition to staff in IT, additional staff in Treasury due to expanding system and conversion of some temporary staff to full time staff in IT

Materials and Supplies

- Decrease in Materials and Supplies due to reduction in computer hardware and communication equipment in Information Technology as a result of completing one-time projects and reduction in card inventory for Smart Card project in Finance

Services

- Decrease in Services due to elimination of sales tax audit services in Finance, reduction in temporary personnel in IT from conversion to full-time staff, reduction in software maintenance in IT for Smart Card, increase in financial services in Finance and increase in contract maintenance in Treasury

Utilities

- Increase in Utilities due to increased costs of telephone services and increases to cell phone stipend usage in IT

Leases and Rentals

- Increase in Leases and Rentals due to possible relocation of Accounting division from an owned property to a leased property

Other Expenses

- Increase in Other Expenses due to new employee referral program and increases in postage related to marketing and promotional activities for grand opening events

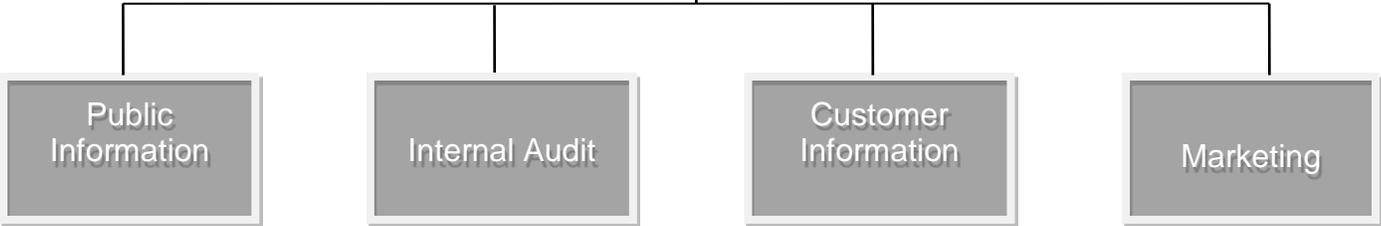
2015 Accomplishments

RTD's Goals	
Safe	<ul style="list-style-type: none"> • Instituted a Cybersecurity Learning Path for all RTD salaried employees • Implemented Phase I of an Access Control Review project. Over 1,200 accounts were specifically reviewed for ownership, with over 800 accounts being disabled or deleted • Executed new Access Control Policies and Procedures
Reliable	<ul style="list-style-type: none"> • Implemented a Traveler Information System to track buses • Upgraded the ADA Route Match dispatch system
Cost-effective	<ul style="list-style-type: none"> • Redesigned the Boards' Monthly Reporting Package to better reflect budget to actual expenditures while making the reports easier to read • Issued Certificates of Participation (COPs) in the amount of \$212 million to facilitate the purchase of Buses, Light Rail Vehicles, ADA vans, and bus and light rail parts • Placed hiring ads on supervisor cars and RTD fleet vehicles and Now Hiring signs on the rear of fleet vehicles • Significantly increased recruitment advertising to include billboards and mass media • Conducted "Stay" Interviews which will be used to identify areas that can be improved to retain employees
Meets Future Needs	<ul style="list-style-type: none"> • Implemented Referral and Signing bonuses for bus operators, rail operators, and mechanics • The Next Ride Text Messaging Service was released to the public on the RTD website • The RTD-Denver.com website was converted to a responsive model so the website works seamlessly across different devices and screen sizes from mobile phones to desktop computers • Brought 3 new radio towers into service this summer (Commerce City, DIA, and Eldora) • Upgraded the Network Backbone to 10gig

2016 Planned Projects

RTD's Goals	
Safe	<ul style="list-style-type: none"> • Establish a cross-functional Cybersecurity committee • Complete Phase I of the Credit Card processing environment • Remediation of PCI related gaps • Perform a DHS assessment of the SCADA/ICS network
Reliable	<ul style="list-style-type: none"> • Implementation of Real Time Passenger Information data feed for Light Rail • Implement iPhone with eForce and SMT programming • Implement financial reporting and controls for web portal • Install full-cycle accounting at all retail Smart Card outlets
Courteous	<ul style="list-style-type: none"> • Hold SBP training and quarterly roundtables with Budget Analysts and Cost Engineers • Board Training on SBP / APE / Budget • Quarterly review of budget variances and capital projects
Cost-effective	<ul style="list-style-type: none"> • Reconcile Eagle Project to complete Federal Grant eligibility • Maximize draws and cash flow efficiency of FastTracks financing sources • Coordinate financial and statistical reporting with DTP as lines go into Revenue Service
Meets Future Needs	<ul style="list-style-type: none"> • Develop and document streamlined financial model to support integration of APE and SBP • Move Smart Card to a hosted environment • Implement a Smart Card public facing portal • Research and prepare a business case for Mobile Ticketing • Develop Ridership Forecasting model to improve fare revenue • Determine the financing needs for SERE and FasTracks • Determine the financing needs for RTDs' Rolling Stock

Communications



Communications

General Description

The Communications Department consists of four divisions that are responsible for the management of the District's internal and external communications, governmental affairs, customer information and sales, and internal audit.

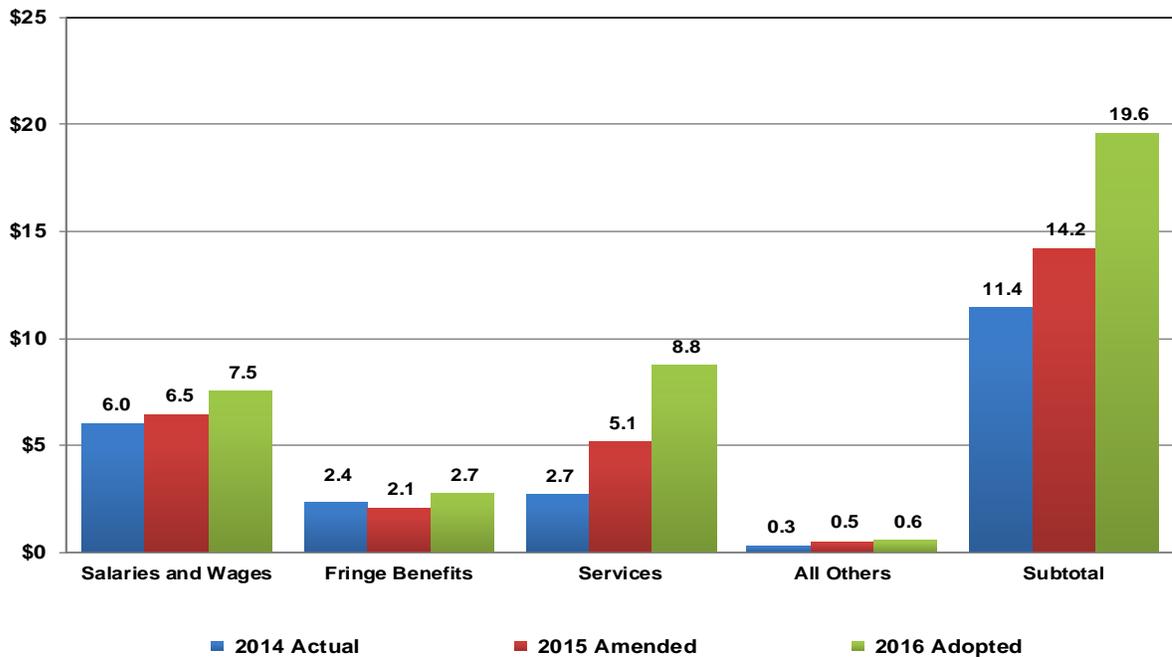
- Public Information (Public Relations, Government Relations, and Community Relations) is responsible for maintaining effective media and public relations, including performing official spokesperson duties for the District and overseeing the public information efforts on the FasTracks project. Government Relations works with state and local government agencies in a variety of roles. This office is responsible for directing RTD's state and federal lobbyists in their efforts in introducing and tracking bills in the state legislature and in Congress, for monitoring and reporting on pending state and federal legislation, and for coordinating efforts in securing federal funding for RTD's major projects. Community Relations ensures that stakeholders, customers, and the public at large are informed and educated about RTD and all of its programs, including the FasTracks program.
- Customer Information Division is responsible for providing route, schedule, and fare information to our customers through our Telephone Information Center and e-mails received through our website in both English and Spanish. Other responsibilities of the division include:
 - Translates and records phone mail scripts in Spanish
 - Receives by phone and email customer comments, suggestions/inquiries, and commendations, processes them and responds back to the customer
 - Responds to external and internal customer requests to furnish staff for presentations
 - Responds to customer requests for printed material such as route schedules and mails them to the customer
 - Administers the Special Discount Card program; coordinates the Senior Volunteer Program
 - Oversees pass sales at all of our sales outlets at our major transit centers
 - Manages the Lost and Found at our major transit centers
 - Assists the EcoPass function by taking EcoPass pictures at DIA
 - Administers the Bike Locker Program at the park-n-Ride locations
 - Works with the IT Division to maintain and update the RTD website and TIC trip planners as well as develop the Google trip planner for use by our customers
- Internal Audit Division is responsible for monitoring internal and external operations for efficiency and adequate controls and supervising contract closeout audits.
- Marketing is comprised of the Sales, Market Research, Account Services and Design Services groups. The Marketing Division provides prepaid fare products, performs market research, and promotes RTD service through direct mail, print and broadcast advertising, and other activities. This division also is responsible for print production,

graphic design, and audio/visual support for all RTD activities and plans special events.

Communications Summary of Program Costs

Cost Category	2014 Actual	2015 Amended	2015 Projected	2016 Adopted	Change /15 Amended	% Change /15 Amended
Salaries and Wages	\$ 6,018,686	\$ 6,451,420	\$ 6,451,420	\$ 7,530,452	\$ 1,079,032	16.7%
Fringe Benefits	2,386,625	2,096,278	2,096,278	2,738,242	641,964	30.6%
Materials and Supplies	203,380	334,550	334,550	354,750	20,200	6.0%
Services	2,696,624	5,148,132	4,492,803	8,750,336	3,602,204	70.0%
Utilities	-	18,816	18,816	13,130	(5,686)	(30.2%)
Insurance	-	-	-	-	-	0.0%
Purchased Transportation	-	-	-	-	-	0.0%
Leases and Rentals	5,866	6,000	6,000	8,000	2,000	33.3%
Other Expenses	113,444	171,395	171,395	185,395	14,000	8.2%
Grand Total	\$ 11,424,625	\$ 14,226,591	\$ 13,571,262	\$ 19,580,305	\$ 5,353,714	37.6%

Communications Trend Analysis of Program Costs (millions of dollars)



Major Changes Between 2015 and 2016 Budgets

Salaries and Wages/Fringe Benefits

- Increase in Salaries and Wages/Fringe Benefits due to merit and progression increases for salaried staff and additions to staff related to promoting and grand opening events for new rail lines

Services

- Increase in Services due to launch marketing outside services and grand opening events for new rail lines opening in 2016

2015 Accomplishments

RTD's Goals	
Safe	<ul style="list-style-type: none"> • Fielded dozens of media inquiries in English and Spanish to disseminate our safety message across the District, especially targeting awareness to avoid vehicle-pedestrian accidents • Implemented a bilingual (English/Spanish) safety campaign at dozens of public schools located along all three Eagle P3 commuter rail project corridors • Began licensing and developing a local version of the internationally acclaimed Dumb Ways to Die transit safety campaign that was introduced across the Denver metro region in early 2016 • Took the RTD safety message to dozens of fairs, festivals and other public events across the region
Clean	<ul style="list-style-type: none"> • Promoted RTD's sustainability efforts, usage of clean fuel and electric vehicles • Promoted the national Dump the Pump ('Elimina la Gasolina' in Spanish) initiative with local news media outlets to encourage drivers to use public transit for at least one day to improve air quality and conserve fossil fuels
Reliable	<ul style="list-style-type: none"> • Held Telephone Town Hall meetings in all 15 RTD Board of Directors districts • Marketed and supported the Board Office's hosting of the 2015 APTA Board Support Conference • Interviewed with English- and Spanish-language media about the agency's efforts to continue providing reliable services during and after snow storms and other weather events. Publicized transit options for special events such as Denver Broncos, Colorado Rockies and CU Buffaloes games • Reviewed 682 General Assembly bills and resolutions; closely monitored six bills with potential significant impacts to RTD; monitored an additional 95 bills with less significant impacts to the agency during the Colorado Legislature's regular session
Courteous	<ul style="list-style-type: none"> • Facilitated several delegation visits and led multiple tours for elected officials and their staff members • Assisted with the arrangement of a visit by U.S. Transportation Secretary Anthony Foxx to the Commuter Rail Maintenance Facility and the Workforce Initiative Now (WIN) Program • The Digital Customer Relations Liaison team assumed responsibility for weekday light rail RiderAlerts, which has sped up our communication with riders during service outages • The NextRide short message service (SMS) service launched successfully, allowing passengers to receive the next three arrival times by texting their stop numbers to a short code
Accessible	<ul style="list-style-type: none"> • Implemented an unprecedented media and public engagement plan to support the RTD Fare Study that included more than two dozen public meetings and hearings across the District • Collaborated with the RTD ADA Office and the Title VI Manager on public engagement designed to increase equity and accessibility • Promoted and staffed ADA Office public outreach at the annual Disability Awareness Fair on the Auraria Campus
Cost-effective	<ul style="list-style-type: none"> • Shared messaging with internal and external stakeholders about RTD's efforts to cut costs through staff innovations, affordable technology and cost-cutting efforts
Meets Future Needs	<ul style="list-style-type: none"> • Initiated the National Stand up for Transportation Day (SU4T)

	<p>concept and orchestrated efforts that included a 15-stop bus tour across the Denver area to raise community awareness of future transportation funding needs</p> <ul style="list-style-type: none">• Collected more online petition signatures than any other U.S. agency involved with the SU4T initiative and organized an April 9 SU4T unity parade and rally that drew 400 people• Conducted multiple pilots to test the smart card in anticipation of a public launch• Launched a successful, yearlong promotion of new transit lines opening in 2016• Won five first-place APTA AdWheel awards• Held a Nov. 3 celebratory kickoff event for the Southeast Rail Line Extension (SERE) project to acknowledge regional collaboration
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2016 Planned Projects

RTD's Goals	
Safe	<ul style="list-style-type: none"> • Continue to implement the internationally acclaimed 'Dumb Ways to Die' transit safety campaign throughout the Denver metro region in 2016 as new transit services become operational • Continue to message safety throughout the openings and service provision on five new transit expansion lines
Clean	<ul style="list-style-type: none"> • Continue to message the benefits of electric commuter rail and light rail technology, and usage of clean-burning fuels • Promote the annual Dump the Pump ('Elimina la Gasolina' in Spanish) initiative to conserve energy, improve air quality and encourage the use of public transit
Reliable	<ul style="list-style-type: none"> • Promote program that enables third-party developers to create real-time apps for smartphone users • Introduce RTD's own Real Time app • Implement a new content management system (CMS) for rtd-denver.com • Staff Civil Rights meetings and assist with communication efforts to build trust with small and disadvantaged businesses, professional associations, advocacy groups and passengers with disabilities
Courteous	<ul style="list-style-type: none"> • Promote program that enables third-party developers to create real-time apps for smartphone users • Introduce RTD's own Real Time app • Implement a new content management system (CMS) for rtd-denver.com • Staff Civil Rights meetings and assist with communication efforts to build trust with small and disadvantaged businesses, professional associations, advocacy groups and passengers with disabilities
Accessible	<ul style="list-style-type: none"> • Facilitate the publicity and messaging for the 2016 National ADA Symposium in Denver, June 19-22 • Engage with communities and stakeholders along the four FasTracks-funded rail lines opening in 2016 • Organize and staff dozens of community and FasTracks ambassador events, stakeholder meetings, and WIN promotional events in all 15 RTD districts • Ramp up outreach to Spanish-language media to meet federal Title VI requirements and the agency's long-term communication efforts with a growing Latino constituency • Strategize and plan publicity around the introduction of the RTD smart card program following the public pilot phase • Ensure RTD is well represented at all levels of government and at stakeholder meetings to keep the Board and staff apprised of critical information and developments • Represent RTD on the Colorado Association of Transit Agencies (CASTA) and the Transit Alliance boards • Launch a new trip planner at rtd-denver.com • Integrate a commuter rail RiderAlert and customer service process
Cost-effective	<ul style="list-style-type: none"> • Divide resources among five major transit line openings and other crucial projects • Seek ways of staffing community events that do not entail high costs
Meets Future Needs	<ul style="list-style-type: none"> • Transition communication responsibilities from the FasTracks Public Information (PI) team to the RTD Public Relations (PR) team

	<p>following the openings of each of five new transit corridors</p> <ul style="list-style-type: none">• Implement improved service quality monitoring, agent scheduling and analytics systems at RTD Customer Care• Monitor and respond to all meetings, information requests and legislative issues in an accurate and timely manner• Enhance grassroots and community-based outreach efforts to communicate more effectively with Title VI groups• Execute a successful public outreach effort along the SERE Project as Douglas County grows and the area's stakeholder list expands• Be fully cognizant of budgetary concerns during the FasTracks grand openings while meeting established public expectations and operations requirements• Is aware of the need to serve Civic Center Station sales customers appropriately from a temporary location during renovations
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Board of Directors

General Manager

Executive Office

General Description

The Executive Office is responsible for the leadership and management of the District in support of the goals and objectives of the Board of Directors. Primary duties include the development of program and policy alternatives for consideration by the Board; leadership, administration and management of staff activities; project planning, implementation, and completion; providing an environment for growth and development of staff; maintaining effective internal and external RTD communications; and promoting the understanding and importance of transit needs.

In addition, the Executive Office oversees two function units that provide critical support services that enable RTD's operational departments to meet the mission and goals of the District: Materials Management and Civil Rights.

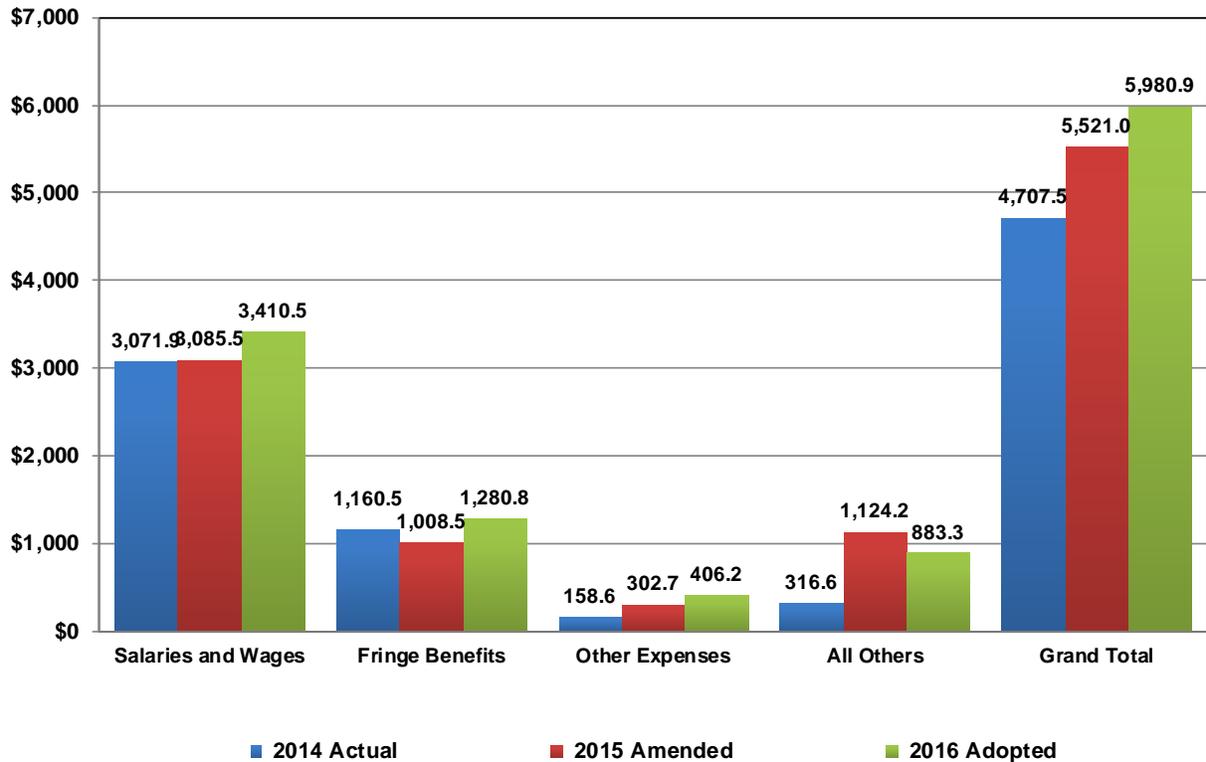
Materials Management is responsible for purchasing or contracting for all goods and services that the District requires. These include contracting for construction and professional services in support of approved projects, management of the District's inventory of repair parts and bulk fluids, disposition of excess/surplus District property, and management of the Purchasing Management and Inventory Control Systems.

Civil Rights consists of two groups: the Business Opportunity Office and the Equal Employment Opportunity Office. The Business Opportunity Office develops, administers, and implements RTD's and FasTracks' overall outreach and utilization plan for Disadvantaged Business Enterprise (DBE) and Small Business Enterprise (SBE) Programs as well as administers the Workforce Initiative Now (WIN) program. The Equal Employment Opportunity Office is responsible for the administration of the District's Equal Employment Opportunity program.

Executive Office Summary of Program Costs

Cost Category	2014 Actual	2015 Amended	2015 Projected	2016 Adopted	Change /15 Amended	% Change /15 Amended
Salaries and Wages	\$ 3,071,869	\$ 3,085,549	\$ 3,085,549	\$ 3,410,515	\$ 324,966	10.5%
Fringe Benefits	1,160,458	1,008,538	1,008,538	1,280,845	272,307	27.0%
Materials and Supplies	70,697	190,200	190,200	176,300	(13,900)	(7.3%)
Services	245,883	930,198	854,198	705,100	(225,098)	(24.2%)
Utilities	-	3,756	3,756	1,920	(1,836)	(48.9%)
Insurance	-	-	-	-	-	0.0%
Purchased Transportation	-	-	-	-	-	0.0%
Leases and Rentals	-	-	-	-	-	0.0%
Other Expenses	158,593	302,733	302,733	406,225	103,492	34.2%
Grand Total	\$ 4,707,500	\$ 5,520,974	\$ 5,444,974	\$ 5,980,905	\$ 459,931	8.3%

Executive Office Trend Analysis of Program Costs (thousands of dollars)



Major Changes Between 2015 and 2016 Budgets

Salaries and Wages/Fringe Benefits

- Increase in Salaries and Wages/Fringe Benefits due to merit and progression increases for salaried staff as well as additions to staff in Civil Rights

Services

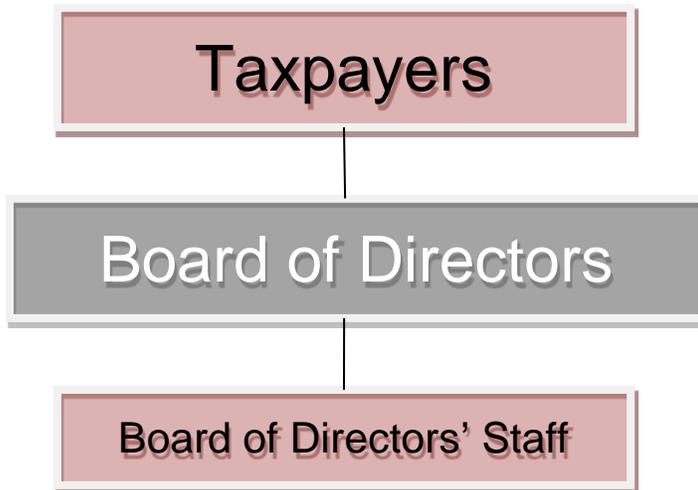
- Decrease in Services due to completion of software project in Civil Rights

2015 Accomplishments

RTD's Goals	
Safe	<ul style="list-style-type: none"> • Completed implementation of the RTD Asset Management – State of Good Repair program • Extended Partners in Safety Marketing Campaign
Reliable	<ul style="list-style-type: none"> • Finalized West Line service plan and completed stakeholder review • Neared construction completion mark for the West Line, with opening scheduled April 26, 2013; passed 78% completion point for DUS project
Courteous	<ul style="list-style-type: none"> • The Telephone Information Center/myStop system handled nearly 5,000,000 calls with the lowest average wait time in years • West Line and Denver Union Station service shutdown and tie-in to new line and stations completed with minimal impacts to customers
Accessible	<ul style="list-style-type: none"> • Aggressively pursued implementation of SmartCard program to put it on track for completion of Phase I in January 2013 and Phase II in Fall of 2013 • Addressed more than 2,000 direct media inquiries and public information requests, and logged more than 5,000 earned media interviews, mentions and responses • Initiated ridership campaign touting fact transit riders can enjoy up to \$10,000 in savings; won two 1st Place awards from American Public Transportation Association (APTA)
Cost-effective	<ul style="list-style-type: none"> • Initial proposal for I-225 received as a result of Transformation Through Transportation Industry Forum, which attracted more than 200 industry leaders from around the country to consider innovative solutions to RTD's current challenges and opportunities • Continued to implement Board-adopted Fiscal Sustainability Task Force recommendations for service optimization and modified fiscal policies regarding fund balances to successfully manage the District's long term financial position • Utilized model developed by the University of Colorado-Leeds School of Business to provide more accurate long-range sales and use tax projections
Meets Future Needs	<ul style="list-style-type: none"> • Identified funding previously unavailable for I-225 Corridor and awarded contract for construction, which will complete rail line a decade ahead of the most recent schedule • With RTD as the largest funding partner, Colorado Department of Transportation (CDOT) and High Performance Transportation Enterprise began construction of US36 Bus Rapid Transit (BRT) Managed Lanes • Graduated fourth class of RTD's Strategic Leadership Program to enhance training and knowledge transfer throughout the District • Expanded the Workforce Initiative Now (WIN) Pilot Program to enhance our capital program value and increase our community commitments

2016 Planned Projects

RTD's Goals	
Safe	<ul style="list-style-type: none"> • Complete the design and implementation plan for the structural rehabilitation of Civic Center Station in downtown Denver • Continued safety, security, environmental and facilities technical support of Eagle and FasTracks program • Continue with annual, multi-day refresher and re-certification training for all Light Rail operating staff members
Reliable	<ul style="list-style-type: none"> • Launch complete service package with opening of the West Line, including the redeployed bus and call-n-Ride services • Successfully launch phase two of myRide Smart Card in fall
Courteous	<ul style="list-style-type: none"> • Initiate a Text-enabled myStop feature that will offer customers an additional way to receive service information • Initiate branding and marketing plan design for US36 Bus Rapid Transit (BRT) Managed Lanes and for Downtown Circulator
Accessible	<ul style="list-style-type: none"> • Continue with marketing and information programs for smart card awareness in advance of phase two launch of myRide card in fall
Cost-effective	<ul style="list-style-type: none"> • Continue to provide innovative financial strategies to advance FasTracks projects through the FasTracks Internal Savings Account (FISA) as part of the Board-adopted Risk Allocation Matrix (RAM) • Pursue all opportunities to secure additional funding from a variety of sources to complete the FasTracks vision
Meets Future Needs	<ul style="list-style-type: none"> • Finalize financing plans and issue a Request For Proposals (RFP) for North Metro Rail Line construction at least to 72nd • Build upon enhanced employee "Total Rewards" benefits portfolio to demonstrate support and appreciation to current employees, and help to attract new recruits



Board Office

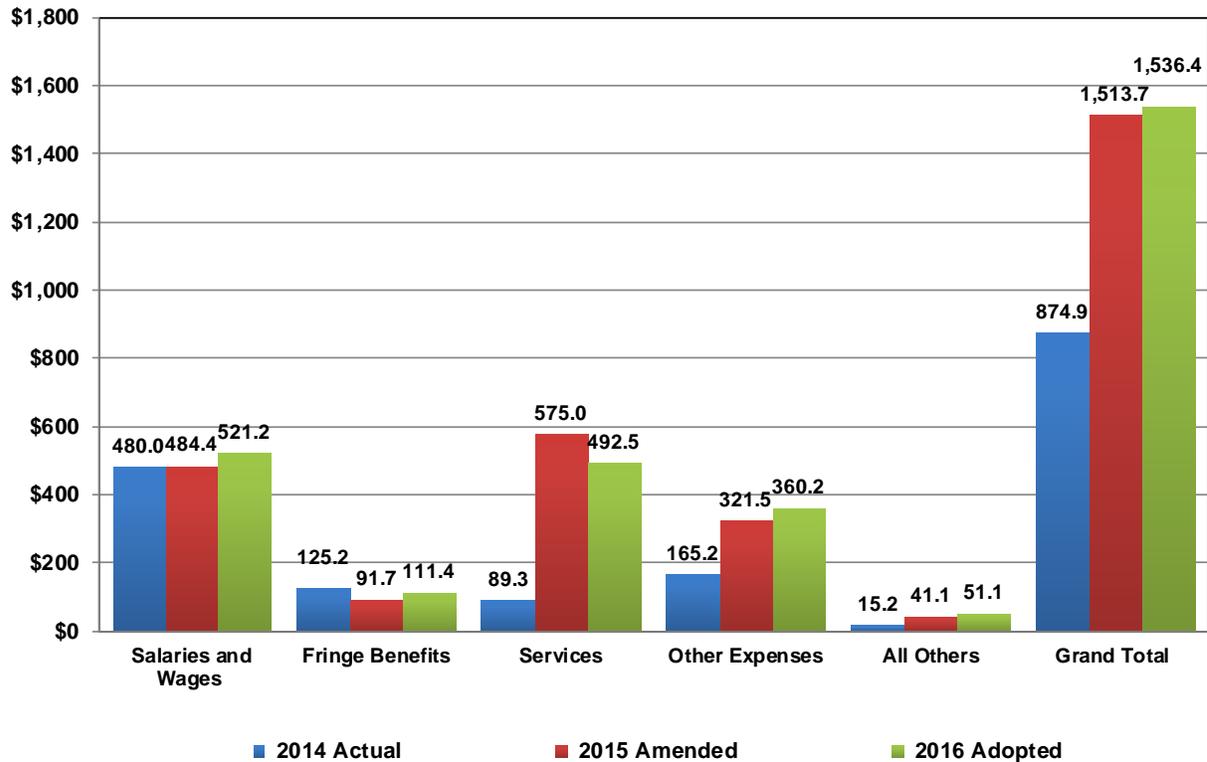
General Description

The Board Office is a support group whose mission is to manage and coordinate all the activities and functions of the Board of Directors. The department is responsible for producing and coordinating accurate, timely material for an orderly decision-making process. This includes planning and organizing efficient Board and committee meetings, documenting and keeping accurate records of all Board actions and policies, and assisting the Board of Directors in maintaining effective community relations with other officials, agencies, and constituents.

