



ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2025

2025



ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the Fiscal Year Ended June 30, 2025

Prepared by the Research Triangle Regional Public
Transportation Authority Finance Department

*Prepared by the Research Triangle Regional Public Transportation Authority
Finance Department:*

Michelle Jeng, Chief Financial Officer

Heather Beth Roberts	<i>Director of Finance Operations</i>
Nedra Clayborne Rodriguez	<i>Assistant Director of Accounting</i>
Alvin Montenez-Gonzalez	<i>Finance Generalist 1</i>
Dennis Tully	<i>Sr. Finance Generalist Payroll</i>
Brett Hawkins	<i>Senior Financial Analyst</i>
Harriet Lyons	<i>Assistant Director of Budget & Grants</i>
Heather Bruce	<i>Grants Program Manger</i>
Steven Schlossberg	<i>Director of Tax District Administration</i>
Paul Kingman	<i>Senior Manager Budget & Finance</i>
Thomas Brandon Carey	<i>Senior Financial Analyst</i>
Ana Sostaric	<i>Director of Procurement & Contract Administration</i>
Tara Johnson	<i>Contract Administrator</i>

With special thanks to Shannon Dennison, CPA, *Anderson Smith & Wike PLLC*

RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY
NORTH CAROLINA

Annual Comprehensive Financial Report
for the Fiscal Year Ended June 30, 2025

BOARD OF TRUSTEES, as of June 30, 2025

Mary-Ann Baldwin, Chair	City of Raleigh
Corey Branch	City of Raleigh (City Council)
Susan Evans	Wake County (Commissioner)
Michael Fox	NCBOT (Member)
Patrick Hannah, Treasurer	Durham City/County
Michael Lee	Durham County (Commissioner)
<i>Brenda Howerton represented Durham County through December, 2024.</i>	
Vivian A. Jones, Secretary	Wake County
Valerie Jordan	NCBOT (Member)
Michael Parker	Town of Chapel Hill
Sally Greene, Vice Chair	Orange County (Commissioner)
Jennifer Robinson	Town of Cary (Town Council)
Leo Williams	City of Durham (Mayor)

Note: An ex officio, non-voting Board of Transportation seat is unfilled.

EXECUTIVE STAFF, as of publication

Brian Smith	President and CEO
Byron Smith	General Counsel
Katharine Eggleston	Deputy CEO
Michelle Jeng	Chief Financial Officer
Vinson Hines, Jr.	Chief of Operations
Joy Malone	Chief Information Officer
Eric Curry	Chief Communication Officer
Gary Tober	Chief Development Officer

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TRANSPORTATION AUTHORITY
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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INTRODUCTORY SECTION



April 7, 2026

Board of Trustees
Research Triangle Regional Public Transportation Authority

We are pleased to present the Annual Comprehensive Financial Report (ACFR) of the Research Triangle Regional Public Transportation Authority (GoTriangle) for the fiscal year ended June 30, 2025. The basic financial statements and supplemental schedules contained herein have been audited by the independent certified public accounting firm of Mauldin & Jenkins, PLLC and their unmodified opinion is included in the financial section. However, this report is presented by GoTriangle, which is responsible for the accuracy of the data as well as the completeness and fairness of its presentation including all disclosures. We believe the data, as presented, is accurate in all material respects and is presented in a manner designed to set forth fairly the financial position and results of operations of GoTriangle as measured by the financial activity of its various funds. All disclosures necessary to enable the reader to gain the maximum understanding of GoTriangle's financial affairs have been included.

To provide a reasonable basis for making these representations, GoTriangle management has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of GoTriangle's financial statements in conformity with generally accepted accounting principles. Because the cost of internal controls should not outweigh their benefits, GoTriangle's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements are free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Management directs the reader to the Management's Discussion and Analysis (MD&A) section of the ACFR to gather a clear and in-depth understanding of its contents.

Profile of GoTriangle

The 1989 Session of the North Carolina General Assembly amended Chapter 160A of the General Statutes by adding Article 26 enabling the creation of regional public transportation authorities. The Board of Commissioners in Durham, Orange and Wake counties each held a public hearing, published articles of incorporation, and passed resolutions creating the Research Triangle Regional Public Transportation Authority (originally known as Triangle Transit; now known as GoTriangle). The new public authority was chartered by the Secretary of State on December 1, 1989.

The 1991 session of the General Assembly enacted legislation permitting regional public transportation authorities to levy a vehicle registration tax of up to \$5 per registration to fund regional transit operations and planning. Following a public hearing, a tax levy of \$5 per registered vehicle was approved by the Special Tax Board, the Boards of County Commissioners of Durham, Orange and Wake counties, and the Authority's Board of Trustees. This tax forms the basic operating funding for regional transit services in the Triangle. The NC Division of Motor Vehicles began collection of the tax on January 1, 1992.

In the 1997 North Carolina General Assembly session, the statutory authorization for levying an additional 5% tax on motor vehicle rental receipts was enacted as Session Law 1997-417, which added a new Article 50 to Chapter 105 of the North Carolina General Statutes allowing regional transportation authorities to impose a privilege tax on gross receipts from short-term motor vehicle leases or rentals at a rate not to exceed five percent (5%) This authority was intended to allow regional transportation authorities (such as the Research Triangle Regional Transportation Authority) to generate revenue from rental car activity within their jurisdictions. Following a public hearing, Article 50 was approved by the Special Tax Board; the Boards of County commissioners of Durham, Orange and Wake counties; and the Authority's Board of Trustees. GoTriangle began collection of the tax on January 1, 1998.

Article 43 of Chapter 105, the Local Government Public Transportation Sales Tax Act, known as the Local Government Public Transportation Sales Tax Act, was authorized by the North Carolina General Assembly in 1997 through Session Law 1997-417. The Act enables counties and transportation authorities to levy additional local sales and use taxes, subject to voter approval, to fund public transportation. The General Assembly authorized referendums in Durham, Orange, and Wake Counties for the additional Article 43 tax. Proceeds of this tax are restricted to public transportation purposes and provide local funding for regional transit service expansion and capital projects. GoTriangle began receiving tax revenues for Durham and Orange Counties in 2014, and for Wake County in 2017. Sales tax revenue is recognized in the respective counties' tax district Operating and Capital Funds.

Under North Carolina law, additional dedicated revenues for regional public transportation have be authorized through motor vehicle-related taxes codified in Article 51 and Article 52 of Chapter 105 of the General Statutes. Article 51 (Regional Transit Authority Registration Tax) authorizes a board of trustees of a regional transportation authority to levy an annual license tax on motor vehicles within its jurisdiction, up to a specified dollar amount per vehicle, to raise revenue for capital and operating expenses associated with providing public transportation services; the tax is enacted by resolution following public hearings and approval by the applicable county boards of commissioners, and net proceeds are retained by the authority for authorized purposes. Article 52 (County Vehicle Registration Tax) allows a county in which at least one public transportation system operates to levy an annual vehicle registration tax, with proceeds distributed on a per-capita basis among the county and its municipalities and restricted to the operation of public transportation systems. In the ACFR, revenues from these registration taxes that GoTriangle levies or administers are reported in the applicable operating and capital funds in accordance with fund accounting policies and statutory restrictions on use.

About Us

Established by the North Carolina General Assembly in 1989 as the **Research Triangle Regional Public Transportation Authority**, GoTriangle serves Durham, Orange, and Wake Counties as the region's designated transit agency. Guided by its mission—to enhance regional quality of life by providing safe, reliable, and accessible travel options—and its vision—to be the region's trusted mobility partner—GoTriangle focuses on improving regional mobility, delivering high-quality customer service, and supporting sustainable growth through strategic transit investments.

Helping county partners achieve their transit priorities

As the tax district administrator for Durham, Wake and Orange counties, GoTriangle oversees the administration of funds in the county transit plans and works with county partners to implement the region's transit priorities. Large capital projects funded by the county transit plans include building a new state-of-the-art bus transfer facility in downtown Raleigh, developing bus rapid transit corridors and studying the feasibility of a commuter rail service that would connect West Durham to Garner or Clayton, all designed to create a seamless regional transit network.

In addition to planning, design, and construction, GoTriangle provides a wide range of regional transportation services, including bus and paratransit operations, ride-matching/Transportation Demand Management, vanpools (contracted through Enterprise), commuter resources, trip planning, and an emergency ride home program. These services serve communities across Apex, Cary, Chapel Hill, Durham, Efland, Hillsborough, Holly Springs, Mebane, Morrisville, Raleigh-Durham International Airport, Raleigh, Research Triangle Park, Wendell, Wake Forest, and Zebulon. GoTriangle also offers transit information for riders of all regional providers through the Regional Transit Information Center in Durham, the website gotriangle.org, and real-time bus arrival information.

Governance

GoTriangle is governed by a 13-member Board of Trustees, which by law is authorized to make decisions and enact policy for the agency. The region's principal municipalities and counties appoint 10 voting members to staggered four-year terms. The North Carolina Secretary of Transportation appoints three ex-officio nonvoting members. Each year, voting members elect a chair, vice-chair, secretary and treasurer. Board members stay informed of issues. Members discuss and make recommendations on agenda items to the full board through committees. Those four committees are designated as Planning, Operations, Audit and Finance, and Administration and Governance.

Funding

Primary funding for GoTriangle in FY2025 was derived from vehicle registration fees, a percentage of vehicle rental tax collections, a dedicated one-half cent local sales tax for transit in Durham, Orange, and Wake counties,

and federal and state resources, as outlined in the agency’s adopted FY25 Budget & Capital Investment Plan. The agency suspended fare collection in March 2020 due to the COVID-19 pandemic to reduce financial strain on frontline workers and other community members who were relying on transit for essential travel. In February 2024, the GoTriangle Board of Trustees directed staff to prepare to resume fare collection effective July 1, 2024, and planning efforts subsequently focused on implementation, including expanded digital ticketing and low-income fare options.

Our Team

GoTriangle is an equal opportunity employer of approximately 304 employees as diverse as the people we serve. Full-time employees enjoy a generous benefits package that includes medical, dental, vision, life insurance and paid leave programs. GoTriangle contributes to employees’ retirement through a 401(a) plan and offers tuition assistance, continuing education training and gym & wellness reimbursements.

Operations

In fiscal year 2025, GoTriangle passengers took 1,447,108 trips on bus service and 39,979 trips on ACCESS, our regional paratransit service. GoTriangle operates seven days a week with 74 buses, 11 regional routes, five weekday express routes and a public demand-response system serving Research Triangle Park and surrounding areas. The regional paratransit program has 22 vehicles, and the vanpool service is provided through a contract with Enterprise.

During fiscal year 2025, GoTriangle operated:

- Regional Routes 100, 300, 305, 310, 400, 405, 420, 700, 800, 805 and an RDU Shuttle to the Raleigh-Durham International Airport.
- Express Routes CRX, DRX, ODX, WRX, ZWX.

Tracking Ridership

GoTriangle’s ridership in FY2025 was 1,447,108 boardings, down 1.6% from 1,799,534 boardings in FY2024 , largely as a result of return to fare collection and changes to onboard technology and ridership estimation methodology. GoTriangle offers three route types: All-Day, Peak Overlay and Peak-Hour Only.

All-day routes operate continuously, serving Raleigh, Durham, Chapel Hill, Cary and Research Triangle Park seven days a week. They run every 30 minutes on weekdays until 6:30 p.m., then hourly on evenings and weekends. Routes 100, 300, 400, 700 and 800 make up 69% of GoTriangle's ridership.

Peak Overlay routes play a vital role, offering 30-minute service during morning and evening peaks. Peaks are the times during the day when most people tend to commute and traffic congestion and transportation demand are at their highest. The morning peak is from 6 to 9 a.m., and the evening peak is from 3 to 5 p.m. These routes include the 405 (Durham-Chapel Hill), CRX (Chapel Hill-Raleigh Express) and DRX (Durham-Raleigh Express).

Together, they contribute 16% to annual ridership. At the start of FY25, 60-min midday weekday service was added to Route DRX, contributing to the two percentage point increase in the proportion of peak-overlay route ridership to total ridership.

Peak Hour Only service operates Monday to Friday providing hourly service from 6 to 9 a.m. and from 3 to 7 p.m. Routes provide additional service during the peak to serve additional transit demand. Routes 805, 420, 305, ODX (Efland-Durham), WRX (Wake Forest-Raleigh) and ZWX (Zebulon-Wendell-Raleigh) make up 15% of GoTriangle Ridership. Over the course of FY25, midday service was added to Routes 305 and 805. Weekend service was added to Route 305. These service improvements contributed to a six percentage point increase in the proportion of this service category to total ridership.

The average, annual weekday ridership in FY2025 was 4,872 riders, a decline from FY2024 weekday ridership of 5,985. Weekend ridership declined by 23% in FY2025. . Return to fare collection and changes to onboard technology and ridership estimation methodology contributed to lower ridership estimates. Notably, routes with service improvements saw positive changes to ridership relative to the system as a whole.

The RDU shuttle service to the Raleigh-Durham International Airport operates Monday to Saturday, providing 30-minute service until 6:30 p.m., after which, Route 100 offers hourly service. The shuttle produced more than 57,396 passenger trips in FY2025, down from FY2024's figure of 62,863.

Connecting the region

GoTriangle and its partners are working to connect the region through transit projects that provide safe and affordable transportation, ease congestion and promote clean air.

Raleigh Union Station Bus Facility

The Raleigh Union Station Bus Facility, known as RUS Bus, will be part of a vibrant, integrated joint development in the Warehouse District of downtown Raleigh.

RUS Bus will weave together a street-level bus facility with bike- and pedestrian-friendly spaces. Private development will include multifamily residential, a contribution to affordable housing, and retail in one central and vibrant hub. The multimodal facility will provide seamless connections between local, regional and express bus services; intercity passenger rail; and future Bus Rapid Transit.

Construction began on the 1.76-acre site in spring 2022 with remediation and demolition of three former warehouse buildings. A portion of the warehouse facade was preserved to incorporate into the new development. Construction was completed in FY2025. The facility opened in early FY2026.

RUS Bus began in 2018 after GoTriangle won a \$20 million federal United States Department of Transportation BUILD grant. State and local funds also support the project.

Triangle Mobility Hub

Relocation of the Regional Transit Center will better serve the needs of transit riders and address the onsite and offsite limitations of the current facility. The relocated Regional Transit Center will improve transit speed and reliability, address passenger amenities and operational needs, and provide new multi-modal connections. As a result, the new facility will increase equitable and sustainable access to destinations within Research Triangle Park and across the region as whole. Specifically, the new facility will include additional covered boarding bays with electric bus-charging infrastructure, covered drop-off spaces for paratransit, microtransit and rideshare vehicles, and a signalized bus-only driveway, ensuring comfortable and reliable transfers for riders taking regional trips or making last mile connections.

In FY2025, GoTriangle and Research Triangle Foundation (RTF) entered into a cooperative agreement to pursue a public transit facility and adjacent private transit-oriented development. GoTriangle and RTF selected a developer to advance both the public transit facility under GoTriangle's direction and plan for private transit-oriented development under Research Triangle Foundation's direction. In FY2026, GoTriangle plans to complete schematic design of the facility, complete the NEPA environmental clearance process, and work with the Research Triangle Foundation to move the project forward toward construction (anticipated to begin in FY2027).

Bus Operations Maintenance Facility Modernization and Expansion

Nelson Road Bus Operations and Maintenance Facility Modernization and Expansion project at GoTriangle's current bus operations facility in Morrisville will ensure that our agency has the capacity to service and maintain the fleet necessary for future service increases included in the three counties' transit plans. In addition to expanding capacity, the project also will be designed to improve employee quality of life and support the well-being of transit operators, dispatchers, mechanics, service attendants and others who work there. In FY2025, GoTriangle selected and entered a contract with a designer and advanced procurement to select a construction manager at risk to prepare to move the project forward into design and construction.

Awards and Acknowledgements

GoTriangle is required by state law to have an independent financial audit. A compliance audit on federal and state financial assistance programs is also required under the revised federal Single Audit Act of 1996 and the State Single Audit Implementation Act. GoTriangle's auditors, Mauldin & Jenkins, PLLC were selected through a formal request for proposals. The auditor's report on the Basic Financial Statements is included in the Financial Section of this report. The auditor's reports are required as part of a single audit and are found in the Compliance Section of this report. The inclusion of these reports is dependent upon GoTriangle's level of federal and state award spending during the year.

For the fiscal year ended June 30, 2025, the Authority will submit its Annual Comprehensive Financial Report (ACFR) to the Government Finance Officers Association (GFOA) for consideration in the Certificate of Achievement for Excellence in Financial Reporting Program. This program recognizes state and local governments that prepare comprehensive financial reports demonstrating transparency, full disclosure, and

adherence to generally accepted accounting principles. Management believes the accompanying ACFR substantially conforms to the program's requirements and represents an important step toward strengthening the Authority's financial reporting practices. The Authority intends to continue participating in the program in future years as part of its commitment to high standards of financial accountability and reporting.

