

Submitted as Public Comment to the RTD Budget Hearing, December 3rd, 2024

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Erik Davidson, RTD Board Chair
Regional Transportation District
1660 Blake Street
Denver, CO 80202

2025 Proposed Budget

Dear Chair Davidson,

Greater Denver Transit (GDT) would like to respectfully submit public comments on the 2025 proposed budget. For this we have the version dated November 11th, 2024, in hand.

We note that we have yet to receive a reply to our letter to the Finance and Planning Committee sent on Thursday November, 14th 2024. If a reply has indeed been sent, please could you provide another copy at your earliest convenience. We have repeated the questions originally sent in this letter.

New comments and questions since Thursday November 14th, 2024:

- GDT has been able to download three different versions of the 2025 Budget Book from the RTD website since October and has only been able to spot new versions by closely examining the financial figures. We request that RTD provides document version / revision and date information within the first few pages of all future budget book documents.
- A capital investment program (CIP) book that breaks down the status of each capital project and details how appropriated funds are due to be spent in the next few years is still absent from the documents. This was requested at the hearings for the 2024 budget and it is disappointing that, a year later, RTD has not been able to produce this document.
- Despite \$152M being appropriated for Downtown Light Rail Reconstruction in 2024, there is still little specific explanation on how the remainder of the money (\$145,003,561) will be spent on various project aspects over the coming years. An explanation of the entire project spend would be appreciated. (Page 89)
- Departmental expenses need to be broken down by division and not by category so the public is able to understand where the expenses are going. For example it is unclear what 'Services' the General Council Department will receive for the \$25M budgeted. (Pages 63 to 74)
- It is unclear how much RTD operated fixed-route buses, TransDev operated buses (via numerous contracts), Access-a-Ride, Access-on-Demand and subsidized van pools are costing the bus operations division. (Page 65)

- It is unclear what payments go to Denver Transit Operators (DTO) for providing train operations and what payments are for repaying the capital costs required to construct the A, B and G Lines. (Page 73)

Comments and questions originally sent to Finance and Planning on Thursday November 14th, 2024:

- Good to see a Customer and Community Connections strategic initiative (Page 11).
- Most tables throughout the budget do not give comparison to 2024 projected and 2023 actual figures. (and 2024 actual YTD).
- Referencing a large increase in health insurance costs - "RTD [to] seek strategies to contain ongoing future large increases" - has self-insurance been considered? (Page 45)
- Noting "The 2025 Budget includes an assumed 4.2% increase in tax collections from 2024", why does the budgeted sales & use tax revenue decrease from 2024 to 2025? Is this 4.2% increase above actual tax revenue, extrapolated to the end of 2024? (Page 49)
- Why does Other Revenue increase 350% above the 2024 budget? (Page 49)
- Do increases in total revenue hours include contractors? (Page 50)
- Noting "...energy costs for facilities and traction power, are anticipated to remain relatively flat in 2025 due to expected continued similar volume usage...", has this taken into account the increased light rail frequencies proposed in the January service adjustments? (Page 51)
- Noting "Replacement parts have experienced sharp increases in prices due to the inflationary environment, as well as supply chain issues, and it is expected to continue into 2025", what role does the age of the fleet, and any out-of-production vehicles, play in this increase? Are savings on parts expected if RTD purchases newer vehicles or have replacement parts prices increased similarly across the board? (page 51).
- Noting the replacement of 43 maintenance vehicles for \$2,902,800, what vehicles specifically are being replaced? Is it a one-to-one replacement or will the new vehicles provide new capabilities to maintenance personnel? (Page 55)
- Where are the headcount and budget figures for the Service Planning and Development Division? There is a "Planning" category listed, but the description seems to indicate it is the division focused on long-term work. (Page 63)
- What is the cost per revenue hour for purchased transportation vs in-house bus operation? (Page 65)
- It is unclear how \$183.4 million for purchased transportation under bus operations is broken down into the 3x fixed route contracts, FlexRide, Access-a-ride and the 4 providers of Access-on-demand. (Page 65)
- Are we correct in our assessment that paratransit (\$73 million) is 1/6 of the total bus operations budget (\$451 million)? How does this compare to peer agencies? (Page 65)
- Very welcome inclusion of initiative for 'Tap-to-Pay Fare'. (Page 69)

- It is not clear how the rail operations budget is broken down into light rail, DTO operated commuter rail and the N Line. (Page 73)
- If 'Tap-to-Pay Fare' is implemented, does the cost of the Ticket Vending Machine Replacement line item change? (Page 89)
- Can a rough estimate of total deferred maintenance liabilities be included in the capital programs section? It would be useful information for the public to know how the capital programs budget compares to the total outstanding liabilities of deferred maintenance. The Appendix seems to offer some of this in great detail, but a higher-level overview that can be tracked at the monthly board meetings as this backlog is burned down would be really greatly appreciated. (Page 89)
- GDT welcomes the return of detailed financial info presented similar to the Monthly Financial Statements in Appendix A.
- Can subsidy per rider per route metrics be reinstated? It would be nice to see some updated figures that roughly estimate cost per revenue hour of bus, LRT, and commuter rail service.

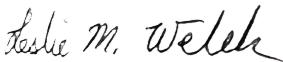
Thanks for all you do,



James Flattum



Richard Bamber



Leslie Welch



Emma Griffin



Keith Brooks

CC: RTD Board of Directors
Debra Johnson, RTD General Manager & CEO