Board Office Summary of Program Costs

Cost Category	2014 Actual	2015 Amended	2015 Projected	2016 Adopted	Change /15 Amended	% Change /15 Amended
Salaries and Wages	\$ 480,021	\$ 484,384	\$ 484,384	\$ 521,190	\$ 36,806	7.6%
Fringe Benefits	125,153	91,670	91,670	111,402	19,732	21.5%
Materials and Supplies	259	6,000	6,000	16,000	10,000	166.7%
Services	89,349	575,000	332,540	492,460	(82,540)	(14.4%)
Utilities	14,947	35,100	35,100	35,100	-	0.0%
Insurance	-	-	-	-	-	0.0%
Purchased Transportation	-	-	-	-	-	0.0%
Leases and Rentals	-	-	-	-	-	0.0%
Other Expenses	165,172	321,500	321,500	360,200	38,700	12.0%
Grand Total	\$ 874,901	\$ 1,513,654	\$ 1,271,194	\$ 1,536,352	\$ 22,698	1.5%

Board Office Trend Analysis of Program Costs (thousands of dollars)



Major Changes Between 2015 and 2016 Budgets

Salaries and Wages/Fringe Benefits

- Increase in Salaries and Wages/Fringe Benefits due to merit and progression increases for salaried staff

Services

- Decrease in Services due to completing the management services for the General Manager search

Other Expenses

- Increase in Other Expenses due to costs associated with the election of Board of Directors

2015 Accomplishments

RTD's Goals	
Clean	<ul style="list-style-type: none"> • Hosted APTA webinar on Board Orientation & Onboarding
Reliable	<ul style="list-style-type: none"> • New Board member orientation workshops
Courteous	<ul style="list-style-type: none"> • Facilitated first Board only retreat (PEST) focusing on external environment challenges
Accessible	<ul style="list-style-type: none"> • Approved 2016-2021 Strategic Plan
Cost-effective	<ul style="list-style-type: none"> • Hosted SPTA Transit Board and Board Support Conference in Denver-Obtained sponsorship \$55K • Approved new fare structures for RTD agency
Meets Future Needs	<ul style="list-style-type: none"> • Selected David Genova as new General Manager for Agency

2016 Planned Projects

RTD's Goals	
Safe	<ul style="list-style-type: none"> • Implement safety and security strategies for public transportation
Reliable	<ul style="list-style-type: none"> • Successful Smart Card pilot and implementation
Cost-effective	<ul style="list-style-type: none"> • System optimization
Meets Future Needs	<ul style="list-style-type: none"> • Successful Rollout of 5 FasTracks corridors, including BRT for US 36

Non-Departmental

General Description

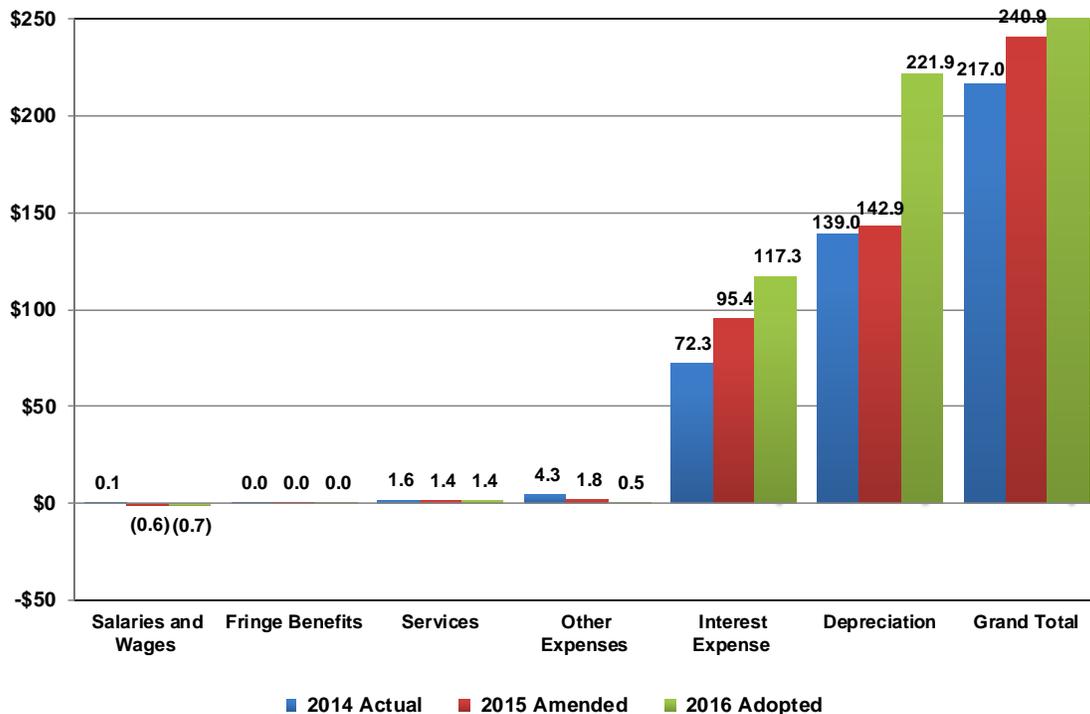
Non-departmental expenses include all functions and expenses that are not attributable to a specific department within the District organizational structure. These expenses fall into four general categories:

- Non-departmental expenditures include programs that benefit the District as a whole and do not fall under the jurisdiction of specific departments, including State and external financial audit fees, employee awards, student intern programs, and costs of ballot issue elections required under Article X, Section 20 of the Colorado Constitution.
- Unallocated expenses are funds available during the budget year to meet needs that were not anticipated at the time the budget was developed. As needs are identified, funds are transferred from this line item into the appropriate departments.
- Vacancy savings are identified during the development of the budget to account for anticipated salary and benefit savings from vacant positions. Actual savings are posted to the appropriate departments as they occur.
- Interest expense represents the interest payments due on all outstanding bonds, certificates of participation (COPs), and commercial paper issued by RTD, and any anticipated interest payments or issuance costs for bonds, COPs, or commercial paper expected to be issued in the current year.

Non-Departmental Summary of Program Costs

Cost Category	2014 Actual	2015 Amended	2015 Projected	2016 Adopted	Change /15 Amended	% Change /15 Amended
Salaries and Wages	\$ 72,408	\$ (642,680)	\$ (642,680)	\$ (735,000)	\$ (92,320)	14.36%
Fringe Benefits	6,323	18,536	18,536	11,475	(7,061)	(38.09%)
Materials and Supplies	(217,184)	-	-	-	-	0.00%
Services	1,566,386	1,436,000	1,436,000	1,427,500	(8,500)	(0.59%)
Utilities	-	-	-	-	-	0.00%
Insurance	(110,032)	-	-	-	-	0.00%
Purchased Transportation	-	-	-	-	-	0.00%
Leases and Rentals	-	-	-	-	-	0.00%
Other Expenses	4,327,734	1,814,145	1,814,145	478,200	(1,335,945)	(73.64%)
Sub Total	\$ 5,645,635	\$ 2,626,001	\$ 2,626,001	\$ 1,182,175	\$ (1,443,826)	(54.98%)
Interest Expense	72,293,000	95,365,000	95,365,000	117,313,000	21,948,000	23.01%
Depreciation	139,044,514	142,904,000	137,018,000	221,857,000	78,953,000	55.25%
Grand Total	\$ 216,983,149	\$ 240,895,001	\$ 235,009,001	\$ 340,352,175	\$ 99,457,174	41.29%

Non-Departmental Trend Analysis of Program Costs (millions of dollars)



Major Changes Between 2015 and 2016 Budgets

Salaries and Wages/Fringe Benefits

- Decrease in Salaries Wages/Fringe Benefits due to reduction in intern program salaries

Other Expenses

- Decrease in Other Expenses due to the absence of a lump sum bonus for represented employees

Interest Expense

- Increase in Interest Expense due primarily to the financing of FasTracks construction

Depreciation

- Increase in Depreciation due to continuing additions to the asset base and from system expansion

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Part VIII. 2016 Capital Expenditures

RTD Capital Program Assumptions

Overview

RTD's capital program supports the current and future delivery of transit service to its 2,340 square mile district. To this end, RTD provides revenue vehicles and other equipment needed to operate bus and rail service, rapid transit infrastructure such as rail lines and high-occupancy vehicle lanes, and other passenger infrastructure such as park-n-Rides, transfer stations, and bus shelters.

A capital project is any activity which results in the addition of a tangible asset with a dollar value of \$5,000 or greater and an expected useful life greater than one year, such as property, plant or equipment used by the organization in its operations. The resultant new asset is expected to benefit future periods. It is distinguished from major repairs to an existing capital asset that does not expand the capacity of that asset.

RTD has one significant non-routine capital expenditure programs in the 2016 Adopted Budget which is FasTracks. The RTD FasTracks program is an integration of several transit modes and other programs into a comprehensive region-wide system. FasTracks required voter approval on a ballot issue. FasTracks utilizes both new capital and capital carryforward funding.

Fleet Plan

RTD will continue its fleet replacement program in 2016. RTD has scheduled the purchase of 40-ft. transit buses and intercity buses totaling 13 for expansion. Transit cut-away buses will be retired in their entirety in 2016. There is no net gain in number in the regular bus fleet from these purchases as RTD will be retiring a greater number of older vehicles in 2016.

RTD will also purchase call-n-Ride cut-away vehicles and ADA cut-away vehicles (access-a-Ride) for expansion for a gain of 14 net of older vehicle retirements.

RTD has scheduled the purchase of light rail vehicles for expansion for a net gain of nine.

The table on the next page presents the revenue fleet purchase assumptions used in the preparation of the 2016 Budget.

RTD Revenue Fleet Assumptions – 2016¹

	Jan. 1, 2016	Dec. 31, 2016	Change
Regular Bus Fleet			
Transit	602	612	10
Articulated	110	110	0
Intercity	168	171	3
Mall Shuttle	38	38	0
Medium Transit (30-foot)	94	94	0
Cutaway (22-foot)	14	0	(14)
Subtotal - Regular Bus Fleet	1,026	1,025	(1)
Call-n-Ride (22-foot)	54	58	4
Light Rail Vehicles	172	181	9
access-a-Ride			
Cutaway	334	344	10
Subtotal – access-a-Ride	334	344	10
TOTAL REVENUE VEHICLES	1,586	1,608	22

¹ Opening balances represent estimates available at time of budget submission. Actual balance at year-end may vary according to adjusted delivery and retirement schedule and other needed changes.

FasTracks

In November 2004, the voters of the Regional Transportation District approved the financing of the FasTracks multimodal project. The plan calls for new commuter rail and light rail lines in nine major travel corridors, bus rapid transit, an expanded park-n-Ride system, enhanced bus service throughout the District, and development of Denver Union Station in downtown Denver as a multimodal transit hub. As of August 2015, when the Board of Directors approved the latest revision to the Regional Transportation Plan, the total cost of the currently-funded FasTracks projects in year of expenditure (YOE) dollars was projected at \$5.6 billion.

Park-n-Rides

In 2016, RTD programmed additional capital funding for the reconstruction of the existing Lafayette park-n-Ride for an enlargement of the bus boarding/alighting area to bring in buses that are staging/laying-over along City Center Drive due to new development in the immediate area which will compromise use of the area for bus layover. This work is programmed at \$1.0 million. Also programmed in 2016 is reconstruction of the Westminster Center park-n-Ride south side surface parking area to correct drainage issues and upgrade to current design criteria. The design work will be performed in 2016 at a budgeted cost of \$100,000. On-going improvements for various park-n-Rides, such as asphalt seal coat and crackfill, concrete joint sealing and repairs, and landscaping and irrigation improvements will occur in 2016 but these costs are budgeted in repair and maintenance and not capital.

Transfer Stations

RTD in 2016 will continue its bus passenger shelter installation program and upgrading of RTD's current shelter construction with an updated standard product designed by RTD's engineering staff. In addition, RTD will continue to fund transit improvements requested by local governments consisting of bus and/or passenger related transit improvement such as bus pads, passenger waiting areas, passenger shelters and benches. RTD will also support the State of Good Repair program on the Southeast light rail corridor to replace as needed civil/structural issues on the light rail stations, corridor, MSE walls or platforms.

Other Capital Projects

In addition to the specific programs described above, RTD's 2016 capital budget includes funding for other programs, as listed below:

- Expansion of Customer Care Telephone Information Center due to expected increase in incoming customer call volume and a requisite increase in the number of agents to handle the volume
- Ticket Vending Machine hardware and software upgrade to Windows 7 to be compatible with new TVMs installed for the expansion of the BRT and commuter rail corridors
- Treasury Building expansion to accommodate additional assets coming on-line with the new FasTracks corridors
- Enterprise Content Management to comprehensively manage the organization's as-is records and informational assets processes
- Various support equipment in IT including firewall procurement for light rail systems and security, information storage unit replacements at the operations center, real-time passenger information integration with light rail system, replacement modems for call-n-Ride vehicles, MyStop and Where's My Ride enhancements, enterprise wifi upgrade, and phone system upgrade
- Heavy equipment specific to light rail infrastructure and track maintenance
- Power switching on emergency crossovers when track segments are taken out of service
- Railway worker protection early warning system
- Civic Center Station rebuild/replacement and associated infrastructure
- CCTV retrofit on buses to replace defunct video systems on older buses and certain parking structures
- Radio equipment for expansion of the armed security, police and transit police unit employees that will be providing services to the new rail lines
- Handheld Smart readers/mobile citation devices for fare enforcement operations on the Base system and commuter rail operations
- Vehicles (SUVs) for contracted police officers equipped with emergency lights, siren, and RTD radio
- On-going replacement of fleet administrative pool vehicles, support/service vehicles, and in-plant vehicles/equipment

2015 Capital Accomplishments

The difference between 2015 Amended Budget Capital Expenditures and 2015 Projected Capital Expenditures is due primarily to capital carry-forward. Capital carry-forward exists when a project, either in whole or in part, is not completed in a single fiscal year. The funds required to complete the project are “carried forward” to the next fiscal year.

Project	Description	2015 Projected Expenditure
<u>FasTracks</u> EAST CORRIDOR	Continued EMU manufacturing and delivery including spare parts. Station and park-n-Ride construction. Traction Power and Communication installations. Traffic Signals and Crossing Protection installations. Testing and Start-up activities as well as third party betterments.	\$131,301,305
I-225 CORRIDOR	The Segment 2 portion of the Project ROW Construction Access for the Project was completed for all parcels. All the LRT bridges and one pedestrian bridge were completed. Three of eight stations are essentially complete with the exception of site furnishings. The remaining five are under construction and projected to be complete. Track work is completed in Segment 1 and Area A and under construction in the remaining areas. Completed civil construction of five at-grade crossing with the City of Aurora streets Systems elements are under construction in all areas of the corridor.	\$101,359,263
GOLD LINE	Continued EMU manufacturing and delivery including spare parts. Earthwork and Utility Relocation work progressed. Walls and bridge work progressed. Guideway installation continued. Environmental remediation. Station and park-n-Ride construction. Traction Power and Communication installations. Traffic Signals and Crossing Protection installations. Testing and Start-up activities as well as third party betterments. Management oversight.	\$73,484,351
NORTH METRO	Design is nearing completion. NM has begun construction of all major infrastructures including utilities, bridges, station grading. ROW acquisition is on schedule to complete by March 2016.	\$58,276,928
NORTHWEST RAIL	Continued EMU manufacturing and delivery including spare parts. Railroad relocation. Earthwork and Utility Relocation work progressed. Walls and bridge work progressed. Guideway installation continued. Environmental remediation. Station and park-n-Ride construction. Traction Power installations. Traffic Signals and Crossing Protection installations. Testing and Start-up	\$22,078,393

Project	Description	2015 Projected Expenditure
	activities as well as third party betterments.	
COMMUTER RAIL MAINTENANCE FACILITY	Systems Controls, Communication and Start-up activities performed.	\$15,319,533
DUS TO CRMF CORRIDOR	Earthwork. Walls and bridge work progressed. Guideway installation continued. Traction Power installations. Traffic Signals and Crossing Protection installations. Testing and Start-up activities as well as third party betterments.	\$14,551,487
<u>LRT Construction</u> LRT MOW BUILDING RIO CT.	Project was completed in March 2015. Final acceptance and occupancy permit completed. RTD occupying facility.	\$577,902
<u>LRT Transit</u> ADA HIGHBLOCK REPLACEMENT CENTRAL DENVER	The existing highblock was demolished and replaced with a new steel highblock. The project was completed in 2015.	\$248,474
LRV PURCHASE OF 12 VEHICLES	Entered into a contract with Siemens for the production, delivery and spare parts for 29 Light Rail Vehicles. Milestone A was met in 2015. Milestone B is due in the first quarter of 2016. Completion of this project is scheduled for 2018.	\$14,062,498
LRV TRAINING SIMULATORS	2 simulators were installed. Training completed Simulators being utilized to train new and current Light Rail operators. Project is complete.	\$918,600
POWER SWITCHING ON EMERGENCY CROSSOVERS	An Invitation for Bid (IFB) was issued. Construction contract awarded to Mass Electric (MEC). Work to begin in 2016. Project anticipated to be completed in 2016.	\$188,111
<u>Transfer Stations</u> CITY OF BOULDER/RTD INTERMODAL FACILITY	The station opened to the public in August. All interior upgrades including the installation of security cameras and the building automation system were completed. The project was completed in 2015.	\$1,645,243
CIVIC CENTER STATION REBUILD	The project design was completed in 2015. The Construction phase will begin this year. Completion of this project is scheduled for 2017.	\$1,530,303
SOUTHWEST PLAZA BUS TRANSFER STATION	80% of design phase completed. Working on License Agreement and Plan Approval then project will go to the Invitation for Bid (IFB) process. Project scheduled for construction in 2017.	\$129,861
<u>Park -n-Ride</u> STAPLETON	The Park-n-Ride was open to the public in September. The remaining Phase I work – landscaping to be completed in 2016. Phase I & II Punch-list to be completed in 2016.	\$5,503,659

Project	Description	2015 Projected Expenditure
<u>Capital Support Equipment</u> FIXED ROUTE BUS ANNUNCIATORS	Payment for final testing of Automatic Transfer Announcements was done in 2015. This project is complete.	\$772,035
SUPPORT /SERVICE VEHICLES	The project was for the delivery of 20 service vehicles. 17 were delivered in calendar 2015 and 3 were delivered in early 2016. The project is complete.	\$773,180
UREA (DIESEL EXHAUST FLUID) STORAGE & DISPENSING	This project was for the delivery and installation of 3 storage tanks and dispensing systems. All 2three units were installed and are in service. The project is complete.	\$169,087
SMART CARD SYSTEM ARRA	The SmartCard Stored Value Pilot was launched in January 2016, which included purchasing Platform Validators for all rail lines. An off-site Hosting Agreement was established. RTD retail Sales Outlets were equipped with POS devices to re-load SmartCards.	\$771,222
CLOUD COMPUTING CAPACITY PLANNING	Additional server purchased. Real Time Project was successfully launched. Additional compute power to be purchased to enhance the real time demands. Project to be completed in 2016.	\$162,000
EXADATA STORAGE EXPANSION	Additional icense purchased to compress storage on exadata servers, allowing more storage capacity to store real-time data. The project is complete.	\$114,438
RADIO SYSTEMS/SOFTWARE - CAD/AVL	Achieved conditional acceptance of the system. Implemented better data processing capabilities. Measured voice radio coverage along the I225 corridor and Radio Tower enhancements were done. Software upgrades, cellular memory card upgrades, additional radio tower capacity and cellular coverage improvements need to be completed, Project completion date anticipated in 2017.	\$3,222,931
REAL TIME INFORMATION DELIVERY	RTD launched real-time information for bus service. Significant steps were made to incorporate light rail service including the development of an interface to provide real-time location updates. Significant work remains to provide publishing real-time data to the public. The current scope of the project is anticipated to be complete in 2016.	\$125,028
SMT STORED VALUE CARD IMPLEMENTATION	The SmartCard Stored Value Pilot was launched in January 2016. A fare structure increase was initiated. This included Day Pass Printers being purchased and installed on the entire RTD fleet. The SMT Web Portal was enhanced, thus allowing the Customer Care Department in assisting riders with their SmartCard questions.	\$176,059

Project	Description	2015 Projected Expenditure
TIS/RTPI + 2 FTE	RTD launched real-time information for bus service. Significant steps were made to incorporate light rail service including the development of an interface to provide real-time location updates. Significant work remains to provide publishing real-time data to the public. The current scope of the project is anticipated to be complete in 2016.	\$242,895
UNION TIMECLOCK SYSTEM @ DS	Project was stopped in April 2015. Requirement assessment and Documentation under contract negotiations (amendment #3) 40% of project work complete in 2015. Code development, testing & implementation to be finished.	\$165,396
VIRTUAL SECURITY OPERATIONS CONSOLE (VSOC)	Multiple servers and the associated software were installed. Certification and training of key RTD IT staff was completed. Integration of emergency phones, cameras, access controls and District Mapping were completed. Phase I will be completed in Spring 2016.	\$339,002
<u>Capital Support Projects</u> 16 TH St. MALL PAVER REPAIR	Reconstruction plans were completed and issued for bid, Negotiations were unsuccessful. Looking for an alternate paving system. If an alternative system is selected, the project will be re-bid and constructed in 2017.	\$265,418
<u>Fleet Modernization & Expansion</u> ARTICULATED BUSES	Took delivery of 18 Articulated Buses from New Flyer. All buses were put into revenue service in 2015. This project is complete.	\$12,291,063
TRANSIT BUSES	Took delivery of 174 Transit Buses from Gillig. All buses put into revenue service. Awaiting delivery of spare parts to close out the project. Completion of project anticipated in the second quarter of 2015.	\$63,775,979
<u>Facilities Construction & Maintenance</u> WELLNESS/REHAB CENTER	The East Metro Wellness Center opened for use to the public in August. The new enhanced center will accommodate all Bus Operators, Light Rail Train Operators, Management and all Physical Therapy needs.	\$602,148
BLAKE COOLING SYSTEM	A new cooling system was installed in the Blake St. location. The new system included two air-chillers, system pumps and additional piping. Two existing control valves and piping modifications will be completed in 2016.	\$715,950

Capital Expenditure Summary Chart by Program

CAPITAL PROGRAM BY PROJECT	ADOPTED BUDGET 2016 LOCAL		ADOPTED BUDGET 2016 FEDERAL		ADOPTED BUDGET 2016 TOTAL		ADOPTED BUDGET 2016 NEW CAPITAL		ADOPTED BUDGET 2016 TOTAL CAPITAL	
	LOCAL	FEDERAL	LOCAL	FEDERAL	LOCAL	FEDERAL	LOCAL	FEDERAL	LOCAL	FEDERAL
FASTRAKS										
BURKHART YARD LEAD & OTHER										
COTY WEST CORRIDOR										
CENTRAL CORRIDOR	279,869				279,869				279,869	
CENTRAL CORRIDOR EXTENSION										
CENTRAL PLATTE VALLEY										
COLFAX CROSSOVER										
COMMUTER RAIL MAINTENANCE FACILITY	32,108,209		7,760,156		39,868,364				39,868,364	
CRUIF TO PECOS	5,812,212		176,643		5,988,855				5,988,855	
DENVER UNION STATION-OVERSIGHT	4,210,904				4,210,904				4,210,904	
DOWNTOWN CIRCULATOR	3,347,031				3,347,031				3,347,031	
DUS ELECTRIFICATION	2,173,079		323,603		2,496,682				2,496,682	
DUS SYSTEMS-EAGLE	1,323,321				1,323,321				1,323,321	
DUS TO CRUIF CORRIDOR	12,507,988		4,496,334		17,004,321				17,004,321	
EAGLE ADDITIONAL VEHICLES	2,144,367	6,000,000	500,000		2,644,367	6,000,000			8,144,367	
EAST CORRIDOR	194,927,284	6,925,116	201,852,400	114,427,794	396,379,684	155,700,000			552,079,684	248,124,606
FASTRAKS ADMIN PROJECTS	13,713,519				13,713,519				13,713,519	
FASTRAKS CONTINGENCY	1,000,000				1,000,000				1,000,000	
FASTRAKS MISC. IMPROVEMENTS	67,814				67,814				67,814	
GOLD LINE	99,201,485	1,619,000	32,788,307		131,989,792	4,128,800			136,118,592	5,747,800
I-225 CORRIDOR	167,972,149		76,238,002		244,210,151				244,210,151	
I-225 LRT VEHICLE STORAGE TRACKS	10,811,704		1,554,100		12,365,804				12,365,804	
I-225 THIRD PARTY BETTERMENTS	3,302,647		5,388,145		8,690,792				8,690,792	
LONGMOUNT STATION	10,027,687				10,027,687				10,027,687	
LRT VEHICLES (2)	7,000,000				7,000,000				7,000,000	
NORTH METRO COP	117,438,454		75,519,694		192,958,147				192,958,147	
NORTH METRO ENABLING WORK	9,138,038				9,138,038				9,138,038	
NORTH METRO NON COP	91,669,651				91,669,651				91,669,651	
NORTH METRO ORAM INTERFACE	17,186,861				17,186,861				17,186,861	
NORTHWESTER RAILROAD										
NORTHWESTRAL	44,982,883		11,405,763		56,388,646				56,388,646	
NORTHWESTRAL SEGMENT 2	890,489				890,489				890,489	
P.P.P. PREPARATION	250,000				250,000				250,000	
PEORIA INTERFACE COORDINATION	1,881,637				1,881,637				1,881,637	
SOUTHEAST CORRIDOR ENHANCEMENTS										
SOUTHEAST CORRIDOR EXTENSION	17,770,612		38,940,584		56,711,196	58,176,021			114,887,217	
SOUTHWEST CORRIDOR ENHANCEMENTS										
SOUTHWEST CORRIDOR EXTENSION	1,232,703				1,232,703				1,232,703	
SYSTEM WIDE COMMUNICATIONS										
U.S. 36 B.R.T. PHASE 2	15,521,314	1,250,000			16,771,314				16,771,314	1,250,000
U.S. 36 TWIN	136,200	6,24,800			6,384,000				6,384,000	
WALNUT STREET CROSSOVER	33,578				33,578				33,578	
WEST CORRIDOR ONPA STIMULUS FUNDING	695,952				695,952				695,952	
WEST CORRIDOR THIRD PARTY FUNDED PROJECTS										
WEST CORRIDOR 3RD PARTY BETTERMENTS										
WEST PARKING GARAGE	1,474,033				1,474,033				1,474,033	
SUBTOTAL - FASTRAKS PROJECTS	892,293,673	16,418,916	154,738,680	218,504,821	1,047,092,253	218,504,821	373,303,401	234,923,737	1,281,016,990	1,281,016,990
WEST LINE										
EQUIPMENT FOR FM	375,537				375,537				375,537	
PIDS ELECTRONIC SIGNS	61,740				61,740				61,740	
SUBTOTAL WEST LINE	437,277				437,277				437,277	
TOTAL FASTRAKS	892,730,950	16,418,916	154,798,380	218,504,821	1,047,529,550	218,504,821	373,303,401	234,923,737	1,281,453,267	1,281,453,267

Capital Expenditure Summary Chart by Program (continued)