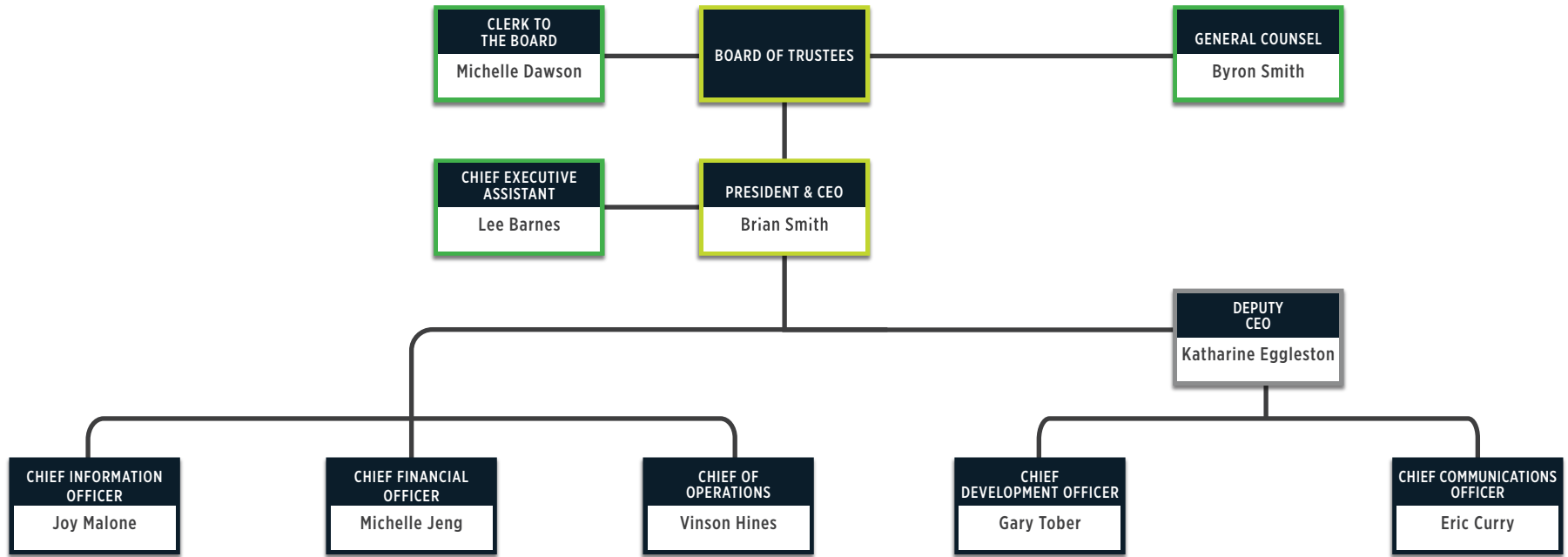
Respectfully submitted,

A handwritten signature in black ink, appearing to read "Michelle Jeng". The signature is fluid and cursive, with a large initial "M" and "J".

Michelle Jeng, CTP
Chief Financial Officer



EXECUTIVE OFFICE



FINANCIAL SECTION



Independent Auditor's Report

**To the Board of Trustees
Research Triangle Regional Public Transportation Authority
Research Triangle Park, North Carolina**

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of **Research Triangle Regional Public Transportation Authority** (the "Authority") as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Authority, as of June 30, 2025, and the respective changes in financial position and, where applicable, cash flows thereof, and the budgetary comparison statements for the General Fund, Triangle Tax District – Durham Operating Fund, Durham Special Tax District Fund, Triangle Tax District – Orange Operating Fund, Orange Special Tax District Fund, Triangle Tax District – Wake Operating Fund, and Wake Special Tax District Fund, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibility for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority's basic financial statements. The accompanying individual fund schedules and the schedule of expenditures of federal and state awards, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and the State of North Carolina Single Audit Implementation Act (collectively, "the supplementary information") are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements, and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 7, 2026, on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Authority's internal control over financial reporting and compliance.



Raleigh, North Carolina
April 7, 2026

**MANAGEMENT'S
DISCUSSION &
ANALYSIS**

RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS

Research Triangle Regional Public Transportation Authority (the "Authority") management offers readers of the Authority's financial statements this narrative overview and analysis of the financial activities of the Authority for the fiscal year ended June 30, 2025. The Authority also does business using the trade name **GoTriangle**. This is part of a branding effort with transit partners such as the City of Durham (GoDurham), the City of Raleigh (GoRaleigh) and the Town of Cary (GoCary) to clearly identify the organization and the area of transit services. Users are encouraged to read the information presented here in conjunction with additional information furnished in the Authority's financial statements.

Financial Highlights

- The assets and deferred outflows of the Authority exceeded its liabilities and deferred inflows at the close of Fiscal Year 2025 by \$1,194,316,535 (*net position*).
- Effective July 1, 2024, the North Carolina General Assembly enacted legislation increasing the maximum allowable regional motor vehicle registration tax from \$8.00 to \$10.00 annually. This statutory amendment authorized regional transportation authorities, including the Research Triangle Regional Public Transportation Authority, to implement the additional \$2.00 levy upon adoption by the participating counties. The applicable counties subsequently approved the increase during fiscal year 2025.
- The Authority's total net position increased by \$174,074,813, excluding error corrections. The Wake Tax District Funds (operating and capital) contributed \$122,509,791 of net revenue to the Authority's net position. Planning for a Raleigh Bus Rapid Transit system. Per the original strategic plan, the Wake Transit District is building financial resources to fund the initial construction of major projects and improve the ratings of any debt that may be issued. Additionally, investment income including unrealized gain / (loss) for all funds totaled \$42,592,285, which has significantly contributed to Authority revenues.
- As of the close of the current fiscal year, the Authority's governmental funds reported combined ending fund balances of \$1,063,453,726, an increase of \$148,882,293 from the prior year.
- Fund balances at year-end for governmental funds fully under the control of the Authority (the General Fund, the Major Capital Projects Fund, and the Technology Capital Project Fund) totaled \$56,866,650, which is a \$2,676,576 decrease over Fiscal Year 2024 balances. These funds should be reviewed together for an accurate view of the Authority's financial position.
- The Durham, Orange and Wake County Tax Districts increased their fund balances in Fiscal Year 2025 over Fiscal Year 2024. Specifically, Durham County Tax District's fund balance increased by \$25,457,758, Orange County Tax District's fund balance increased by \$3,591,320, and Wake County Tax District's fund balance increased by \$122,509,791. The primary increase is due to revenue collections outpacing expenditures. These funds are presented separately in the financial statements as operating and capital funds for each tax district.
- The Tax Districts are legally separate entities, and the Authority has fiduciary responsibilities and limitations on how the funds may be expended. Activities in the districts are discussed in more detail below.

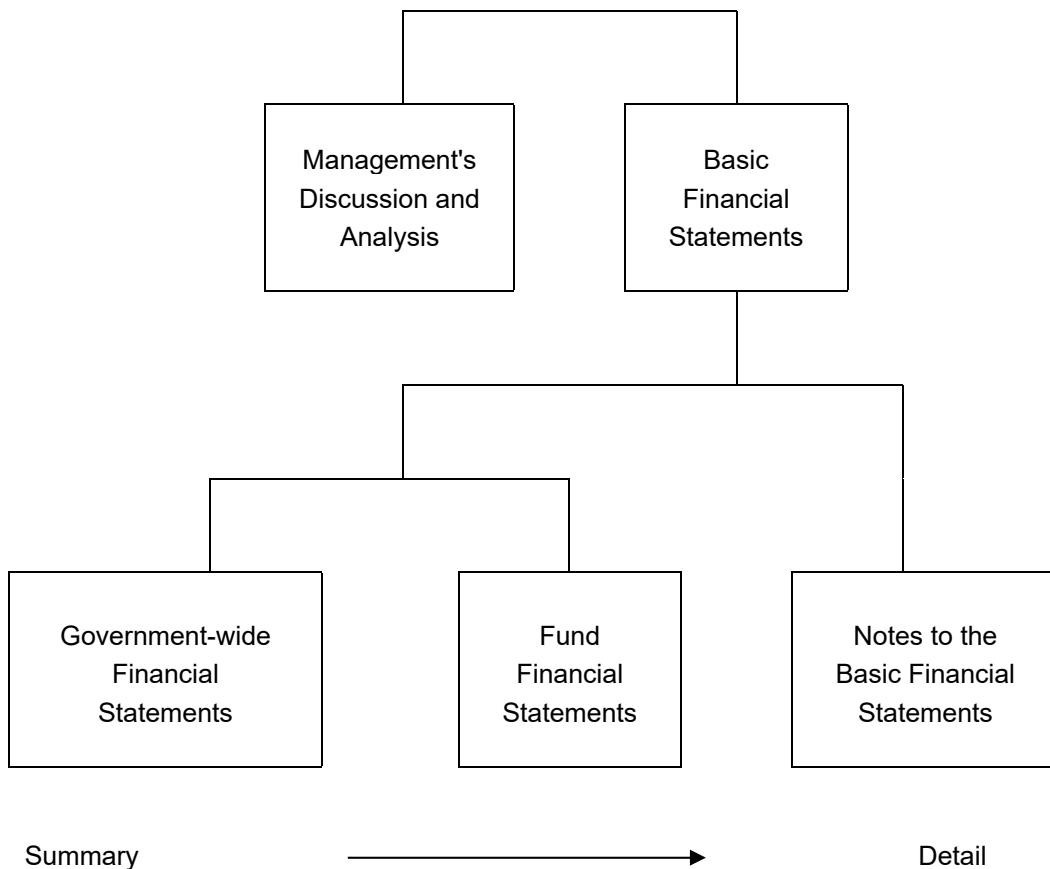
RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Authority's basic financial statements. The Authority's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements (see Figure 1). The basic financial statements present two different views of the Authority through the use of government-wide financial statements and fund financial statements. In addition to the basic financial statements, this report contains other supplemental information that will enhance the reader's understanding of the financial condition of the Research Triangle Regional Public Transportation Authority.

Required Components of Annual Financial Report

Figure 1



RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS

Basic Financial Statements

The first two statements (pages 16 through 17) in the basic financial statements are the **Government-Wide Financial Statements**. They provide both short-term and long-term information about the Authority's financial status.

The next statements (pages 18 through 34) are the **Fund Financial Statements**. These statements focus on the activities of the individual parts of the Authority's government. These statements provide more detail than the government-wide financial statements. There are three parts to the fund financial statements: 1) the governmental fund statements, 2) the budgetary comparison statements, and 3) the proprietary fund statements.

The next section of the basic financial statements is the **notes** (pages 35 to 65). The notes to the financial statements explain in detail some of the data contained in those statements. After the notes, **supplemental information** is provided to show details about the Authority's individual funds. Budgetary information required by the North Carolina General Statutes also can be found in this part of the statements.

Government-Wide Financial Statements – The government-wide financial statements are designed to provide the reader with a broad overview of the Authority's finances, similar in format to a financial statement of a private-sector business. The government-wide financial statements provide short-term and long-term information about the Authority's financial status as a whole.

The two government-wide financial statements report the Authority's net position and how it has changed. Net position is the difference between the Authority's total assets and total liabilities. Measuring net position is one way to gauge the Authority's financial condition.

The government-wide financial statements are divided into two categories: governmental activities and business-type activities. The governmental activities include most of the Authority's basic services, such as general counsel, planning and engineering, and general administration. Vehicle registration taxes and state and federal grant funds finance most of these activities. The business-type activities are those that the Authority charges customers to provide. These include the ridesharing and bus services offered by the Authority.

Fund Financial Statements – The fund financial statements (see pages 18 through 34) provide a more detailed look at the Authority's most significant activities. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Authority, like all other governmental entities in North Carolina, uses fund accounting to ensure and reflect compliance (or non-compliance) with finance-related legal requirements, such as the General Statutes or the Authority's budget ordinance. All of the funds of the Authority can be divided into two categories: governmental funds and proprietary funds.

RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS

Governmental Funds – Governmental funds are used to account for those functions reported as governmental activities in the government-wide financial statements. Most of the Authority's basic services are accounted for in governmental funds. These funds focus on how assets can readily be converted into cash flow in and out and what monies are left at year-end that will be available for spending in the next year. Governmental funds are reported using an accounting method called *modified accrual accounting* that provides a short-term spending focus. As a result, the governmental fund financial statements give the reader a detailed short-term view that helps determine if there are more or less financial resources available to finance the Authority's programs. The relationship between government activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is described in a reconciliation that is a part of the fund financial statements.

The Authority adopts an annual budget for its General Fund, as required by the General Statutes. The budget is a legally adopted document that incorporates input from the citizens of the counties the Authority serves, the management of the Authority, and the decisions of the Board about which services to provide and how to pay for them. It also authorizes the Authority to obtain funds from identified sources to finance these current-period activities. The budgetary statement provided for the General Fund demonstrates how well the Authority complied with the budget ordinance and whether or not the Authority succeeded in providing the services as planned when the budget was adopted. The budgetary comparison statement uses the budgetary basis of accounting and is presented using the same format, language, and classifications as the legal budget document. The statement shows four columns: 1) the original budget as adopted by the board, 2) the final budget as amended by the board, 3) the actual resources, charges to appropriations, and ending balances in the General Fund, and 4) the difference or variance between the final budget and actual resources and charges. The governmental fund financial statements with budget to actual information are on pages 24-30 of this report.

Proprietary Funds - The Authority uses Enterprise Funds to account for its proprietary funds. Enterprise Funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Authority uses Enterprise Funds to account for its ridesharing and regional bus activities. These are the same as those functions shown in the business-type activities in the Statement of Net Position and the Statement of Activities. The proprietary fund financial statements are on pages 31-34 of this report.

Notes to the Financial Statements – The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements are on pages 35 through 66 of this report.

Other Information – In addition to the basic financial statements and accompanying notes, this report includes certain required supplementary information concerning the Authority's progress in funding its obligation to provide other postemployment benefits to its employees. Required supplementary information can be found on page 85 of this report.

**RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY
MANAGEMENT’S DISCUSSION AND ANALYSIS**

Government-Wide Financial Analysis

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Current and other assets	\$ 1,098,570,309	\$ 935,657,722	\$ 6,625,030	\$ 5,175,056	\$ 1,105,195,339	\$ 940,832,778
Capital assets	11,835,623	12,717,981	122,406,672	97,093,953	134,242,295	109,811,934
Total assets	1,110,405,932	948,375,703	129,031,702	102,269,009	1,239,437,634	1,050,644,712
Deferred outflows of resources	307,710	324,649	515,690	656,460	823,400	981,109
Total assets and deferred outflows	1,110,713,642	948,700,352	129,547,392	102,925,469	1,240,261,034	1,051,625,821
Other liabilities	24,297,446	21,679,099	5,328,187	1,539,134	29,625,633	23,218,233
Long term liabilities outstanding	10,030,613	1,624,550	3,088,178	2,984,267	13,118,791	4,608,817
Total liabilities	34,328,059	23,303,649	8,416,365	4,523,401	42,744,424	27,827,050
Deferred inflows of resources	1,195,889	1,177,028	2,004,186	2,380,021	3,200,075	3,557,049
Total liabilities and deferred inflows	35,523,948	24,480,677	10,420,551	6,903,422	45,944,499	31,384,099
Net position:						
Net Investment in Capital Assets	(444,572)	12,181,930	122,304,609	96,944,302	121,860,037	109,126,232
Restricted - Stabilization by State Statute	73,046,652	4,242,401	-	-	73,046,652	4,242,401
Restricted - Public transportation	762,460,994	690,143,102	-	-	762,460,994	690,143,102
Restricted - Interlocal Agreement	217,529,597	201,203,104	-	-	217,529,597	201,203,104
Restricted - Community Funding Area Program	1,426,430	1,331,247	-	-	1,426,430	1,331,247
Unrestricted (deficit)	21,170,593	15,117,891	(3,177,768)	(922,255)	17,992,825	14,195,636
Total net position	\$ 1,075,189,694	\$ 924,219,675	\$119,126,841	\$ 96,022,047	\$ 1,194,316,535	\$ 1,020,241,722

As noted earlier, net position may serve over time as one useful indicator of a government’s financial condition. The net position of the Authority exceeds liabilities by \$1,194,316,535 as of June 30, 2025. The Authority’s net position increased \$174,074,813 through operations. This compares to an increase of \$147,109,383 for the fiscal year ended June 30, 2024. The Authority’s grant expenditures from operating and capital grants was \$32,235,174.

Other impacts on the Authority’s financial operations that influenced the total net position include:

- The Authority has long-term investments in certain federal government agencies with adjustable interest rates. Overall, adjusting the investments to market resulted in gains of \$42,592,285. The Authority generally holds investments to maturity or when called by the issuer.
- The revenue received by the Wake County Tax District increased this year compared to the prior year by \$7,000,716. Wake Local Option Sales Tax revenue increased by \$2,328,190. The Interlocal Agreement controlling the funds requires that certain amounts be reserved for future uses. Those amounts are shown as “Restricted – Interlocal Agreement.”

**RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS**

*Research Triangle Regional Public Transportation Authority's Changes in Net Position
Figure 3*

Government-Wide Financial Analysis

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Revenues:						
Program revenues:						
Charges for services	\$ -	\$ 1,550,259	\$ 9,682,218	\$ 6,503,847	\$ 9,682,218	\$ 8,054,106
Operating grants and contributions	17,545,632	-	3,300,210	3,282,347	20,845,842	3,282,347
Capital grants and contributions	-	-	11,389,332	3,297,034	11,389,332	3,297,034
General revenues:						
Vehicle registration taxes	20,983,848	20,166,120	-	-	20,983,848	20,166,120
Vehicle rental taxes	16,132,550	16,158,765	-	-	16,132,550	16,158,765
Special sales tax revenues	189,952,419	190,991,049	-	-	189,952,419	190,991,049
Gain (loss) on sale of assets	3,228,350	-	(48,941)	-	3,179,409	-
Miscellaneous revenues	4,688,129	9,435,286	12,722,014	1,393,575	17,410,143	10,828,861
Investment earnings	42,557,091	30,530,491	35,194	(263,803)	42,592,285	30,266,688
Total revenues	295,088,019	268,831,970	37,080,027	14,213,000	332,168,046	283,044,970
Expenses:						
Board of Trustees	352,343	138,348	-	-	352,343	138,348
Executive Office	919,047	950,437	-	-	919,047	950,437
Human Resources	988,688	698,926	-	-	988,688	698,926
General Counsel	1,411,814	1,043,018	-	-	1,411,814	1,043,018
Real Estate & Facilities	16,356,279	348,513	-	-	16,356,279	348,513
Capital Development	631,214	668,678	-	-	631,214	668,678
Finance	3,253,443	4,017,953	-	-	3,253,443	4,017,953
Information Technology	1,713,670	-	-	-	1,713,670	-
Diversity Management	382,881	131,652	-	-	382,881	131,652
Administration	833,860	892,184	-	-	833,860	892,184
Safety & Security	1,168,802	-	-	-	1,168,802	-
Communication and Public Affairs	847,327	836,828	-	-	847,327	836,828
Commuter Rail Development	-	6,201	-	-	-	6,201
Transit Services	88,594,841	94,606,754	-	-	88,594,841	94,606,754
Miscellaneous	-	185,337	-	-	-	185,337
Regional bus service	-	-	38,164,609	26,145,577	38,164,609	26,145,577
Regional Services	-	-	2,474,415	1,972,283	2,474,415	1,972,283
Total expenses	117,454,209	104,524,829	40,639,024	28,117,860	158,093,233	132,642,689
Increase (Decrease) in net position before transfers & special items	177,633,810	164,307,141	(3,558,997)	(13,904,860)	174,074,813	150,402,281
Transfers	(26,663,791)	(8,634,936)	26,663,791	8,634,936	-	-
Special Item	-	(3,292,898)	-	-	-	(3,292,898)
Increase (Decrease) in net position	150,970,019	152,379,307	23,104,794	(5,269,924)	174,074,813	147,109,383
Net position, beginning, as restated	924,219,675	771,840,368	96,022,047	101,291,971	1,020,241,722	873,132,339
Net position, ending	\$ 1,075,189,694	\$ 924,219,675	\$ 119,126,841	\$ 96,022,047	\$ 1,194,316,535	\$ 1,020,241,722

RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS

Governmental Activities – Governmental activities increased the Authority's net position by \$150,970,019. Key elements of this significant change are as follows:

- General revenues increased from \$267,281,711 in Fiscal Year 2024 to \$277,542,387 in Fiscal Year 2025, a net increase of \$10,260,676. The Authority receives and administers local option sales tax and vehicle registration taxes on behalf of the Durham, Orange and Wake County Tax District Funds. The proceeds may only be spent to support transportation in the respective counties. In Fiscal Year 2025, \$16,132,550 vehicle rental taxes were collected. From Fiscal Year 2024 to Fiscal Year 2025, the taxes collected decreased by \$26,215. A positive trend was reflected in the investment gains reported. The long-term investments market value increased to \$870,706,056. The Authority invests in accordance with General Statute 159-30 and holds the investments until maturity or called by the issuer. Holding to maturity means that the full principal amount will be returned.
- During the fiscal year, the Authority sold a piece of land and recorded a gain on sale of asset in the amount of \$3,228,350.
- In previous years, the Information Technology, and Safety & Security departments were included with Finance and Regional Bus Services, respectively.
- During the fiscal year, the Authority entered into an agreement to reimburse the Federal Transit Administration (FTA) for the 2003 acquisition of Railroad Right-of-Way in Raleigh that was originally funded through the FTA's Capital Investment Grants (CIG) program for a proposed regional commuter rail project that was not advanced. Under the repayment agreement, GoTriangle will remit \$4.0 million annually to the FTA over the next four fiscal years. The expense for this obligation is recorded under Real Estate & Facilities.
- During the fiscal year, a net of \$26,663,791 was transferred from governmental funds to proprietary funds. This dropped the overall net increase in the governmental activities and increased the overall performance of the business-type activities.

Business-Type Activities – Business-type activities increased the Authority's net position by \$23,104,794 to \$119,126,841 after corrections of errors. Key elements for this increase are as follows:

- GoPass fees are \$1,423,835, and transit services including paratransit revenue totaled \$8,258,383, which is an increase of \$1,754,536 over Fiscal Year 2024.
- The cost of operating expenditures increased by \$12,521,164.
- The Rideshare Fund showed a net operating loss of \$877,105 for Fiscal Year 2025, compared to a loss of \$454,440 in Fiscal Year 2024.
- The Regional Bus Service Fund showed a net operating loss of \$14,057,477 for Fiscal Year 2025, compared to a loss of \$16,804,545 in Fiscal Year 2024.
- The Regional Bus Service Fund had capital contributions in the amount of \$24,980,902 of which \$13,591,570 was from governmental funds and \$11,389,332 from the Regional bus Capital Project Fund.
- Funds were received from the General Fund to offset the operating deficit in the Regional Bus Service Fund and the Rideshare Fund.

RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS

Financial Analysis of the Authority's Funds

As noted earlier, the Authority uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds – The focus of the Authority's governmental funds is to provide information on near-term inflows, outflows, and balances of usable resources. Such information is useful in assessing the Authority's financing requirements. Specifically, unreserved fund balance can be a useful measure of a government's net resources available for spending at the end of the fiscal year.

The General Fund is the chief operating fund of the Authority. At the end of the current fiscal year, the total fund balance was \$16,607,306, a decrease of \$4,253,465, excluding a correction of error. Revenues increased by \$16,790,333. Expenditures increased by \$8,144,333. Transfers out in the amount of \$13,727,392 also contributed to the net decrease in the General Fund.

On an annual basis, the Board of Trustees authorizes the renewal of capital funding allocations for the Durham, Wake, and Orange County Transit Plans. In recent fiscal years, actual expenditures incurred by county partners have been below the approved funding levels, resulting in the accumulation of carryforward balances. Article 43 revenues declined by \$1,038,630 in the current fiscal year; however, prior-year collections exceeded original estimates and contributed to overall revenue growth. Additionally, investment income increased by \$12,026,600. Collectively, these factors have resulted in sustained and incremental growth in fund balance.

Key activities at the major fund level included the following:

- Triangle Tax District – Durham Operating revenues increased by 144.1% and the expenditures increased by 44.5%.
- Triangle Tax District – Durham Special Tax District revenues and expenditures experienced a 1.4% growth.
- Triangle Tax District – Orange Operating revenues decreased by 4.9% and expenditures increased by 16.8%.
- Triangle Tax District – Orange Special Tax District revenues and expenditures experienced a 1.4% growth.
- Triangle Tax District – Wake Operating experienced a decrease in revenues of 0.1% and expenditures increased by 50.4%.
- Triangle Tax District – Wake Special Tax District revenues and expenditures experienced a 2.0% growth.
- Within the Triangle Tax District – Durham, Orange and Wake Capital, total revenues increased by 3.5% and expenditures increased by 61.3%.

**RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY
MANAGEMENT’S DISCUSSION AND ANALYSIS**

General Fund Budgetary Highlights – During the fiscal year, the Authority made revisions to the budget. Generally, budget amendments fall into one of three categories: 1) amendments that are made to adjust the estimates when updated information is available, 2) amendments that are made to recognize new funding amounts from external sources, such as federal and state grants, and 3) any increases in appropriations necessary to maintain services.

The most significant budget amendment reflects the Authority’s obligation to reimburse the Federal Transit Administration (FTA) for the 2003 acquisition of Railroad Right-of-Way in Raleigh that was originally funded through the FTA’s Capital Investment Grants (CIG) program for a proposed regional commuter rail project that was not advanced. Under the repayment agreement, GoTriangle will remit \$4.0 million annually to the FTA over the next four fiscal years.

Proprietary Funds – The Authority’s proprietary funds provide the same type of information found in the government-wide financial statements but in more detail. The Ridesharing Fund shows a positive net position of \$456,413 at the end of the current fiscal year, which is \$150,346 less than the net position at the end of the previous fiscal year. Net position for the Regional Bus Service Fund increased by \$23,255,140, exclusive of error corrections, to a net position of \$118,670,428 at the end of the current fiscal year.

Capital Assets

Capital Assets – The Authority’s investment in capital assets for its governmental and business-type activities as of June 30, 2025 totaled \$134,242,295 (net of accumulated depreciation/amortization). This was an increase from the \$109,811,933 as of June 30, 2024. These assets include buildings, land, rights of way, equipment, building improvements, vehicles, equipment and property leases, IT subscriptions, and construction in progress (CIP).

Major capital asset transactions during the year include the following additions and disposals:

- In summary, the Authority recognizes the right-to-use assets related to building and equipment leases and IT subscriptions totaling \$390,010 at June 30, 2025. A corresponding lease and subscription liability of \$382,258 is reported at fiscal year-end for amounts payable under these arrangements.
- Certain lease agreements include service components that are not attributable to the right to use the underlying asset. For example, copier lease agreements commonly include maintenance charges, which are account for separately as period expenses.
- During the fiscal year, the Authority concluded one of its lease arrangements and reduced its outstanding lease obligations by \$56,557 through the termination of the contract. No new equipment leases were executed during the year. Right-to-use leased assets are presented in Figure 4.
- The full listing of capital assets was reviewed during the year.

**RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY
MANAGEMENT’S DISCUSSION AND ANALYSIS**

Capital Assets (Continued)

Figure 4

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Land	\$ 6,694,449	\$ 6,734,446	\$ 23,443,138	\$ 23,443,138	\$ 30,137,587	\$ 30,177,584
Right-of-way	-	-	24,500,000	24,500,000	24,500,000	24,500,000
Buildings	2,840,026	3,048,315	3,242,632	3,543,379	6,082,658	6,591,694
Building Improvements	1,614,466	1,801,412	4,102,872	2,932,997	5,717,338	4,734,409
Equipment and Vehicles	396,583	603,044	17,451,323	14,099,453	17,847,906	14,702,497
Equipment Leases	36,289	98,315	-	-	36,289	98,315
Building Lease	5,730	40,112	-	-	5,730	40,112
IT Subscriptions	248,080	392,336	99,911	149,866	347,991	542,202
Construction in Progress	-	-	49,566,796	28,425,120	49,566,796	28,425,120
Total	\$ 11,835,623	\$ 12,717,980	\$ 122,406,672	\$ 97,093,953	\$ 134,242,295	\$ 109,811,933

Additional information regarding capital assets can be found in Note 5 of the Notes to the Basic Financial Statements.

Debt Administration

The long-term obligations shown on the Statement of Net Position represent the long-term liability for the OPEB liability, compensated absences, subscription liabilities and lease liabilities. The OPEB liability had a net increase of \$120,055, compensated absences had a net increase of \$615,988, subscription liabilities had a decrease of \$192,979, and lease liabilities had a decrease of \$110,465 during the year.

In the current year, the Authority recognized an obligation to reimburse the Federal Transit Administration (FTA) for the 2003 acquisition of Railroad Right-of-Way in Raleigh that was originally funded through the FTA’s Capital Investment Grants (CIG) program for a proposed regional commuter rail project that was not advanced. Under the repayment agreement, GoTriangle will remit \$4.0 million annually to the FTA over the next four fiscal years.

Additional information can be found in Note 7 of the Notes to the Basic Financial Statements.

**RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY
MANAGEMENT’S DISCUSSION AND ANALYSIS**

Budget Highlights for the Fiscal Year Ending June 30, 2026

Governmental Activities – Total revenues budgeted for FY 2026 are \$141.1 million, consisting of \$40.9 million in the General Fund, \$27.8 million in the TDA Durham Fund, \$8.3 million in the TDA Orange Fund, and \$64.1 million in the TDA Wake Fund.

The primary revenue sources supporting governmental activities include the Article 43 Local Government Public Transportation one-half cent sales tax of \$85.4 million; the Article 50 privilege tax on gross receipts (5% vehicle rental tax) of \$16.8 million; and Article 51 (Regional Transit Authority Registration Tax) and Article 52 (County Vehicle Registration Tax) revenues—comprising the \$3, \$5, and \$7 vehicle registration taxes—totaling \$9.8 million. Investment income is budgeted at \$1.3 million.

Budgeted departmental expenditures in the General Fund total \$40.9 million. Capital expenditures within the Durham, Orange, and Wake County tax district funds are budgeted at \$168.4 million.

Business-Type Activities – Total revenues budgeted for FY 2026 are \$36.9 million. The principal sources of revenue include transit service revenues of \$12.7 million; federal and state grants of \$5.0 million; and other revenues of \$3.9 million.

Total budgeted departmental expenditures are \$36.9 million. Transfers from the General Fund in the amount of \$15.2 million are budgeted to subsidize operations and offset the gap between operating revenues and expenditures.

Requests for Information

This report is designed to provide an overview of the Authority’s finances for those with an interest in this area. Questions concerning any of the information found in this report or requests for additional information should be directed to the Finance Department, Research Triangle Regional Public Transportation Authority, PO Box 13787, RTP, NC 27709.

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BASIC FINANCIAL STATEMENTS

RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY
Statement of Net Position
June 30, 2025

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 149,018,809	\$ -	\$ 149,018,809
Receivables	8,802,686	1,422,286	10,224,972
Accrued interest receivable	1,273,613	-	1,273,613
Due from other governments	65,871,386	5,339,920	71,211,306
Internal balances	2,139,177	(2,139,177)	-
Investments	869,921,855	784,201	870,706,056
Inventories	-	1,217,800	1,217,800
Prepaid items	1,542,783	-	1,542,783
Total current assets	<u>1,098,570,309</u>	<u>6,625,030</u>	<u>1,105,195,339</u>
Noncurrent assets:			
Capital assets:			
Land	6,694,449	23,443,138	30,137,587
Construction in progress	-	49,566,796	49,566,796
Right-of-way	-	24,500,000	24,500,000
Other capital assets, net of depreciation	4,851,075	24,796,827	29,647,902
Right to use assets, net of amortization	290,099	99,911	390,010
Capital assets	<u>11,835,623</u>	<u>122,406,672</u>	<u>134,242,295</u>
Total assets	<u>1,110,405,932</u>	<u>129,031,702</u>	<u>1,239,437,634</u>
DEFERRED OUTFLOWS OF RESOURCES			
Other Post Employment Benefit deferrals	<u>307,710</u>	<u>515,690</u>	<u>823,400</u>
LIABILITIES			
Current liabilities:			
Grant repayment obligation	4,000,000	-	4,000,000
Accounts payable and accrued liabilities	19,732,502	4,718,290	24,450,792
Accrued wages and benefits	53,449	146,578	200,027
Compensated absences	311,738	299,211	610,949
Lease & subscription liabilities	159,741	49,848	209,589
Total OPEB liability	40,016	114,260	154,276
Total current liabilities	<u>24,297,446</u>	<u>5,328,187</u>	<u>29,625,633</u>
Noncurrent liabilities:			
Grant repayment obligation	8,000,000	-	8,000,000
Compensated absences	829,615	1,272,281	2,101,896
Lease & subscription liabilities	120,454	52,215	172,669
Total OPEB liability	1,080,544	1,763,682	2,844,226
Total noncurrent liabilities	<u>10,030,613</u>	<u>3,088,178</u>	<u>13,118,791</u>
Total liabilities	<u>34,328,059</u>	<u>8,416,365</u>	<u>42,744,424</u>
DEFERRED INFLOWS OF RESOURCES			
Other Post Employment Benefit deferrals	<u>1,195,889</u>	<u>2,004,186</u>	<u>3,200,075</u>
NET POSITION			
Net investment in capital assets	(444,572)	122,304,609	121,860,037
Restricted for:			
Stabilization by State statute	73,046,652	-	73,046,652
Public transportation	762,460,994	-	762,460,994
Interlocal Agreement	217,529,597	-	217,529,597
Community Funding Area Program	1,426,430	-	1,426,430
Unrestricted (deficit)	21,170,593	(3,177,768)	17,992,825
Total net position	<u>\$ 1,075,189,694</u>	<u>\$ 119,126,841</u>	<u>\$ 1,194,316,535</u>

The accompanying notes are an integral part of the financial statements.

RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY
Statement of Activities
For the Fiscal Year Ended June 30, 2025

Functions/Programs	Program Revenue				Net (Expenses) Revenue and Change in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
Primary Government					Governmental Activities	Business-Type Activities	Total
Governmental activities:							
General government	\$ 28,859,368	\$ -	\$ -	\$ -	\$ (28,859,368)	\$ -	\$ (28,859,368)
Transit services	88,594,841	-	17,545,632	-	(71,049,209)	-	(71,049,209)
Total governmental activities	<u>117,454,209</u>	<u>-</u>	<u>17,545,632</u>	<u>-</u>	<u>(99,908,577)</u>	<u>-</u>	<u>(99,908,577)</u>
Business-type activities:							
Regional bus service	38,213,550	9,682,218	2,822,173	11,389,332	-	(14,319,827)	(14,319,827)
Ridesharing	2,474,415	-	478,037	-	-	(1,996,378)	(1,996,378)
Total business-type activities	<u>40,687,965</u>	<u>9,682,218</u>	<u>3,300,210</u>	<u>11,389,332</u>	<u>-</u>	<u>(16,316,205)</u>	<u>(16,316,205)</u>
Total primary government	<u>\$ 158,142,174</u>	<u>\$ 9,682,218</u>	<u>\$ 20,845,842</u>	<u>\$ 11,389,332</u>	<u>(99,908,577)</u>	<u>(16,316,205)</u>	<u>(116,224,782)</u>
General revenues:							
Taxes:							
Vehicle registration taxes					20,983,848	-	20,983,848
Vehicle rental taxes					16,132,550	-	16,132,550
Special tax revenues					189,952,419	-	189,952,419
Miscellaneous revenues					4,688,129	12,722,014	17,410,143
Gain (loss) on sale of capital assets					3,228,350	-	3,228,350
Unrestricted investment earnings					42,557,091	35,194	42,592,285
Total general revenues excluding transfers					<u>277,542,387</u>	<u>12,757,208</u>	<u>290,299,595</u>
Transfers					<u>(26,663,791)</u>	<u>26,663,791</u>	<u>-</u>
Total general revenues and transfers					<u>250,878,596</u>	<u>39,420,999</u>	<u>290,299,595</u>
Change in net position					<u>150,970,019</u>	<u>23,104,794</u>	<u>174,074,813</u>
Net position - beginning					<u>992,598,144</u>	<u>20,185,551</u>	<u>1,012,783,695</u>
Error correction (note 12)					<u>(68,378,469)</u>	<u>75,836,496</u>	<u>7,458,027</u>
Net position - beginning, as restated					<u>924,219,675</u>	<u>96,022,047</u>	<u>1,020,241,722</u>
Net position - ending					<u>\$ 1,075,189,694</u>	<u>\$ 119,126,841</u>	<u>\$ 1,194,316,535</u>

The accompanying notes are an integral part of the financial statements.

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RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY
Balance Sheet
Governmental Funds
June 30, 2025

	Major Funds				
	General Fund	Triangle Tax District - Durham Operating	Durham Special Tax District	Triangle Tax District - Orange Operating	Orange Special Tax District
ASSETS					
Cash and cash equivalents	\$ 1,813,464	\$ 29,455,552	\$ 5,203,070	\$ 2,136,573	\$ 2,489,560
Taxes receivable, net:					
Vehicle registration taxes	2,229,840	439,996	189,810	206,080	88,761
Refundable sales tax	266,090	-	-	-	-
Local option sales tax	-	10,114,603	-	3,072,861	-
Governmental agencies	442,545	-	-	-	-
Rental tax	-	-	-	-	-
Accrued interest	56,953	141,375	-	-	-
Other miscellaneous receivables	60,327	-	-	-	-
Prepaid expenditures	1,542,783	-	-	-	-
Due from other funds	4,950,905	-	-	-	-
Investments	14,106,234	56,464,475	-	3,246,183	-
Total assets	<u>25,469,141</u>	<u>96,616,001</u>	<u>5,392,880</u>	<u>8,661,697</u>	<u>2,578,321</u>
LIABILITIES					
Accounts payable and accrued liabilities	134,953	5,627,389	-	875,635	-
Due to other funds	8,284,026	2,169,706	-	627,330	-
Accrued wages and benefits	53,449	-	-	-	-
Total liabilities	<u>8,472,428</u>	<u>7,797,095</u>	<u>-</u>	<u>1,502,965</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue	-	-	-	-	-
FUND BALANCES					
Nonspendable					
Prepaid expenditures	1,542,783	-	-	-	-
Restricted - Stabilization by State Statute	8,006,660	10,695,974	189,810	3,278,941	88,761
Restricted - Public Transportation	-	71,267,380	5,203,070	1,835,519	2,489,560
Restricted - Interlocal Agreement	-	6,855,552	-	2,044,272	-
Restricted - Community Funding Area Program	-	-	-	-	-
Assigned - Subsequent Years Expenditures	4,500,000	-	-	-	-
Unassigned	2,947,270	-	-	-	-
Total fund balances	<u>16,996,713</u>	<u>88,818,906</u>	<u>5,392,880</u>	<u>7,158,732</u>	<u>2,578,321</u>
Total liabilities and fund balances	<u>\$ 25,469,141</u>	<u>\$ 96,616,001</u>	<u>\$ 5,392,880</u>	<u>\$ 8,661,697</u>	<u>\$ 2,578,321</u>

The accompanying notes are an integral part of the financial statements.

Major Funds							
Triangle Tax District - Wake Operating	Wake Special Tax District	Major Capital Projects Fund	Triangle Tax District - Durham Capital	Triangle Tax District - Orange Capital	Triangle Tax District - Wake Capital	Non-Major Governmental Fund	Total Governmental Funds
\$ 82,608,771	\$ -	\$ 13,027,707	\$ 345,362	\$ -	\$ 11,938,750	\$ -	\$ 149,018,809
1,812,160	781,509	-	-	-	-	-	5,748,156
-	-	-	-	-	-	-	266,090
36,411,549	-	-	-	-	-	-	49,599,013
8,860,000	-	-	-	-	-	-	9,302,545
-	-	955,582	-	-	-	-	955,582
963,411	-	111,874	-	-	-	-	1,273,613
8,685,632	-	2,000	-	-	-	54,727	8,802,686
-	-	-	-	-	-	-	1,542,783
1,659,987	-	6,624,039	-	-	-	-	13,234,931
17,270,342	-	19,507,238	103,759,627	17,801,552	637,766,204	-	869,921,855
<u>158,271,852</u>	<u>781,509</u>	<u>40,228,440</u>	<u>104,104,989</u>	<u>17,801,552</u>	<u>649,704,954</u>	<u>54,727</u>	<u>1,109,666,063</u>
12,303,885	781,509	-	-	-	-	9,131	19,732,502
-	-	-	-	-	-	14,692	11,095,754
-	-	-	-	-	-	-	53,449
<u>12,303,885</u>	<u>781,509</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>23,823</u>	<u>30,881,705</u>
15,330,632	-	-	-	-	-	-	15,330,632
-	-	-	-	-	-	-	1,542,783
43,062,107	-	7,693,495	-	-	-	30,904	73,046,652
70,336,158	-	32,534,945	59,335,259	15,498,857	503,960,246	-	762,460,994
15,812,640	-	-	44,769,730	2,302,695	145,744,708	-	217,529,597
1,426,430	-	-	-	-	-	-	1,426,430
-	-	-	-	-	-	-	4,500,000
-	-	-	-	-	-	-	2,947,270
130,637,335	-	40,228,440	104,104,989	17,801,552	649,704,954	30,904	1,063,453,726
<u>\$ 158,271,852</u>	<u>\$ 781,509</u>	<u>\$ 40,228,440</u>	<u>\$ 104,104,989</u>	<u>\$ 17,801,552</u>	<u>\$ 649,704,954</u>	<u>\$ 54,727</u>	<u>\$ 1,109,666,063</u>

The accompanying notes are an integral part of the financial statements.

RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY
Reconciliation of the Balance Sheet to the Statement of Net Position
Governmental Funds
June 30, 2025

Fund Balances - Governmental Funds \$ 1,063,453,726

Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.

Gross capital assets at historical cost	25,551,025	
Accumulated depreciation	(14,005,501)	
Right to use assets	837,456	
Accumulated amortization	<u>(547,357)</u>	
		11,835,623

Some liabilities are not due and payable in the current period and therefore are not reported in the funds:

Other post-employment benefits	(1,120,560)
Compensated absences	(1,141,353)
Lease and subscription liabilities	(280,195)
Grant repayment liability	(12,000,000)

Some revenue is not a receivable in the current period and therefore are not reported in the funds:

Grant receivable	6,645,000
Investment receivable	8,685,632

Deferred inflows of resources related to OPEB are not reported in the funds (1,195,889)

Deferred outflows of resources related to OPEB are not reported in the funds 307,710

Net position of governmental activities \$ 1,075,189,694

The accompanying notes are an integral part of the financial statements.

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RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2025

	Major Funds				
	General Fund	Triangle Tax District- Durham Operating	Durham Special Tax District	Triangle Tax District Orange Operating	Orange Special Tax District
REVENUES					
Restricted intergovernmental revenues:					
State grant revenues	\$ -	\$ -	\$ -	\$ -	\$ -
Vehicle registration taxes	7,305,020	1,727,513	741,582	815,143	349,788
Special tax revenue	-	15,242,187	-	4,646,801	-
Other revenue	3,264,612	-	-	-	-
Vehicle rental tax	12,414,903	799,294	-	390,353	-
Net gain (loss) on investments	522,290	2,806,473	-	190,533	-
Total revenues	<u>23,506,825</u>	<u>20,575,467</u>	<u>741,582</u>	<u>6,042,830</u>	<u>349,788</u>
EXPENDITURES					
Current:					
Board of Trustees	345,229	-	-	-	-
Executive Office	914,116	-	-	-	-
Human Resources	983,140	-	-	-	-
General Counsel	1,404,417	-	-	-	-
Real Estate & Facilities	354,429	-	-	-	-
Capital Development	570,552	-	-	-	-
Finance	2,493,885	-	-	-	-
Information Technology	1,704,424	-	-	-	-
Diversity Management	381,031	-	-	-	-
Administration	589,161	-	-	-	-
Safety & Security	1,162,638	-	-	-	-
Communication and Public Affairs	843,012	-	-	-	-
Transit Services	598,136	15,598,355	-	5,717,968	-
Debt Service:					
Principal	4,165,025	9,110	-	6,059	-
Interest and other charges	28,231	2,691	-	1,737	-
Total expenditures	<u>16,537,426</u>	<u>15,610,156</u>	<u>-</u>	<u>5,725,764</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>6,969,399</u>	<u>4,965,311</u>	<u>741,582</u>	<u>317,066</u>	<u>349,788</u>
Other Financing Sources (Uses)					
Transfers from other funds	884,539	741,582	-	349,788	-
Transfers (to) other funds	(13,337,985)	(367,802)	(741,582)	(137,474)	(349,788)
Proceeds from sale of capital asset	1,619,989	1,648,358	-	-	-
Total other financing sources (uses)	<u>(10,833,457)</u>	<u>2,022,138</u>	<u>(741,582)</u>	<u>212,314</u>	<u>(349,788)</u>
Net change in fund balances	(3,864,058)	6,987,449	-	529,380	-
Fund balances - beginning	21,847,130	81,831,457	5,392,880	6,629,352	2,578,321
Error correction (note 12)	(986,359)	-	-	-	-
Fund balances - beginning, as restated	<u>20,860,771</u>	<u>81,831,457</u>	<u>5,392,880</u>	<u>6,629,352</u>	<u>2,578,321</u>
Fund balances - ending	<u>\$ 16,996,713</u>	<u>\$ 88,818,906</u>	<u>\$ 5,392,880</u>	<u>\$ 7,158,732</u>	<u>\$ 2,578,321</u>

The accompanying notes are an integral part of the financial statements.

Major Funds							
Triangle Tax District - Wake Operating	Wake Special Tax District	Major Capital Projects Fund	Triangle Tax District - Durham Capital	Triangle Tax District - Orange Capital	Triangle Tax District - Wake Capital	Non-Major Governmental Fund	Total Governmental Funds
\$ 2,215,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,215,000
7,028,476	3,016,326	-	-	-	-	-	20,983,848
36,311,333	-	-	24,341,741	6,624,456	102,785,901	-	189,952,419
960,790	-	24,000	-	-	389,407	49,320	4,688,129
2,528,000	-	-	-	-	-	-	16,132,550
264,046	-	1,568,835	4,562,322	831,343	31,811,249	-	42,557,091
<u>49,307,645</u>	<u>3,016,326</u>	<u>1,592,835</u>	<u>28,904,063</u>	<u>7,455,799</u>	<u>134,986,557</u>	<u>49,320</u>	<u>276,529,037</u>
-	-	-	-	-	-	-	345,229
-	-	-	-	-	-	-	914,116
-	-	-	-	-	-	-	983,140
-	-	-	-	-	-	-	1,404,417
-	-	-	-	-	-	-	354,429
-	-	-	-	-	-	-	570,552
-	-	-	-	-	-	-	2,493,885
-	-	-	-	-	-	-	1,704,424
-	-	-	-	-	-	-	381,031
-	-	-	-	-	-	228,046	817,207
-	-	-	-	-	-	-	1,162,638
-	-	-	-	-	-	-	843,012
38,095,070	-	-	10,433,754	4,393,859	26,796,973	-	101,634,115
19,105	-	-	-	-	-	-	4,199,299
2,717	-	-	-	-	-	-	35,376
<u>38,116,892</u>	<u>-</u>	<u>-</u>	<u>10,433,754</u>	<u>4,393,859</u>	<u>26,796,973</u>	<u>228,046</u>	<u>117,842,870</u>
11,190,753	3,016,326	1,592,835	18,470,309	3,061,940	108,189,584	(178,726)	158,686,167
3,119,310	-	-	-	-	-	162,780	5,257,999
(379,263)	(3,016,326)	-	-	-	-	-	(18,330,220)
-	-	-	-	-	-	-	3,268,347
<u>2,740,047</u>	<u>(3,016,326)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>162,780</u>	<u>(9,803,874)</u>
13,930,800	-	1,592,835	18,470,309	3,061,940	108,189,584	(15,946)	148,882,293
116,706,535	-	37,649,246	85,634,680	14,739,612	541,515,370	46,850	914,571,433
-	-	986,359	-	-	-	-	-
<u>116,706,535</u>	<u>-</u>	<u>38,635,605</u>	<u>85,634,680</u>	<u>14,739,612</u>	<u>541,515,370</u>	<u>46,850</u>	<u>914,571,433</u>
<u>\$ 130,637,335</u>	<u>\$ -</u>	<u>\$ 40,228,440</u>	<u>\$ 104,104,989</u>	<u>\$ 17,801,552</u>	<u>\$ 649,704,954</u>	<u>\$ 30,904</u>	<u>\$ 1,063,453,726</u>

The accompanying notes are an integral part of the financial statements.

RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY
**Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund
Balances of Governmental Funds to the Statement of Activities**
For the Fiscal Year Ended June 30, 2025

Amounts reported for governmental activities in the Statement of Activities are different because:

Net changes in fund balances - total governmental funds	\$	148,882,293
<p>Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation and amortization expense.</p>		
Net book value of disposed assets		(39,997)
Depreciation/amortization		(797,524)
		(837,521)
<p>The issuance of long-term debt provided financial resources to governmental funds, while repayment of the principal of long-term debt consumes the current financial resources of governmental funds.</p>		
Principal payments		199,299
<p>Some revenue reported in the statement of activities does not meet the receipt of current financial resources and therefore is not reported as revenue in governmental funds.</p>		
Grant receivable		6,645,000
Investment receivable		8,685,632
<p>The authority is required to repay grant funds received in a prior year. Governmental funds will record the repayment as due and payable in accordance with the agreement, while governmental activities will reflect the full outstanding balance due.</p>		
		(12,000,000)
<p>Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.</p>		
Other post-employment benefits		(168,081)
Deferred inflows		(18,861)
Deferred outflows		(16,939)
Compensated absences		(412,523)
Early termination of right to use lease liability		56,557
Loss on right to use lease asset disposal		(44,837)
		(1,038,684)
Total changes in net position of governmental activities	\$	150,970,019

The accompanying notes are an integral part of the financial statements.

RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY
General Fund
Statement of Revenues, Expenditures And Changes in Fund Balances - Budget and Actual
For The Fiscal Year Ended June 30, 2025

	Budget Amounts		Actual Amount	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Unrestricted intergovernmental revenues				
Indirect cost credits	\$ 1,866,532	\$ 1,866,532	\$ -	\$ (1,866,532)
\$5 Vehicle registration tax	6,897,938	6,897,938	7,305,020	407,082
Vehicle rental tax	14,870,715	14,870,715	12,414,903	(2,455,812)
Other revenue	308,000	308,000	3,264,612	2,956,612
Net gain (loss) on investments	1,259,000	1,259,000	522,290	(736,710)
Total revenues	<u>25,202,185</u>	<u>25,202,185</u>	<u>23,506,825</u>	<u>(1,695,360)</u>
EXPENDITURES				
Current:				
Board of Trustees	239,261	363,681	345,229	18,452
Executive Office	832,422	947,516	914,116	33,400
Safety & Security	1,495,561	1,430,602	1,162,638	267,964
Human Resources	1,325,728	1,136,995	983,140	153,855
Communications & Public Relations	1,152,952	1,054,802	843,012	211,790
Legal	1,176,194	1,315,207	1,404,417	(89,210)
Real Estate & Facilities	892,676	874,848	354,429	520,419
Capital Development	681,699	516,607	570,552	(53,945)
Finance	2,207,117	2,598,350	2,493,885	104,465
Information Technology	1,340,463	3,010,235	1,704,424	1,305,811
Administration	554,714	546,757	589,161	(42,404)
Diversity Management	431,710	423,071	381,031	42,040
Transit Services	-	-	598,136	(598,136)
Debt service:				
Principal	-	4,000,000	4,165,025	(165,025)
Interest and other charges	-	-	28,231	(28,231)
Total expenditures	<u>12,330,497</u>	<u>18,218,671</u>	<u>16,537,426</u>	<u>1,681,245</u>
Revenues over (under) expenditures	<u>12,871,688</u>	<u>6,983,514</u>	<u>6,969,399</u>	<u>(14,115)</u>
OTHER FINANCING SOURCES (USES)				
Transfers from other funds	884,539	884,539	884,539	-
Transfers (to) other funds	(18,065,822)	(16,952,648)	(13,337,985)	3,614,663
Proceeds from sale of asset	-	-	1,619,989	1,619,989
Total other financing sources (uses)	<u>(17,181,283)</u>	<u>(16,068,109)</u>	<u>(10,833,457)</u>	<u>5,234,652</u>
Revenues over (under) expenditures and other financing sources (uses)	<u>(4,309,595)</u>	<u>(9,084,595)</u>	<u>(3,864,058)</u>	<u>5,220,537</u>
Fund balance appropriated	<u>4,309,595</u>	<u>9,084,595</u>	-	<u>(9,084,595)</u>
Excess (deficiency) of revenues over expenditures and other sources and (uses)	<u>\$ -</u>	<u>\$ -</u>	<u>(3,864,058)</u>	<u>\$ (3,864,058)</u>
Fund balance, beginning			21,847,130	
Error correction (note 12)			(986,359)	
Fund balance, beginning, as restated			<u>20,860,771</u>	
Fund balance, ending			<u>\$ 16,996,713</u>	

The accompanying notes are an integral part of the financial statements.

RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY
Triangle Tax District - Durham Operating Fund
Statement of Revenues, Expenditures And Changes in Fund Balances - Budget and Actual
For The Fiscal Year Ended June 30, 2025

	Budget Amounts		Actual Amount	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Special sales tax revenue	\$ 17,080,265	\$ 16,557,713	\$ 15,242,187	\$ (1,315,526)
Vehicle rental tax	-	799,294	799,294	-
\$7 Vehicle registration tax	1,789,588	1,789,588	1,727,513	(62,075)
Investment income/Other	-	-	2,806,473	2,806,473
Total revenues	<u>18,869,853</u>	<u>19,146,595</u>	<u>20,575,467</u>	<u>1,428,872</u>
EXPENDITURES				
Tax District Administration	503,241	503,241	210,941	292,300
Transit Plan Administration				
DCHC MPO	40,801	40,801	16,230	24,571
Durham County-Access	310,142	370,684	271,014	99,670
GoDurham	379,687	479,356	168,111	311,245
GoTriangle	1,752,812	1,752,812	1,190,976	561,836
Bus Operations				
Durham County Access	332,551	332,551	255,804	76,747
GoDurham	14,012,414	13,970,945	11,181,050	2,789,895
GoTriangle	2,305,150	2,463,150	2,316,030	147,120
Total expenditures	<u>19,636,798</u>	<u>19,913,540</u>	<u>15,610,156</u>	<u>4,303,384</u>
Revenues over (under) expenditures	<u>(766,945)</u>	<u>(766,945)</u>	<u>4,965,311</u>	<u>5,732,256</u>
OTHER FINANCING SOURCES (USES)				
Transfers from other funds	766,945	766,945	741,582	(25,363)
Transfers (to) other funds*	-	-	(367,802)	(367,802)
Proceeds from sale of asset	-	-	1,648,358	1,648,358
Total other financing sources (uses)	<u>766,945</u>	<u>766,945</u>	<u>2,022,138</u>	<u>1,255,193</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing (uses)	<u>\$ -</u>	<u>\$ -</u>	<u>6,987,449</u>	<u>\$ 6,987,449</u>
Fund balance, beginning			<u>81,831,457</u>	
Fund balance, ending			<u>\$ 88,818,906</u>	

The accompanying notes are an integral part of the financial statements.

RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY
Durham Special Tax District Fund
Statement of Revenues, Expenditures And Changes in Fund Balances - Budget and Actual
For The Fiscal Year Ended June 30, 2025

	Budget Amounts		Actual Amount	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
\$3 Vehicle registration tax	\$ 766,945	\$ 766,945	\$ 741,582	\$ (25,363)
EXPENDITURES				
Total expenditures	-	-	-	-
Revenues over (under) expenditures	766,945	766,945	741,582	(25,363)
OTHER FINANCING SOURCES (USES)				
Transfers (to) other funds	(766,945)	(766,945)	(741,582)	25,363
Excess (deficiency) of revenues and other financing sources over expenditures and other financing (uses)	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>
Fund balance, beginning			<u>5,392,880</u>	
Fund balance, ending			<u>\$ 5,392,880</u>	

The accompanying notes are an integral part of the financial statements.

RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY
Triangle Tax District - Orange Operating Fund
Statement of Revenues, Expenditures And Changes in Fund Balances - Budget and Actual
For The Fiscal Year Ended June 30, 2025

	Budget Amounts		Actual Amount	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Special sales tax revenue	\$ 5,190,618	\$ 4,741,079	\$ 4,646,801	\$ (94,278)
Vehicle rental tax	-	390,353	390,353	-
\$7 Vehicle registration tax	843,646	843,646	815,143	(28,503)
Investment income/Other	-	-	190,533	190,533
Total revenues	<u>6,034,264</u>	<u>5,975,078</u>	<u>6,042,830</u>	<u>67,752</u>
EXPENDITURES				
Tax District Administration	329,284	329,284	149,429	179,855
Transit Plan Administration				
Chapel Hill Transit	150,000	150,000	129,744	20,256
DCHC MPO	40,801	40,801	4,416	36,385
GoTriangle	573,323	573,323	366,849	206,474
Orange County Public Transit	62,628	62,628	62,628	-
Transit Operations				
Chapel Hill Transit	2,560,252	2,550,637	2,550,637	-
GoTriangle	1,398,210	1,434,892	1,265,048	169,844
Orange County Public Transit	<u>1,283,362</u>	<u>1,197,109</u>	<u>1,197,013</u>	<u>96</u>
Total expenditures	<u>6,397,860</u>	<u>6,338,674</u>	<u>5,725,764</u>	<u>612,910</u>
Revenues over (under) expenditures	<u>(363,596)</u>	<u>(363,596)</u>	<u>317,066</u>	<u>680,662</u>
OTHER FINANCING SOURCES (USES)				
Transfers from other funds	363,596	363,596	349,788	(13,808)
Transfers (to) other funds*	-	-	(137,474)	(137,474)
Total other financing sources (uses)	<u>363,596</u>	<u>363,596</u>	<u>212,314</u>	<u>(151,282)</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing (uses)	<u>\$ -</u>	<u>\$ -</u>	<u>529,380</u>	<u>\$ 529,380</u>
Fund balance, beginning			<u>6,629,352</u>	
Fund balance, ending			<u>\$ 7,158,732</u>	

The accompanying notes are an integral part of the financial statements.

RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY
Orange Special Tax District Fund
Statement of Revenues, Expenditures And Changes in Fund Balances - Budget and Actual
For The Fiscal Year Ended June 30, 2025

	Budget Amounts		Actual Amount	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
\$3 Vehicle registration tax	\$ 363,596	\$ 363,596	\$ 349,788	\$ (13,808)
EXPENDITURES				
Total expenditures	-	-	-	-
Revenues over (under) expenditures	363,596	363,596	349,788	(13,808)
OTHER FINANCING SOURCES (USES)				
Transfers (to) other funds	(363,596)	(363,596)	(349,788)	13,808
Excess (deficiency) of revenues and other financing sources over expenditures and other financing (uses)	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>
Fund balance, beginning			<u>2,578,321</u>	
Fund balance, ending			<u>\$ 2,578,321</u>	

The accompanying notes are an integral part of the financial statements.

RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY
Triangle Tax District - Wake Operating Fund
Statement of Revenues, Expenditures And Changes in Fund Balances - Budget and Actual
For The Fiscal Year Ended June 30, 2025

	Budget Amounts		Actual Amount	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Special sales tax revenue	\$ 35,790,811	\$ 36,547,183	\$ 36,311,333	\$ (235,850)
Vehicle rental tax	2,528,000	2,528,000	2,528,000	-
\$7 Vehicle registration tax	7,075,000	7,075,000	7,028,476	(46,524)
State grant revenue	-	-	2,215,000	2,215,000
Investment income	-	-	264,046	264,046
Miscellaneous revenue	639,244	639,244	960,790	321,546
Total revenues	<u>46,033,055</u>	<u>46,789,427</u>	<u>49,307,645</u>	<u>2,518,218</u>
EXPENDITURES				
Tax District Administration (GoTriangle)	651,627	651,627	475,396	176,231
Transit Plan Administration				
GoTriangle	2,889,000	2,864,000	2,276,467	587,533
Capital Area Metropolitan Planning Organization	875,990	850,990	641,498	209,492
Wake County	-	110,257	65,511	44,746
City of Raleigh	2,131,046	2,131,046	1,470,739	660,307
Town of Cary	952,171	952,171	945,719	6,452
Community Funding Area				
Town of Wake Forest	425,180	106,295	106,295	-
Town of Apex	467,774	467,774	359,259	108,515
Town of Morrisville	392,804	408,534	383,805	24,729
Town of Wendell	227,495	227,495	177,765	49,730
Reserve	960,722	608,380	-	608,380
Bus Operations				
GoTriangle	6,097,930	6,133,930	4,968,694	1,165,236
City of Raleigh	27,386,365	28,365,365	22,660,196	5,705,169
Town of Cary	4,654,762	4,654,762	2,795,810	1,858,952
Wake County	804,615	804,615	789,738	14,877
Town of Wendell	4,871	4,871	-	4,871
Town of Zebulon	6,557	6,557	-	6,557
Reserve	129,146	129,146	-	129,146
Total expenditures	<u>49,058,055</u>	<u>49,477,815</u>	<u>38,116,892</u>	<u>11,360,923</u>
Revenues over (under) expenditures	<u>(3,025,000)</u>	<u>(2,688,388)</u>	<u>11,190,753</u>	<u>13,879,141</u>
OTHER FINANCING SOURCES (USES)				
Transfers from other funds	3,025,000	2,688,388	3,119,310	430,922
Transfers (to) other funds	-	-	(379,263)	(379,263)
Total other financing sources (uses)	<u>3,025,000</u>	<u>2,688,388</u>	<u>2,740,047</u>	<u>51,659</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing (uses)	<u>\$ -</u>	<u>\$ -</u>	<u>13,930,800</u>	<u>\$ 13,930,800</u>
Fund balance, beginning			<u>116,706,535</u>	
Fund balance, ending			<u>\$ 130,637,335</u>	

The accompanying notes are an integral part of the financial statements.

RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY
Wake Special Tax District Fund
Statement of Revenues, Expenditures And Changes in Fund Balances - Budget and Actual
For The Fiscal Year Ended June 30, 2025

	Budget Amounts		Actual Amount	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
\$3 Vehicle registration tax	\$ 3,025,000	\$ 3,025,000	\$ 3,016,326	\$ (8,674)
EXPENDITURES				
Total expenditures	-	-	-	-
Revenues over (under) expenditures	3,025,000	3,025,000	3,016,326	(8,674)
OTHER FINANCING SOURCES (USES)				
Transfers (to) other funds	(3,025,000)	(3,025,000)	(3,016,326)	8,674
Excess (deficiency) of revenues and other financing sources over expenditures and other financing (uses)	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>
Fund balance, beginning			-	
Fund balance, ending			<u>\$ -</u>	

The accompanying notes are an integral part of the financial statements.

RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY
Statement of Net Position
Proprietary Funds
June 30, 2025

	Proprietary Funds		
	Ridesharing Fund	Regional Bus Service Fund	Total
ASSETS			
Current assets:			
Investments	\$ -	\$ 784,201	\$ 784,201
Inventories	-	1,217,800	1,217,800
Intergovernmental receivables	775,805	4,564,115	5,339,920
Other receivables	1,057,328	364,958	1,422,286
Total current assets	<u>1,833,133</u>	<u>6,931,074</u>	<u>8,764,207</u>
Non-current assets:			
Capital assets:			
Land	-	23,443,138	23,443,138
Right-of-way	-	24,500,000	24,500,000
Construction-in-progress	-	49,566,796	49,566,796
Other capital assets, net of depreciation	-	24,796,827	24,796,827
Right to use subscription asset, net of amortization	99,911	-	99,911
Total non-current assets	<u>99,911</u>	<u>122,306,761</u>	<u>122,406,672</u>
Total Assets	<u>1,933,044</u>	<u>129,237,835</u>	<u>131,170,879</u>
DEFERRED OUTFLOWS OF RESOURCES			
Other post-employment benefit deferrals	<u>35,061</u>	<u>480,629</u>	<u>515,690</u>
LIABILITIES			
Current Liabilities:			
Accounts payable and accrued liabilities	75,063	4,643,227	4,718,290
Due to other funds	897,303	1,241,874	2,139,177
Accrued wages and benefits	11,235	135,343	146,578
Compensated absences	30,862	268,349	299,211
Subscription liability	49,848	-	49,848
Total OPEB liability	1,946	112,314	114,260
Total current liabilities	<u>1,066,257</u>	<u>6,401,107</u>	<u>7,467,364</u>
Non-current liabilities:			
Compensated absences	131,227	1,141,054	1,272,281
Total OPEB liability	125,732	1,637,950	1,763,682
Subscription liability	52,215	-	52,215
Total non-current liabilities	<u>309,174</u>	<u>2,779,004</u>	<u>3,088,178</u>
Total liabilities	<u>1,375,431</u>	<u>9,180,111</u>	<u>10,555,542</u>
DEFERRED INFLOWS OF RESOURCES			
Other post-employment benefit deferrals	<u>136,261</u>	<u>1,867,925</u>	<u>2,004,186</u>
NET POSITION			
Net investment in capital assets	(2,152)	122,306,761	122,304,609
Unrestricted	458,565	(3,636,333)	(3,177,768)
Total net position	<u>\$ 456,413</u>	<u>\$ 118,670,428</u>	<u>\$ 119,126,841</u>

The accompanying notes are an integral part of the financial statements.

RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY
Statement of Revenue, Expenses And Changes in Net Position
Proprietary Funds
For the Fiscal Year Ended June 30, 2025

	Proprietary Funds		
	Ridesharing Fund	Regional Bus Service Fund	Total
OPERATING REVENUES			
Paratransit services	\$ -	\$ 527,523	\$ 527,523
Transit Services	-	7,730,860	7,730,860
GoPass	-	1,423,835	1,423,835
Other revenues	1,119,273	11,602,741	12,722,014
Intergovernmental revenues:			
State grant revenues	-	2,822,173	2,822,173
Local grant revenues	478,037	-	478,037
Total operating revenues	<u>1,597,310</u>	<u>24,107,132</u>	<u>25,704,442</u>
OPERATING EXPENSES			
Bus Supervision	-	2,524,878	2,524,878
Bus Operations	-	23,461,341	23,461,341
Bus Maintenance	-	4,898,517	4,898,517
Vanpool	-	267,325	267,325
Paratransit Services	-	3,519,171	3,519,171
Sustainable Travel	500,632	-	500,632
Regional Call Center	1,200,042	-	1,200,042
Development Planning	723,786	-	723,786
Depreciation and Amortization	49,955	3,493,377	3,543,332
Total operating expenses	<u>2,474,415</u>	<u>38,164,609</u>	<u>40,639,024</u>
Operating loss	<u>(877,105)</u>	<u>(14,057,477)</u>	<u>(14,934,582)</u>
NON-OPERATING REVENUES			
Gain (loss) on asset sales	-	(48,941)	(48,941)
Investment earnings (loss)	-	35,194	35,194
Total nonoperating loss	<u>-</u>	<u>(13,747)</u>	<u>(13,747)</u>
Loss before transfers and capital contributions	<u>(877,105)</u>	<u>(14,071,224)</u>	<u>(14,948,329)</u>
Capital contributions	-	24,980,902	24,980,902
Transfers from other funds	726,759	12,345,462	13,072,221
Change in net position	<u>(150,346)</u>	<u>23,255,140</u>	<u>23,104,794</u>
Total net position - beginning	606,759	19,578,792	20,185,551
Error correction (note 12)	-	75,836,496	75,836,496
Total net position - beginning, as restated	<u>606,759</u>	<u>95,415,288</u>	<u>96,022,047</u>
Total net position - ending	<u>\$ 456,413</u>	<u>\$ 118,670,428</u>	<u>\$ 119,126,841</u>

The accompanying notes are an integral part of the financial statements.

RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2025

	Proprietary Funds		
	Ridesharing Fund	Regional Bus Service Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	\$ 1,095,209	\$ 2,016,113	\$ 3,111,322
Payments for goods and services	(728,309)	(14,454,464)	(15,182,773)
Payments to employees	(1,701,909)	(16,634,064)	(18,335,973)
Operating grants	(14,326)	55,441	41,115
Other receipts	-	19,333,601	19,333,601
Net cash used in operating activities	<u>(1,349,335)</u>	<u>(9,683,373)</u>	<u>(11,032,708)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Increase (decrease) in due to General Fund	622,576	1,263,260	1,885,836
Transfers from General Fund	726,759	12,345,462	13,072,221
Net cash provided by noncapital financing activities	<u>1,349,335</u>	<u>13,608,722</u>	<u>14,958,057</u>
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES			
Purchase of capital assets	-	(28,919,302)	(28,919,302)
Capital contribution	-	24,980,902	24,980,902
Cash received from disposal of capital assets	-	14,310	14,310
Net cash used by capital financing activities	<u>-</u>	<u>(3,924,090)</u>	<u>(3,924,090)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment income	-	35,194	35,194
Purchase of investments	-	(36,453)	(36,453)
Net cash used by investing activities	<u>-</u>	<u>(1,259)</u>	<u>(1,259)</u>
Net change in cash and cash equivalents	<u>-</u>	<u>-</u>	<u>-</u>
Balances beginning	-	-	-
Balances ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Noncash capital activity:

The Regional Bus Service Fund received capital assets of \$11,389,332 from the Major Capital Projects Fund during the year. The receipt is reflected as a capital contribution on the Statement of Revenue, Expenses And Changes in Net Position - Proprietary Funds.

The Regional Bus Service Fund received capital assets of \$46,906, \$901,890, \$441,532, and \$12,201,242 from the General Fund, Durham Operating Fund, Orange Operating Fund, and Wake Operating Fund, respectively during the year. The receipt is reflected as a capital contribution on the Statement of Revenue, Expenses And Changes in Net Position - Proprietary Funds.

The accompanying notes are an integral part of the financial statements.

RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY
Statement of Cash Flows (Continued)
Proprietary Funds
For the Fiscal Year Ended June 30, 2025

	Proprietary Funds		
	Ridesharing Fund	Regional Bus Service Fund	Total
Reconciliation of operating loss to cash used in operating activities:			
Operating loss	\$ (877,105)	\$ (14,057,477)	\$ (14,934,582)
Adjustments to reconcile operating loss to net cash used in operating activities:			
Depreciation and amortization	49,955	3,493,377	3,543,332
Changes in assets and liabilities:			
Receivables from governmental agencies	(492,363)	(2,766,732)	(3,259,095)
Inventories	-	(80,953)	(80,953)
Other receivables	(24,064)	64,755	40,691
Accrued payroll	9,341	128,056	137,397
Accrued compensated absences	23,479	179,986	203,465
Accounts payable & other liabilities	41,942	3,605,774	3,647,716
Deferred outflows	12,032	128,738	140,770
Subscription liability	(47,588)	-	(47,588)
OPEB liability	(10,487)	(37,539)	(48,026)
Deferred inflows	(34,477)	(341,358)	(375,835)
Total adjustments	(472,230)	4,374,104	3,901,874
Net cash used in operating activities	<u>\$ (1,349,335)</u>	<u>\$ (9,683,373)</u>	<u>\$ (11,032,708)</u>

The accompanying notes are an integral part of the financial statements.

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Research Triangle Regional Public Transportation Authority (the “Authority”) conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant accounting policies:

A. Reporting Entity

The 1989 Session of the North Carolina General Assembly amended Chapter 160A of the General Statutes (G.S.) by adding Article 26 enabling the creation of regional public transportation authorities. The Boards of Commissioners in Durham, Orange, and Wake counties each held a public hearing, published articles of incorporation, and passed resolutions creating the Research Triangle Regional Public Transportation Authority. The unit of local government was chartered by the Secretary of State on December 1, 1989. The Authority was created to plan, finance, organize, and operate a public transportation system for the Research Triangle area. The Authority’s operations began on July 1, 1990.

The Authority is governed by a thirteen member Board of Trustees, appointed as follows:

<u>Governing Body</u>	<u>Appointments</u>
Town of Cary	1
Town of Chapel Hill	1
City of Durham	1
Durham County and City of Durham	1
Durham County	1
Orange County	1
City of Raleigh	2
Wake County	2
NC Secretary of Transportation	3

The Authority has nine component units. The three operating units are the Triangle Tax District – Durham Operating, the Triangle Tax District – Orange Operating, and the Triangle Tax District – Wake Operating. The three special tax districts are the Durham Special Tax District, the Orange Special Tax District, and the Wake Special Tax District. The three capital fund units are the Triangle Tax District – Durham Capital Fund, the Triangle Tax District – Orange Capital Fund, and the Triangle Tax District – Wake Capital Fund.

Based upon current Government Accounting Standards Board (GASB) pronouncements, the funds meet the criteria for blended presentation. The component units’ governing bodies are substantively the same as the governing body of the primary government, and the management of the primary government has operational responsibility for the component units.

RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation

Government-Wide Statements: The Statement of Net Position and the Statement of Activities display information about the primary government. These statements include financial activities of the overall government. Eliminations have been made to minimize the double counting of internal activities, leaving only the amounts needed for interfund support. These statements distinguish between the *governmental and business-type activities* of the Authority. Governmental activities are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenues for the different business-type activities of the Authority and for the Authority's governmental activities. Direct expenses are those that are specifically associated with a program or function and therefore are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements: The fund financial statements provide information about the Authority's funds. Separate statements for each fund category – *governmental and proprietary* are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as non-major funds.

The Authority reports the following major governmental funds:

- General Fund – The General Fund is the general operating fund of the Authority. It is used to account for all financial resources except those required to be accounted for in another fund. The primary revenue sources are vehicle registration taxes, state grants and various other revenues. The primary expenditures are for finance, human resources, general counsel, communication and public affairs, and administration.
- Triangle Tax District – Durham Operating – The Triangle Tax District – Durham Operating receives a special sales tax collected in Durham County, as well as vehicle rental and registration taxes. Proceeds may only be used for Durham County Transportation purposes.
- Durham Special Tax District – This fund receives a vehicle registration tax *separate* from the one described above. The tax is levied within Durham County and may only be used for transportation needs in Durham County.

RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- Triangle Tax District – Orange Operating – The Triangle Tax District – Orange Operating receives a special sales tax collected in Orange County, as well as vehicle rental and registration taxes. Proceeds may only be used for Orange County Transportation purposes.
- Orange Special Tax District – This fund receives a vehicle registration tax *separate* from the one described above. The tax is levied within Orange County and may only be used for transportation needs in Orange County.
- Triangle Tax District – Wake Operating – The Triangle Tax District – Wake Operating receives a special sales tax collected in Wake County, as well as vehicle rental and registration taxes. Proceeds may only be used for Wake County Transportation purposes.
- Wake Special Tax District – This fund collects a *separate* vehicle registration tax levied in Wake County. The proceeds are transferred to the Wake Operating Fund during the year, per an Interlocal Agreement. The resources may only be used to fund transportation operational needs in Wake County.
- Major Capital Projects Fund – The Major Capital Projects Fund is established to track Governmental capital projects.
- Triangle Tax District – Durham Capital – This fund is established to track the transportation capital projects in Durham County. Funding comes from the special sales tax collected in Durham County.
- Triangle Tax District – Orange Capital – This fund is established to track the transportation capital projects in Orange County. Funding comes from the special sales tax collected in Orange County.
- Triangle Tax District – Wake Capital – This fund is established to track the transportation capital projects in Wake County. Funding comes from the special sales tax collected in Wake County. *A multi-year compilation of capital spending may be found in the Statistical Section.*

The Authority reports the following non-major governmental fund:

- Technology Capital Project Fund – The Technology Capital Project Fund is used to account for the purchase of information technology equipment.

RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Authority reports the following major enterprise funds:

- Ridesharing Fund – The Ridesharing Fund is used to account for operations of Commuter Resources, Regional Call Center, Regional Transportation Demand Services (TDM) services, and Development Planning. Financing is provided by intergovernmental revenues, sponsorships, employer fees, and General Fund revenues.
- Regional Bus Service Fund – The Regional Bus Service Fund is used to account for the provision of regional commuter bus service and paratransit services. Financing is provided by paratransit fares, bus fares, consignments, subsidies, intergovernmental revenues, and General Fund revenues. The Regional Bus Capital Project Fund has been consolidated into the Regional Bus Service Fund for financial reporting purposes. During the COVID-19 pandemic, the buses operated fare-free, as a social distancing safety measure. Operations returned to collecting fares on July 1, 2025.

C. Measurement Focus and Basis of Accounting

In accordance with North Carolina General Statutes, all funds of the Authority are maintained during the year using the modified accrual basis of accounting.

Government-Wide and Proprietary Fund Financial Statements: The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus and accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the Authority gives (or receives) value without directly receiving (or giving) equal value in exchange, include grants and donations. Revenue, from grants and donations, is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues.

Proprietary funds distinguish operating from non-operating revenues and expenses. Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as subsidies and investment earnings, result from non-exchange transactions or ancillary activities.

RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Operating expenses include professional and other service costs, personnel, utilities, and maintenance and depreciation/amortization on capital assets. All expenses not meeting this definition are reported as non-operating expenses.

Governmental Fund Financial Statements: Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Expenditures are recorded when the related fund liability is incurred, except for compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of general long-term debt and acquisitions under leases and IT subscriptions are reported as other financing sources. Prepaid items are recorded on the purchases method.

The Authority considers all revenues available if they are collected within 90 days after year-end. Revenues collected soon after 90 days may be recognized as revenue if the amounts are to be used to pay liabilities of the current period.

Intergovernmental revenues and sales and services are accrued when earned in the fiscal year. Grant revenues that are unearned at year-end are recorded as unearned revenues. Under the terms of grant agreements, the Authority funds certain programs by a combination of specific cost reimbursement grants, categorical block grants, and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted assets available to finance the program. It is the Authority's policy to first apply cost-reimbursement grant resources to such programs, followed by categorical block grants, and then by general revenues.

D. Budgetary Control

The Authority's budgets are adopted as required by the North Carolina General Statutes. The Board of Trustees adopts an annual budget ordinance for the General, Special Revenue, Capital and Enterprise Funds. All annual appropriations lapse at the fiscal year-end. All Budget Ordinances are prepared on the modified accrual basis of accounting. The Appropriations Ordinance is adopted at the departmental level for the General Fund, the Enterprise Funds and the Special Revenue Funds, and at the functional level for the Capital Projects Funds. Expenditures may not legally exceed these levels. The President and Chief Executive Officer is authorized to transfer appropriations within a fund up to \$100,000; however, any revisions that alter total expenditures of any fund or exceed \$100,000 must be approved by the Board of Trustees.

A budget calendar is included in the North Carolina General Statutes that prescribes the last day on which certain steps of the budget procedure are to be performed. The following schedule lists the tasks to be performed and the date by which each is required to be completed.

RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- April 30 Each department head shall transmit to the budget officer the budget request and revenue estimates for their department for the budget year. Budgets recommended by the Wake County Transit Planning Advisory Committee for the Triangle Tax District – Wake Operating, the Wake Special Tax District, and the Triangle Tax District – Wake Capital funds, are also transmitted to the Authority by this date. Budgets for the Durham Operating, Durham Special Tax District, Orange Operating and Orange Special Tax District are also transmitted to the Authority by this date.
- June 1 The budget and the budget message shall be submitted to the governing board. The public hearing on the budget should be scheduled at this time.
- July 1 The budget ordinance shall be adopted by the governing board or an interim budget that covers this time period shall be adopted by the governing board until an annual ordinance can be adopted.

E. Deposits and Investments

The deposits of the Authority are made in board-designated official depositories and are secured as required by State law [G.S. 159-31]. The Authority may designate as an official depository any bank or savings and loan institution whose principal office is located in North Carolina. The Authority may also establish time deposit accounts such as NOW and Super NOW accounts, money market accounts, and certificates of deposit.

The Authority's written investment policy states that the Authority shall remain 100% invested at all times with the exception of monies held for operations. State law [G.S. 159-30(c)] authorizes the Authority to invest in obligations of the United States or obligations fully guaranteed both as to principal and interest by the United States, obligations of the State of North Carolina, bonds and notes of any North Carolina local government or public authority, obligations of certain non-guaranteed federal agencies, certain high-quality uses of commercial paper and bankers' acceptances, and the North Carolina Capital Management Trust (NCCMT). The Authority's investments are reported at fair value. The NCCMT Government Portfolio, a SEC registered (2a-7) money market mutual fund, is measured at fair value. Because the NCCMT Government Portfolio has a weighted average maturity of less than 90 days, it is presented as an investment with a maturity of less than 6 months.

In accordance with State law, the Authority has invested in securities that are callable, and that provide for periodic interest rate adjustments. These investments are reported at fair value as determined by broker information.

RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Cash and Cash Equivalents

The Authority's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

G. Receivables

Receivables include amounts due from transportation services provided, and certain governmental non-exchange transactions. Note 4 contains additional detail on the balance of Due from Other Governments and Public Agencies.

H. Inventory and Prepaid Items

Inventory is valued at cost using the weighted-average method. The inventory in the Regional Bus Fund consists of expendable supplies. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements using the purchases method and expensed as the items are used.

I. Capital Assets

Capital assets are defined by the government as assets with an initial individual cost of more than a certain cost and an estimated useful life in excess of two years. Minimum capitalization costs are \$5,000 for all capital assets; including land, buildings, improvements, furniture and equipment, vehicles and software. Purchased or constructed capital assets are reported at cost or estimated historical cost. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

The Authority evaluates capital assets for other-than-temporary impairment when events or changes in circumstances affect a capital asset. The Authority employs a systematic methodology that considers available evidence in evaluating potential impairment of its capital assets. In the event that the cost of a capital asset is determined to be impaired, the Authority evaluates, among other factors, the magnitude and duration of the decline in fair value, evidence of physical damage, enactment or approval of laws or regulations or other changes in environmental factors, technological development or evidence of obsolescence, a change in the manner or expected duration of use of a capital asset, or construction stoppage. Once a decline in fair value is determined to be other-than-temporary, an impairment charge is recorded and a new cost basis in the capital asset is established.

The Authority's capital assets also include certain intangible right-to-use assets. These intangible right-to-use assets arise in association with agreements where the Authority reports a lease (as lessee) or agreements where the Authority reports an Information Technology (IT) Subscription in accordance with the requirements of GASB 87 and GASB 96 respectively.

RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The right-to-use lease assets are initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments made at or prior to the start of the lease term, and plus any ancillary charges necessary to place the lease asset into service. The right-to-use lease assets are amortized on a straight-line basis over the life of the related lease.

The right-to-use IT subscriptions assets are initially measured at an amount equal to the initial measurement of the subscription liability plus any subscription payments made at the start of the subscription term, if applicable, plus capitalizable initial implementation costs at the start of the subscription term, less any incentives received from the IT subscription vendor at the start of the subscription term. Subscription payments, as well as payments from capitalizable implementation costs made before the start of the subscription term should be reported as a prepayment (asset). Such prepayments should be reduced by any incentives received from the same vendor before the start of the subscription term if a right of offset exists. The net amount of the prepayments and incentives should be reported as an asset or liability, as appropriate, before the start of the subscription term at which time the amount should be included in the initial measurement of the subscription asset. The right-to-use IT subscription assets should be amortized on a straight-line basis over the subscription term.

Capital assets are depreciated/amortized using the straight-line method over the following estimated useful lives:

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Buildings	10-30
Improvements	2-20
Vehicles	5-12
Equipment	3-10
Computer equipment and software	3-7
Leases	3-25

J. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *Deferred Outflows of Resources*, represents a consumption of net assets that applies to future periods and so will not be recognized as an expense or expenditure until then. The Authority’s deferred outflows represent changes in assumptions and differences in expected and actual experiences in the valuation of Other Post-Employment Benefits (OPEB). In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *Deferred Inflows of Resources*, represents an acquisition of net assets that applies to future periods and so will not be recognized as revenue until then. The Authority’s OPEB deferrals meet the criterion for this category.

RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Governmental Funds Balance Sheet will report *Deferred Inflows of Resources* as Unavailable Revenue if a receivable has been recorded but will not be collected within 90 days after the fiscal year end.

K. Long-Term Liabilities

In the government-wide financial statements, other long-term obligations are reported as liabilities in the applicable governmental or business-type activities on the statement of net position.

L. Compensated Absences

The government recognizes a liability for compensated absences, including vacation and sick leave, in accordance with GASB Statement No. 101, effective for periods beginning after December 15, 2023. Liabilities are recorded in the government-wide financial statements when probable and measurable, with short-term amounts classified as current and long-term amounts as noncurrent; fund-level statements report expenditures when payments are made from current resources. Vacation hours are advanced annually, with terminated employees paid for accrued hours subject to policy limits, and unused hours subject to a rollover cap. Sick leave accrues without limit, with employees hired on or before December 31, 2021, paid for a portion of accumulated leave upon termination, while those hired on or after January 1, 2023, are not paid for unused sick leave.

For the Authority's government-wide and proprietary funds, an expense and a liability for compensated absences and the salary-related payments are recorded as the leave is earned. The Authority has assumed a first-in, first-out method of using accumulated compensated time. The portion of this time that is estimated to be used in the next fiscal year has been designated as a current liability in the government-wide financial statements.

M. Net Position/Fund Balances

Net position in government-wide and proprietary fund financial statements are classified as net investment in capital assets, restricted, and unrestricted. Restricted net position represents constraints on resources that are either externally imposed by creditors, grantors, contributors, or laws/regulations of other governments, or imposed by law through state statute.

In the governmental fund financial statements, fund balance is composed of five classifications designed to disclose the hierarchy of constraints placed on how fund balance can be spent.

RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The governmental fund-types classify fund balances as follows:

Nonspendable Fund Balance – this classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Prepaid Expenditures – portion of fund balance that is not an available resource because it represents payments to vendors that are applicable to future accounting periods.

Restricted Fund Balance – this classification includes amounts that are restricted to specific purposes externally imposed by creditors or by law.

Restricted for Stabilization by State Statute – portion of fund balance that is not available for appropriation under State law [G.S. 159-8(a)]. North Carolina G.S. 159-8 prohibits public authorities from budgeting or spending a portion of their fund balance. This is one of several statutes enacted by the North Carolina State Legislature in the 1930's that were designed to improve and maintain the fiscal health of local government units and public authorities. Restricted by State Statute (RSS) is calculated at the end of each fiscal year for all annually budgeted funds. The calculation in G.S. 159-8(a) provides a formula for determining what portion of fund balance is available for appropriation. The amount of fund balance not available for appropriation is what is known as "restricted by State statute." *Appropriated fund balance in any fund shall not exceed the sum of cash and investments minus the sum of liabilities, encumbrances, and deferred revenues arising from cash receipts, as those figures stand at the close of the fiscal year next preceding the budget.* Per GASB guidance, RSS is considered a resource upon which a restriction is "imposed by law through constitutional provisions or enabling legislation." RSS is reduced by inventories and prepaids as they are classified as nonspendable. Outstanding encumbrances, if any, are included with RSS. RSS is included as a component of Restricted Net Position and Restricted fund balance on the face of the balance sheet. No cash is set aside to fund this restriction.

Restricted for Public Transportation – portion of fund balance that is comprised of funds to be used for the specific purpose of mass transportation, not assigned to specific transit projects.

Restricted by Interlocal Agreement – portion of fund balance restricted for future transit service activities in Durham, Orange, or Wake County, per the respective Transit Governance Interlocal Agreement.

RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Restricted for Community Funding Area Program – Portion of fund balance for the continuation of the area program as approved by the Capital Area Municipal Planning Organization (Wake County) and the Authority governing board.

Committed Fund Balance – portion of fund balance that can only be used for specific purpose imposed by majority vote of the Board of Trustees. Any changes or removal of specific purposes requires majority action by the Board.

Assigned Fund Balance – portion of fund balance that has been constrained to reflect the Authority's intended use of resources. These constraints are assigned by the Board of Trustees.

Subsequent Expenditures – Portion of fund balance that is appropriated in next year's budget that is not already classified as restricted or committed. The governing body approves the appropriation.

Unassigned Fund Balance – portion of fund balance that has not been restricted, committed, or assigned to specific purposes or other funds. Only the General Fund may show an unassigned positive balance. Excess resources in other governmental funds should be classified as Restricted by Enabling Legislation, above.

The Authority has a revenue spending policy that provides for programs with multiple revenue sources. The Chief Financial Officer will use resources in the following hierarchy: federal funds, state funds, and funds generated by governmental and proprietary operations.

For purposes of fund balance classification, expenditures are to be spent from restricted funds balance first, followed in order by committed fund balance, assigned fund balance and lastly unassigned fund balance. The Chief Financial Officer has the authority to deviate from this policy if it is in the best interest of the Authority.

The following schedule provides management and citizens with information on the portion of General Fund balance that is available for appropriation.

Total fund balance	<u>\$ 16,996,713</u>
Less:	
Prepaid expenditures	1,542,783
Restricted for Stabilization by State Statute	8,006,660
Assigned - Subsequent years expenditures	<u>4,500,000</u>
Unassigned fund balance	<u><u>\$ 2,947,270</u></u>

RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

N. Revenues and Interfund Transactions

Grant Revenue

The Authority recognizes revenues (net of estimated uncollectible amount, if any), when all applicable eligibility requirements, including time requirements, are met. Resources transmitted to the Authority before meeting the eligibility requirements (other than time requirements) are recorded and reported as unearned revenues.

Vehicle Registration Tax

The North Carolina Department of Motor Vehicles transmits vehicle registration tax revenue to the Authority on a quarterly basis. The Authority recognizes and records vehicle registration tax revenue monthly in the General Fund and Tax District funds.

Vehicle Rental Tax

The Authority recognizes and records vehicle rental tax revenue upon receipt in the Major Capital Projects Fund and periodically transfers a portion to the appropriate Triangle Tax District county operating accounts. Revenue recognition varies according to the tax collection schedule for each vendor. Collection schedules are determined by sales volume. Large rental agencies make two payments per month; small rental agencies may remit their payments on a quarterly basis. The Authority accrues for vehicle rental tax revenue at year end.

Investment Income

The Authority recognizes investment income from cash and investments as revenues in the individual funds based on the fund's monthly investment in cash and investments. All investment earnings are recorded monthly in each individual fund. Long-term investments are marked to fair value each month.

Inter-fund Transactions

Interfund transactions are services provided, reimbursements or transfers. Services that are deemed to be reasonably equivalent in value are treated as revenues and expenditures/expenses. Reimbursements occur when one fund incurs the cost, charges the appropriate benefiting fund, and reduces its related cost as a reimbursement, if material. All other interfund transactions are presented as transfers. Transfers within governmental activities and business-type activities are eliminated upon consolidation.

RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Special Tax Revenues

The Triangle Tax Districts for Durham, Orange and Wake Counties receive vehicle registration tax from the North Carolina Department of Motor Vehicles on a quarterly basis (\$7 per vehicle). The Special Tax Districts for Durham, Orange and Wake also receive proceeds of a vehicle registration tax (\$3 per vehicle) from the NC Department of Motor Vehicles on a quarterly basis. The Tax Districts also receive a one-half cent sales tax (Article 43 of N.C. General Statute 105) levied by Durham, Orange, and Wake Counties respectively. Durham, Orange, and Wake Counties shared in the vehicle rental taxes received by the Major Capital Project Fund. That revenue sharing arrangement will ended June 30, 2025.

O. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

2. DEPOSITS

All of the Authority's deposits are either insured or collateralized by using one of two methods. Under the Dedicated Method, all deposits exceeding the federal depository insurance coverage are collateralized with securities held by the Authority's agent in the Authority's name. Under the Pooling Method, which is a collateral pool, all uninsured deposits are collateralized with securities held by the State Treasurer's agent in the name of the State Treasurer. Since the State Treasurer is acting in a fiduciary capacity for the Authority, these deposits are considered to be held by the Authority's agent in the Authority's name. The amount of the pledged collateral is based on an approved averaging method for non-interest-bearing deposits and the actual current balance for interest-bearing deposits. Depositories using the Pooling Method report to the State Treasurer the adequacy of their pooled collateral covering uninsured deposits. The State Treasurer does not confirm this information with the Authority or the escrow agent. Because of the inability to measure the exact amount of collateral pledged for the Authority under the Pooling Method, the potential exists for under collateralization, and this risk may increase in periods of high cash flows. However, the State Treasurer enforces strict standards of financial stability for each depository that collateralizes public deposits under the Pooling Method. The

RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY

2. DEPOSITS (continued)

Authority has no formal policy regarding custodial credit risk for deposits, but relies on the State Treasurer to enforce standards of minimum capitalization for all pooling method financial institutions and to monitor them for compliance. The Authority complies with the provisions of G.S. 159-31 when designating official depositories and verifying that deposits are properly secured. The Authority has no formal policy regarding custodial credit risk for deposits.

At June 30, 2025, the amount of the deposits on the Authority’s books was \$149,018,809 and the bank balances were \$149,217,265. Of the bank balance, \$750,000 was covered by federal depository insurance, and \$148,467,265 in deposits was covered by collateral held under the Pooling Method.

3. INVESTMENTS

As of June 30, 2025, the Authority had the following investments and maturities:

Investment Type	Valuation Measurement Method	Fair Value	Less than 1 year	1-5 years	5-10 years	10+ years
SBA Participation Securities	Fair Value - Level 2	\$ 36,485,049	\$ -	\$ 3,310,360	\$ 14,521,864	\$ 18,652,825
Mortgage Backed Securities	Fair Value - Level 2	184,503,880	-	-	-	184,503,880
NCCMT Government Portfolio	Fair Value - Level 1	649,717,127	649,717,127	-	-	-
Total		\$ 870,706,056	\$ 649,717,127	\$ 3,310,360	\$ 14,521,864	\$ 203,156,705

Because the NC Capital Management Trust (NCCMT) – Government Portfolio has a weighted average maturity of less than 6 months, it is presented as an investment with a maturity of less than 1 year.

The NCCMT-Government Portfolio has an AAAM rating from S&P and AAA-mf by Moody’s Investor Service.

All investments are measured using the market approach: using prices and other relevant information generated by market transactions involving identical or comparable assets or a group of assets.

Level of fair value hierarchy

Level 1 – Debt securities valued using directly observable, quoted prices (unadjusted) in active markets for identical assets. **Level 2** – Debt securities valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities’ relationship to benchmark quoted prices.

RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY

3. INVESTMENTS (Continued)

Interest Rate Risk

As a means of limiting its exposure to fair value losses arising from rising interest rates, the Authority's investment policy indicates:

- Short-Term Portfolio: No less than \$500,000 of the total investment portfolio shall mature within seven days. No less than 25% shall mature in 90 days.
- Intermediate Term Portfolio: The average maturity shall not exceed five years.
- Long-Term Portfolio: The average maturities of the portfolio shall not exceed twenty years. Any exceptions must be approved by the Chief Financial Officer. Reasons for exceptions may include anticipated higher market yields.

Credit Risk

As a means of limiting its exposure to risk, the Authority will invest no more than 50% in any obligation that does not bear the full faith and credit of the United States of America. The Authority limits investments to the provisions of G.S. 159-30 and restricts the purchase of securities to the highest possible ratings whenever particular types of securities are rated. State law limits investment in commercial paper to the top rating issued by nationally recognized statistical rating organizations ("NRSROs"). The Authority's investments in US Agencies and US Treasuries are rated AAA by Standard and Poor's.

The NC Administrative Code states that all deposits shall be fully protected through deposit insurance and eligible collateral securities. The Chief Financial Officer of the Authority shall be responsible for obtaining custody and providing safekeeping of securities and deposit certificates according to G.S. 159-30(d). Further, the Finance and Accounting Systems Manager shall ensure proper diversification of the investment portfolio in order to minimize risks brought on by economic and market changes. Diversification is managed by limiting investments by type and institution and by class of securities. Maturity schedules are monitored by the Chief Financial Officer.

Custodial Credit Risk

For an investment, custodial risk is the risk that in the event of the failure of the counterparty, the Authority will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Authority's formal policy indicates the Authority shall utilize a third party custodial agent for book entry transactions, all of which shall be a trust department authorized to do trust work in North Carolina and who has an account with the Federal Reserve.

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RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY

3. INVESTMENTS (Continued)

Concentration of Credit Risk

The Authority has certain investments that exceed 5% of the Authority’s total investment portfolio. They are Small Business Administration Participation certificates (4.2%) and Mortgage Backed Securities (21.2%). The remainder of the Authority’s investments are in the NCCMT Government Portfolio, making up 74.6% of the investment portfolio balance.

4. RECEIVABLES

Due From Other Governments and Public Agencies

The following summarizes amounts due from other governments and public agencies by source as of June 30, 2025:

Governmental Activities			
<u>Federal</u>	<u>State</u>	<u>Local</u>	<u>Total</u>
<u>\$ -</u>	<u>\$ 56,568,841</u>	<u>\$ 9,302,545</u>	<u>\$ 65,871,386</u>

Business-Type Activities			
<u>Federal</u>	<u>State</u>	<u>Local</u>	<u>Total</u>
<u>\$ 4,564,115</u>	<u>\$ -</u>	<u>\$ 775,805</u>	<u>\$ 5,339,920</u>

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RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY

5. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2025 was as follows:

	June 30, 2024, restated	Increases	Decreases	June 30, 2025
<u>Governmental activities:</u>				
Capital assets not being depreciated:				
Land	\$ 6,734,446	\$ -	\$ (39,997)	\$ 6,694,449
Capital assets being depreciated:				
Buildings	6,248,870	-	-	6,248,870
Equipment	8,027,595	-	-	8,027,595
Improvements	4,580,111	-	-	4,580,111
Total capital assets being depreciated	<u>18,856,576</u>	<u>-</u>	<u>-</u>	<u>18,856,576</u>
Less accumulated depreciation for:				
Buildings	3,200,555	208,289	-	3,408,844
Equipment	7,424,551	206,461	-	7,631,012
Improvements	2,778,699	186,946	-	2,965,645
Total accumulated depreciation	<u>13,403,805</u>	<u>601,696</u>	<u>-</u>	<u>14,005,501</u>
Total capital assets being depreciated, net	<u>5,452,771</u>			<u>4,851,075</u>
Capital assets being amortized:				
Equipment	134,804	-	(55,100)	79,704
Buildings	143,257	-	-	143,257
IT subscriptions	614,495	-	-	614,495
Total capital assets being amortized	<u>892,556</u>	<u>-</u>	<u>(55,100)</u>	<u>837,456</u>
Less accumulated amortization for:				
Equipment	36,489	17,190	(10,264)	43,415
Buildings	103,145	34,382	-	137,527
IT subscriptions	222,159	144,256	-	366,415
Total accumulated amortization	<u>361,793</u>	<u>195,828</u>	<u>(10,264)</u>	<u>547,357</u>
Total capital assets being amortized, net	<u>530,763</u>			<u>290,099</u>
Governmental activities capital assets, net	<u><u>\$ 12,717,980</u></u>			<u><u>\$ 11,835,623</u></u>

Depreciation/amortization expense was charged to General Government Expenses in Governmental activities.

RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY

5. CAPITAL ASSETS (Continued)

	<u>June 30, 2024, restated</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfers</u>	<u>June 30, 2025</u>
<u>Business-type activities:</u>					
Regional Bus Service Fund:					
Capital assets not being depreciated:					
Land	\$ 23,443,138	\$ -	\$ -	\$ -	\$ 23,443,138
Right-of-way	24,500,000	-	-	-	24,500,000
Construction-in-progress	<u>28,425,120</u>	<u>22,691,818</u>	<u>(63,251)</u>	<u>(1,486,891)</u>	<u>49,566,796</u>
Total capital assets not being depreciated	<u>76,368,258</u>	<u>22,691,818</u>	<u>(63,251)</u>	<u>(1,486,891)</u>	<u>97,509,934</u>
Capital assets being depreciated:					
Equipment	7,713,356	1,030,476	-	-	8,743,832
Vehicles	38,250,091	5,197,008	(2,041,847)	-	41,405,252
Improvements	4,246,858	-	-	1,486,891	5,733,749
Buildings	<u>9,881,900</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,881,900</u>
Total capital assets being depreciated	<u>60,092,205</u>	<u>6,227,484</u>	<u>(2,041,847)</u>	<u>1,486,891</u>	<u>65,764,733</u>
Less accumulated depreciation for:					
Equipment	4,292,661	1,209,134	-	-	5,501,795
Vehicles	27,571,333	1,666,480	(2,041,847)	-	27,195,966
Improvements	1,313,861	317,016	-	-	1,630,877
Buildings	<u>6,338,521</u>	<u>300,747</u>	<u>-</u>	<u>-</u>	<u>6,639,268</u>
Total accumulated depreciation	<u>39,516,376</u>	<u>3,493,377</u>	<u>(2,041,847)</u>	<u>-</u>	<u>40,967,906</u>
Total capital assets being depreciated, net	<u>20,575,829</u>				<u>24,796,827</u>
Regional Bus Fund capital assets, net	<u>96,944,087</u>				<u>122,306,761</u>
Ridesharing Fund:					
Capital assets being amortized:					
IT subscriptions	<u>249,777</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>249,777</u>
Less accumulated amortization for:					
IT subscriptions	<u>99,911</u>	<u>49,955</u>	<u>-</u>	<u>-</u>	<u>149,866</u>
Ridesharing Fund capital assets, net	<u>149,866</u>				<u>99,911</u>
Business-type activities capital assets, net	<u>\$ 97,093,953</u>				<u>\$ 122,406,672</u>

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RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY

5. CAPITAL (Continued)

Construction Commitments

The Authority entered into a joint development services agreement with RB Infrastructure LLC, a special purpose entity owned and controlled by Hoffman & Associates, to develop the Raleigh Union Station Bus Facility (RUS Bus) as part of a 20-plus-story mixed-use development that also includes apartments, retail space, and a parking deck.

As of June 30, 2025, the Board-authorized contract value for the public portion of the project was approximately \$47.6 million, funded by a \$20 million federal grant from the U.S. Department of Transportation along with state and local tax revenues. The project also included an estimated \$18.38 million in in-kind land contributions.

The publicly funded portion includes a ground-floor bus facility, streetscape improvements, enhanced pedestrian connections to the existing Raleigh Union Station intercity (Amtrak) rail station, and infrastructure to support a future Bus Rapid Transit station to be served by GoRaleigh adjacent to the site. Construction of the bus facility was completed in July 2025, and bus operations began in August 2025. The overbuild portion of the development remains under construction.