CAPITAL PROGRAM BY PROJECT	ADOPTED BUDGET 2016 PRIOR PERIOD CAPITAL CARRY FORWARD			ADOPTED BUDGET 2016 NEW CAPITAL			ADOPTED BUDGET 2016 TOTAL CAPITAL		
	LOCAL	FEDERAL	TOTAL	LOCAL	FEDERAL	TOTAL	LOCAL	FEDERAL	TOTAL
FACILITIES CONSTRUCTION & MAINTENANCE									
DISTRICT SHOPS	568,400		568,400			568,400			568,400
SECOND FLOOR MEZZANINE REMODEL	16,637		16,637			16,637			16,637
SUPPORT VEHICLES CARWASH REPLACEMENT	9,670		9,670			9,670			9,670
TRANSMISSION DYNAMOMETER UPGRADE	594,708		594,708			594,708			594,708
SUBTOTAL - DISTRICT SHOPS									
EAST METRO	11,280		11,280			11,280			11,280
WELLNESS/REHAB CENTER	11,280		11,280			11,280			11,280
SUBTOTAL - EAST METRO									
PLATTE	7,974		7,974			7,974			7,974
DRIVERS END REMODEL									
MOBILE HOIST	7,974		7,974			7,974			7,974
SUBTOTAL - PLATTE									
TREASURY	4,142		4,142			4,142			4,142
SEWAGE LIFT STATION DRAIN LINE RELOCATION	4,142		4,142			4,142			4,142
SUBTOTAL - TREASURY									
OTHER PROJECTS	96,804		96,804			96,804			96,804
BLAKE COOLING SYSTEM	96,804		96,804			96,804			96,804
SUBTOTAL - OTHER PROJECTS									
TOTAL FACILITIES CONSTRUCTION & MAINTENANCE	714,908		714,908			714,908			714,908
TRANSFER STATIONS									
BOULDER	2,182,044		2,182,044			2,182,044			2,182,044
CITY OF BOULDER/RTD INTERMODAL FACILITY	2,182,044		2,182,044			2,182,044			2,182,044
SUBTOTAL - BOULDER									
OTHER	7,907,093	11,383,146	19,290,239	6,356,732		6,356,732	14,263,824	11,383,146	25,646,970
CIVIC CENTER STATION REBUILD									
DUS SIGNAGE PDS	29,193		29,193			29,193			29,193
MAIL CHARGING UNITS	2,321,422		2,321,422			2,321,422			2,321,422
EXPANSION @ CUSTOMER CARE TELEPHONE	1,031,100		1,031,100			1,031,100			1,031,100
SOUTHWEST PLAZA BUS TRANSFER STATION	7,867,809		7,867,809			7,867,809			7,867,809
TREASURY BUILDING EXPANSION	11,383,146		11,383,146			11,383,146			11,383,146
SUBTOTAL - OTHER	12,439,732	11,383,146	23,822,878	7,867,809		7,867,809	20,307,561	11,383,146	31,690,707
TOTAL TRANSFER STATIONS									
RAPID TRANSIT DEVELOPMENT									
EAST CORRIDOR	11,479		11,479			11,479			11,479
TOTAL RAPID TRANSIT DEVELOPMENT	11,479		11,479			11,479			11,479
PARK - N - RIDES									
104th AVE. & COLORADO BLVD.	1,152,758	1,320,000	2,472,758			1,152,758	1,320,000		2,472,758
HWY 287 & NIWOT RD	325,105		325,105			325,105			325,105
STAPLETON	3,548,269		3,548,269			3,548,269			3,548,269
TABLE MESA	673,200		673,200			673,200			673,200
TANTRA DRIVE	474,472		474,472			474,472			474,472
THORNTON PNR EXPANSION	283,846	997,404	1,281,250			283,846	997,404		1,281,250
LAFAYETTE PNR RECONSTRUCTION				1,031,100		1,031,100			1,031,100
WESTMINSTER CENTER PNR SOUTH SIDE				103,110		103,110			103,110
TOTAL PARK-N-RIDES	6,457,649	2,317,404	8,775,053	1,134,210		1,134,210	7,591,859	2,317,404	9,909,263

Capital Expenditure Summary Chart by Program (continued)

CAPITAL PROGRAM BY PROJECT	ADOPTED BUDGET PRIOR PERIOD CAPITAL CARRYFORWARD 2016			ADOPTED BUDGET 2016 NEW CAPITAL			ADOPTED BUDGET 2016 TOTAL CAPITAL		
	LOCAL	FEDERAL	TOTAL	LOCAL	FEDERAL	TOTAL	LOCAL	FEDERAL	TOTAL
CAPITAL SUPPORT EQUIPMENT									
OPERATIONS									
ADA CALL CENTER UPGRADES	432,019		432,019			432,019			432,019
ADULT EDUCATION	4,435,000		4,435,000			4,435,000			4,435,000
ADULT EDUCATION VEHICLES	12,081		12,081			12,081			12,081
ADULT EDUCATION SUPERVISOR VEHICLES	186,394		186,394	103,110		103,110			289,504
CAPITAL TOOLS FOR LIGHT RAIL MAINTENANCE	10,000		10,000			10,000			10,000
IN PLANT VEHICLES & EQUIP (BUS)	10,000		10,000	103,110		103,110			113,110
IN PLANT VEHICLES & EQUIP	8,689		8,689			8,689			8,689
IN PLANT VEHICLES & EQUIP (RAIL)	10,708		10,708			10,708			10,708
IN PLANT VEHICLES & EQUIP	312,787		312,787			312,787			312,787
RADIO KITS	483,000		483,000			483,000			483,000
SUPPORT SERVICE VEHICLES	1,753,342		1,753,342	735,174		735,174			2,490,516
SUPPORT SERVICE VEHICLES WEST	28,152		28,152			28,152			28,152
IN PLANT VEHICLES & EQUIPMENT	107,153		107,153			107,153			107,153
SUPPORT SERVICE VEHICLES	489,419		489,419			489,419			489,419
UREA (DIESEL EXHAUST FLUID) STORAGE & DISPENSING									
TRANSIT OUTWAY VANS	65,000		65,000			65,000			65,000
VEHICLES (12) FOR CONTRACT POLICE				82,488		82,488			82,488
SUBTOTAL - OPERATIONS	8,316,147		8,316,147	1,023,882		1,023,882			9,340,029
MATERIALS MANAGEMENT									
TREASURY									
FAREBOX REPLACEMENT	146,455		146,455			146,455			146,455
IT/M HARDWARE AND SOFTWARE UPDATE TO WINDOWS 7				61,866		61,866			61,866
TREASURY CAPITAL EQUIPMENT	28,000		28,000			28,000			28,000
SMART CARD SYSTEM AREA	2,910,760		2,910,760			2,910,760			2,910,760
SUBTOTAL - TREASURY	3,085,215		3,085,215	61,866		61,866			3,147,081
INFORMATION TECHNOLOGY									
5Y1 INTEGRATION INIT STOP	85,414		85,414			85,414			85,414
APPLICATION LOAD BALANCER	201,720		201,720			201,720			201,720
AUTOMATED PASSENGER COUNTS TOOL	843,780		843,780			843,780			843,780
AUTOMATED PASSENGER COUNTERS	153,750		153,750			153,750			153,750
AUTOMATED STATION LOGGING	42,100		42,100			42,100			42,100
AVAYA PHONE SYSTEM UPGRADE & SUPPORT	417,135		417,135	355,730		355,730			772,865
CALL CENTER TABLET REPLACEMENT	169,115		169,115			169,115			169,115
CIVIL RIGHTS COMPLIANT MANAGEMENT SOFTWARE	25,725		25,725	61,866		61,866			87,591
CLOUD COMPUTING CAPACITY PLANNING	59,400		59,400			59,400			59,400
DATA CENTER POWER EXPANSION	4,885		4,885			4,885			4,885
DISASTER RECOVERY	1,197,129		1,197,129			1,197,129			1,197,129
DRCOG FOCUS TRAVEL MODEL (Hardware/Software)	13,384		13,384			13,384			13,384
DUS JUMBO TRON PIDS, CLOCKS, SIGNS, AND WIFI	35,880		35,880			35,880			35,880
EEO SOFTWARE	2,327		2,327			2,327			2,327
ELDORA RADIO REPEATER SITE	51,250		51,250			51,250			51,250
ENTERPRISE CONTENT MANAGEMENT				824,880		824,880			824,880
ENTERPRISE CONTENT MANAGEMENT				216,335		216,335			216,335
ENTERPRISE CRM STUDY/REPLACEMENT				127,875		127,875			127,875
ENTERPRISE FIREWALL REPLACEMENT									
ENTERPRISE ROUTER REPLACEMENT									
ENTERPRISE WIFI UPDATE				540,296		540,296			540,296
EV DATA STORAGE EXPANSION	46,562		46,562			46,562			46,562
GPS RE-RADIATOR	614,400		614,400			614,400			614,400
HANDHELD SMART READERS/MOBILE STATION DEVICES				876,435		876,435			876,435
INFORMATION STORAGE REPLACEMENT/EXPANSION									
INFORMATION STORAGE UNIT REPLACEMENT				824,880		824,880			824,880
INTEGRATION OF NEW PLANNING/SCHEDULING SOFTWARE	512,500		512,500			512,500			512,500
INVENTORY PLANNING & FORECASTING	1,845,000		1,845,000			1,845,000			1,845,000
IT INTRUSION DETECTION/PREVENTION SYSTEM	307,500		307,500			307,500			307,500
IT/VR DISASTER RECOVERY SERVERS	469,526		469,526	82,488		82,488			389,988
JOBS AUTOMATION	358,750		358,750			358,750			358,750
MARKET RESEARCH CONTENT MANAGEMENT SYSTEM	68,968		68,968			68,968			68,968
MOBILE DATA ANALYSIS FOR ACCESS-AROUND	3,690,000		3,690,000			3,690,000			3,690,000
MOBILE DEVICE APPLICATION DEVELOPMENT	287,810		287,810			287,810			287,810
MOBILE LAPTOP PROJECT	76,875		76,875			76,875			76,875

Capital Expenditure Summary Chart by Program (continued)

CAPITAL PROGRAM BY PROJECT	PRIOR PERIOD CAPITAL CARRYFORWARD 2016			ADOPTED BUDGET 2016 NEW CAPITAL			ADOPTED BUDGET 2016 TOTAL CAPITAL		
	LOCAL	FEDERAL	TOTAL	LOCAL	FEDERAL	TOTAL	LOCAL	FEDERAL	TOTAL
MOBILE PORTABLE VOICE RADIOS	717,500		717,500				717,500		717,500
MYSTOP & WHERE'S MY RIDE ENHANCEMENTS	102,500		102,500				102,500		102,500
MYSTOP & WHERE'S MY RIDE IVR	307,500		307,500	103,110		103,110	410,610		410,610
NETWORK SYSTEM MONITORING AND ALERTING	205,000		205,000				205,000		205,000
OPERATIONAL CAMERAS AT CIVIC CENTER STN	7,576		7,576				7,576		7,576
OPERATOR SELF-SERVICE AND AUTOMATED ATTENDANCE	205,000		205,000				205,000		205,000
ORACLE BI SOFTWARE UPGRADES FOR ASSET MGMT	504,326		504,326				504,326		504,326
ORACLE ERP PROCUREMENT AND CONTRACT MODULES	205,800		205,800				205,800		205,800
PARATRANSIT DATA SYSTEM UPGRADE	82,000		82,000				82,000		82,000
PASSWORD ID MANAGEMENT	102,500		102,500				102,500		102,500
PROOF OF CONCEPT ENVIRONMENT									
PUBLIC INFORMATION DISPLAYS	7,787,150		7,787,150				7,787,150		7,787,150
RADIO SYSTEMS SOFTWARE - CAD/AVL									
REAL TIME INFORMATION DELIVERY									
REAL TIME PASSENGER INFORMATION				433,062		433,062	433,062		433,062
RTP1 DELIVERY	31,012		31,012				31,012		31,012
RTP1 FOUNDATION SOFTWARE	67,165		67,165				67,165		67,165
SCHEDULING AND RUN CUTTING SOFTWARE	1,662,908		1,662,908				1,662,908		1,662,908
SMART MEDIA TECHNOLOGY	256,250		256,250				256,250		256,250
SMART DATA RETENTION STORAGE	51,250		51,250				51,250		51,250
SMART STORED VALUE CARD IMPLEMENTATION	3,923,941		3,923,941				3,923,941		3,923,941
STORAGE AREA NETWORK	1,258,988		1,258,988				1,258,988		1,258,988
THERMAL PRINTERS FOR BUS	1,900,000		1,900,000				1,900,000		1,900,000
TIS/RTPI + 2 FTE	987,105		987,105				987,105		987,105
TRIP PLANNER ENHANCEMENTS	815,671		815,671				815,671		815,671
UNION TIMECLOCK SYSTEM @ DS	490,869		490,869				490,869		490,869
UNION TIMECLOCK SYSTEM @ DS	205,000		205,000				205,000		205,000
WEB & ENTERPRISE CONTENT MANAGEMENT 2 FTE									
SUBTOTAL - INFORMATION TECHNOLOGY	33,494,666		34,007,156	4,102,747		4,102,747	37,597,403		38,109,803
SECURITY									
CCS - REBUILD/EXPANSION CCTV	482,269		482,269				482,269		482,269
CCT RETROFIT @ NINE MILE PARKING STRUCTURE				257,775		257,775	257,775		257,775
CCCT RETROFIT ON BUSES				257,775		257,775	257,775		257,775
RADIO EQUIPMENT FOR ARMED SECURITY OFFICERS				262,931		262,931	262,931		262,931
SECURITY SYSTEM REPLACEMENTS DISTRICT-WIDE	147,251		147,251				147,251		147,251
VIRTUAL SECURITY OPERATIONS CONSOLE (VSOC)	292,998		292,998				292,998		292,998
SUBTOTAL - SECURITY	922,518		922,518	778,481		778,481	1,700,989		1,700,989
OTHER CAPITAL PROJECTS									
DUS GUARD SHACK	132,134		132,134				132,134		132,134
DUS SIGNAGE	595,976		595,976				595,976		595,976
PROJECTS FOR CLOSE OUT	1,586,492		1,586,492				1,586,492		1,586,492
SUBTOTAL - OTHER CAPITAL PROJECTS	2,314,602		2,314,602				2,314,602		2,314,602
TOTAL CAPITAL SUPPORT EQUIPMENT	48,135,139		48,647,639	5,966,976		5,966,976	54,102,115		54,614,615
UNALLOCATED CAPITAL	153,750		153,750				153,750		153,750
TOTAL CAPITAL	1,047,055,751		1,087,182,046	265,631,510		219,274,821	1,312,687,261		1,572,088,377
FASTRACKS	892,730,950		909,149,866	154,796,580		218,504,821	1,047,529,530		1,282,453,267
BASE SYSTEM	154,324,801		231,948,879	110,832,929		770,000	265,157,731		289,635,110

2016 Capital Expenditures

Listed below is a brief description of each new capital project included in the 2016 Adopted Budget, along with the new capital funds budgeted for the project in 2016.

Project	Description	2016 New Capital
<u>FasTracks</u> SOUTHEAST CORRIDOR EXTENSION	Receipt of a Small Starts Construction Grant in the amount of \$92 million is anticipated in the 2nd quarter. Notice to Proceed 2 for construction is anticipated in the 2nd quarter. Completion of final design is scheduled for 3rd quarter. Anticipated construction activities include earthwork, bridge piers and abutments, and utility relocations.	\$97,116,605
I-225 CORRIDOR	Complete installation of all remaining track work and systems elements including: traction power electrification, signals, communications, and systems wide electrical. Complete all park-n-rides, including Metro Center. Complete systems integration testing including verifying all at-grade crossings are function properly. Initiate pre-revenue service and train operation testing. Initiate project close out process.	\$76,238,002
NORTH METRO COP	ROW and stakeholder agreements will be complete by March 2016. Design will be complete by the second quarter. Construction will continue at all structures along the corridor. Rail and systems construction will follow. Continue to pay for vehicles as milestones are met.	\$75,519,694
EAST CORRIDOR	Complete all installation of systems; receive remainder of vehicles; complete testing and commissioning; initiate pre-revenue service proving. Begin revenue service in April 2016.	\$41,272,206
GOLD LINE	Complete remaining civil elements. Complete all installation of systems; receive remainder of vehicles; complete testing and commissioning; initiate pre-revenue service proving. Begin revenue service.	\$36,917,107
NORTHWEST RAIL	Complete remaining civil elements. Complete all installation of systems; receive remainder of vehicles; complete testing and commissioning; initiate pre-revenue service proving. Begin revenue service.	\$11,405,763
U.S. 36 B.R.T. PHASE 2	Design, procure and install highway and ramp signs, roadway signs and wayfinding signs. Replace monument signs. Design, procure and install additional lights, railings, and landscaping. Complete conceptual design of the EB Church Ranch relocation and a Sheridan bridge vertical conveyance modification. Install ticket vending machines.	\$10,652,098
COMMUTER RAIL MAINTENANCE FACILITY	Complete all installation of systems; complete testing and commissioning; initiate pre-revenue service proving. Begin operations.	\$7,760,156
LONGMONT STATION	Project on hold pending City of Longmont decision on scope.	\$5,398,145
DUS TO CRMF CORRIDOR	Complete all installation of systems; complete testing and commissioning; initiate pre-revenue service proving. Begin revenue service.	\$4,496,334
FASTRACKS ADMIN PROJECTS	Ongoing support of the FasTracks program, including program support consultants, quality assurance, and public involvement. This project will continue through the completion of the FasTracks program.	\$4,472,946
I-225 THIRD PARTY	Improvements outside the original scope of the I-225 rail project that were requested and funded by third party	\$1,554,100

Project	Description	2016 New Capital
BETTERMENTS	stakeholders.	
DUS ELECTRIFICATION	Complete all installation of systems; complete testing and commissioning; initiate pre-revenue service proving. Begin revenue service.	\$323,603
CRMF TO PECOS	Complete all installation of systems; complete testing and commissioning; initiate pre-revenue service proving. Begin revenue service.	\$176,643
TOTAL FASTRACKS		\$373,303,401

Base System

<u>Facilities Construction & Maintenance</u>		
TREASURY BUILDING EXPANSION	The Treasury's revenue equipment maintenance department needs additional space. The proposal is to build a second floor onto the Treasury building and/or to build or acquire a 5,000 sf maintenance facility. The revenue maintenance department's responsibilities are going to more than double with the additional assets coming on-line with the new BRT, Eagle, DIA, North and I-225 Corridors, and the introduction of 300+ RPOS machines throughout the metro area.	\$1,031,100
EXPANSION AT CUSTOMER CARE TELEPHONE INFORMATION CENTER	This is a re-submission of an SBP request that was previously partially approved (capital) in the 2015-2020 SBP (TIC New Space Lease), to begin in 2017. The scope of this project has changed, and Communications/Customer Care is submitting this request in collaboration with Safety, Security and Facilities. The purpose of this project is to expand the area that houses RTD's Telephone Information Center and related operations into the adjoining space currently occupied by Bus Maintenance Operations in the District Shops Operations Center. To accomplish this, Maintenance Operations will be moved into temporary office trailers until such time as Finance/Accounting can be moved from the second floor of the building and into a new building that is proposed near the former Market Street Station. Maintenance Operations would then move back into the building after the former Finance/Accounting space is renovated.	\$479,977
TOTAL FACILITIES CONSTRUCTION & MAINTENANCE		\$1,511,077

<u>Transfer Stations</u>		
CIVIC CENTER STATION REBUILD	This project consists of the replacement of Civic Center Station and associated infrastructure.	\$6,356,732
TOTAL TRANSFER STATIONS		\$6,356,732

Project	Description	2016 New Capital
<u>park-n Rides</u> LAFAYETTE PNR RECONSTRUCTION	Project is to reconstruct/enlarge the bus boarding/alighting area to bring in buses that are staging/laying-over along City Center Drive at the Lafayette Park-n-Ride.	\$1,031,100
WESTMINSTER CENTER PNR SOUTH SIDE	Project is to reconstruct the existing south side surface parking area to correct drainage issues and to bring this parking area up to current design criteria that is consistent with RTD's standards. Operating and Maintenance costs should remain as is.	\$103,110
TOTAL PARK-N RIDES		\$1,134,210

<u>Light Rail Transit & Infrastructure</u> POWER SWITCHING ON EMERGENCY CROSSOVERS @ SW, CPV, SE, CC	The goal of this project is to retrofit the currently manually operated track crossovers with powered switch machines, electric switch heaters and provide means for SCADA control of these switches. Most locations will require a new Xcel power feed, a relay house, software changes and associated equipment. This project will also require modifications to the signal programming to incorporate this upgrade.	\$2,062,200
RAILWAY WORKER PROTECTION EARLY WARNING SYSTEM	This is an electronic system mounted on all LR trains that in conjunction with the hand-held devices carried by any railway workers will warn both the operator and the worker well in advance of each other.	\$1,546,650
HEAVY EQUIPMENT FOR LR MAINTENANCE	Purchase of heavy equipment specific to Light Rail infrastructure and track maintenance to include: Speed Swing, Loader, Back Hoe, Rail Transport truck, Bucket trucks, Track trucks, Welder, Compressor, Rail Handler, Crane, Platform truck, etc.	\$515,550
TOTAL LIGHT RAIL TRANSIT & INFRASTRUCTURE		\$4,124,400

<u>Fleet Modernization & Expansion</u> INTERCITY COACHES - 45 FOOT	Purchase forty-three (43) replacement and three (3) expansion intercity coaches over the term of the SBP. These vehicles will have wheel chair lifts, smart-drive cameras and Automatic Passenger Counters (APC's) and will be fully ADA compliant.	\$29,020,619
LRV PURCHASE OF 15 LRVS	In 2013, Rail Operations and the Planning Department determined that eighteen (18) Light Rail Vehicles (LRVs) would need to be purchased in order to meet the demands of the existing LRT system and accommodate the opening of the I-225 line in 2016. This analysis led to the current procurement of twelve (12) vehicles that was included in the 2015-2017 capital budget plan. In order to bring the spare ratio to a desired 20% minimum and meet the anticipated growth in ridership, we need to purchase fifteen (15)	\$18,044,250

Project	Description	2016 New Capital
	additional vehicles by 2020 (Base system=15, FasTracks=2). This will increase the fleet from 184 to 201.	
TRANSIT BUSES - 40 FOOT	Purchase a total of three hundred fifteen (315) heavy duty 40-foot transit buses over the term of the SBP. Two hundred sixty-five (265) replacement and fifty (50) expansion.	\$17,742,138
LRV PURCHASE OF 12 LRVS	This is the first request for purchase of 12 LRVs to increase the fleet size to 184. O&M costs are for oversight meetings and on-site inspection.	\$14,847,840
ADA CUTAWAY BUSES	Purchase two hundred twenty-nine (229) replacement and sixty (60) expansion cutaway buses to be used by access-a-Ride during the term of the SBP. The cost of these vehicles is estimated to be \$59,000 each. They will be equipped with wheel-chair lifts and security camera. They will be fully ADA compliant.	\$9,881,031
CALL-N-RIDE CUTAWAY BUSES	Purchase fifty-seven (57) and four (4) expansion vehicles over the term of the SBP. We estimate the the cost of these vehicles, in 2015 dollars, to be \$62,000 per vehicle. These vehicles will be equipped with wheel-chair lifts, security camera and be fully ADA compliant.	\$263,960
HOP BUSES - LOCAL MATCH	RTD local matching funds for HOP bus replacement in Boulder. Grant funds are obtained by the City of Boulder.	\$206,220
TOTAL FLEET MODERNIZATION & EXPANSION		\$90,006,058

<u>SYSTEMS PLANNING</u> COLFAX AVENUE TRANSIT PRIORITY PROJECT	Request is to proceed with the Colfax Avenue Transit Priority Project. RTD has received a Federal Ladders of Opportunity grant to fund a capital project to reduce travel time and increase security and ridership for 15L bus route. The project includes: stop amenity improvements (repair and replace existing amenities, lighting, shelters, security cameras), bus bulbs at a few locations, transit signal priority (TSP), and bypass lanes/queue jumps. The project includes East Colfax from Broadway east to Potomac (near I-225). It is important to note that from Yosemite to Potomac, the project will only include improved stop amenities. RTD local match is \$1.83M.	\$1,987,926
TOTAL SYSTEMS PLANNING		\$1,987,926

<u>Bus Infrastructure</u> LOCAL GOVERNMENT CAPITAL REQUESTS	Project is an annual program consisting of \$300,000 for transit and/or passenger related improvements, upgrades, and/or supplemental funding of requested transit improvements by local governments such as bus pads, passenger waiting areas, passenger shelters and benches. In the years of 2016 and 2017, RTD will receive a FASTER grant stipend from CDOT for State of Good Repair type projects. These funds will be used to fund RTD projects that would otherwise have been funded by RTD Base system funds. However, as part of this stipend, CDOT expects RTD	\$360,885
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Project	Description	2016 New Capital
	to provide an additional \$150,000 of grants to local governments for transit projects. The funds from this SBP request will be added to the SBP Local Government pool so that RTD can meet the terms of the FASTER stipend and have a meaningful pool of funds to respond to local government requests.	
TOTAL BUS INFRASTRUCTURE		\$360,885

<u>Capital Support Equipment</u> HANDHELD SMART READERS/MOBILE CITATION DEVICES (175)	This request is to replace 100 defunct Motorola EFORCE Mobile Citation Units with 175 Combined Technology (HSMR) Handheld Smart Media Readers/Mobile Citation Devices. This project is in support of fare enforcement operations on the Base system and commuter rail operations. The project will also fund a customization of "EFORCE" or "Approved Equal" software to manage the current integration of (RMS) Records Management System and (CAD) Computer Aided Dispatching services.	\$876,435
ENTERPRISE CONTENT MANAGEMENT IMPLEMENTATION + 6 FTES	This project will implement a district-wide comprehensive Enterprise Content Management (ECM) solution to consolidate 65 existing systems that create, capture or store content at RTD. The project scope will include the development of policies, procedures, taxonomy and metadata for the consistent identification, storage, maintenance, retrieval, retention, and destruction of data. The project also will include identification of personnel and tools required to implement the policies and procedures, implementation of the system, and the development of training and audit tools to support the ongoing utilization of the system. The current project cost estimate assumes that RTD will own and maintain the hardware and software in-house. The first phase of this project includes an evaluation of potential ECM tools, which will include externally hosted systems or software-as-a-service (SaaS) systems. If a hosted or SaaS system is selected, the cost structure of the project will change.	\$824,880
INFORMATION STORAGE UNIT REPLACEMENT	RTD relies heavily on its storage units to house 95% of all District information and computing services. A wide array of departments and applications use these storage units to store mission-critical data. Computer data storage, often called storage or memory, is a technology consisting of computer components and recording media used to retain digital information. It is a core function and fundamental component of computers. The central processing unit (CPU) of a computer is what manipulates raw information by performing computations. In practice, almost all computers use a storage hierarchy, which puts fast but expensive and small storage options close to the CPU and slower but larger and cheaper options farther away. In computing, a portfolio of storage products, including: online storage, near-online (nearline) storage, storage networking, archiving, de-duplication, storage and backup software are required to run the Enterprise.	\$824,880

Project	Description	2016 New Capital
SUPPORT & SERVICE VEHICLES	Purchase sixty-two (62) replacement and four (4) expansion support and service vehicles over the term of the SBP. These vehicles are used by various departments and groups throughout the District.	\$735,174
ENTERPRISE WIFI UPGRADE	RTD's current Enterprise wireless network (WiFi) is in need of replacement, separation, and expansion.	\$540,296
AVAYA PHONE SYSTEM UPGRADE & SUPPORT	This project aims to upgrade all Avaya phones in the District to a newer version of technology.	\$355,730
REAL-TIME PASSENGER INFORMATION INTEGRATION WITH LIGHT RAIL SCADA SYSTEM	RTPI will provide RTD passengers with predictive arrival times for their next bus. IT and Marketing are working toward providing predictive arrival times for buses via 3 primary delivery systems: General Transit Feed Specification for Real Time or GTFS-RT (which will provide the information to Google Maps and some third party application developers), Passenger Information Display signs and the RTD website. The GTFS-RT data feed will be made available in Q4 2015 and will allow application developers from outside of RTD to access real-time information, incorporate this data into existing and new apps, and make them available to the public.	\$433,062
RADIO EQUIPMENT FOR ARMED SECURITY OFFICERS	This project is the purchase of radios for the expansion of the armed security, police, and other Transit Police unit employees that will be providing services to the new rail alignments in 2016. The radio equipment will include the following: 60 Units of each APX6000 700/800 MHz Model 3.5 P25 Portable Radio with GPS and Keypad NNTN7038 Li-Ion IMPRES 2900 mAh IP67 Battery WPLN7080 IPRES Single Unit Battery Charger PMMN4069 IMPRES Remote Speaker Microphone NAF5085 700/800/GPS Optimum Length Whip Antenna PMLN5408 Belt Loop with Swivel NTN8266B Belt Clip, 2.5"10 units of each 6 Bank Radio Chargers	\$262,931
CCTV RETROFIT @ NINE MILE PARKING STRUCTURE	This request is to remove and replace the defunct CCTV system located at the Nine Mile Parking Structure and Bus Transfer Station.	\$257,775
CCTV RETROFIT ON BUSES	This project is requested to replace defunct mobile video systems on the bus fleet with modern IP CCTV. This retrofit has been designed to match the new Panasonic systems that are being provided on the new bus fleet. If approved, these systems will be installed on the remaining fleet of Gillig and MCI buses over a 3 year period beginning with model year 2005 / 2006. These replacements will only occur on buses that will remain in RTD's fleet for a minimum of 3 years. The retrofit will be performed on approximately 300 intercity buses and 58 regional coaches.	\$257,775
MYSTOP & WHERE'S MY RIDE IVR ENHANCEMENTS	Original project was submitted in 2014 via the SBP and approved. This is being resubmitted to solidify funds for 2016 and beyond. These funds are contingency funds to use as needed in case there are urgent features that need to be added to the IVR system once the system is live and users are using and responding to the IVR.	\$103,110
ADMINISTRATIVE & POOL VEHICLES	Project is to purchase a total of forty-eight (48) replacement and five (5) expansion administrative and pool vehicles over the term of the SBP.	\$103,110
IN-PLANT VEHICLES & EQUIPMENT	Replace fifty-eight (58) pieces of equipment over the term of the SBP. Equipment includes forklifts, scrubbers, trailers, welders, portable scissor lifts, stationary steam cleaners and other types of equipment used throughout the District.	\$103,110

Project	Description	2016 New Capital
FIREWALL PROCUREMENT FOR LR SYSTEM/SCADA SECURITY	The Light Rail SCADA team and IT Network group are spending a significant effort in 2015 to separate the SCADA network and the corporate network infrastructure. This separation is necessary in order to isolate and protect the SCADA network for the safety and security of the District. Once complete, a need still exists for RTD to collect data from the SCADA network, which will consist of train location data (based on track sensors) to support the real-time project. This can be accomplished in a safe and secure manner by implementing a bi-directional flow of network traffic from the SCADA network to the corporate network without allowing any access to SCADA assets. This is implemented through a waterfall (uni-directional) firewall device. This request is to procure the hardware necessary to implement this solution. Real Time Passenger Information (RTPI) will provide RTD passengers with predictive arrival times for their next bus. IT and Marketing are working toward providing predictive arrival times for buses via three primary delivery systems: General Transit Feed Specification for Real Time or GTFS-RT (which will provide the information to Google Maps and some third party application developers), Passenger Information Display (PID) signs, and the RTD website.	\$82,488
VEHICLES (12) FOR CONTRACT POLICE	This project will be to acquire contract police vehicles to be used as patrol vehicles for our contracted police officers. These vehicles will be police SUV's similar to our standard RTD fleet purchases. These vehicles will be emergency vehicles equipped with emergency lights, siren, and RTD radio.	\$82,488
MODEMS FOR CALL-N-RIDE REPLACEMENTS	Project is for upgraded modems and external antennas for Call-n-Ride (CnR) vehicles.	\$61,866
TICKET VENDING MACHINE HARDWARE & SOFTWARE UPGRADE TO WINDOWS 7	The existing 118 TVM SBC-1 computers' software and hardware currently have Windows XP which will no longer be supported at the end of 2015. Currently all of the 118 Ticket Vending Machine (TVM) computers need to receive the upgrade of Windows 7 to be compatible with the new TVMs that are being installed during the expansion of the BRT and commuter rail corridors.	\$61,866
TOTAL CAPITAL SUPPORT EQUIPMENT		\$5,966,976
<u>Unallocated Capital</u>	This project provides an annual contingency in the amount of \$150,000 for unanticipated District capital expenditures.	\$154,665
TOTAL UNALLOCATED CAPITAL		\$154,665
TOTAL BASE SYSTEM		\$111,602,929

Impact of Capital Program on Future Year Budgets

Strategic Budget Plan

Capital projects included in the current year budget may impact future years' budgets in two ways. First, completed projects may require ongoing maintenance, the cost of which must be included in future years. Second, projects that are not completed in the current year may require additional funds in future years. These issues are addressed through RTD's Base system six-year operating and capital plan, the Strategic Budget Plan (SBP).

In August 2015, RTD adopted its SBP for the years 2016-2021. This document is a financially constrained plan based on projected revenues from identifiable sources. The SBP presents aggregate projected service levels for the next six years. It also details all capital projects expected to be undertaken in the same time frame and projects the costs of ongoing operation of these capital improvements after their completion. The first year of the six-year SBP plan also provided the starting point for development of the 2016 capital budget.

The tables on the next page present a summary view of the 2016-2021 Strategic Budget Plan. The first table presents the SBP operating program at a program summary level, and the second table presents a similar level of detail for the SBP capital program. Both tables are integrated into a single SBP.

Capital expenditures identified in the 2016-2021 SBP are generally routine capital expenditures to maintain RTD assets at the levels required to support its current operations. Some of the expenditures identified in the SBP are one-time specific purpose or event-specific items that must be captured as part of the six-year plan. The SBP plan also includes funding in the operating program to support additional operating costs resulting from planned capital expenditures.

In the 2016-2021 SBP, no service reductions are assumed in rail, fixed-route bus and call-n-Ride services for 2016 from the 2015 runboard; in some cases, bus service is being restored from service reductions implemented in 2012. Other service additions are made in support of grant-funded service. The FasTracks service allocation offsets costs of bus and rail service added in support of the FasTracks program expansion. Operating expenses and miscellaneous cost adjustments are presented in future year dollars based on appropriate inflationary factors. Capital expenditures and discretionary capital amounts are also presented in year of expenditure dollars. Interest payments, FasTracks service allocation, and principal payments on debt are not presented in year of expenditure dollars.

2016-2021 Strategic Budget Plan - Operating Program

Program	2016	2017	2018	2019	2020	2021	Total Cost
Interest Payments ^{1,2}	\$28,902,805	\$24,204,766	\$23,432,962	\$23,923,525	\$23,779,346	\$23,888,891	\$148,132,295
Bus Operations – Current RTD	131,567,435	135,545,451	140,059,789	143,698,867	147,728,758	151,747,253	850,347,552
Bus Operations – Private Carrier after Contract	96,649,859	99,586,302	102,788,207	105,863,216	108,825,496	111,779,063	625,492,142
Bus Operations - call-n-Ride	6,291,907	6,503,138	6,712,781	6,914,028	7,110,387	7,306,633	40,838,874
Private Contract Administration Costs	355,730	368,038	380,183	391,855	402,983	414,106	2,312,894
Service Increases – RTD-Operated	1,985,909	1,230,974	1,331,103	0	0	0	4,547,986
Service Increases – Private Contractor	1,626,034	1,378,360	1,434,866	0	0	0	4,439,260
FasTracks Service Allocation - Bus ¹	(15,488,153)	(16,024,043)	(16,552,837)	(17,061,009)	(17,545,541)	(18,029,798)	(100,701,381)
Cost Sharing Agreements - Bus Service	2,153,968	2,228,495	2,302,036	2,372,708	2,440,093	2,507,439	14,004,739
Van Pool Program	849,626	879,023	908,031	935,908	962,488	989,052	5,524,129
Section 5311 Local Match	835,191	864,089	892,604	920,006	946,135	972,248	5,430,272
LRT Operations	45,192,160	48,604,386	51,534,255	51,377,359	52,871,822	53,585,463	303,165,445
ADA Operating Costs	42,151,531	43,457,094	44,863,689	46,214,101	47,508,911	48,799,972	272,995,298
FasTracks Service Allocation - ADA ¹	(1,965,277)	(2,033,275)	(2,100,373)	(2,164,855)	(2,226,337)	(2,287,783)	(12,777,900)
Facilities Maintenance - Base	43,060,759	44,406,069	45,872,670	47,282,001	48,602,678	49,918,590	279,142,766
Facilities Maintenance - Additional Costs	3,690,307	9,717,263	13,886,046	9,998,539	4,540,278	3,994,619	45,827,052
Capital Programs - Base	5,550,414	5,721,216	5,910,479	6,091,360	6,261,781	6,431,103	35,966,352
Capital Programs - Additional Costs	5,001,866	5,492,830	6,830,070	6,686,516	6,027,228	6,089,153	36,127,663
Direct Costs - Other Departments	829,603	854,262	879,351	903,323	928,978	954,618	5,350,134
Indirect Costs - Other Departments	73,200,847	85,512,472	84,254,152	82,186,857	85,111,579	87,126,685	497,392,593
Grand Total	\$472,442,520	498,496,911	515,620,063	516,534,307	524,277,062	536,187,305	\$3,063,558,167

¹ Interest payments and FasTracks service allocation are not presented in year of expenditure dollars.

² Interest payments on bonds and COPs issued for purposes other than FasTracks.

2016-2021 Strategic Budget Plan - Capital Program

Program	2016	2017	2018	2019	2020	2021	Total Cost
Long Term Debt Service ^{1,2}	\$60,406,430	\$58,862,123	\$71,437,511	\$70,911,998	\$80,496,593	\$78,105,946	\$420,220,602
Fleet Modernization and Expansion ³							
Transit Buses	47,026,718	5,219,735	20,587,184	57,081,290	71,579,174	303,677	201,797,779
ADA Vehicles	9,881,031	634,732	1,439,185	675,807	5,186,220	714,182	18,531,157
Other	206,220	213,355	220,396	227,162	0	0	867,133
Light Rail Vehicles	32,892,090	41,817,622	22,039,593	0	0	0	96,749,305
Passenger Infrastructure ³							
Bus and Rail Infrastructure	3,969,735	9,014,258	3,526,335	2,896,317	2,686,555	90,383,051	112,476,251
park-n-Rides ³	1,134,210	2,666,940	7,217,967	2,725,945	1,927,311	0	15,672,373
Capital Support Equipment ³							
Vehicles and Bus Maintenance Equipment	1,023,882	1,720,176	1,290,418	1,337,985	1,608,429	1,530,390	8,511,281
Treasury	0	183,485	149,869	154,470	217,261	163,242	868,327
Information Systems, Computer Equip. for Ops.	4,164,613	11,947,892	1,581,341	1,919,520	1,197,269	258,066	21,068,700
Security Equipment	778,481	3,867,063	3,664,082	1,482,233	29,202	30,008	9,851,068
Bus Maintenance Facilities ³							
Boulder	0	0	0	0	0	0	0
District Shops	0	213,355	413,242	3,407,431	0	0	4,034,029
East Metro	0	0	0	0	0	0	0
Platte	0	0	0	0	0	0	0
Light Rail Maintenance Facilities ³							
Central Rail Line	0	469,381	0	0	0	0	469,381
Mariposa and Elati Divisions	0	533,388	330,594	56,791	58,403	60,015	1,039,191
District-wide	515,550	533,388	1,101,980	0	0	0	2,150,918
Facilities Construction and Maintenance	7,867,809	4,040,414	5,965,567	34,312,834	741,723	120,031	53,048,377
Systems Planning	1,987,926	2,440,710	5,557,397	2,305,695	93,445	18,100,616	30,485,790
Discretionary Capital ³	154,665	160,016	165,297	170,372	175,210	180,046	1,005,606
Grand Total	\$172,009,360	144,538,036	146,687,959	179,665,848	165,996,795	189,949,271	\$998,847,269

¹ Principal payments are set at the time the bonds are issued and do not change with inflation.

² Long-term debt service costs include principal payments on bonds and COPs and are not presented in year of expenditure dollars.

³ Capital expenditures and discretionary capital amounts are presented in year of expenditure dollars.

FasTracks

In November 2004, the voters of the Regional Transportation District approved the financing of the FasTracks multimodal project. The plan calls for new commuter rail and light rail lines in nine major travel corridors, bus rapid transit, an expanded park-n-Ride system, enhanced bus service throughout the District, and development of Denver Union Station in downtown Denver as a multimodal transit hub. As of August 2015, when the Board of Directors approved the latest revision to the Regional Transportation Plan, the total cost of the currently-funded FasTracks projects in year of expenditure (YOE) dollars was projected at \$5.6 billion.

FasTracks Detail

RTD has developed a comprehensive plan, known as FasTracks, which addresses future mobility needs in the metropolitan Denver region.

The projects in this \$5.6 billion plan through 2040 include:

- West Rail Line: Completed 2013
- Denver Union Station: Completed 2014
- I-225 Rail Line: Complete 2016
- Eagle Project: Complete 2016
- Northwest Rail Line - Longmont Station: Complete 2017
- Central Corridor Extension - Planning Study: Completed 2014
- US 36 BRT:
 - Vehicles and BRT Service: Complete 2016
 - \$135M for Managed Lanes to Table Mesa: 2012-2015
 - Queue Jumps and Diverging Diamond Interchange: Completed 2015
 - Table Mesa Pedestrian Bridge: Completed 2013
 - Station Amenities: Complete 2016
 - Church Ranch and Westminster Improvements: Complete 2018
 - Broomfield park-n-Ride: 2030-2031
- North Metro to 124th Avenue: Complete 2018
- Southeast Rail Extension: Complete 2019

All FasTracks projects remain within the FasTracks Plan and will be constructed over time. However, without identification of additional funding sources, current projections indicate that not all projects can be completed between now and the 2040 planning horizon. Only projects that RTD anticipated being able to fund by 2040 were included in the financial plan adopted by the RTD Board of Directors in August 2015.

The ability to implement the FasTracks plan depends on a variety of financial assumptions and projections which have been developed using the best available estimates of costs, reasonably anticipated federal funding based on current federal law and regulations, and revenues from other sources including RTD sales tax and fare collections. Over the anticipated remaining time-period, specific cost items, federal and other contributions, and RTD revenues may vary from this financial plan.

The FasTracks program is currently financed in part through a 0.4% regional sales and use tax approved by voters in November of 2004. On May 22, 2012, the RTD Board of Directors took formal action not to pursue a new sales and use tax election in 2012 or in the near future. Therefore, this financial plan assumes no additional sales and use tax will be available to fund the FasTracks program prior to 2040.

This financial plan anticipates a total of \$1.4 billion in Federal New Starts Grant funding and \$216.3 million in other federal grant funding. Contributions from local jurisdictions benefiting from transit in an amount equal to at least 2.5% of eligible project costs are expected to yield 1.8% of total program costs or \$98.2 million system-wide.

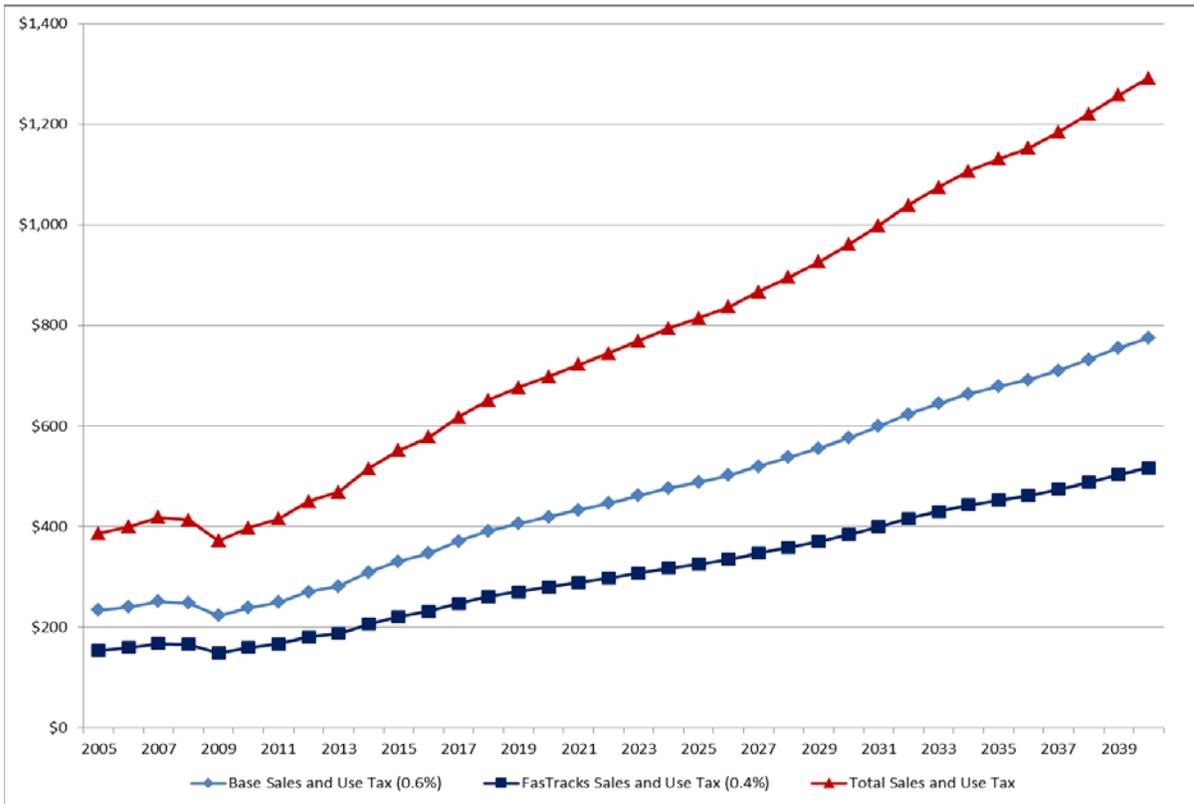
In an effort to reduce costs and risks and improve delivery of FasTracks, RTD will deliver a portion of its commuter rail projects (the Eagle Project) through a long-term Public-Private Partnership (PPP) agreement in which a private party will design, build, finance, operate and maintain projects on behalf of RTD. In 2010, RTD reached a major milestone in the FasTracks program with the award of the contract for the Eagle Project to Denver Transit Partners (DTP). In 2011, RTD received a Full Funding Grant Agreement (FFGA) from the Federal Transit Administration (FTA) in the amount of \$1.03 billion for this project. The Eagle Project, which includes the East and Gold Line Corridors, a commuter rail maintenance facility, and a short electrified segment of the Northwest Rail Corridor, is the largest PPP transit project in the United States. RTD has contracted with DTP to design, build, and finance the initial construction of the projects, and to operate and maintain all project assets through the year 2044. Through this contract, RTD will realize savings over its internally estimated construction costs, and establishes the basis for its operating and maintenance costs for the first 28 years of corridor operations.

In order to accomplish the Plan within the twelve-year schedule, a voter-approved Taxpayer Bill of Rights (TABOR), authorization of \$3.477 billion in principal and \$7.129 billion in total debt service was requested and received in November 2004. This initiative was passed by 58% of the voting population. Additional information on TABOR restrictions is included in Part X.

Since inception, the primary funding source for the District has been a sales and use tax imposed on transactions within the District boundaries. Effective January 1, 1974, the District imposed a tax equal to 0.5%. On May 1, 1983, the tax was increased to 0.6% or six-tenths of one percent and the tax base was adjusted. On January 1, 2005, the sales tax was increased by 0.4%, to one percent.

Average annual sales and use tax growth from 1980 – 2002 was 6.3%. However, due to recent economic conditions, sales and use tax growth has declined significantly below this historic average, including negative growth in 2008 and 2009. Current projections included in this financial plan show total sales and use tax forecast of \$11.1 billion for the FasTracks program over the period 2005-2040. The following chart shows projected revenue from sales and use tax through 2040:

**Projected Sales and Use Tax Revenues
2005-2040
(Dollars in Millions)**

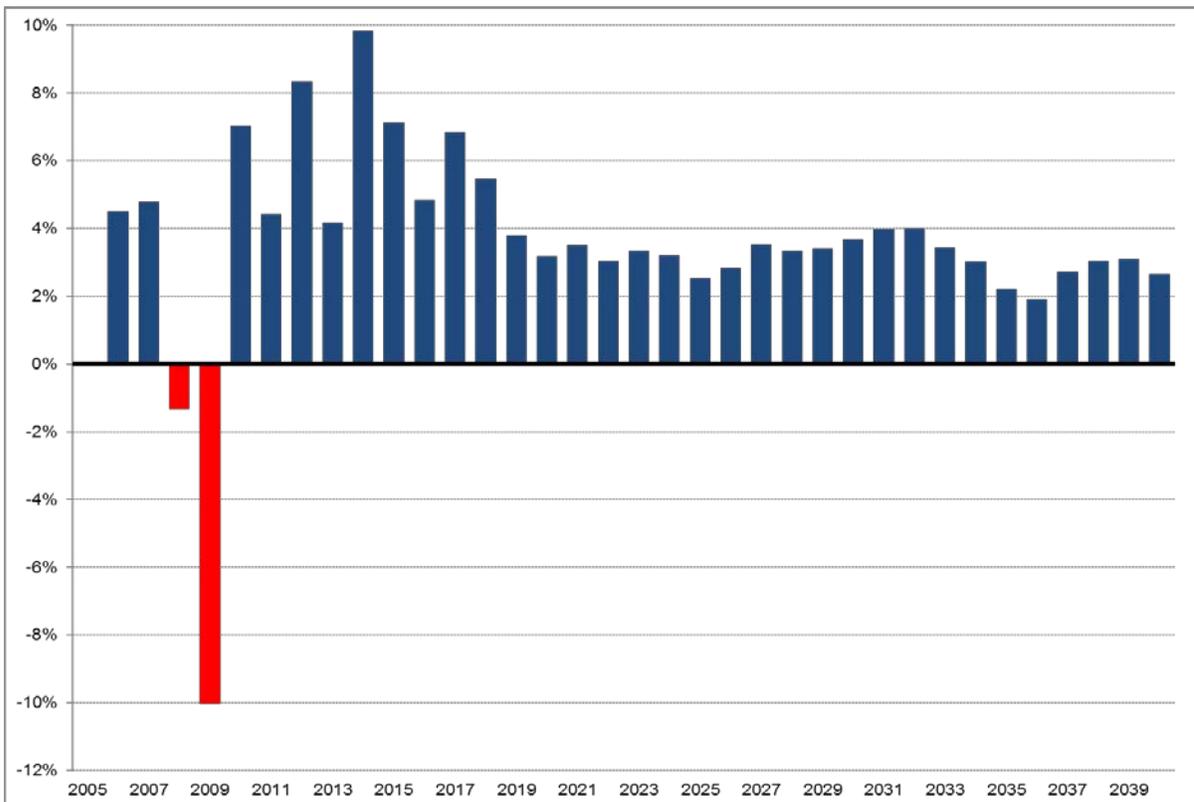


Since 2011, RTD has engaged the Business Research Division (BRD) of the Leeds School of Business at the University of Colorado to perform its sales and use tax forecasts. The BRD’s models use variable autoregression techniques to address short-term, medium-term, and long-term planning horizons, which are one-year, six-year, and thirty-year forecasts. All three models consist of dynamic equations that link RTD district retail sales and sales and use tax revenues to underlying national and state economic indicators. The long-term model also incorporates age shares of the population as a key factor influencing the rate of growth in real output. Forecasts of the national indicators that are needed to drive the state and district forecasts come from Moody’s Analytics. Population projections that enter the equations of the long-term model come from the U.S. Bureau of the Census and the Colorado Demography Office. Colorado economy forecasts are derived from the Colorado Economy Model that was developed by

members of the BRD team for the Colorado Office of State Planning and Budget (OSPB).

The BRD forecasts project an average annual growth rate of 3.51% in sales and use tax collections for the financial plan period 2005-2040. The average annual growth rate for the period 2015-2040, or the future years of the financial plan, is projected at 3.60%. Forecasted rates of increase vary by year, and the forecasted annual growth rates by year for the period 2005-2040 are shown in Figure 2 below. Between October 2009 and June 2011, the State of Colorado waived the 3 1/3% allowance paid to vendors to collect RTD sales tax. This resulted in a boost to RTD sales tax revenues over that period. This was reduced to a waiver of 1/3 of the allowance between July 2011 and June 2014, with the full vendor allowance being restored in July 2014. In 2013, the Colorado General Assembly passed legislation to set the RTD taxable base to match the State of Colorado taxable base as of January 1, 2014. This is expected to result in increased sales tax revenues and decreased use tax revenues, producing a net gain to RTD. In late 2013, RTD also entered into a contract with a third party to provide supplemental sales and use tax compliance reviews in coordination with the Colorado Department of Revenue (DOR) under terms established by an Intergovernmental Agreement. These tax compliance reviews are intended to provide supplemental resources to the DOR to ensure compliance by vendors with RTD's taxing requirements.

Projected Sales and Use Tax Growth
2005-2040



For the FasTracks corridors, RTD prepares travel forecasts for the horizon years 2020 and 2035. These forecasts are provided at the system, corridor, and station level and assume the build-out of the FasTracks rapid transit system as described above. RTD combined the construction schedule with the forecasts, so that passenger fare revenues are assumed to start at the time the corridors are assumed to open to revenue service per the construction schedule.

The following table shows the average farebox revenues by corridor in year-of-expenditure dollars for 2020, the first year of full service operation for the currently funded FasTracks projects, and 2040, which is the horizon year of the financial plan.

FasTracks Projected Farebox Revenues by Corridor
(millions of year-of-expenditure dollars)

Corridor	2020	2040
West Corridor	\$8.2	\$18.9
Northwest Rail Corridor	1.1	1.8
Gold Line	6.0	11.3
I-225 Corridor	10.6	21.5
East Corridor	23.4	54.9
North Metro Corridor	6.7	14.7
Southeast Corridor Extension	2.8	5.7
US 36 BRT	0.3	5.4
MetroRide	0.0	0.0
Total Annual Farebox Revenues	\$59.1	\$134.2

The District has developed operating and maintenance expense projections based on past experience and expectations of future ridership, schedules, renewal and replacement, labor, and general maintenance, all adjusted for inflation. Those projections are shown in the table below:

FasTracks Projected O&M Expenses by Corridor
(millions of year-of-expenditure dollars)

Corridor	2020	2040
West Corridor	\$17.8	\$28.4
I-225 Corridor	18.5	38.4
North Metro Corridor	27.5	44.8
Southeast Corridor Extension	4.1	7.9
US 36 BRT	1.7	27.0
Denver Union Station	3.3	5.2
RTD Oversight - Commuter Rail	2.8	1.3
MetroRide	1.0	4.0
Total Annual O&M Cost	\$76.6	\$157.2

Financing a major project over a relatively short construction period requires significant expense to service debt and lease purchase financing. Historically, RTD has utilized two

primary financing techniques: Sales Tax Revenue Bonds and Certificates of Participation (COPs).

Sales tax revenue bonds are the “backbone” of RTD’s financing program. This is because senior lien sales tax bonds provide the strongest security, and thus lowest long-term borrowing costs to RTD. To date, RTD has issued \$1.454 billion in sales tax revenue bonds to fund capital investments in the FasTracks program. The adopted financial plan calls for the District to issue an additional \$152 million in bonds in the future to finance the program.

RTD has used COP financing, which is a form of lease purchase transaction, for financing buses and rail vehicles. COPs are not secured by sales tax revenues, but are secured by the underlying leased asset and backed by RTD’s commitment to appropriate payments in future annual budgets. RTD issued the Series 2005A COPs totaling \$81.0 million in par amount to finance initial FasTracks expenditures related to the West Corridor. In November 2010, RTD issued \$312.9 million in COPs to fund capital investments on both the base and FasTracks systems. FasTracks investments funded from the Series 2010 COPs issue included the purchase of light rail vehicles and the construction of station parking facilities. In July 2014, RTD closed its first COP financing for a rail corridor. In this transaction, RTD issued \$440.9 million of COPs to fund the North Metro Rail Line, using a portion of the rail line itself as the leased asset. COP lease payments are not covered by TABOR restrictions.

In July 2010, RTD issued a \$168 million, 30-year, subordinate lien bond to the Denver Union Station Project Authority (DUSPA) to finance a portion of the RTD contribution to the Denver Union Station project. Under this bond agreement, RTD will provide DUSPA with a 30-year cash flow of \$12 million per year, structured as a fixed-rate bond with an interest rate of 5.85% on the RTD funds. This bond is amortized to comply with all required bond covenants and TABOR requirements as well as RTD’s minimum net 1.20x debt service coverage policy.

The following table shows debt service assumptions for the debt financing in the adopted financial plan for FasTracks:

FasTracks Plan Debt Service Assumptions
(millions of year-of-expenditure dollars)

Type of Debt	Principal	Interest	Less: Capitalized Interest	Total
Sales Tax Bonds	\$1,574.1	\$2,062.5	-\$18.6	\$3,618.0
Certificates of Participation	1,255.5	1,261.8	0.0	2,517.2
TIFIA Loan	280.0	283.4	0.0	563.4
Denver Union Station Bond	168.0	192.2	0.0	360.2
Total Debt Service	\$3,277.6	\$3,799.9	-\$18.6	\$7,058.9

A PPP is a contracting arrangement where the public entity partners with a private contractor or consortium on the development of a public project. In return for the private

participation, the public agency pays annually appropriated availability payments to the private partner thereby spreading out large upfront costs of a project over time and preserving cash in the early years.

The Eagle Project, which includes the East and Gold Line Corridors, a commuter rail maintenance facility, and a short electrified segment of the Northwest Rail Corridor, is the largest PPP transit project in the United States. RTD has contracted with DTP to design, build, and finance the initial construction of the projects, and to operate and maintain all project assets through the year 2044. Through this contract, RTD realized savings over its internally estimated construction costs, and established the basis for its operating and maintenance costs for the first 28 years of corridor operations. In 2010, RTD awarded the contract for the Eagle Project to DTP, and began construction of the project. In 2011, RTD received an FFGA from the FTA in the amount of \$1.03 billion for this project.

As part of the financial plan in the concession agreement, DTP will provide debt and equity to cover \$440.9 million of the initial capital cost of the Eagle project. In August, 2010, RTD acted as the conduit issuer for the issuance of \$397.8 million in tax-exempt Private Activity Bonds for DTP to cover the debt portion of its financial commitment to the project.

Under the concession agreement, RTD will make annual availability payments (service payments) to DTP once the project is open for revenue service, which will cover operations, maintenance, and capital repayment. These payments are segmented into two pieces. The capital portion of the service payment is structured as a fixed annual debt subject to TABOR, secured on a subordinate basis to existing FasTracks revenue bonds. The operating portion of the service payment includes all costs to operate and maintain the line. The operating portion of the service payment is assumed to adjust according to a formula that includes inflation-based increases and performance-related reductions. The operating portion of the service payment is subject to annual appropriation and is not covered by TABOR restrictions.

Under the concession agreement, DTP is responsible for delivering and operating the project according to the District's policy goals and standards and paying all project and finance costs from these service payments, while the District will own the project. The concession agreement includes various protections for RTD to ensure adequate control and remedies. Performance standards, periodic reviews, corrective measures, penalty assessments, cure periods, payment reductions, sharing of certain upside benefits and various other measures are provided in the terms of the contract to protect RTD. Ultimately, if DTP does not adequately perform under the contract, all or parts of the contract may be terminated.

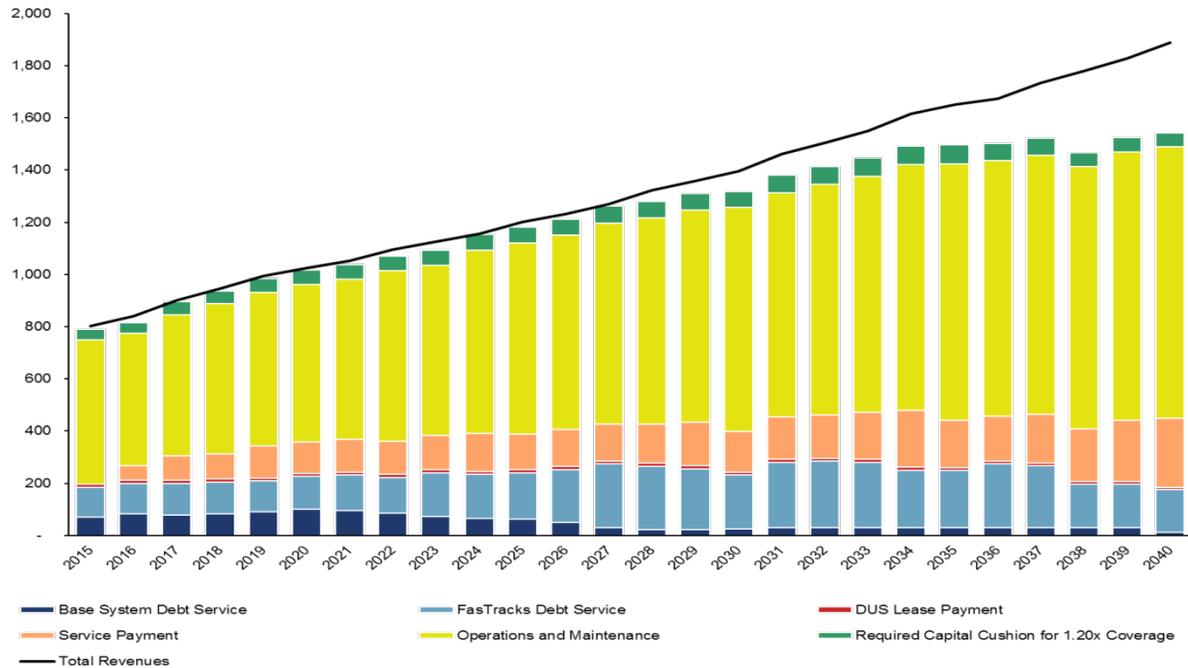
The table below shows the projected availability payments for the years 2016, which is the opening year of the Eagle project corridors, 2020, which is the first year that all the currently-funded FasTracks projects will be operating, and 2040, which is the horizon year of the Regional Transportation Plan. These payments are based on the DTP contract with escalation rates for indexed payments as projected in the adopted FasTracks financial plan.

FasTracks Availability Payments by Corridor
(millions of year-of-expenditure dollars)

Component	2016	2020	2040
Operating Costs - Federal FFGA Corridors	\$50.3	\$79.3	\$143.0
Operating Costs - Other Eagle Corridors	2.2	4.5	11.8
Capital Repayment	0.0	45.8	82.3
Total Availability Payment	\$52.6	\$129.6	\$237.1

The following chart shows the overall impact of the FasTracks capital program (projects funded by 2040) on the future operating and maintenance budgets of RTD, assuming no additional sales and use tax increase:

Projected FasTracks Cash Flow
2005-2040
(Dollars in Thousands)



The following table shows the additional annual revenue service hours by corridor for 2020, the first year of full service operation for the currently funded FasTracks projects, and 2040.

FasTracks Plan Service Hours
Additional Annual Revenue Service Hours by Corridor

Corridor	2020	2040
Light Rail		
West Corridor	58,691	58,691
I-225 Corridor	83,680	104,378
Southeast Corridor Extension	11,390	14,880
Subtotal - Light Rail	153,761	177,949
Commuter Rail		
Northwest Rail Corridor	7,790	7,790
Gold Line	30,910	30,910
East Corridor	47,590	47,590
North Metro Corridor	19,250	19,250
Subtotal - Commuter Rail	105,540	105,540
Bus		
US 36 BRT	10,429	163,090
Free MetroRide	8,614	23,625
Subtotal - Bus	19,043	186,715
Total Additional Revenue Service Hours	278,344	470,204

A FasTracks map is included in the appendix.

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Part IX. 2016 Fund Balances

**Regional Transportation District
Fiscal Year 2016 Recommended Budget - Fund Balance
Combined (In Thousands)**

		2015	2015	2016	\$ Change 2015	% Change
	2014 Actual	Amended Budget	Projected	Recommended Budget	Amended Budget vs. 2016 Recommended Budget	2015 Amended Budget vs. 2016 Recommended Budget
NET POSITION						
COMBINED						
BEGINNING NET POSITION	\$ 2,977,449	\$ 3,300,400	\$ 3,300,400	\$ 3,768,146	\$ 467,746	14.2%
Income Before Debt Service and Cap Ex	380,083	425,053	406,271	485,707	60,654	14.3%
Debt and Reserves	467,917	302,784	237,391	69,518	(233,266)	-77.0%
Net Capital Expenditures	(776,395)	(1,687,076)	(649,579)	(1,605,069)	82,007	-4.9%
Current Activity	71,605	(959,239)	(5,917)	(1,049,844)	(90,605)	9.4%
Depreciation and Amortization	(139,045)	(142,904)	(137,018)	(221,857)	(78,953)	55.2%
Other ¹	355,510	1,565,706	472,586	2,568,951	1,003,245	64.1%
Contributed Capital & Deferred Interest	34,881	161,095	138,095	101,542	(59,553)	-37.0%
Total Change in Net Position	322,951	624,658	467,746	1,398,792	774,134	123.9%
ENDING NET POSITION	\$ 3,300,400	\$ 3,925,058	\$ 3,768,146	\$ 5,166,938	\$ 1,241,880	31.6%
NET POSITION						
Net Investment in Capital Assets	2,987,694	3,614,433	3,452,909	4,836,121	1,221,688	33.8%
<i>Nonspendable Net Assets</i>	2,987,694	3,614,433	3,452,909	4,836,121	1,221,688	33.8%
Debt Service Reserves ²	190,067	75,900	77,000	108,300	32,400	42.7%
Other Designated Reserves ²	1,500	3,983	6,758	3,918	(65)	-1.6%
Tabor Reserve	19,193	20,284	20,137	19,793	(491)	-2.4%
FasTracks Contingency Reserve ³	30,000	30,000	30,000	15,890	(14,110)	-47.0%
FasTracks Start-up Operations Reserve	40,000	40,000	-	25,000	(15,000)	-37.5%
FasTracks Construction Reserve ⁴	(19,495)	60,000	105,858	56,300	(3,700)	-6.2%
<i>Restricted Net Position</i>	261,265	230,167	239,753	229,201	(966)	-0.4%
FasTracks Internal Savings Account (FISA)	21,509	15,240	15,239	23,465	8,225	54.0%
Board Appropriated Fund	24,751	28,202	26,534	35,039	6,837	24.2%
Capital Replacement Fund	17,551	21,002	18,894	27,293	6,291	30.0%
Unrestricted Fund	(12,370)	16,014	14,817	15,818	(196)	-1.2%
<i>Unrestricted Net Position</i>	51,441	80,458	75,483	101,615	21,157	26.3%
TOTAL NET POSITION	\$ 3,300,400	\$ 3,925,058	\$ 3,768,146	\$ 5,166,938	\$ 1,241,880	31.6%

Notes:

¹ Reconciling items reflect cash activity in capital projects, inventory, accounts receivable and prepaids, accruals and capitalized interest.

² Reserves include funds that are legally restricted by bond covenants, other contracts, Board designation and policy guidelines.

³ Reserves are an appropriated reserve which is available to fund unforeseen projects expenses (such as a contingency reserve).

⁴ Reserves represent revenues that are designated to be spent in future years for the construction of the FasTracks capital program.

Beginning Net Assets

This amount is equal to the year-end Ending Net Assets for the prior year. For 2014 actuals, this is equal to the 2013 year-end balance. For the 2015 Amended Budget and 2015 projection, this is equal to the 2014 year-end balance. For the 2016 Adopted Budget, this is equal to the 2015 year-end projection.

Changes To Beginning Net Assets

These amounts reflect portions of the Beginning Net Asset balance that are expected to fund specific projects and operating expenses included in the current year. These amounts are adjustments to Beginning Net Assets to reach the Ending Net Assets. The amounts include:

- Sources and Uses
- Debt and Reserves
- Capital Expenditures
- Depreciation and Amortization
- Other Reconciling Items

Net Assets

This is the reconciliation of Ending Net Assets and is equal to the Non-spendable Net Assets (investment in capital assets) plus Restricted Net Assets and Unrestricted Net Assets. The amount is carried forward as the Beginning Net Assets for the following year.

Adjustments to Beginning Net Assets

These amounts reflect the current year activity of all funding inflows and outflows.

- Sources – total of all current Revenues, including sales and use taxes, grant revenue, fare revenue, investment revenue, rental revenue and other miscellaneous revenue.
- Uses – total of all Operating Expenses including Bus Operations, Rail Operations, Private Carrier, access-a-Ride, Planning, Capital Programs, Safety, Security and Facilities, General Counsel, Finance and Administration, Communications, Executive Office, Board Office, and Other Non-Departmental Expenditures plus Interest Expense and Prior Year Approved Expense Projects.
- Debt and Reserves – total of Financing Proceeds, Drawdowns from Capital Acquisition Reserves, Drawdowns in FasTracks Construction Reserves, Drawdowns in FasTracks Internal Savings Account, and Contributed Capital less Debt Payments including Interest Expense.
- Capital Expenditures – total of Prior Year Approved Capital, Capitalized Interest, Facilities Construction and Maintenance, Bus Transfer Stations, Bus Infrastructure,

Rapid Transit Development, park-n-Rides, Capital Support Projects, Rail Construction, Rail Transit, Fleet Modernization and Expansion, Capital Support Equipment, Unallocated Capital and FasTracks Program capital expenditures.

- Depreciation and Amortization – total of Depreciation and Amortization for all capital assets, intangible assets, and non-cash interest expense.
- Other Reconciling Items – total of all cash activity in Inventory, Accounts Receivable, Prepaid Expenses, Expense Accruals, and Capitalized Interest.

Reserves Included in Total Net Assets

RTD maintains certain reserves within its Net Asset balance. These reserves may be required by statute, bond covenants or other legal agreements, or by policy of the Board of Directors. Such reserves are detailed below:

Restricted Net Assets:

- Debt Service Reserves – reserves required by the agreements for all existing bond issues and COPs for debt service.
- Other Designated Reserves - these include the following other reserves required by contracts, Board designation, and policy guidelines:
 - Reserves required by other contracts, Board designation, or policy guidelines
 - Unallocated reserves in both the operating and capital budgets
- Unexpended Project Reserves – unspent proceeds from bonds or COPs issued for projects.
- TABOR Reserve - a reserve required by Article X, Section 20 of the Colorado Constitution, equal to 3% of current year revenues from sources other than federal grants, gifts, bond proceeds, or lease/purchase income.
- FasTracks Contingency Reserve – a reserve appropriated at a sufficient level each year, to be available to fund adjustments to the FasTracks construction schedule, relating to logistics or cost savings opportunities that arise after the annual budget is adopted. These funds may not be used to fund Base system (non-FasTracks) capital or operating programs.
- FasTracks Start-Up Operations Reserve – a reserve established in the FasTracks Annual Program Evaluation (financial plan) for the years 2015-2016 in order to meet the 1.2x debt service coverage if needed.
- FasTracks Construction Reserve - a reserve including revenues that are designated to be spent in future years for the construction of the FasTracks capital program. These funds may not be used to fund Base system (non-FasTracks) capital or operating programs.

Unrestricted Net Assets:

- FasTracks Internal Savings Account – a reserve established and funded primarily by the Base system to be used to provide funding for future FasTracks projects that are currently underfunded.
- Board-Appropriated Fund – a reserve designated by the Board of Directors, to be used with Board approval to avoid cash flow interruptions, reduce the need for short-term borrowing, and assist in maintaining an investment grade rating.
- Capital Replacement Fund - a reserve utilized to fund vehicle replacement and local new capital expenditures.

- Unrestricted Fund – a reserve equal to the excess and undesignated working capital balance that may accrue at each year-end, net of all other required or designated reserves.

Unrestricted Fund Balances

The Fund Balance Policy for 2016 requires unrestricted fund balances to consist of a Board-appropriated fund, a capital replacement fund, and an undesignated working capital fund (the remaining unrestricted year-end fund balance) for both the Base system and FasTracks. The objective is for the total of these three funds to equal approximately three months of operating expenses excluding depreciation for the Base system and two months of same for FasTracks.

The total of these unrestricted fund balances for 2016 on a combined basis is projected at \$78.1 million, comprised of: 1) the Board-appropriated fund of \$35.0 million, 2) the capital replacement fund of \$27.3 million, and 3) an undesignated working capital fund or remaining unrestricted fund balance of \$15.8 million. This total for 2016 is budgeted to increase \$17.9 million from 2015 projected, primarily the result of fund sources exceeding fund uses.

In the aggregate, RTD has only one fund, an enterprise fund, and a single budget and a single appropriation.

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Part X. 2016 Debt Service Detail

Overview of 2016 Annual Debt Service

RTD's issues long-term financing in the form of sales tax bonds and certificates of participation in order to finance capital projects. The following table details the principal and interest payments due on each of these outstanding debt issues in 2016.

SERIES	PRINCIPAL	INTEREST	TOTAL
2007A Bonds	\$0	\$3,665,813	\$3,665,813
2010A Bonds	\$6,480,000	\$660,250	\$7,140,250
2013A Bonds	\$17,020,000	\$939,966	\$17,959,966
2002A COP	\$10,040,000	\$4,019,300	\$14,059,300
2007A COP	\$1,290,000	\$457,468	\$1,747,468
2010A&B COP	\$4,775,000	\$3,543,075	\$8,318,075
2013A COP	\$12,375,000	\$7,939,025	\$20,314,025
2015A COP	\$0	\$8,824,250	\$8,824,250
Base-subtotal	\$51,980,000	\$30,049,146	\$82,029,146
2007A Bonds	\$560,000	\$16,180,438	\$16,740,438
2010A&B Bonds	\$0	\$21,489,000	\$21,489,000
2012A Bonds	\$0	\$21,510,475	\$21,510,475
2013A Bonds	\$0	\$10,020,463	\$10,020,463
2005A COP	\$5,420,000	\$1,679,375	\$7,099,375
2010A&B COP	\$0	\$14,020,962	\$14,020,962
2013A COP	\$6,175,000	\$1,852,655	\$8,027,655
2014A COP	\$0	\$21,399,888	\$21,399,888
2015A COP	\$0	\$316,750	\$316,750
DUSPA Note	\$2,983,083	\$9,023,406	\$12,006,489
FasTracks-subtotal	\$15,138,083	\$117,493,411	\$132,631,494
Grand Total	\$67,118,083	\$147,542,557	\$214,660,640

Debt Coverage Ratios

RTD's fiscal policies require the District to maintain minimum debt service coverage on its debt service obligations. The gross debt coverage ratios affect only sales tax revenue bonds, while the net debt coverage ratio impacts all outstanding debt issues. These ratios are calculated on the debt service obligations described in the section above. For outstanding commercial paper and variable rate debt, interest is assumed to equal the amounts appropriated in the 2016 Adopted Budget, net of any additional interest payments appropriated for variable rate debt.

The minimum required gross sales tax revenue bond coverage ratio for the base system (annual non-FasTracks sales and use tax revenue to annual sales and use tax debt service for senior non-FasTracks debt) is four times annual sales tax debt service. For the base system gross debt coverage ratio is projected to be 12.3 times annual sales tax

debt service, which exceeds the minimum requirement. The minimum required gross sales tax revenue bond coverage ratio (annual sales and use tax revenue to annual sales and use tax debt service) for FasTracks debt is two times annual sales tax debt service. For 2016, the FasTracks gross debt coverage ratio is projected to be 8.1 times annual sales tax debt service, which exceeds the minimum requirement.

The minimum required net revenue coverage ratio (all annual revenues remaining after operating and maintenance expenses, net of passthrough grants, to annual debt service requirements net of swap payments and excess appropriations required for variable rate debt) is 1.2 times total debt service. For 2016, the net revenue coverage ratio is projected to be 2.3 times annual debt service, which meets the minimum requirement.

The table on the next page shows the calculation of the coverage ratios:

	BASE SYSTEM GROSS COVERAGE	FASTRACKS GROSS COVERAGE	NET COVERAGE
Eligible Revenues			
Sales Tax ¹	\$321,609,535	\$214,406,357	\$536,015,892
Use Tax ¹	32,682,398	21,788,266	54,470,664
Remaining Revenues ²		325,525,905	
Other Revenues ³			243,553,896
FasTracks Revenues ⁴			347,124,505
Less: O&M Expenditures			(635,444,997)
Total Eligible Revenues	\$354,291,933	\$561,720,528	\$545,719,960
Debt Service for Coverage			
2007 Sales Tax Bonds	3,665,813		3,665,813
2010A Bonds	7,140,250		7,140,250
2002A COP			14,059,300
2005A COP			7,099,375
2007A COP			1,747,468
2010A&B COP			22,339,038
2013A COP			28,341,680
2014A COP			21,399,888
2007A Sales Tax Bonds		16,740,438	16,740,438
2010A&B Sales Tax Bonds		21,489,000	21,489,000
2012A Bonds		21,510,475	21,510,475
2013A Bonds	17,959,966	10,020,463	27,980,428
2015 COP			9,141,000
DUSPA Note			12,006,489
P3 Capital Lease			23,094,000
Total Debt Service for Coverage	\$28,766,028	\$69,760,375	\$237,754,640
Revenue in Excess of Debt Service	\$325,525,905		
Coverage Ratio	12.3	8.1	2.3

¹ The base sales and use tax includes only the 0.6% tax collected by RTD prior to the passage of the FasTracks ballot issue. The ballot issue restricts the proceeds of the additional sales and use tax to FasTracks-related projects.

² Base System Sales and Use Taxes in excess of Base System debt service are pledged to cover FasTracks debt service.

³ Includes farebox revenues, advertising revenues, investment income, local contributions to projects, federal grants, and other income.

⁴ Includes FasTracks investment income on FasTracks funds, which may be used for FasTracks-related debt service and operating expenditures, as well as federal grants applied to operating revenue.

Detail of Outstanding Debt Issues

As of December 31, 2015, the following detail describes each outstanding debt issue, including the projects funded by the proceeds, the final maturity date, and principal and interest payments remaining through the term of the issue.

2007A Sales Tax Revenue Refunding Bonds

In March 2007, the District issued \$69.8 million of Sales Tax Revenue Refunding Bonds Series 2007A for the purpose of refunding portions of the 2000A Bonds, 2002B Bonds, and 2004A Bonds.

At the end of 2015, the bonds had a principal balance due of \$69.8 million. Annual principal and interest payments extend through November 1, 2024.

Year	Principal	Interest
2016	\$0	\$3,665,813
2017	\$0	\$3,665,813
2018	\$11,390,000	\$3,665,813
2019	\$10,330,000	\$3,067,838
2020	\$10,770,000	\$2,525,513
Term	\$37,335,000	\$8,400,525
Total	\$69,825,000	\$24,991,313

2007A Sales Tax Revenue Refunding Bonds (FasTracks)

In April 2007, the District issued \$363.725 million of Sales Tax Revenue Refunding Bonds (FasTracks Project) Series 2007A for the purpose of refunding a portion of the Series 2006A Sales Tax Revenue Bonds (FasTracks Project).

At the end of 2015, the bonds had a principal balance due of \$359.7 million. Annual principal and interest payments extend through December 31, 2036.

Year	Principal	Interest
2016	\$560,000	\$16,180,438
2017	\$585,000	\$16,156,638
2018	\$610,000	\$16,131,775
2019	\$635,000	\$16,105,850
2020	\$660,000	\$16,080,450
Term	\$356,720,000	\$205,939,350
Total	\$359,770,000	\$286,594,500

2010A Sales Tax Revenue Bonds

In January 2010, the District issued \$47.625 million of Sales Tax Revenue Refunding Bonds, Series 2010A for the purpose of refunding portions of the District's outstanding Sales Tax Revenue Bonds, Series 2000A, Series 2002A and Series 2004A.

At the end of 2015, the bonds had a principal balance remaining of \$13.2 million. Annual principal and interest payments extend until December 31, 2017.

Year	Principal	Interest
2016	\$6,480,000	\$660,250
2017	\$6,725,000	\$336,250
Total	\$13,205,000	\$996,500

2010A&B Sales Tax Revenue Bonds (FasTracks)

In November 2010, the District issued \$79.14 million Tax-Exempt Sales Tax Revenue Bonds (FasTracks Project), Series 2010A and \$300.0 million Taxable Sales Tax Revenue Bonds (FasTracks Project) (Direct Pay Build America Bonds), Series 2010B to finance costs of improvements, facilities and equipment within its FasTracks transit program.

At the end of 2015, the bonds had a principal balance remaining of \$379.1 million. Annual principal and interest payments extend until December 31, 2050.

Year	Principal	Interest
2016	\$0	\$21,489,000
2017	\$0	\$21,489,000
2018	\$0	\$21,489,000
2019	\$0	\$21,489,000
2020	\$0	\$21,489,000
Term	\$379,140,000	\$562,038,683
Total	\$379,140,000	\$669,483,683

2012A Sales Tax Revenue Bonds (FasTracks)

In December 2012, the District issued \$474.935 million of Sales Tax Revenue Bonds (FasTracks Project), Series 2012A for the purpose of financing a portion of the costs of the capital improvements, facilities, and equipment related to the District's FasTracks transit expansion project. These bonds are secured by a first priority lien on the revenues received by the district from its 0.4% sales tax which was approved by voters in November 2004.

At the end of 2015, the bonds had a principal balance due of \$474.9 million. Annual principal and interest payments extend through November 1, 2037.

Year	Principal	Interest
2016	\$0	\$21,510,475
2017	\$0	\$21,510,475
2018	\$0	\$21,510,475
2019	\$0	\$21,510,475
2020	\$0	\$21,510,475
Term	\$474,935,000	\$218,731,900
Total	\$474,935,000	\$326,284,275

2013A Sales Tax Revenue Bonds

In March 2013, the District issued \$397.98 million in fixed rate Taxable Sales Tax Revenue Refunding Bonds, Series 2013A to advance refund all outstanding Sales Tax Revenue Bonds, Series 2004A and Sales Tax Revenue Bonds, Series 2005A.

At the end of 2015, the bonds had a principal balance due of \$61.0 million. Annual principal and interest payments extend through November 1, 2021.

Year	Principal	Interest
2016	\$17,020,000	\$939,966
2017	\$17,105,000	\$792,743
2018	\$12,870,000	\$450,643
2019	\$6,315,000	\$267,503
2020	\$6,530,000	\$156,548
Term	\$1,155,000	\$25,491
Total	\$60,995,000	\$2,632,892

2013A Sales Tax Revenue Bonds

In March 2013, the District issued \$397.98 million in fixed rate Taxable Sales Tax Revenue Refunding Bonds, Series 2013A to advance refund all outstanding Sales Tax Revenue Bonds, Series 2004A and Sales Tax Revenue Bonds, Series 2005A.

At the end of 2015, the bonds had a principal balance due of \$204.8 million. Annual principal and interest payments extend through November 1, 2036.

Year	Principal	Interest
2016	\$0	\$10,020,463

2017	\$0	\$10,020,463
2018	\$0	\$10,020,463
2019	\$0	\$10,020,463
2020	\$0	\$10,020,463
Term	\$204,820,000	\$97,242,400
Total	\$204,820,000	\$147,344,713

DUSPA/RTD Funding Agreement

In July 2010, RTD entered into a DUSPA/RTD Funding Agreement with the Denver Union Station Project Authority (“DUSPA”) in order to support DUSPA’s financing of the Denver Union Station mixed-use and multi-modal project, including transit elements, which are to be constructed on RTD owned property and will be owned and operated by RTD. These transit elements include a new light rail terminal, a new commuter rail station, a regional and commercial bus facility and new tracks. Revenues received through the RTD FasTracks sales tax are pledged, on a subordinate basis, to payments to DUSPA of total principal of \$78.5 million in equal annual installments through 2039.

At the end of 2015, the Funding Agreement had a principal balance due of \$75.6 million. Annual principal and interest payments extend through 2040.

Year	Principal	Interest
2016	\$2,983,083	\$9,023,406
2017	\$3,157,593	\$8,848,895
2018	\$3,342,313	\$8,664,176
2019	\$3,537,838	\$8,468,651
2020	\$3,744,801	\$8,261,687
Term	\$58,879,275	\$73,192,103
Total	\$75,644,903	\$116,458,919

Eagle P3 Project

The District has served as the “conduit issuer” of its Tax Exempt Private Activity Bonds (Denver Transit Partners Eagle P3 Project) Series 2010 (the P3 Conduit Bonds) in the aggregate principal amount of \$397.835 million. The proceeds of this issuance were loaned to Denver Transit Partners LLC to pay a portion of the costs of the Eagle P3 Project including the design, construction, financing, operations and maintenance of approximately 35 miles of new commuter rail transit lines and a commuter rail maintenance facility through December 2044. The P3 Conduit Bonds are secured solely by loan payments to be made by Denver Transit Partners.

Under the District’s agreement with Denver Transit Partners, and in exchange for the design, construction, financing, maintenance and operation of the Eagle Project, the

District will make payments in the form of construction payments and service payments. One portion of the service payment (the “TABOR Portion”), structured to exceed debt service on the P3 Conduit Bonds, is secured by a subordinate pledge of sales tax revenues after payment of other outstanding sales tax bonds. Service payments will commence upon the commencement of revenue service, anticipated in late 2016.

2002A Transit Vehicle Project Certificates of Participation

In August 2002, the District issued \$132.4 million in Adjustable Rate Certificates of Participation. The net proceeds of the Certificates were used for the purpose of acquiring 34 light rail vehicles as part of the Southeast Corridor multimodal project and to defray the costs of acquiring, constructing, and installing a light rail vehicle maintenance facility.

In February 2004, the 2002A Certificates of Participation were restructured to a fixed rate mode in conjunction with a three-year interest rate swap. In April 2007, the Certificates were amended and restated as fixed rate certificates.

At the end of 2015, the Certificates had a principal balance due of approximately \$81.4 million. Annual principal and interest payments extend through December 31, 2022.

Year	Principal	Interest
2016	\$10,040,000	\$4,019,300
2017	\$10,540,000	\$3,517,300
2018	\$11,015,000	\$3,043,000
2019	\$11,565,000	\$2,492,250
2020	\$12,145,000	\$1,914,000
Term	\$26,135,000	\$1,976,000
Total	\$81,440,000	\$16,961,850

2005A Certificates of Participation

In May 2005, the District issued \$80.965 million in Fixed Rate Certificates of Participation. The net proceeds of the Certificates were used for the purpose of acquiring 29 light rail vehicles for the FasTracks program.

At the end of 2015, the Certificates had a principal balance due of approximately \$23.3 million. Annual principal and interest payments extend through June 30, 2025.

Year	Principal	Interest
2016	\$5,420,000	\$1,679,375
2017	\$5,660,000	\$1,430,075
2018	\$2,855,000	\$1,238,488
2019	\$2,985,000	\$1,107,088

2020	\$3,115,000	\$969,838
Term	\$3,255,000	\$449,875
Total	\$23,290,000	\$6,874,738

2007A Certificates of Participation

In June 2007, the District issued \$18.545 million in Fixed Rate Certificates of Participation to refund the 2001B Master Lease Purchase Agreement II Fixed Rate Certificates of Participation, originally issued in August 2001 for the purpose of acquiring eleven light rail vehicles.

At the end of 2015, the Certificates had a principal balance due of approximately \$8.9 million. Annual principal and interest payments extend through June 30, 2021.

Year	Principal	Interest
2016	\$1,290,000	\$457,468
2017	\$1,365,000	\$383,991
2018	\$1,440,000	\$306,362
2019	\$1,520,000	\$224,444
2020	\$1,605,000	\$137,960
Term	\$1,690,000	\$46,771
Total	\$8,910,000	\$1,556,996

2010A&B Certificates of Participation

In December 2010, the District issued \$212.9 million Tax Exempt Certificates of Participation, Series 2010A and \$100 million Taxable Certificates of Participation (Direct Pay Build America Bonds) Series 2010 to: (a) refund certain outstanding RTD COPs and to (b) acquire, construct, install and improve certain equipment within the District's Base and FasTracks programs.

At the end of 2015, the Certificates had a principal balance due of approximately \$291.7 million. Annual principal and interest payments extend through June 30, 2040.

Year	Principal	Interest
2016	\$4,775,000	\$17,564,038
2017	\$0	\$17,444,663
2018	\$7,725,000	\$13,415,538
2019	\$8,120,000	\$9,183,413
2020	\$15,925,000	\$8,582,288
Term	\$255,200,000	\$174,076,069
Total	\$291,745,000	\$240,266,006

2013A Certificates of Participation

In April 2013, the District issued \$224.045 million in fixed rate Certificates of Participation, Series 2013A for the purpose of refunding a portion of the then outstanding Certificates of Participation, Series 2005A and to fund a Project Fund for the acquisition of buses and other transportation related equipment.

At the end of 2015, the certificates had a principal balance due of \$171.5 million. Annual principal and interest payments extend through November 1, 2027.

Year	Principal	Interest
2016	\$12,375,000	\$7,939,025
2017	\$12,940,000	\$7,377,850
2018	\$13,555,000	\$6,760,225
2019	\$13,530,000	\$6,129,975
2020	\$14,160,000	\$5,503,150
Term	\$104,980,000	\$17,431,725
Total	\$171,540,000	\$51,141,950

2013A Certificates of Participation (FasTracks)

In April 2013, the District issued \$224.045 million in fixed rate Certificates of Participation, Series 2013A for the purpose of refunding a portion of the then outstanding Certificates of Participation, Series 2005A and to fund a Project Fund for the acquisition of buses and other transportation related equipment.

At the end of 2015, the certificates had a principal balance due of \$42.4 million. Annual principal and interest payments extend through November 1, 2027.

Year	Principal	Interest
2016	\$6,175,000	\$1,852,655
2017	\$6,480,000	\$1,539,580
2018	\$3,705,000	\$1,317,775
2019	\$2,470,000	\$1,196,375
2020	\$2,585,000	\$1,073,075
Term	\$20,980,000	\$3,133,400
Total	\$42,395,000	\$10,112,860

2014A of Certificates Participation

In July 2014, the District issued \$440.9 million in fixed rate Certificates of Participation, Series 2014A for the purpose of partially funding the North Metro Rail Line construction project.

At the end of 2015, the certificates had a principal balance due of \$440.9 million. Annual principal and interest payments extend through November 1, 2044.

Year	Principal	Interest
2016	\$0	\$21,399,888
2017	\$0	\$21,399,888
2018	\$0	\$21,399,888
2019	\$0	\$21,399,888
2020	\$0	\$21,399,888
Term	\$440,915,000	\$317,178,263
Total	\$440,915,000	\$424,177,700

2015A Certificates of Participation

In August 2015, the District issued \$193,915,000 in fixed rate Certificates of Participation, Series 2015A for the purpose of funding a Project Fund for the acquisition of buses and light rail vehicles.

At the end of 2015, the Base certificates had a principal balance due of \$186.9 million. Annual principal and interest payments extend through November, 2035.

Year	Principal	Interest
2016	\$0	\$8,824,250
2017	\$0	\$8,824,250
2018	\$0	\$8,824,250
2019	\$10,525,000	\$8,561,125
2020	\$11,060,000	\$8,021,500
Term	\$165,265,000	\$59,635,475
Total	\$186,850,000	\$102,690,850

2015A Certificates of Participation (FasTracks)

In August 2015, the District issued \$193,915,000 in fixed rate Certificates of Participation, Series 2015A for the purpose of funding a Project Fund for the acquisition of buses and light rail vehicles.

At the end of 2015, the FasTracks certificates had a principal balance due of \$7.1 million. Annual principal and interest payments extend through November, 2035.

Year	Principal	Interest
2016	\$0	\$316,750
2017	\$0	\$316,750
2018	\$0	\$316,750
2019	\$185,000	\$312,125
2020	\$195,000	\$302,625
Term	\$6,685,000	\$3,288,400
Total	\$7,065,000	\$4,853,400

Commercial Paper

As of December 31, 2015, the District had no commercial paper outstanding.

Legal Debt Limits

The Taxpayer's Bill of Rights (TABOR), or Article X, Section 20 of the Colorado Constitution, approved by Colorado voters in November 1992, restricts the ability of the District to enter into a multi-year fiscal obligation without voter approval unless there are adequate present cash reserves. TABOR also requires voter approval in advance for: (i) any increase in the District's revenues and spending from one year to the next in excess of a specified growth rate (CPI plus a growth factor based on net increase in the value of new taxable property); or (ii) any new tax or tax increase.

In accordance with its FasTracks debt authorization approved by the voters, the District was authorized to issue debt, increase the current tax rate by 0.4%, and keep the revenue to build the FasTracks system. A portion of the tax increase may remain after the system is built, as operating costs for the expanded system may be higher than for the current system.

The FasTracks authorization limits the amount of debt and total debt service which may be secured by the sales and use tax for FasTracks. The total amount of principal and debt service the voters authorized is shown below.

TABOR Authorization (Dollars in Thousands)	
Principal	\$3,477,000
Total Debt Service	\$7,129,000
Maximum Annual Repayment Cost	\$309,738

RTD currently has no legal authorization to issue additional debt for any purpose other than the FasTracks capital program.

Part XI. Appendices

Budget Process

The State of Colorado Local Government Budget Law requires that each local government, such as RTD, prepare and adopt an annual budget for each and every fund, including utility (enterprise) funds. Such a budget must set forth proposed expenditures to be undertaken during the budget year for administration, operations, maintenance, debt service, and capital projects. In addition, the budget identifies the anticipated income funding options for financing the proposed expenditures.

The budget becomes official once the Board of Directors, by resolution, adopts it. Thirty days prior to adoption, but no later than October 15 of the prior year, the budget must be made available for public inspection. A public hearing must also be held prior to adoption. Following adoption, the budget must be filed with the State Division of Local Government. Budget adoption does not include legal authority to spend. This authority is gained by the Board of Directors adopting an appropriation resolution.

Budgetary Funds

Since RTD has only one fund, an enterprise fund, it has a single budget and a single appropriation. The budget itself is comprised of five categories:

1. Operating and Administrative Expenditures - planning, operations, and maintenance of the District's bus and rail system
2. Capital Expenditures - acquisition of long-lived assets, equipment, vehicles, and facilities
3. Debt Service – principal and interest payments on the District's debt
4. Reserves – consisting of FasTracks reserves to fund adjustments to construction and to provide funding for future underfunded FasTracks projects, as well as reserves for debt service, projects, and other designations
5. Unrestricted Year-End Fund Balance - net of all other required reserves and sources and uses

The budget is prepared on a modified accrual basis using Generally Accepted Accounting Principles with the following exceptions (see 2016 Fiscal Policies):

- inclusion of capital outlays and debt principal payments as expenditures
- inclusion of asset sale proceeds and debt issuance proceeds
- exclusion of gains and losses on disposition of property and equipment
- exclusion of the non-cash portion of long-term unfunded pension accruals

Budget Preparation

Each department was directed to submit an operating maintenance budget based on approved goals and objectives. Along with the base budget were requests for increases or changes in scope of activities. Separate requests for expense/operating projects and capital projects were also submitted as part of the Strategic Budget Plan.

Budget Review

Each line item within each project was analyzed. The budget was first examined by the Budget Office and reviewed with each individual department. Next, the Senior Staff and the General Manager reviewed and evaluated the budget. Finally, the budget was submitted to the Board of Directors and the general public.

Adopted Budget

A preliminary requested budget was presented to the Board of Directors on September 29, 2015 to obtain approval to make the budget available for public inspection. The legal notice relating to the posting of the budget appeared in the Legal Notices section of newspapers of general circulation on October 11, 2015. The Board made the requested budget available to the public for inspection prior to October 15, 2015 in accordance with Colorado Local Government Budget Law.

Following the preliminary budget, the Recommended Budget was presented to the Board for its review and consideration on November 10, 2015 and was subsequently approved by the Board on November 17, 2015. Some changes to capital and operating programs were made after the posting of the budget on October 11, 2015, in accordance with direction received from the Board of Directors. The budget was adopted by the Board as recommended.

Budget Execution

The Adopted Budget becomes the basis for monthly expenditure planning and is the department/office tool for program/project measurement and reporting. Budget variances are reviewed by staff on a quarterly basis, and corrective action is taken as needed.

Budget Amendment Process

The steps for the budget amendment process at RTD are:

1. Determination that an amendment is necessary because of shortfalls in revenue or changes in expenditures caused by an act of God, a public enemy, or an event or budgetary need which could not have been reasonably foreseen at the time of adoption of the Budget.
2. Presentation to the Board of Directors for approval of all proposed changes along with the justification, the method of financing, and recommendations is done at the Financial Administration and Audit Committee meeting.
3. Publication of the proposed amended budget in a newspaper of general circulation prior to adoption.

4. Adoption of the proposed amended budget by a majority of the governing body, the RTD Board of Directors.
6. Filing of a certified copy of the resolution with the Division of Local Government in the Department of Local Affairs of the State of Colorado.

Colorado Local Government Budget Law on supplementary budget and appropriations is shown below. It outlines the legal requirements for the District.

Section 29-1-109 Changes to budget - transfers - supplemental appropriations.

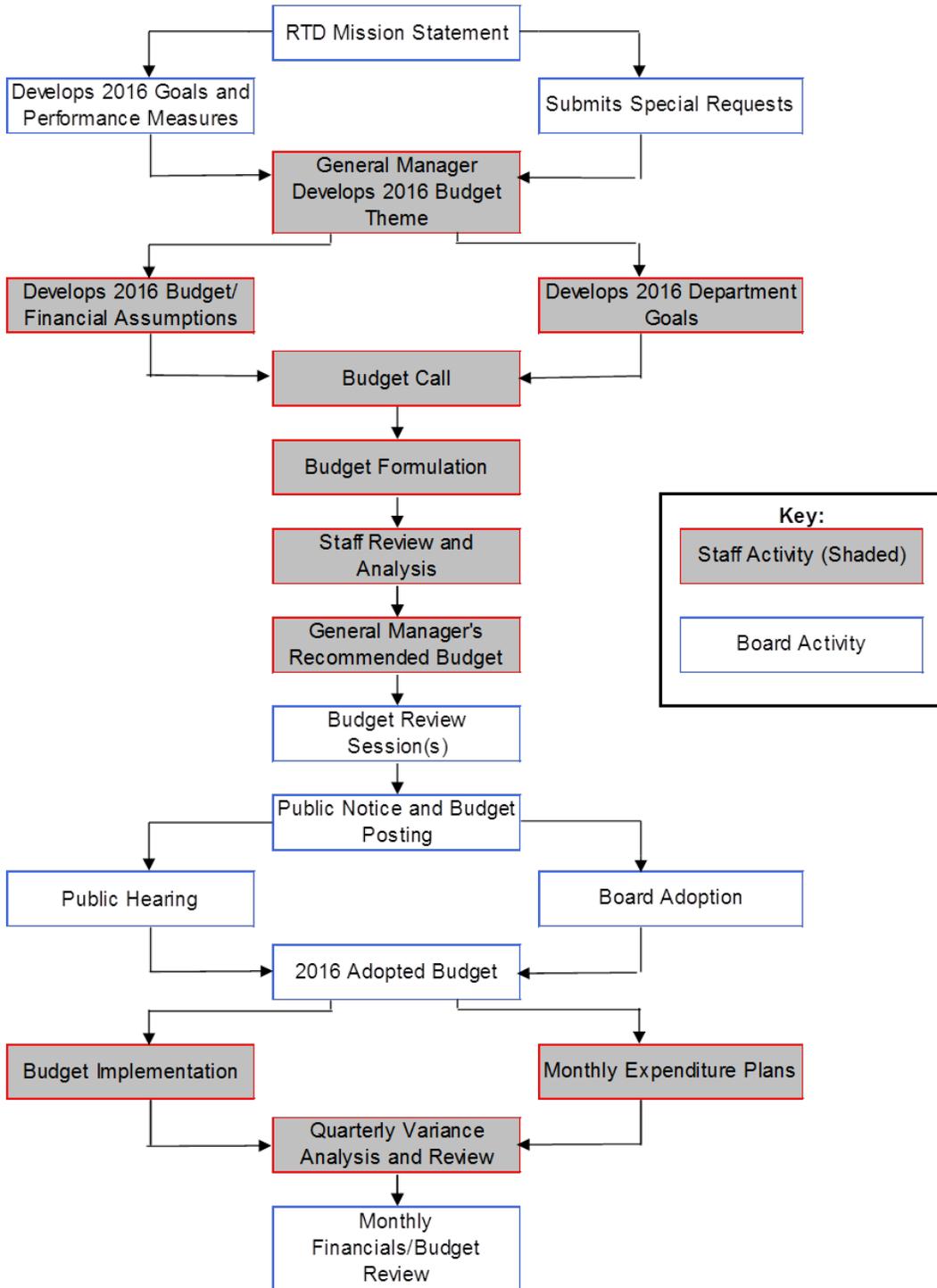
“(1)(b) If, after adoption of the budget, the local government receives unanticipated revenues or revenues not assured at the time of the adoption of the budget from any source other than the local government's property tax mill levy, the governing body may authorize the expenditure of such funds by enacting a supplemental budget and appropriation.

(2)(a) Any transfer, supplemental appropriation, or revised appropriation made pursuant to this section shall be made only by ordinance or resolution which complies with the notice provisions of section 29-1-106.

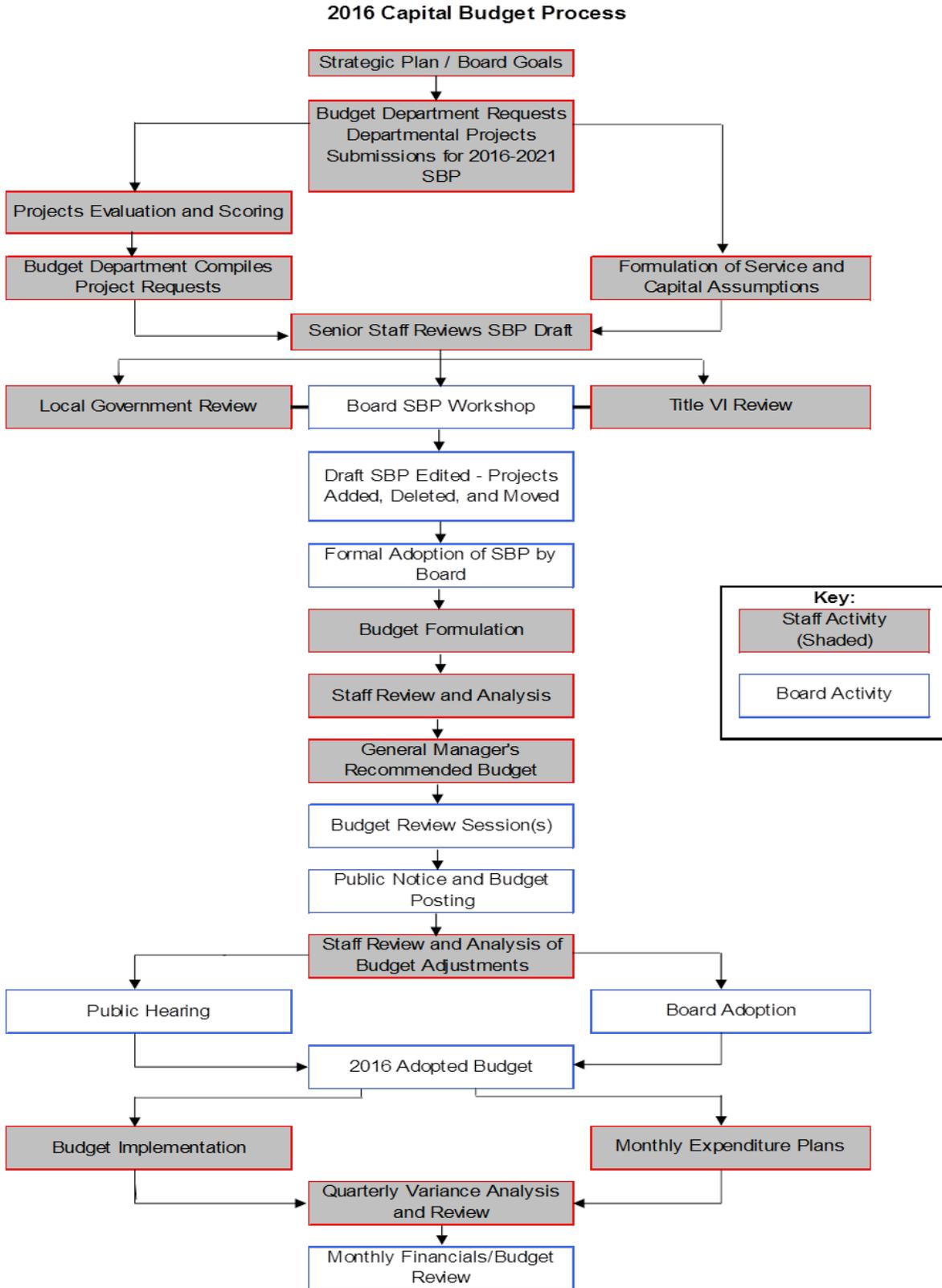
(2)(b) For supplemental budgets and appropriations, such ordinance or resolution shall set forth in full the source and amount of such revenue, the purpose for which such revenues are being budgeted and appropriated, and the fund or spending agency which shall make such supplemental expenditure. A certified copy of such ordinance or resolution shall be filed with the division.”

Operating Budget Flow Chart

2016 Operating Budget Process



Capital Budget Flow Chart



2016 Budget Preparation Calendar

<u>Date</u>	<u>Task</u>
March 17	Draft 2016 Budget Calendar to Financial Administration and Audit Committee. The Budget Staff presents draft calendar to Financial Administration and Audit Committee (FAAC).
April 14	Review of 2016-2021 Strategic Budget Plan (SBP) development process and 2016 budget assumptions to FAAC. Input on assumptions and objectives for the development of the 2016-2021 SBP is requested by staff from FAAC. The Budget Staff reviews assumptions with the Board, such as service hours, fleet size, financing, fuel costs, potential uses of Board-Appropriated and Capital Acquisition Reserves, inflation rates, and tax revenue estimates, issues and challenges.
May 19	Draft 2016-2021 SBP to Financial Administration and Audit Committee. The Budget Staff reviews assumptions of the 2016-2021 SBP and the initial draft of the SBP cash flow with the FAAC for comment.
June 1	Budget User Training on Oracle System. The Budget Staff offers training for staff needing an update on budget module of Oracle System.
June 9	Amended 2015 Budget. Staff presents 2015 Amended Budget to FAAC for recommendation to full Board.
June 9	2016-2021 SBP Update. Staff presents an update of the 2016-2021 SBP to FAAC for updates of key assumptions and project requests and a second draft of the SBP cash flow is presented.
June 12	Budget Call. The Budget Call serves as the kick-off for the staff development of departmental budgets. Staff begins the process of inputting the line item detail of the 2016 Requested Budget.
June 16	Board Adoption of the 2015 Amended Budget. The Board of Directors adopts and appropriates the 2015 Amended Budget.
July 24	Close budget entry system for users. Departmental budget staff completes input of line item detail with justifications. Budget screens are frozen for analysis and printing of the proposed Departmental budgets.
August 3 - 17	Budget Review. Budget Staff completes review of individual department budgets with Assistant General Managers and their budget staffs as needed.
August 11	2016-2021 SBP. Staff recommends 2016-2021 SBP to FAAC.

- August 18 **Board Adoption of the 2016-2021 SBP.** The Board of Directors approves 2016-2021 SBP.
- September 8 **Review of 2016 Requested Budget to FAAC.** The Budget Staff reviews assumptions and input variables with the FAAC, such as elements of the approved SBP, budget theme, departmental budget targets, service hours, project deferrals and eliminations, fuel costs, plan for development of fund balances, cost escalation assumptions, inflation rates, and tax revenue updated estimates.
- September 16 **Senior Leadership Team Budget Review.** 2016 Requested Budget is reviewed by senior staff. Adjustments and reductions are identified and incorporated into the Requested Budget.
- September 29 **Requested Budget Presented at Board Study Session prior to Posting.** Staff provides presentation of 2016 Requested Budget to the Board prior to posting before the public in October.
- October 10/11 **Posting of the 2016 Requested Budget.** State law requires the budget to be posted for public review by October 15th of each year.
- October 20 **Update of Requested Budget Presented to FAAC.** Staff provides update of 2016 Requested Budget to the FAAC with proposed changes and new information that has become available since the Board Study Session.
- October 30 **2015 Capital Carryforward Estimates.** Budget Staff completes estimates of the 2015 Capital Carryforward. A carryforward is necessary when a capital project is not completed in the current year, and the funds must be appropriated to complete the project in the following budget year. 2015 Expense Projects not to be completed are re-budgeted for 2016.
- November 10 **Recommended 2016 Budget.** The 2016 annual Budget is presented to the FAAC with request for recommendation to full board for adoption.
- November 17 **Adoption of 2016 Budget.** Board adopts the 2016 Budget after duly advertised public hearing for the same.
- Nov. 18-Dec.31 **Preparation of 2016 Monthly Expenditure Plans and Capital Budget.** Department budget staff completes input of the Monthly Expenditure Plans and capital budget based on the budget adopted by the Board. These expenditure plans serve as the basis for variance reporting and monitoring of the capital budget.
- December 31 **Budget Submission to the Division of Local Government.** The Budget Staff submits copies of the 2016 Budget Adoption and Appropriation resolutions and Board action items to the Colorado Division of Local Government, as required by State law.

RTD Long Range Planning Process

The long-range planning process at RTD involves a progression from identifying longer-range needs to meeting these needs in the current year.

The Regional Transportation Plan (RTP) is a long-range plan prepared by the Denver Regional Council of Governments (DRCOG) with input from RTD. It is a fiscally constrained plan including all highway and transit projects to be completed by the horizon year of the plan, along with anticipated revenue sources for the projects. RTD develops the transit component of the plan, which identifies all corridors to be completed by the horizon year, and forecasts the level of bus and rail service to be provided. The horizon year of the current RTP is 2040.

Based on the RTP and the goals and objectives adopted by the Board of Directors, RTD develops its six-year Strategic Budget Plan (SBP) for the Base system each year. The SBP is a fiscally constrained plan which presents aggregate projected service levels and capital and operating projects expected to be undertaken for the next six years. Projects are evaluated based on their relative costs and benefits to the public and the extent to which they meet the RTD mission statement; these projects are constrained to operate within the forecast of revenues available for their completion and operation. The first year of the SBP capital and operating program serves as the basis for the preparation of the annual budget.

On an annual basis, through the Annual Program Evaluation (APE) process, RTD updates the FasTracks financial plan with new revenue and cost projections, reflecting ever-changing economic conditions. Each APE update to the financial plan projects capital, financing and operating costs for each of the corridors and projects in year of expenditure (YOE) dollars, and reflects the currently adopted FasTracks implementation schedule for each of the corridors. The annual update incorporates the actual program costs incurred to date and the most recent available projections of capital improvement costs, service levels, operating costs, and revenues to fund the FasTracks capital and operating programs. These updates will ensure that RTD has the continued financial capacity to meet the program schedule for FasTracks and identify any program changes that RTD may need to make to complete the improvements within its projected revenues. The current 2015 APE financial plan extends to the year 2040, and covers both the FasTracks program and the Base System public transit system and services provided by RTD.

In 2001, RTD completed its Twenty Year Needs Assessment. This study reviewed RTD's current and future needs to maintain current service levels and to expand service to meet future needs of the District. In addition, the needs were compared with projected funding sources for the twenty-year period, and funding shortfalls were identified. The results are used as input into future editions of the SBP to the extent possible within the financial capacity of the District. This Twenty Year Needs Assessment will be updated as deemed necessary. An update to this 20-year plan will be undertaken in 2016 incorporating both FasTracks APE and extending out the Base system SBP beyond six years in one long-range planning document.

2016 Fiscal Policies

2016 FISCAL POLICY STATEMENT

REVENUE POLICIES

1. Staff will plan fare adjustments every 3 years in the mid and long-term budgets to adjust for inflation. The Board of Directors may consider potential fare adjustments annually at the time of the development of the Strategic Budget Plan (SBP). As part of this process, staff will review potential fare adjustments to establish a fare structure to ensure that it:
 - is understandable
 - is implementable
 - is equitable
 - achieves revenue levels established in the Strategic Budget Plan, and
 - facilitates the integration of the 2016 rail and BRT projects.
2. Fare policies will take into account the special needs of all transit dependent patrons.
3. RTD will avoid dependence on temporary revenues to fund ongoing services. One-time revenues will be used for one-time expenditures.
4. RTD will continuously explore additional sources of revenue to help balance the budget.
5. When appropriate the Board will actively pursue legislation that would help ensure the continued accomplishment of RTD's goals and mission statement. The Board will support efforts to ensure that legislative intent is realized in allocation of state financial resources to public transit. The Board will actively oppose legislation that would limit or diminish revenue.
6. On an annual basis, staff will identify under- or un-utilized property and equipment, and will make an ongoing attempt to sell such property and equipment to enhance cash flow.
7. RTD will contract with a qualified third party to provide sales and use tax forecasting containing projections for the short-term (one year by quarter), medium-term (six year SBP period) and long-term (30-year APE period). The purpose is to provide RTD with expert economic analysis and sales and use tax forecasts using sophisticated financial modeling techniques not available internally.

INVESTMENT POLICIES

1. RTD will review its investment policy annually with the Board to ensure consistency with the following objectives (in order of priority):
 - safety of invested funds;
 - maintenance of sufficient liquidity to meet cash flow needs; and

- attainment of the maximum yield possible consistent with the first two objectives
2. RTD will review its investment performance on a quarterly basis with the Board.

EXPENDITURE POLICIES

1. RTD will endeavor to manage expenditures to achieve service levels that will promote effectiveness through ease of use and improved travel times.
2. RTD will continue to look for and implement the most cost-effective and reliable methods of delivering transportation services.
3. RTD will endeavor to maintain its assets at a level that protects capital investment and minimizes future maintenance and replacement costs.
4. RTD maintains a risk management program which will provide protection against loss and mitigate exposure to liability.
5. A safety program will be maintained to minimize RTD's exposure to liability and thereby reduce the number of claims against RTD. RTD will invest in safety outreach programs and personnel to communicate safety messages.
6. RTD will develop service changes that are needed to respond to budget shortfalls using the system-wide and route-specific productivity measures that have been approved by the Board.

CAPITAL IMPROVEMENT POLICIES

1. On an annual basis, RTD will prepare and update a six-year Strategic Budget Plan (SBP) including projected capital construction and improvements, service levels, operating costs, and revenues to fund the capital and operating programs. Capital projects to be included in the SBP will be evaluated using the following criteria:
 - total project cost (design and construction) and schedule for completion;
 - source of funding;
 - operating and maintenance costs for the remainder of the SBP period;
 - benefits and contributions to RTD and the community, including but not limited to the effect on future operating and maintenance costs, economy, service, and ridership;
 - consideration of alternatives (joint development, etc.); consequences of not funding; and
 - RTD mission statement elements, Board strategic goals, and other relevant criteria.
2. Priority will be given to replacement of existing assets before consideration of new assets except as allowed for in the FasTracks financial plan (see #7 below).

3. RTD will use the first year capital program from the adopted SBP as the basis for the capital program to be included in the annual budget.
4. After completion of design of a capital project, cost estimates will be revised. If the cost estimates exceed Delegation of Authority limits, the project will be brought to the Board for reconsideration.
5. Facilities will be designed using current technology and allow for future technological changes in order to be efficient and cost-effective and to protect the public welfare.
6. RTD shall allow for multi-year capital projects to be carried forward in accordance with the carry-forward resolution adopted by the Board.
7. RTD will prepare an annual update of the FasTracks financial plan incorporating the actual costs incurred and the most recent available projections of capital improvement costs, service levels, and operating costs and revenues to fund the FasTracks capital and operating programs.

FUND BALANCE POLICIES

1. RTD will strive to maintain a fund balance in the Base System and in the FasTracks operating budget, to provide for unanticipated expenditures of a nonrecurring nature, to meet unexpected increases in costs or to mitigate service disruptions as a result of economic downturns affecting revenue. This unrestricted fund balance will be comprised of a Board appropriated fund, a capital replacement fund and an undesignated working capital fund as described below. For the Base System, the total of these three funds should be maintained at an amount approximately equal to three months of Base System operating expenses excluding depreciation. For FasTracks, the total of these three funds should be maintained at an amount approximately equal to two months of FasTracks operating expenses excluding depreciation. RTD will consider and pursue resources that will be directed to fund balance replenishment. For example, non-recurring revenues and budget surpluses are an especially appropriate source for replenishing fund balance.

RTD will replenish fund balances as soon as economic conditions allow.

2. In accordance with the adopted budget, RTD will designate a Board appropriated fund balance on an annual basis. Use of the fund balance will be minimized and occur only in specific circumstances such as economic downturns. With Board approval, these funds may be used to avoid cash flow interruptions, reduce the need for short-term borrowing, and assist in maintaining an investment-grade bond rating. The source of replenishment of this fund will be identified and will take place in a prompt manner.
3. In accordance with the adopted budget, RTD will designate a capital replacement fund on an annual basis. With Board approval, these funds will be used for scheduled major vehicle replacements and other capital purchases. The source

of replenishment of this fund will be identified and will take place in a prompt manner.

4. RTD will designate excess and undesignated working capital that may accrue at each year-end to be placed in an unrestricted fund to be used to respond to unanticipated events.
5. RTD will maintain an emergency (TABOR) reserve equal to three percent of non-Federal revenues, as specified by Article X, Section 20 of the Colorado Constitution.
6. The Board shall establish three reserves for future construction under the FasTracks plan:
 - The FasTracks Contingency Reserve will be appropriated at a sufficient level each year to fund adjustments to the FasTracks construction schedule, relating to logistics or cost savings opportunities that might arise after the annual budget is adopted, and will not be used to fund the (non-FasTracks) Base System capital or operating activity.
 - The FasTracks Internal Savings Account (FISA) will be used to provide funding for future FasTracks projects that are currently unfunded. Expenditures from the FISA will be subject to Board approval with the staff recommended project goals identified in the Risk Allocation Matrix (RAM). Funding of the FISA will be provided from the sources identified in the Board approved RAM and other sources approved by the Board.
 - All other FasTracks funds which have not been appropriated, or otherwise designated as reserved, in the current budget year will be maintained in a reserve for future FasTracks capital and operating expenditures and will not be used to fund the (non-FasTracks) Base System expenditures.

DEBT POLICIES

1. Debt financing will not be issued to support operating expenditures.
2. Capital projects funded through the issuance of bonds, Certificates of Participation (COPs) or other financial obligations shall be financed for a period not to exceed the lesser of the expected useful life of the asset or a maximum of 40 years.
3. Effective communication with credit rating agencies will be maintained, and a policy of full disclosure on every financial report and official statement will be followed.
4. Before long-term debt is issued, the impact of debt service on total annual expenditures and the net revenue coverage ratio will be analyzed.
5. It is the intent of RTD to maintain a high quality investment-grade credit rating. The benefit of maintaining RTD's credit ratings at the highest reasonably attainable level in light of current economic conditions and availability of capital funding is to receive lower interest rates and lower debt insurance premiums than

would be possible with lower credit ratings. RTD's current ratings are listed below:

Classification	Senior Bonds (0.6%)	FasTracks Bonds (0.4%)	Certificates of Participation
Standard and Poor's	AAA	AA+	A
Moody's	Aa2	Aa2	Aa3
Fitch Ratings	AA+	AA	A

6. RTD will maintain a minimum gross sales tax revenue bond coverage ratio for the Base System (annual non-FasTracks sales and use tax revenue to annual sales and use tax debt service for senior non-FasTracks debt) of four times for debt backed by the 0.6% sales and use tax. RTD will maintain a minimum gross sales tax revenue bond coverage ratio for FasTracks (annual FasTracks sales and use tax revenue to annual FasTracks sales and use tax debt service) of two times for debt backed by the 0.4% FasTracks sales and use tax.
7. RTD will maintain a minimum net revenue coverage ratio (all annual revenues remaining after operating and maintenance expenses to annual debt service requirements net of excess appropriations required for variable rate debt) of 1.2 times annual debt service.

BUDGET POLICIES

1. RTD shall comply with all requirements of the Colorado Local Government Budget Law.
2. As part of the budget development process, the Board will review the current goals, objectives, and performance indicators for use in preparing the budget for the following year. The Board will adopt the final performance indicators before the adoption of the annual budget.
3. The Board will review the adopted fiscal policies annually or on an as-needed basis to consider any changes that may be necessary.
4. There shall be a budgetary monitoring system that charges expenditures against approved budget appropriations.
5. The budget shall be summarized for adoption purposes. The actual level of detail required for adoption shall be determined by the Board.
6. The budget shall be prepared using Generally Accepted Accounting Principles with the following exceptions:
 - inclusion of capital outlays and debt principal payments as expenditures
 - inclusion of asset sale proceeds and debt issuance proceeds

- exclusion of gains and losses on disposition of property and equipment
 - exclusion of the non-cash portion of long-term unfunded pension accruals.
7. The budget document shall be submitted to the Government Finance Officers Association annually for consideration for the Distinguished Budget Presentation Award, which evaluates the document as a communications device, financial plan, operations guide, and policy document.
 8. Quarterly performance reports will be presented to the Board of Directors to assess RTD's performance on the adopted performance indicators.
 9. A balanced budget in which beginning reserves plus total anticipated revenues is greater than or equal to expenditures will be prepared.
 10. Budgetary procedures that postpone the funding of necessary expenditures, such as preventive maintenance or replacement of equipment, will be avoided.
 11. RTD will provide conservative revenue estimates that take into consideration recent experience and reflect reasonable future growth.
 12. RTD will monitor revenue sources regularly and amend the budget, as necessary, to reflect the most current information available. RTD will also change the level of expenditures, as needed, to maintain a balanced budget.
 13. RTD will project revenues for at least six years and will update the projections annually as part of the Strategic Budget Plan (SBP). Each existing and potential revenue source will be reexamined annually.
 14. As part of the SBP, RTD also will prepare a six-year operating expenditure plan that includes projections of annual service growth plus allowances for operating costs of new capital assets.
 15. A budget will be prepared that contains essential programs and projects needed to support the goals and objectives of RTD, responds to citizen demand, and reflects administrative evaluation of current needs.

ACCOUNTING AND FINANCIAL REPORTING POLICIES

1. The accounting system will maintain records on a basis consistent with Generally Accepted Accounting Principles for enterprise funds.
2. The accounts of RTD will be reported using the accrual basis of accounting. Revenues will be recognized when earned and expenses will be recognized when incurred.
3. RTD will establish and maintain a high standard of accounting practices to conform with uniform financial reporting in Colorado.

4. An independent firm of certified public accountants will perform an annual financial and grant compliance audit and will issue an opinion that will be incorporated into the Comprehensive Annual Financial Report.
5. RTD will submit the Comprehensive Annual Financial Report to the Government Finance Officers Association for consideration for the Certificate of Excellence in Financial Reporting.
6. The accounting system will record all financial activity including investment activity.
7. Internal control policies will be developed and maintained to include procedures that separate control of assets from accounting for those assets.
8. RTD will identify and account for all revenues, expenditures, assets and liabilities related to the FasTracks capital and operating program separately from the Base System operations.
9. A monthly financial status report shall be submitted to the Board.

GRANT POLICIES

1. All potential grants shall be carefully examined for matching requirements (both dollar and level-of-effort matches).
2. Intergovernmental assistance shall be used to finance only those capital improvements that are consistent with the capital improvement plan and RTD priorities and in which operating and maintenance costs have been included in operating budget forecasts.
3. RTD will program its federal grant funds to receive federal funds based upon eligible costs as quickly as possible and minimize the time between appropriation and drawdown.
4. RTD will use all eligible Section 5307 formula federal grant funds for capital maintenance projects to minimize the time between appropriation and drawdown of federal funds.

Line Item Detail of Operating Expenditures

	2014 ACTUAL	2015 AMENDED	2015 PROJECTED	2016 ADOPTED	\$ CHANGE	PERCENT CHANGE
Operator - Regular	41,671,616	40,655,847	40,655,847	47,049,959	6,394,112	15.7%
Operator - Overtime	7,090,655	6,729,624	6,729,624	6,845,000	115,376	1.7%
Operator - Part Time	3,187,672	3,496,107	3,496,107	3,657,167	161,060	4.6%
Operator - Trainee	12,630	507,965	507,965	855,000	347,035	68.3%
TOTAL OPERATOR WAGES	51,962,572	51,389,543	51,389,543	58,407,126	7,017,583	13.7%
Non-Operator - Regular	31,206,387	33,616,836	33,616,836	35,558,796	1,941,960	5.8%
Non-Operator - Overtime	3,450,678	2,988,423	2,988,423	3,153,549	165,126	5.5%
Non-Operator - Part Time	659,507	885,963	885,963	906,538	20,575	2.3%
Non-Operator Trainee	-	-	-	-	-	-
TOTAL NON-OPERATOR WAGES	35,316,571	37,491,222	37,491,222	39,618,883	2,127,661	5.7%
Salaries - Regular	52,920,714	65,121,373	65,121,373	72,195,173	7,073,800	10.9%
Salaries - Overtime	2,220,113	1,839,930	1,839,930	1,791,435	(48,495)	-2.6%
Salaries - Part Time	613,310	940,316	940,316	859,702	(80,614)	-8.6%
Salaries - Trainee	-	-	-	-	-	-
Board-of-Directors Fees	180,000	180,000	180,000	180,000	-	0.0%
Less Capitalized Labor	-	(8,481,866)	(8,481,866)	(9,300,894)	(819,028)	-
TOTAL SALARIES	55,934,137	59,599,753	59,599,753	65,725,416	6,125,663	10.3%
Less Vacancy Savings	(100,000)	(1,380,000)	(1,380,000)	(1,280,000)	100,000	-7.2%
TOTAL SALARIES & WAGES	143,113,281	147,100,518	147,100,518	162,471,425	15,370,907	10.4%
Part Time Operator Fringes	788,161	436,000	436,000	367,000	(69,000)	-15.8%
Operator Fringes	23,561,782	18,021,447	18,021,447	19,959,551	1,938,104	10.8%
Non-Operator Fringes	16,041,509	13,742,602	13,742,602	14,989,474	1,246,872	9.1%
Salaried Fringes	21,225,556	20,932,110	20,932,110	26,568,222	5,636,112	26.9%
Part-Time Fringes	59,842	76,406	76,406	72,781	(3,625)	-4.7%
Less Capitalized Fringe Benefits	-	(2,806,622)	(2,806,622)	(3,198,166)	(391,544)	-
TOTAL FRINGE BENEFITS	61,676,851	50,401,943	50,401,943	58,758,862	8,356,919	16.6%
52101 Diesel Fuel Expense	31,341,059	29,976,737	29,976,737	22,513,000	(7,463,737)	-24.9%
52102 CNG Fuel Expense	188,398	250,000	250,000	250,000	-	0.0%
52103 Gasoline Expense	5,469,283	5,812,580	5,812,580	5,182,446	(630,134)	-10.8%
52104 Oil & Other Lubricant Exp	475,440	578,000	578,000	578,000	-	0.0%
52105 Anti-Freeze Expense	24,228	26,000	26,000	26,000	-	0.0%
52106 Diesel Exhaust Fluid	-	325,200	325,200	371,000	45,800	-
52201 Tires/Tubes-Revenue Equip	2,070,310	1,992,900	1,992,900	2,054,680	61,780	3.1%
52202 Tires/Tubes-Non-Rev Equip	71,923	50,000	50,000	50,000	-	0.0%
52401 Rev Vehicle Repair Parts	15,430,268	17,181,061	15,581,712	17,295,153	114,092	0.7%
52402 Supp Vehicle Repair Parts	389,560	308,000	308,000	331,000	23,000	7.5%
52403 Fac Maint-Matl & Supplies	2,070,128	2,189,849	2,189,849	2,247,509	57,660	2.6%
52404 Other Material & Supplies	2,968,953	4,791,600	4,791,600	4,470,975	(320,625)	-6.7%
52406 Allowance-Price Variance	608	1,800	1,800	1,800	-	-
52407 Freight Inventory Acq	85,146	144,100	144,100	115,000	(29,100)	-20.2%
52408 Physical Inventory Adjust	(271,367)	6,100	6,100	6,100	-	0.0%
52410 Warranty Credits	(27,611)	(100,000)	(100,000)	-	100,000	-100.0%
52411 Gain/Loss On Matl Salvage	(93,810)	(18,000)	(18,000)	(18,000)	-	0.0%
40601 Discounts	(217,547)	-	-	-	-	-
52420 Outside Reprod & Forms	320,916	351,200	351,200	335,200	(16,000)	-4.6%
52421 Stationery & Paper	47,103	70,700	70,700	70,700	-	0.0%
52422 Office Supplies	107,734	200,200	200,200	171,450	(28,750)	-14.4%
52423 Low Value Furniture	461,234	268,750	268,750	203,482	(65,268)	-24.3%
52424 Printing Supplies	1,136	3,000	3,000	3,000	-	0.0%
52427 Low Value Tools And Equipment	414,426	806,900	806,900	798,400	(8,500)	-1.1%
52428 Graphics Supplies	10,832	15,000	15,000	15,000	-	0.0%
52430 Low Value - Computer Hardware	487,047	1,789,690	1,761,690	983,155	(806,535)	-45.1%
52431 Low Value - Communication Equi	305,440	504,300	504,300	400,541	(103,759)	-20.6%
52432 Low Value - Radios	1,482	100,000	100,000	60,000	(40,000)	-40.0%
52434 Low Value - Security Equipment	23,434	30,000	30,000	40,000	10,000	33.3%
56102 WL Allocation Mat and Supp	-	-	-	-	-	0.0%
TOTAL MATERIALS AND SUPPLIES	62,155,754	67,655,667	66,028,318	58,555,591	(9,100,076)	-13.5%

	2014 ACTUAL	2015 AMENDED	2015 PROJECTED	2016 ADOPTED	\$ CHANGE	PERCENT CHANGE
53001 Vehicle Maint Services	23,086	20,000	20,000	20,000	-	0.0%
53002 Building Maint Services	2,791,900	3,593,071	3,593,071	3,699,118	106,047	3.0%
53004 Tech Services Contracts	120,497	153,000	153,000	205,000	52,000	34.0%
53005 Grounds Maint Services	3,525,303	770,378	770,378	1,282,500	512,122	66.5%
53006 Right-Of-Way Management	264,842	1,037,942	1,037,942	365,000	(672,942)	-64.8%
53007 External Investment Mgmt Fees	-	-	-	-	-	-
53010 Management Services	5,505,046	11,690,482	6,965,011	12,251,161	560,679	4.8%
53011 Software Acquisition	387,428	682,500	682,500	581,418	(101,082)	-14.8%
53012 Data Processing Services	3,123,559	8,249,897	6,359,528	8,232,605	(17,292)	-0.2%
53013 Legal Services	291,573	280,000	280,000	170,000	(110,000)	-39.3%
53014 Audit Services	337,213	792,500	792,500	220,000	(572,500)	-72.2%
53015 Financial Services	71,473	134,366	134,366	643,681	509,315	379.1%
53016 Temporary Personnel	2,260,913	1,590,643	1,590,643	827,900	(762,743)	-48.0%
53017 Appraisal Services	-	35,000	35,000	35,000	-	0.0%
53020 Insurance Claims Service	8,175	7,000	7,000	65,000	58,000	828.6%
53021 Legal Services - Medical	-	45,000	45,000	45,000	-	0.0%
53022 Legal Services - Engineering	12,107	35,000	35,000	35,000	-	0.0%
53023 Legal Services - Depositions	3,392	10,000	10,000	10,000	-	0.0%
53024 Security Services	8,962,741	9,486,954	9,486,954	13,942,102	4,455,148	47.0%
53030 Data Processing Supplies	80,687	140,000	140,000	75,000	(65,000)	-46.4%
53032 Software Maintenance	4,059,453	5,829,309	5,072,529	5,946,391	117,082	2.0%
53039 Other Outside Services	10,592,577	14,972,274	14,155,860	20,232,590	5,260,316	35.1%
53051 Prod Broadcast News Matl	41,027	45,000	45,000	45,000	-	0.0%
53054 Adv Media Chgs-Print Matl	89,922	515,745	515,745	402,453	(113,292)	-22.0%
53055 Adv Media Chgs-Brdct Matl	47,600	90,400	90,400	90,400	-	0.0%
53058 Prod Reports/Special Matl	1,431	48,500	33,500	39,000	(9,500)	-19.6%
53061 Prod Audio Visual Matl	67,696	83,400	48,400	178,030	94,630	113.5%
53063 Prod Info & Promo Matl	149,781	284,200	284,200	255,700	(28,500)	-10.0%
53065 Print Timetables/Sched	386,803	420,000	420,000	420,000	-	0.0%
53067 Prod System Route Maps	13,628	30,000	30,000	30,000	-	0.0%
53075 Contract Maintenance	65,700,275	83,485,153	41,616,392	70,846,416	(12,638,737)	-15.1%
56103 WL Allocation Services	-	(225)	(225)	-	225	-100.0%
TOTAL SERVICES	108,920,129	144,557,489	94,449,694	141,191,465	(3,366,024)	-2.3%
54001 Utilities	5,868,445	6,240,760	6,240,760	6,604,222	363,462	5.8%
54002 Telephone	1,349,440	1,513,327	1,497,995	1,829,718	316,391	20.9%
54003 Telephone Install & Maint	-	-	-	-	-	-
54004 Traction Power	6,910,283	7,200,000	7,200,000	12,979,931	5,779,931	80.3%
54005 Pole Rental	23,072	46,000	46,000	65,000	19,000	41.3%
TOTAL UTILITIES	14,151,239	15,000,087	14,984,755	21,478,871	6,478,784	43.2%
54117 Rent-Comm Equip & Maint	37,694	11,050	11,050	-	(11,050)	-100.0%
54119 Rent-Office Equip & Maint	132,384	110,000	110,000	151,500	41,500	37.7%
54131 Rental-Other Land	1,374,621	1,533,386	1,533,386	1,584,003	50,617	3.3%
54132 Rental-Office Facilities	1,719,671	1,760,899	1,760,899	1,996,887	235,988	13.4%
TOTAL LEASES AND RENTALS	3,264,370	3,415,335	3,415,335	3,732,390	317,055	9.3%
54201 Veh Lic/Reg Fees-Rev Veh	5,590	10,100	10,100	10,300	200	2.0%
54210 Passenger Mile Tax	39,375	38,500	38,500	38,500	-	0.0%
54211 Tax,Lic,Permits,Penalties	99,257	144,750	144,750	134,500	(10,250)	-7.1%
54212 Service Chg - Credit Cards	656,281	-	-	-	-	-
54502 Directors' Expenses	35,790	45,000	45,000	50,000	5,000	11.1%
54503 Air Fare-Directors	-	-	-	-	-	-
54504 Reg Fees-Directors	17,220	25,000	25,000	20,000	(5,000)	-20.0%
54505 Directors Bus Exp-Travel	66,725	111,500	111,500	111,500	-	0.0%
54510 Air Fares-Conferences	59,954	101,197	101,197	196,218	95,021	93.9%
54511 Air Fares-Business	22,009	55,156	55,156	35,400	(19,756)	-35.8%
54512 Air Fares-Training	621	2,900	2,900	1,600	(1,300)	-44.8%
54515 Emp Bus Exp-Travel-Conf	137,330	257,838	257,838	233,896	(23,942)	-9.3%
54516 Emp Bus Exp-Travel-Bus	73,498	72,250	72,250	41,300	(30,950)	-42.8%

	2014 ACTUAL	2015 AMENDED	2015 PROJECTED	2016 ADOPTED	\$ CHANGE	PERCENT CHANGE
54517 Emp Bus Exp-Travel-Train	4,618	12,400	12,400	4,500	(7,900)	-63.7%
54518 Conference Fees - Local	7,437	46,435	46,435	24,006	(22,429)	-48.3%
54520 Emp Business Exp-Local	134,118	186,077	186,077	189,700	3,623	1.9%
54522 Training Fees-Travel	-	4,575	4,575	4,300	(275)	-6.0%
54524 Conference Fees-Travel	44,762	111,030	111,030	71,995	(39,035)	-35.2%
54525 Pub,Subscript/Lib Matl	74,113	100,403	100,403	111,680	11,277	11.2%
54526 Prof/Organizational Dues	262,575	307,577	307,577	305,594	(1,983)	-0.6%
54529 RTD Educational Assist	367,944	292,958	292,958	269,610	(23,348)	-8.0%
54530 Recruitment Expense	76,306	249,000	249,000	237,000	(12,000)	-4.8%
54531 Prof Training Program	444,136	915,577	915,577	801,280	(114,297)	-12.5%
54532 Postage/Other Deliveries	76,295	180,650	180,650	450,750	270,100	149.5%
54533 Spec Proj & Public Events	297,927	528,532	528,532	690,550	162,018	30.7%
54534 Medical Examinations	200,604	220,000	220,000	290,000	70,000	31.8%
54538 Employee Recognition	227,974	263,697	263,697	260,300	(3,397)	-1.3%
54539 Lump Sum Union	3,497,401	1,335,945	1,335,945	-	(1,335,945)	-100.0%
54550 Unallocated Expenses	-	250,000	250,000	250,000	-	0.0%
54999 P-Card Expense	(26,784)	-	-	-	-	-
55401 Gain/Loss Disposal of Assets	-	-	-	-	-	-
55402 Valuation of Assets	(447,097)	-	-	-	-	-
55901 Bad Debt Expense	105,125	3,500	3,500	5,000	1,500	42.9%
OTHER EXPENSES	6,561,103	5,872,547	3,820,547	5,138,479	(734,068)	-12.5%
54301 Cost Of Insurance	1,280,553	1,935,000	1,935,000	2,075,000	140,000	7.2%
54302 Subrogation Activity	(263,292)	(25,000)	(25,000)	(25,000)	-	0.0%
54303 Phy Damage/Oth Corp Loss	-	-	-	-	-	-
54304 Excess Liability Premiums	97,853	90,000	90,000	90,000	-	0.0%
54305 Self-Insured Claims Prog	5,232,135	5,595,000	5,595,000	5,600,000	5,000	0.1%
54307 Insurance Settlement	(1,074,841)	-	-	-	-	-
TOTAL INSURANCE	5,272,407	7,595,000	7,595,000	7,740,000	145,000	1.9%
54402 Purchased Transportation	115,049,671	113,948,409	113,948,409	176,360,997	62,412,588	54.8%
54403 Liquidated Damages	(107,450)	-	-	-	-	-
TOTAL PURCH. TRANS.	114,942,221	113,948,409	113,948,409	176,360,997	62,412,588	54.8%
54601 Depreciation Expense	139,044,514	142,904,000	137,018,000	221,857,000	78,953,000	55.2%
TOTAL DEPRECIATION & AMORT	139,044,514	142,904,000	137,018,000	221,857,000	78,953,000	55.2%
55104 Interest Expense	72,293,087	95,365,000	95,365,000	117,313,000	21,948,000	23.0%
55105 Cost Of Issuance	-	-	-	-	-	-
55106 Fees - Debt Issuance	-	-	-	-	-	-
TOTAL INTEREST	72,293,087	95,365,000	95,365,000	117,313,000	21,948,000	23.0%
TOTAL GROSS EXPENSES	731,394,956	793,815,995	734,127,519	974,598,080	180,782,085	22.8%

Glossary of Terms and Abbreviations

A

Absenteeism

Relates the total authorized positions to a monthly average of daily sickness absences, on-duty-related injuries, and absences without official leave of represented employees. Vacation and holiday leave is not included.

Access-a-Cab

Program to subsidize accessible cab service for disabled persons eligible for paratransit service mandated by the Americans with Disabilities Act of 1990 (ADA).

Access-a-Ride

Demand-responsive, curb-to-curb paratransit service for the disabled, as mandated by the Americans with Disabilities Act of 1990 (ADA).

Accidents

- *Traffic Accident* - Incident that occurred from a collision of the District's revenue vehicle(s) with another vehicle, person, or object.
- *Passenger Accident* - Any incident, other than a traffic accident, following which a bus patron receives medical transport from the accident scene.

Accounting Cycle

The recurring accounting steps each accounting period. The cycle begins by recording transactions and proceeds through posting recorded amounts; preparing a trial balance, worksheet, and financial statements; preparing and posting adjusting and closing entries; and preparing a post-closing trial balance.

Accrual Basis of Accounting

A method of keeping accounts that shows expenses incurred and income earned for a given fiscal period, even though such expenses and income have not been actually paid or received in cash.

Accrued Expense

Expenses incurred and recorded during an accounting period for which payment will be made in the future.

Accrued Revenue

Revenue which has been earned and recorded during an accounting period, and that will be collected in the future.

Advertising Revenue

Income generated by the sale of display advertising on the interior and exterior of RTD transit vehicles.

Allocation

Part of a lump-sum budget/appropriation which is designated for expenditure by specific organization units and/or for special purposes or activities.

American Public Transportation Association (APTA)

APTA is the international organization representing over 1,500 organizations of the transit industry. APTA members serve the public interest by providing safe, efficient, and economical transit services and by improving those services to meet national energy, environmental, and financial concerns.

Appropriation

Authorization granted by the Board of Directors to make expenditures and incur obligations with specific limitations as to amount, purpose, and time.

Appropriation Resolution

The means whereby the Board of Directors formally allocates the funds necessary to support the Adopted Budget. The act of adopting a budget does not include the legal authority to spend. In order to spend, an Appropriation Resolution outlining the total expenditures proposed in the adopted budget must also be approved.

Art Shuttle

A free shuttle service which was operated by the City of Englewood with assistance from RTD. Following the expiration of the CMAQ grant, RTD took over the primary financial responsibilities of the service in late 2007.

Articulated Bus

Vehicle approximately 60' in length, with capacity of 65-70 seated passengers, divided into two parts connected by articulated bellows. Typically used for transportation in local, limited, and express services.

Assets

Anything owned by a business or individual which has commercial or exchange value.

Automatic Passenger Counter (APC)

Equipment installed in the door opening of a transit vehicle to count the number of persons entering or exiting through the door. This equipment is used to develop information on boarding patterns and to determine the number of passengers on board the vehicle at any given stop.

Average Weekday Boardings

Number of one-way passenger movements (trips) between two points on a single vehicle on all routes on an average weekday.

B

Baseline

Approved estimates of planned project cost and schedule along with assumptions (e.g., inflation factor) underlying the estimates. These estimates remain unchanged over the life of the project.

Bike-n-Ride

A program that provides bicycle racks on all RTD buses except the Mall Shuttle.

Biodiesel

A diesel-equivalent processed fuel, made from vegetable oils or animal fats, which can be used alone or blended with conventional diesel fuel in unmodified diesel-engine vehicles. Biodiesel is biodegradable and non-toxic and typically produces less carbon dioxide emissions and smog than petroleum-based diesel fuel.

Boarding

The number of one-way passenger movements (trips) between two points on a single vehicle. Synonymous with unlinked passenger trip, rider, or passenger.

BOLT

A local fixed route service developed through a partnership of RTD, Boulder County, and the cities of Longmont and Boulder. Service is provided by RTD.

Bond

An interest-bearing certificate of debt, usually issued in series by which the issuer (a government or corporation) obligates itself to pay the principal amount and interest at a specified time, usually five years or more after date of the issue. Bonds may be distinguished from promissory notes or other evidences of debt because of their formal execution under seal and certification by a bank or trust company that they are authorized by the Board of Directors.

- *Revenue bond* - Bond issued by a governmental entity with principal and interest payments to be paid solely from earnings from a specific source. All bonds issued by RTD are revenue bonds.

BOUND

A local fixed route service between Northeast Boulder and the University of Colorado campus. RTD operates this service, and the City of Boulder pays for service above RTD service standards.

BroncosRide

Bus service from various locations in the RTD service area to Denver Broncos home football games.

Budget

1. Any financial plan serving as an estimate of and control over a future fiscal period of operation (includes income and expenditure).
2. Any systematic plan for the utilization of manpower, materials, or other resources.
 - *Adopted* - Official budget approved by the Board of Directors.
 - *Amended* - Changes to the Adopted Budget that are formally approved by the Board of Directors.
 - *Base* - Activities which support a core level of service.
 - *Budget Call* - The formal request for upcoming fiscal year financial plans from each Department within the Agency.
 - *Capital Budget* - The financial plan, which outlines the cost of carrying on activities that relate to/meet the criteria for capitalization. Development of the capital budget includes a decision-making process by which an agency evaluates the purchase/construction of fixed assets.
 - *Expense Budget* - The financial plan which outlines the costs of carrying on activities that do not meet the criteria for capitalization.

- *General Manager's Recommended Budget* - The financial planning document recommended by the General Manager to the Board of Directors.
- *Line Item* - Funds requested and/or appropriated on a detailed or itemized basis.
- *Monthly Expenditure* - The monthly planned breakdown of the appropriation, which is the basis for monthly status reports and variance analysis. It can be modified according to the delegation of authority as the year progresses.
- *Performance* - The level of financial/schedule compliance of accomplished tasks as compared with the Adopted Budget.
- *Program/Project* - A financial plan broken down by individual activities. Program/Project numbers carryforward for the list of the activity. Each Program/Project is included in the RTD Adopted Budget.
- *Posted Budget* - The financial plan approved by the Board of Directors then recommended for public review and input.
- *Requested Budget* - The financial plans submitted to the Office of Budget by each Department in response to the Budget Call (budget request).
- *Target* - Estimated cost of a project prior to its start. Desirable expenditure levels provided to departments in developing the coming year's Requested Budget, based on prior year's Adopted Budget excluding one-time expenditures, projected revenues, and reserve requirement.

Budget Resolution

The formal statement which, when adopted by the Board of Directors, makes the budget official.

Budgeting

This is the process of planning future actions relative to the sources and expenditures of funds of an entity over a specified period of time.

Bus Rapid Transit (BRT)

A transit mode that combines the quality of rail transit and the flexibility of buses. It can operate on bus lanes, HOV lanes, expressways, or ordinary streets. The vehicles are designed to allow rapid passenger loading and unloading, with more doors than ordinary buses.

C

Call-n-Ride

Demand-responsive service where passengers may telephone the vehicle operator directly to arrange to be picked up and dropped off within a specified area.

Capital Expenditure

Outlay of money to acquire or improve capital assets such as buildings or machinery. (See also Capital Project.)

Capital Project

An activity which results in the addition of a tangible asset with a dollar value of \$5,000 or greater and an expected useful life greater than one year, such as property, plant, or equipment used by an organization in its operation. The resultant item is expected to benefit future periods.

Catenary

Suspended overhead wire which carries high voltage for electrically powered transit vehicles (e.g. trolley coaches, light rail transit vehicles) from a central power source.

Certificate of Participation (COP)

A security issued by a governmental entity to lease/purchase equipment or real property, which is secured by a lien on the item purchased with the proceeds. Principal and interest payments on COPs are subject to annual appropriation by the issuer. (See also Lease: Financial Lease.)

Charters

Hired bus trips that are not open to the general public.

Circulator (Routes)

Routes serving neighborhoods or specific areas.

Colorado Department of Transportation (CDOT)

State transportation agency responsible for highway construction and maintenance, assistance to local airports and transit agencies, and programs related to transportation safety.

Commercial Paper

Short-term unsecured obligations with maturities ranging from 1 to 270 days, typically issued to meet short-term cash flow needs.

Commuter Rail

RTD's commuter rail vehicles are heavier and travel faster than light rail vehicles, but operate in a similar way, using overhead electric lines. The vehicles will travel up to 79 miles per hour, go longer distances and make fewer stops than a typical light rail system.

Computer-Aided Dispatch/Automatic Vehicle Location (CAD/AVL)

Integrated system of hardware and software providing communications, vehicle tracking technology, and computerized dispatching services.

Congestion Mitigation and Air Quality Improvement Program (CMAQ)

U.S. Department of Transportation grant program to provide funding for surface transportation and other related projects that contribute to air quality improvements and congestion mitigation.

Contingency

A reserve created to cover the deficiency that might arise in departments where an original appropriation proves inadequate to cover the necessary expenditures.

Corridor

A major transportation path through a populated area designated for the implementation or improved travel of mass transit. Such improvements might include preferential treatment and vehicle lane(s) partially or fully separated from pedestrians and/or other vehicle traffic.

Cost Center

A division or unit of business (under a single manager) that incurs costs for an activity or group of activities but does not directly generate revenues.

Cost Share Agreement

An agreement with entities outside RTD, through which RTD and the other entities contribute to the cost of providing a specific transit service. RTD participates in three types of cost share agreements:

- RTD provides service funded through a federal operating grant, and the outside entities contribute to the local share of the operating cost.
- Outside entities pay for RTD to provide service at a level that exceeds the level required by its service standards.
- An outside entity operates transit service, and RTD contributes a portion of the operating cost of the service.

Cutaway Bus

Vehicle approximately 22' in length, with capacity of 16 seated passengers, built on van chassis. Typically used to transport passengers on circulator routes, in access-a-Ride service, or in call-n-Ride service.

D

DASH

The DASH connects Boulder to Lafayette and Louisville via South Boulder Road. The DASH is an intergovernmental project between RTD, Boulder County, and the cities of Lafayette, Louisville, and Boulder.

DBFOM

An acronym for Design-Build-Operate-Finance-Maintain, which describes the role of the private partner in one of the types of Public-Private Partnerships.

Deadhead

A term used to describe a transit vehicle proceeding to or from a route. Passengers are allowed to board and alight the bus on deadhead routes.

Debt Service

Cash required in a given period, usually one year, for payment of interest and current maturities of principal on outstanding debt.

Denver Regional Council of Governments (DRCOG)

Association of 56 county and municipal governments in the Denver metro area working together to address regional issues. DRCOG serves as the metropolitan planning organization for the Denver area and oversees the planning process for federal transportation funds.

Department

Top-level division of the functions of the District. Reflects the hierarchical breakdown of the organization.

Diesel Multiple Units (DMU)

Diesel powered commuter rail trains.

Discretionary

Available for use with some free decision or latitude within certain limitations.

Draft Environmental Impact Statement (DEIS)

Under NEPA, a Draft Environmental Impact Statement (DEIS) is released for comment by interested parties and the general public prior to the issuance of the final Environmental Impact Statement (EIS).

E

Eagle P3 Project

Eagle Project is a public-private partnership to build the East Rail Line, Gold Rail Line, Commuter Rail Maintenance Facility and the electrified segment of the Northwest Rail Line (from DUS to 71st).

EcoPass

Pass program through which employers may purchase annual transit passes for all employees at a fixed price based on the workplace location and number of employees.

Electric Multiple Unit (EMU)

Electric powered commuter rail trains.

Enterprise Asset Management (EAM)

Concurrent with the implementation of Oracle, RTD's implementation of software for fleet maintenance activities and operations. The software chosen for bus maintenance and operations is Maximus Inc.'s FASuite, and the software for rail maintenance and activity is Bentley's Optram. The Maximus and Optram EAM software will integrate with Oracle to manage fleet and rail vehicles, facilities, rail track, rail infrastructure, and signal assets.

Enterprise Resource Planning (ERP)

The ERP software that RTD implemented is called Oracle e-Business Suite. (See Oracle.)

Environmental Impact Statement (EIS)

Study of the impacts of a major project on the environment and surrounding areas, required for any capital construction project for which federal funds are used, a mandate of the National Environmental Policy Act (NEPA).

Expenditure

An actual payment or the creation of an obligation to make a future payment for some benefit, item, or service received.

Express (Routes)

Routes providing non-stop service from suburban areas to downtown Denver and other employment centers.

E

Farebox Revenue

Income generated from passengers using transit service. This includes cash deposited in fareboxes; income from the sales of tokens, tickets, and monthly passes; and revenues from special pass programs.

FasTracks

RTD's twelve-year comprehensive plan for high quality transit service and facilities for the Denver metropolitan region. The plan calls for \$6.1 billion of rapid transit improvements in nine major travel corridors, an expanded park-n-Ride system and enhanced bus network, and development of Denver Union Station in downtown Denver as a multimodal transit hub.

FasTracks Contingency Reserve

A reserve appropriated at a level of \$30 million each year to fund adjustments to the FasTracks construction schedule, relating to logistics or cost savings opportunities that arise after the annual budget is adopted.

FasTracks Future Construction Reserve

A reserve established by the Board of Directors including revenues that are designated to be spent in future years for the construction of the FasTracks capital program.

Favorable Variance

A term characterizing projected cost lower than actual cost or of actual revenue greater than projected revenue.

Federal Transit Administration (FTA)

Federal agency responsible for the administration of federal transit programs, including the allocation of grant funds. FTA is a part of the U.S. Department of Transportation.

Fiscal Year

The accounting year of an organization. RTD's fiscal year is January 1 through December 31.

Final Design

This phase of a project begins after the environmental document is approved. It includes the preparation of detailed engineering plans, specifications, and estimates for approved transportation projects in addition to right-of-way acquisition, utility relocation, and construction contract advertisement and award.

Finding of No Significant Impact (FONSI)

A report issued by the federal government which determines whether or not a proposed action is or is not a major federal action significantly affecting the quality of the human environment within the meaning of the National Environmental Policy Act (NEPA).

Fixed Cost

Indirect or overhead expenses of a business that do not vary with the volume of activity.

Flex Pass

An annual discount pass program enabling employers to purchase discounted monthly passes for their employees utilizing pre-tax deductions.

Forecast

A reasonable prediction about the future value of a factor such as ridership, economic conditions, or costs.

Free Ride Coupon

Ticket that allows the bearer to make one trip on RTD service at no charge. Used for promotions, customer service, and administratively by the RTD.

Full Funding Grant Agreement (FFGA)

Under federal procedures, once a project is qualified for funding, the Federal Transit Administration enters into a "Full Funding Grant Agreement" or FFGA. The Agreement sets forth the maximum amount of the federal contribution and the percentage of federal funding.

Full-Time Equivalent (FTE)

Numeric equivalent of one person, occupying one employment position for one year (equivalent of 2080 hours).

G

Garage Deadhead

Out-of-service vehicle usage during the time the vehicle is being transported back to the storage facility.

Generally Accepted Accounting Principles/GAAP

A widely accepted set of rules, conventions, standards, and procedures for reporting financial information established by the Financial Accounting Standards Board.

GFI

GFI Genfare is a manufacturer of fareboxes.

Goal

A statement of desirable achievements designed to be accomplished by programs. Goals outline the general direction and purpose of a program.

H

Headcount

Compares authorized positions with actual. Performed for full-time authorized, permanent or part-time employees and permanent interns.

High Occupancy Vehicle (HOV)

Vehicles containing two or more passengers, depending on local guidelines. Occupancy designations are used on designated auto traffic lanes to encourage car-pooling, ride sharing, or the use of public transportation.

HOP

A local fixed route in Boulder operated by the City of Boulder, for which RTD pays a share of the service cost through a cost share agreement.

Hours (See Service Hours)

I

Intercity Bus

Vehicle approximately 45' in length, with capacity of 55 seated passengers, equipped with high-backed reclining seats, overhead racks, and luggage bays for long-haul, high-speed service. Typically used to transport passengers in regional and skyRide service.

Intergovernmental Agreement (IGA)

An agreement between two or more governmental entities regarding joint funding of a project or joint provision of a specific service.

Intern

A student who is in a bachelor's, master's, and/or doctoral degree program and also employed on a part-time basis.

Investment Income

Interest from investing any available working capital.

J

Job Access and Reverse Commute Program (JARC)

Federal Transit Administration grant program to develop transportation services designed to transport welfare recipients and low income individuals to and from jobs and to develop transportation services for residents of urban centers and rural and suburban areas to suburban employment opportunities.

JUMP

A local fixed route between Boulder and Lafayette. RTD operates this service, and the City of Boulder pays for service above RTD service standards.

K

Kiosk

Computer linked to the RTD network to provide information about RTD services and fares to customers. Kiosks may be located at RTD park-n-Rides, transit centers, or light rail stations or at non-RTD locations that generate high ridership.

L

Lease

Contract allowing the use of real estate, equipment, or other fixed assets for a specified time period in exchange for payment. The lessor is the owner of the assets; the lessee is the user. There are three basic types of leases:

- *Operating Lease* - Lease with a term considerably less than the useful life of the asset, where the lessor handles all maintenance and servicing of the leased property.

- *Capital Lease* - Lease which is listed on the balance sheet as an asset and a liability, and the lessee generally acquires all economic benefits and risks of the leased property.
- *Financial Lease* - Lease where the service provided by the lessor is limited to financing equipment. All other responsibilities related to possession, such as maintenance and insurance, are borne by the lessee.

Light Rail

Service using trains powered with overhead catenary power, operating on tracks embedded in city streets or along a separate right-of-way. Passengers are picked up and discharged at fixed locations (stations) located along the tracks.

Light Rail Transit (LRT) (See Light Rail)

Light Rail Vehicle (See Vehicles – Light Rail)

Limited (Routes)

Routes serving high-density corridors with less frequent stops than local routes.

Line Item

A term to describe the funds requested and/or appropriated on a detailed or itemized basis, e.g., personal services, travel, low value equipment, outside services.

Local (Routes)

Routes operating along major streets within the Denver metropolitan area and the cities of Boulder and Longmont, making frequent stops for passengers.

M

Maintenance of Way (MOW)

The maintenance and upkeep of the railway, including track and tie maintenance, as well as that for switches, train signals, and the electrical system powering electric vehicles.

Mall Shuttle

A free shuttle service operating along the Sixteenth Street Mall in downtown Denver using specially designed vehicles. Also refers to the special vehicle used in the service.

Marginal Cost

The additional cost to provide one hour of bus or rail service.

Materials and Supplies (costs)

Any cost resulting from the acquisition of materials and supplies, either for operation and maintenance of vehicles and facilities, or for administration.

Maximus

The provider of software being installed for transportation and asset management applications. (See Enterprise Asset Management.)

Medium Bus

Vehicle approximately 30' in length, with capacity of 28-30 seated passengers. Typically used to transport passengers in local, limited, and circulator service.

Multimodal

The use of multiple modes of transportation, for example rail and bus.

N

National Environmental Policy Act (NEPA)

National environmental law that established a U.S. national policy promoting the enhancement of the environment, enacted in 1969. Its most significant effect was to establish the requirement for an environmental impact statement (EIS) when the project either receives federal funding or when a federal agency is a key participant in the project's development and when the project will have an impact on the environment.

Neighborhood EcoPass

Pass program through which residents of a defined neighborhood may purchase annual transit passes for all residents at a fixed price per household based on the location of the neighborhood. The program requires a minimum neighborhood size of 100 households and an annual contract minimum of \$5,000 per neighborhood.

New Freedom

Federal Transit Administration grant program to fund the capital and operating costs of services and facility improvements to address the transportation needs of persons with disabilities that go beyond those required by the Americans with Disabilities Act.

O

Objective(s)

Quantifiable, measurable statements describing how the stated goals of a program will be reached.

On-Time Performance

Percentage of bus trips leaving their start point or arriving at a destination within specified time parameters:

- *Local* - Buses should arrive at the time point no more than one minute before, and no more than five minutes after, their scheduled arrival time.
- *Express and Regional* - Buses should arrive at their destination no more than five minutes after their scheduled morning arrival time, and no more than three minutes after their scheduled afternoon arrival time.
- *Light Rail* - Trains should arrive at their destination stop at the scheduled arrival time.
- *access-a-Ride* - Vehicles should arrive at the customer's pick-up point no later than ten minutes after the scheduled arrival time.

Operating Costs

All operating and administrative expenses incurred conducting the ordinary activities of an enterprise including salaries, low-cost equipment, supplies, employee benefits, insurance, rent, and taxes.

Operating Cost Recovery Ratio

The ratio of operating revenues divided by eligible costs, including depreciation. (See SB 154 Operating Ratio for definition of eligible costs.)

Operating Revenue

Gross income from the operation of the transit service including fares, revenue from joint ventures, and advertising revenues. It does not include interest from securities or non-recurring income from the sale of assets or sales tax revenues.

Operator Complaint

Complaint received from a passenger regarding the conduct of the operator of an RTD revenue service vehicle.

Oracle

Oracle applications are the product of Oracle, Inc., a U.S. based software manufacturer of database and business application software. The applications being installed at RTD include accounting/finance, purchasing, inventory, maintenance, human resources, and payroll. The installation consisted of a four-phase, three-year Enterprise Resource Planning project.

Other General Expenses

All costs not included in other categories of operating costs. Includes such items as utilities and contract service costs.

Other Income

Revenue generated from parking at Civic Center Station, leasing RTD-owned property and air rights, selling RTD system route maps, and other miscellaneous activities.

Overhead

Expenses, such as rent or insurance, which are not included in the actual running and operating of a business.

Overtime

Represented employees may be authorized to work more than an eight-hour day and/or more than forty hours in a seven-day period, and non-exempt salaried employees may be authorized to work more than an eight-hour day and/or more than forty hours in a seven-day period. The overtime pay rate is one and one-half times the normal hourly rate in accordance with the Fair Labor Standards Act.

P

Paratransit

A method of transportation in which people who are traveling the same route share a vehicle.

Park-n-Ride

RTD facility to which RTD bus passengers drive, park their cars, and board a bus or light rail vehicle.

Passenger (See Boardings)

Peak Vehicles (See Vehicles - Peak)

Performance Measure

A quantitative measurement of activity, e.g., number of vouchers processed, number of hours spent in meetings. Normally performance measures are used to judge program effectiveness.

Permanent Part-Time Employee

A position authorized by the Board of Directors for less than 40 hours per week. To receive benefits the position must be at least half-time (1,040 hours per year). The benefits are prorated according to the equivalent authorization.

Privatization

In general, the provision of government services by private businesses. Specific to the transit industry, the provision of public transit service by private transit companies usually under contract with the public transit agency. Colorado state law (SB07-251) requires that not more than 58% of RTD's vehicular service (defined by statute as service operated by self-propelled vehicles on public highways) be operated by private transit companies.

Program

A set of interrelated work, activities, or tasks (projects) which, when completed, satisfies a stated objective.

Project

A subset of a program. Discrete work activities or tasks that may involve one or more budget line items folded into jobs, for attaining specific results.

Projected

Estimated revenues and expenditures by past trends, current economic conditions, and financial forecasts.

Public-Private Partnership (P3)

Allows a public agency to partner with the private sector on some or all of the following components of an infrastructure project: design, build, finance, operate, and/or maintain.

Public-Private Partnership Pilot Program (Penta-P)

A federal program designed to help streamline the Full Funding Grant Agreement application process for participating agencies that utilize Public Private Partnerships to complete major transit infrastructure projects.

Pullout

Scheduled departure of a vehicle from its garage into revenue service.

Q

Quality Assurance

Steps taken to assure that the end product of a project meets all prescribed technical design specifications and performance criteria.

R

Record of Decision (ROD)

A decision made by the Federal Transit Administration as to whether RTD receives federal funding for a project. Follows an Environmental Impact Statement.

Regional (Routes)

Routes connecting outlying areas of the District to downtown Denver, Boulder, and other employment centers.

Represented Employee

Any RTD employee whose position is represented by the Amalgamated Transit Union (ATU), Local 1001 for the purpose of negotiating wages, benefits, and work rules. Represented employees are paid an hourly wage and are subject to work rules and disciplinary procedures agreed to by RTD and the ATU.

Revenue Service

The time that a revenue vehicle is available to pick up or discharge passengers.

Revenue Vehicles (See Vehicles - Revenue)

Ridership

Total number of riders, passengers, or boardings.

Risk

Foreseen chance of a future loss or danger; contrasts with uncertainty, which is unforeseen.

RockiesRide

Service from various locations in the RTD service area to Colorado Rockies home baseball games.

S

Safe, Accountable, Flexible, and Efficient Transportation Equity Act-A Legacy for Users (SAFETEA-LU)

Legislation passed by Congress in 2005 to reauthorize federal transportation grant programs through 2009. Temporarily extended to March 2012.

Salaried Employee

Any RTD employee whose position is not represented by ATU Local 1001, which includes all supervisory and management employees. Salaried employees are paid a yearly salary.

Sales Tax

A tax of 0.6% levied on sales of eligible items within the boundaries of the Regional Transportation District. As of January 1, 2005, the RTD sales tax rate increased to 1.0%. The additional 0.4% is to fund the FasTracks program.

SB 154 Cost Recovery Ratio

Colorado state law (SB89-154) requires RTD to maintain a minimum recovery ratio of 30% (revenues over costs), on the ratio defined below:

- *Revenues (all revenues except those specifically excluded below):*
 - Excluded Revenues
 - Sales and Use Tax
 - access-a-Ride Farebox Revenues
 - Federal Grants for Rapid Transit Planning or Construction
- *Costs:*
 - Operating and Administrative Costs
 - Depreciation on Bus Operations Assets
 - Excluding:
 - ADA Costs
 - Rapid Transit Planning Costs
 - Interest Payments on Rapid Transit Assets

Seasonal Employee

A person who is employed temporarily for seasonal labor. Positions are not included in authorized count because of their temporary nature.

Self-Insurance

In-house processing of insurance; e.g., RTD investigates and handles all third party liability claims and workers' compensation claims.

SeniorRide

Prearranged trips to transport groups of senior citizens between two set locations.

Service Hours

Hours incurred by revenue vehicles from the time the vehicle leaves the garage until it returns to the garage.

Service Miles

Miles incurred by revenue vehicles from the time the vehicle leaves the garage until it returns to the garage.

SkyRide

Service to Denver International Airport from other locations in the RTD district.

Significant Non-routine Capital Expenditure

A capital expenditure which requires voter approval on a ballot issue, per Article X, Section 20 of the Colorado Constitution. This would involve authorization of an increase in taxes and/or the issuance of debt.

Small Bus

Vehicle approximately 28' in length, with capacity of 22 seated passengers. Typically used to transport passengers in local, limited, and circulator service.

Smart Media Technology

A fare collections system utilizing a contactless smart card. Various fare media can be encoded onto the card and presented as fare at smart card readers on buses or validators on trains. Ridership data will also be captured with SMT.

STAMPEDE

A local fixed route providing high frequency service between the campuses of the University of Colorado in Boulder. RTD operates the service, and the University of Colorado pays for service above RTD's service standards level.

Stakeholder

A party who affects, or can be affected by, the District's actions.

Strategic Budget Plan (SBP)

RTD's six-year capital and operating plan, which is updated annually. The SBP is a fiscally constrained plan which presents aggregate projected service levels and capital projects expected to be undertaken for the next six years.

Station

Location at which a light rail vehicle picks up or discharges passengers.

Subrogation

Recovery of part or all of third party insurance settlements.

Subsidy

A grant of money from a government or other organization to an organization, individual, or industrial plan considered beneficial to the public.

Supervisory Control and Data Acquisition (SCADA)

A centralized system to control signals, systems, and substations on RTD's light rail system. The system also provides real-time train location data to a control center.

Support Vehicles (see Vehicles - Support)

Swap

An agreement through which two parties agree to exchange periodic interest payments. In its most common variation, one party agrees to pay the other a fixed rate of interest in exchange for the receipt of floating rate payments (and vice versa).

I

Taxpayer's Bill of Rights (TABOR)

Article X, Section 20, of the Colorado Constitution, which limits governmental revenues and spending. Key provisions of TABOR are:

- Limits year-to-year spending increases to specified growth rates, with provisions for voters to remove the limits
- Requires voter approval for all new taxes or rate increases for existing taxes
- Requires voter approval for all issuance of debt other than refinancing of existing bonds
- Requires establishment of a contingency reserve equal to 3% of annual spending.

Temporary Employee

An employee hired through an authorized temporary employment agency. Temporary employees' salaries are budgeted and charged to User Departments in the budget line item 53016 "Temporary Personnel."

Ticket Vending Machines (TVM)

Automated sales units which vend fares for light rail service routes.

Trailblazer

Route information guidebook which also includes bus and rail operator information.

Transit Bus

Vehicle approximately 40' in length, with capacity of 42 seated passengers. Most commonly used bus for transit service, including local, limited, express, and special services.

Transit Center

Facility designed to facilitate transfers between buses, that does not provide parking for transit users. Includes the Boulder Transit Center in downtown Boulder and Civic Center Station and Market Street Station in downtown Denver.

Transit Development Program (TDP)

The FTA term for six-year capital and operating plan. RTD's Strategic Budget Plan serves as its six-year plan.

Transit Development Reserve

This reserve is equal to RTD's year-end working capital, net of all other required reserves. It represents the balance of funds available for expenditures other than those specifically identified in the budget and is appropriated as part of the budget. The Board of Directors has designated this amount to be spent for future projects.

Transit Oriented Development (TOD)

An initiative to build transit ridership, while discouraging sprawl, improving air quality, and helping to coordinate a new type of community for residents. TOD is compact, mixed-use development at or around transit stops.

Transportation Efficiency Act for the 21st Century (TEA-21)

Legislation passed by Congress in 1998 which allocates a portion of funds collected from Federal fuel taxes to transit operating projects, planning assistance, and capital assistance.

Transportation Improvement Program (TIP)

Identifies all federally funded transportation projects in the Denver region over a six-year period. It is prepared by DRCOG every two years and must show that it meets air quality requirements. The current TIP is the 2007-2012 TIP. The next TIP will be the 2008-2013 TIP.

Transportation Infrastructure Financing and Innovation Act (TIFIA)

A loan and loan guarantee authority allowing the Federal Transit Administration (FTA), the Federal Highway Administration (FHWA), and the Federal Railroad Administration (FRA) to provide loans and loan guarantees for up to 33 percent of a major project's

construction costs. Loans are made at U.S. Treasury rates, and may be repaid over as long as 40 years.

Transportation Management Organization (TMO)

Membership organization formed to promote the use of, and advocate for the provision of, alternative forms of transportation in a specific geographic area.

T-REX (Transportation Expansion Project)

Joint construction project undertaken by RTD and the Colorado Department of Transportation (CDOT) to improve I-25 and I-225 in the southeast Denver metropolitan area. The light rail line that was a component of this project opened in November 2006.

Trip

Movement of a passenger from one point to another. There are three types of trips:

1. *Linked* - One way movement regardless of the number of vehicles used from origin to final destination.
2. *Mall* - One way movement on the Mall Shuttle. (Estimated statistically)
3. *Unlinked* - One way movement between two points using one vehicle.

Tru-Track

TruTrack is a time and attendance system.

U

Unallocated

Not appropriated for a specific purpose.

Uncontrollable Cost

Cost, the amount of which cannot be controlled within a given period of time. In general, cost not varying with volume, efficiency, choice of alternatives, or management determinations.

Unfavorable Variance

A term characterizing projected cost greater than actual cost, or of actual revenue less than projected revenue.

Use Tax

A tax of 0.6% levied on eligible items purchased outside the boundaries of the Regional Transportation District for use within the District. As of January 1, 2005, the use tax rate increased to 1.0%. The additional 0.4% is to fund the FasTracks program.

V

Vacancy Savings

Economic conditions resulting when authorized positions are not filled or are filled at an amount which is less than budgeted.

Vanpool

A partnership between RTD, DRCOG, and the North Front Range Council of Governments designed to provide work transportation to a group of five to 15 employees who usually travel more than 15 miles.

Variance

The difference between planned costs and actual costs.

Variance Explanation

Description of causes of a variance.

Variable Cost

Cost that fluctuates with the level of operational activity.

Vehicles

- *Light Rail* - Vehicle with overhead catenary power operating on tracks. May be connected to other vehicles and operated as a train.
- *Peak* - Greatest number of vehicles in revenue service during a given day.
- *Revenue* - Vehicles used to transport passengers.
- *Spares* - Active vehicles not needed to cover peak requirements.
- *Support* - Vehicles used for purposes other than to transport passengers, including supervisors' cars, service trucks, and in-plant equipment.

W

Working Capital

Current and restricted assets, net of materials and supplies, less current liabilities other than current year principal payments on long-term debt.

XYZ

ZIP

A shuttle operated in the Flatirons Crossing shopping center in Broomfield. The shuttle is operated by the City and County of Broomfield.

List of Acronyms

<u>Term</u>	<u>Definition</u>
ADA	Americans with Disabilities Act
AGM	Assistant General Manager
APC	Automatic Passenger Counter
APE	Annual Program Evaluation (FasTracks)
APTA	American Public Transportation Association
ARRA	American Reinvestment and Recovery Act of 2009
ATU	Amalgamated Transit Union
AVL/MDT	Automatic Vehicle Locator and Mobile Data Terminal
BNSF	Burlington Northern Santa Fe Railroad
BRT	Bus Rapid Transit
CAD/AVL	Computer Aided Dispatching/Automatic Vehicle Location
CAFR	Comprehensive Annual Financial Report
CDOT	Colorado Department of Transportation
CERT	Citizen Emergency Response Team
CLC	Colorado Legislative Council
CMAQ	Congestion Mitigation and Air Quality Improvement Program
COP	Certificate of Participation
CPI	Consumer Price Index
CCS	Civic Center Station
DBE	Disadvantaged Business Enterprise
DBFOM	Design-Build-Finance-Operate-Maintain
DEIS	Draft Environmental Impact Statement
DHS	Department of Homeland Security
DIA	Denver International Airport
DRCOG	Denver Regional Council of Governments
DTP	Denver Transit Partners
DUS	Denver Union Station
EAM	Enterprise Asset Management
EE	Environmental Evaluation
EEO	Equal Employment Opportunity
EIS	Environmental Impact Statement
ERP	Enterprise Resource Planning
FEIS	Final Environmental Impact Statement
FFGA	Full Funding Grant Agreement
FONSI	Finding of No Significant Impact
FRA	Federal Railroad Administration
FTA	Federal Transit Administration
FTE	Full Time Equivalent
GAAP	Generally Accepted Accounting Principles
GASB	Governmental Accounting Standards Board
GFOA	Government Finance Officers Association
GIS	Geographic Information Systems
HOV	High Occupancy Vehicle
HVAC	Heating Ventilation and Air Conditioning
IFB	Invitation for Bid

<u>Term</u>	<u>Definition</u>
IGA	Intergovernmental Agreement
IT	Information Technology
ITS	Intelligent Transportation System
JARC	Job Access and Reverse Commute
LRT	Light Rail Transit
LRV	Light Rail Vehicle
MCI	Motor Coach Industries
MOW	Maintenance of Way
NEPA	National Environmental Policy Act
NREL	National Renewable Energy Laboratory
NTP	Notice to Proceed
OSPB	Office of State Planning and Budgeting
OSHA	Occupational Safety and Health Administration
PE	Preliminary Engineering
Penta-P	Public-Private Partnership Pilot Program
pnR	park-n-Ride
PPP (P3)	Public-Private Partnership
PUC	Public Utilities Commission
RFP	Request for Proposal
RTP	Regional Transportation Plan
ROCIP	Rolling Owner Controlled Insurance Program
ROW	Right of Way
RTD	Regional Transportation District
SAFETEA-LU	Safe, Accountable, Flexible, and Efficient Transportation Equity Act
SBE	Small Business Enterprise
SBP	Strategic Budget Plan
SCADA	Supervisory Control and Data Acquisition
SMT	Smart Media Technology
SS&F	Safety, Security, and Facilities Department
TABOR	Taxpayer's Bill of Rights
TDP	Transit Development Program
TEA-21	Transportation Efficiency Act for the 21 st Century
TIC	Telephone Information Center
TIFIA	Transportation Infrastructure Financing and Innovation Act
TIP	Transportation Improvement Program
TMC	Transit Maintenance Consultants
TMO	Transportation Management Organization
TOD	Transit Oriented Development
T-REX	Transportation Expansion Project
TriTAP	TriTAP (Application developer for iPhones)
VMT	Vehicle Miles Traveled

Map of FasTracks Project

RTD FasTracks
PROGRESS MAP



LEGEND

- Under Construction
- Completed
- Pre-FasTracks
- Future Construction
- Station

FasTracks Implementation Schedule

2035 MVRTP 2012 Cycle 2 Fastracks Amendment Schedule

Project	2011	2012	2013	2014	2015	2016	2017	2018	2019	2031	2032	2033	2034
Commuter Rail - EAGLE Projects													
DUS	DESIGN / BUILD / TEST												
EAST	DESIGN / BUILD / TEST												
GOLD	DESIGN / BUILD / TEST												
NWR (Segment 1)	DESIGN / BUILD / TEST												
CRMF	DESIGN / BUILD / TEST												
Commuter Rail													
North Metro (DUS to 72nd)	PROCURE	DESIGN			P	CONSTRUCT / TEST (DUS to NWSS)					P	CONSTRUCT / TEST (NWSS to 72nd)	
NWR (Longmont)	PRELIMINARY DESIGN		DESIGN	P	CONSTRUCT								
Light Rail													
West	CONSTRUCT / TEST												
I225	PROCURE	DESIGN / BUILD / TEST											
SEC Ext	DESIGN / ENVIRONMENTAL									P	CONSTRUCT / TEST		
SWC Ext (Freight Relocation)			DESIGN	P	CONSTRUCT								
CC Ext		TECHICAL STUDIES											
Bus													
Table Mesa	P	P	CONSTRUCT										
US36 BRT Phase 2	PROCURE		DESIGN / BUILD (MANAGED LANES)							REMAINING FUNDS			
Project	2011	2012	2013	2014	2015	2016	2017	2018	2019	2031	2032	2033	2034

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