6. POST EMPLOYMENT OBLIGATIONS

Other Post Employment Benefits

Plan Description. The Authority administers a single employer defined benefit Healthcare Benefits Plan (the "HCB Plan"). This HCB Plan provides post employment healthcare benefits to retirees of the Authority, provided they have at least thirty years of creditable service with the Authority. The Board of Trustees may amend the HCB Plan by majority vote. A separate report was not issued for the HCB Plan.

The Authority offers full-time employees who resign at the age of retirement specified by Social Security the opportunity to continue in the group medical plan. The schedule below addresses the qualifying conditions for which retirees may receive medical benefit coverage.

- Employees who retire with more than three (3) years but less than 10 years of service may continue group health coverage at the Authority's rate, but the employee must pay the full cost of the premium.
- Employees who have more than 10 years of service but less than 20 must pay 75% of the monthly premium. The Authority will pay the remaining 25%.
- Employees who have 20 years of service but less than 30 years will pay 50% of the monthly premium. The Authority will pay the remaining 50%.
- Employees with more than 30 years of service can expect to receive 100% paid coverage.

RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY

6. POST EMPLOYMENT OBLIGATIONS (Continued)

Membership of the HCB Plan consisted of the following at June 30, 2024, the date of the latest actuarial valuation:

Inactive employees or beneficiaries currently receiving benefits	1
Inactive members entitled to but not yet receiving benefits	0
Active Employees	<u>189</u>
Total	190

There are no assets accumulated in an irrevocable trust for the HCB plan. There are no authoritative requirements to pay OPEB as benefits are due.

Total Other Post-Employment Benefits (OPEB) Liability

The Authority’s total OPEB liability of \$2,998,502 was measured as of June 30, 2024 and was determined by an actuarial valuation as of June 30, 2023.

Actuarial assumptions and other inputs. The total OPEB liability in the June 30, 2023 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50%
Real wage growth	0.75%
Wage inflation	3.25%
Salary increases, including wage inflation	
General Employees	3.25% - 8.41%
Municipal Bond Index Rate (discount rate)	
Prior Measurement Date	3.65%
Measurement Date	3.93%
Healthcare cost trends	
Pre-Medicare and prescription drug	7.00% for 2024 decreasing to an ultimate rate of 4.50% by 2033.
Medicare medical and prescription drug	5.125% for 2024 decreasing to an ultimate rate of 4.50% by 2026

RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY

6. POST EMPLOYMENT OBLIGATIONS (Continued)

The Authority selected a Municipal Bond Index Rate equal to the Bond Buyer 20-year General Obligation Bond Index published at the last Thursday of June by The Bond Buyer, and the Municipal Bond Index Rate as of the measurement date as the discount rate used to measure the Total OPEB Liability.

Changes in the Total OPEB Liability

Total OPEB Liability as of June 30, 2024	\$ 2,878,447
<i>Changes for the year:</i>	
Service Cost at the end of the year	205,237
Interest on Total OPEB Liability and Cash Flows	112,372
Change in benefit terms	-0-
Difference between expected and actual experience	(3,723)
Changes of assumptions or other inputs	(183,736)
Net benefit payments	(10,095)
Other	<u>-0-</u>
Net Changes	<u>\$ 120,055</u>
Total OPEB Liability as of June 30, 2025	<u>\$ 2,998,502</u>

Mortality rates were based on the Pub-2010 mortality tables, with adjustments for Local Government Employee Retirement System (LGERS) experience and generational mortality improvements using Scale MP-2019.

The demographic actuarial assumptions for retirement, disability incidence, withdrawal, and salary increases used in the June 30, 2023 valuation were based on the results of an actuarial experience study for the period of January 1, 2015 – December 31, 2019, adopted by the LGERS Board.

The remaining actuarial assumptions (e.g. initial per capita costs, health care cost trends, rate of plan participation, rates of plan election, etc.) used in the June 30, 2023 valuation were based on a review of recent plan experience done concurrently with the June 30, 2023 valuation.

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the total OPEB liability of the Authority, as well as what the Authority’s total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate.

RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY

6. POST EMPLOYMENT OBLIGATIONS (Continued)

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
	(2.93%)	(3.93%)	(4.93%)
Total OPEB Liability	\$3,721,482	\$2,998,502	\$2,440,066

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rate. The following presents the total OPEB liability of the Authority, as well as what the Authority's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates.

	<u>1% Decrease</u>	<u>Current Rate</u>	<u>1% Increase</u>
Total OPEB Liability	\$2,339,909	\$2,998,502	\$3,892,500

OPEB Expense and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2025, the Authority recognized OPEB negative expense of \$69,115. At June 30, 2025, the Authority reported deferred outflows and inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>
Differences between expected and actual experience	\$ 229
Changes of assumptions or other inputs	<u>823,171</u>
Total	<u><u>\$ 823,400</u></u>

	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 1,792,665
Changes of assumptions or other inputs	<u>1,407,410</u>
Total	<u><u>\$ 3,200,075</u></u>

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RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY

6. POST EMPLOYMENT OBLIGATIONS (Continued)

Amounts reported as Deferred Outflows of Resources and Deferred Inflows of Resources related to OPEB benefits will be recognized in OPEB expense as follows:

Measurement Period

Ending June 30:

2026	\$ (383,923)
2027	(338,308)
2028	(312,021)
2029	(312,021)
2030	(298,878)
Thereafter	<u>(731,524)</u>
Total	<u>\$ (2,376,675)</u>

Funding Policy. The Board of Trustees established the contribution requirements of plan members, and they may be amended by the Board. Per an Authority resolution, the Authority is required to contribute the projected pay-as-you-go financing requirements, with an additional amount to prefund benefits as determined annually by the Board.

Summary of Significant Accounting Policies. Post-employment expenditures are made from the General Fund, which is maintained on the modified accrual basis of accounting. No funds are set aside to pay benefits and administration costs. These expenditures are paid when due.

Retirement Plan

The Authority sponsors a defined contribution 401(a) retirement plan covering all full-time employees as of June 30, 2025. Contributions are calculated at 8% of eligible employees' salaries. Employees become fully vested after three years of service, and forfeitures from employees who leave prior to full vesting are applied to reduce future contributions. For fiscal year 2025, total salaries were \$21,807,013, of which \$21,039,623 related to employees covered by the plan. The Authority's contributions for the year, including forfeitures totaling \$65,487, amounted to \$1,603,220. Plan assets are invested in mutual funds, guaranteed interest contracts, and U.S. Treasury Bonds. The plan was established by the Authority's Board of Trustees and may be amended only by the Board.

Deferred Compensation Plan

The Authority offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all employees, permits them to defer a portion of their salary until future years. The deferred compensation payout is not available to employees until termination, retirement, death, or unforeseeable emergency.

RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY

7. CHANGES IN LONG-TERM LIABILITIES

Long term debt activity for the fiscal year ended June 30, 2025 is as follows:

	July 1, 2024	Increases	Decreases	Disposals	June 30, 2025	Long Term Portion	Current Portion
Governmental activities							
Grant repayment obligation	\$ -	\$ 16,000,000	\$ 4,000,000	\$ -	\$ 12,000,000	\$ 8,000,000	\$ 4,000,000
Compensated absences	728,830	412,523	-	-	1,141,353	829,615	311,738
Subscription liabilities	370,704	-	145,391	-	225,313	82,377	142,936
Lease liabilities	165,347	-	53,908	56,557	54,882	38,077	16,805
Total OPEB liability	952,479	168,081	-	-	1,120,560	1,080,544	40,016
Total Government activity long-term liabilities	\$ 2,217,360	\$ 16,580,604	\$ 4,199,299	\$ 56,557	\$ 14,542,108	\$ 10,030,613	\$ 4,511,495
Business-type activities							
Compensated absences	\$ 1,368,027	\$ 203,465	\$ -	\$ -	\$ 1,571,492	\$ 1,272,281	\$ 299,211
Subscription liabilities	149,651	-	47,588	-	102,063	52,215	49,848
Total OPEB liability	1,925,968	-	48,026	-	1,877,942	1,763,682	114,260
Total Business-type activity long-term liabilities	\$ 3,443,646	\$ 203,465	\$ 95,614	\$ -	\$ 3,551,497	\$ 3,088,178	\$ 463,319

Disposals

During the year, the Authority terminated a storage lease that was captured as an other than short term lease liability and capital asset. The net book value of the terminated lease was \$44,836 and lease liability was \$56,557.

Grant repayment obligation

In 2003, the Authority purchased a railroad right-of-way with funds from a Federal Transit Administration (FTA) Capital Investment Grant program for a regional commuter rail project. The project was never constructed, however the Authority was granted approval to retain the property for a period of time in order to determine if another allowable project could be constructed. In the current year, the Authority determined that another project meeting the grant requirements would not be constructed. The amount of the repayment is 55.7% of the appraised value, with no interest accruing if payments are made timely. As of 2019, the date of the property's latest estimated value, the property was determined to be worth approximately \$27.3 Million. The FTA currently estimates the amount due will be between \$15-16 million. The Authority requested and was approved to repay the grant in 4 annual installments of \$4 million each. The final payment will be determined once an appraisal has been completed. Based upon the estimated balance due, the Authority has recorded a liability for \$16 million, of which \$12 million was outstanding at June 30, 2025.

RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY

7. CHANGES IN LONG-TERM LIABILITIES (Continued)

The future minimum grant repayment obligation payments as of June 30, 2025, were as follows:

<u>Fiscal Year Ending June 30</u>	<u>Governmental Activities Principal</u>
	2026
2027	4,000,000
2028	4,000,000
	<u>\$ 12,000,000</u>

Leases

The Authority has entered into six (6) agreements to lease certain equipment. The lease agreements qualify as other than short-term leases and, therefore, have been recorded at the present value of the future minimum lease payments.

The agreements were executed between September 2015 and January 2023 with terms of 3 to 25 years, and require payments in accordance with the respective contracts. The lease liabilities were measured using discount rates ranging from 3.3% to 8.3%.

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30 , 2025, were as follows:

<u>Fiscal Year Ending June 30</u>	<u>Governmental Activities</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 16,805	\$ 3,486	\$ 20,291
2027	8,723	2,787	11,510
2028	6,460	2,181	8,641
2029	7,013	1,628	8,641
2030	7,614	1,027	8,641
2031-2035	8,267	374	8,641
	<u>\$ 54,882</u>	<u>\$ 11,483</u>	<u>\$ 66,365</u>

RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY

7. CHANGES IN LONG-TERM LIABILITIES (Continued)

Subscription Based Information Technology Agreements

The Authority has entered into eight (8) subscription based technology agreements. The agreements qualify as other than short-term subscription based technology agreements and, therefore, have been recorded at the present value of the future minimum payments.

The agreements were executed between July 2022 and August 2023 with terms of 3 to 5 years, and require payments in accordance with the respective contracts. The subscription based technology agreement liabilities were measured using discount rates ranging from 4.8% to 8.5%.

The future minimum subscription based technology agreement obligations and the net present value of these minimum payments as of June 30 , 2025, were as follows:

<u>Fiscal Year Ending June 30</u>	<u>Governmental Activities</u>			<u>Business-Type Activities</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 142,936	\$ 16,237	\$ 159,173	\$ 49,848	\$ 4,848	\$ 54,696
2027	82,377	6,320	88,697	52,215	2,480	54,695
	<u>\$ 225,313</u>	<u>\$ 22,557</u>	<u>\$ 247,870</u>	<u>\$ 102,063</u>	<u>\$ 7,328</u>	<u>\$ 109,391</u>

Liquidation

The General Fund liquidates OPEB obligations for governmental activities. The Rideshare Fund and the Regional Bus Fund liquidate OPEB obligations for business-type activities.

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RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY

8. INTERFUND BALANCES AND ACTIVITY

The following summarizes amounts due from and to other funds as of June 30, 2025. Interfund balances result from the time lag between the dates that transactions are recorded in the accounting system and payments between funds are made.

Receivable Fund	Payable Fund	Amount
General Fund	Enterprise - Rideshare	\$ 897,303
General Fund	Enterprise - Regional Bus	1,241,874
Total Due from and Due to Proprietary Funds		2,139,177
General Fund	Durham Operating Fund	2,169,706
General Fund	Orange Operating Fund	627,330
General Fund	Advanced Technology Fund	14,692
Major Capital Projects Fund	General Fund	6,624,039
Wake Operating Fund	General Fund	1,659,987
Total Due from and Due to Governmental Funds		11,095,754
Totals		\$ 13,234,931

The Authority uses the General Fund checking account to pay most obligations. Funds paid on behalf of other funds are tracked by automatic due to- due from accounts. The amounts due to the General Fund from the Proprietary Funds, Durham Operating, and Orange Operating Funds are the amounts paid on their behalf, not yet reimbursed. The amounts owed by the General Fund to the Major Capital Projects Fund and Wake Operating Fund are for expenditures paid out of these funds during the regular course of business that were not reimbursed as of year end.

Transfers

Transfers are used to move unrestricted revenues to finance various programs that the Authority must account for in other funds in accordance with budgetary authorizations, including amounts provided matching funds for various grant programs.

RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY

8. INTERFUND BALANCES AND ACTIVITY (Continued)

Transfers To:	Transfers From:							Total
	General Fund	Durham Operating	Durham Special	Orange Operating	Orange Special	Wake Operating	Wake Special	
General Fund	\$ -	\$ 367,802	\$ -	\$ 137,474	\$ -	\$ 379,263	\$ -	\$ 884,539
Regional Bus Fund	10,565,650	-	-	-	-	-	-	10,565,650
Ridesharing Fund	726,759	-	-	-	-	-	-	726,759
Durham Operating	-	-	741,582	-	-	-	-	741,582
Orange Operating	-	-	-	-	349,788	-	-	349,788
Wake Operating	102,984	-	-	-	-	-	3,016,326	3,119,310
Bus Capital Project Fund	1,779,812	-	-	-	-	-	-	1,779,812
Advanced Technology Fund	162,780	-	-	-	-	-	-	162,780
Total	\$ 13,337,985	\$ 367,802	\$ 741,582	\$ 137,474	\$ 349,788	\$ 379,263	\$ 3,016,326	\$ 18,330,220

The purpose of the transferred monies is as follows:

The Triangle Tax District - Wake Special District Fund receives the \$3 Vehicle Registration Tax. By Wake County Interlocal Agreement, the Wake Special District Fund transfers the proceeds (\$3,016,326 for FY25) at year end to the Triangle Tax District - Wake Operating Fund. The Triangle Tax District - Durham Special District Fund and the Triangle Tax District - Orange Special District Fund are not subject to any mandatory transfer requirement. However, both funds did voluntarily transfer their \$3 Vehicle Registration Tax proceeds to their respective operating funds. \$741,582 was transferred to the Durham Operating Fund, and \$349,788 was transferred to the Orange Operating Fund.

The Durham Operating Fund, Orange Operating Fund, and Wake Operating Fund transferred \$367,802, \$137,474, and \$379,263, respectively to the General Fund. The General Fund transferred \$10,565,650, \$726,759, and \$162,780 to the Regional Bus Fund, to the Ridesharing Fund, and the Advanced Technology Fund, respectively.

Various Governmental Funds made capital contributions to the Regional Bus Service Fund during the year. The General Fund, Durham Operating Fund, Orange Operating Fund, and Wake Operating Fund contributed \$46,906, \$901,890, \$441,533, and \$12,201,242, respectively during the year.

The Authority uses one checking account to pay many of the obligations of the other funds. The accounting system tracks this through due to and due from entries. Authority staff periodically reviews these balances for evidence of transactions not expected to be repaid in the coming year. The Authority's chart of accounts does not have lines for *Amounts paid on behalf of others* and *Amounts paid by others*. Certain transfer entries have been made as a "Clearinghouse for non-cash transactions." The intent is to bring the inter-fund payables and receivables to approximate the estimated future cash reimbursements to the General Fund.

RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY

9. RISK MANAGEMENT

The Authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets, errors and omissions; injuries to employees; and natural disasters. To manage these risks, the Authority maintains a comprehensive insurance program through a combination of commercial insurance policies. There have been no significant reductions in insurance coverage in the prior year and settled claims have not exceeded coverage in any of the past three fiscal years.

The Authority maintains commercial insurance coverage for property, general liability, automobile liability, public officials' liability, and other exposures; subject to various deductibles and coverage limits considered appropriate by management. Risk management and insurance activities are conducted in accordance with the requirements of North Carolina General Statute 159-29, which authorizes local governments and public authorities to obtain insurance and participate in risk management programs. In compliance with NCGS 159-29, the Authority's employees that have access to \$100 or more at any given time are performance bonded through a commercial surety bond. The Chief Financial Officer is bonded for \$1,000,000.

The Authority maintains general liability and auto liability coverage of \$5,000,000 per occurrence, property coverage up to the total insured values of the property, workers' compensation coverage of \$1,000,000 per accident, public officials coverage of \$5,000,000 per claim, and employee health coverage. As part of the property coverage, the Authority carries \$10,000,000 in blanket flood coverage.

10. COMMITMENTS AND CONTINGENCIES

Pending or Threatened Lawsuits

At year end, the Authority's General Counsel have no evidence of pending and/or threatened litigation which may have a material financial impact upon the Authority's financial statements.

Federal and State Assisted Programs

The Authority has received proceeds from several federal and state grants. Periodic audits of these grants are required and certain costs may be questioned as not being appropriate expenditures under the grant agreements. Such audits could result in the refund of grant monies to the grantor agencies.

Management believes that any required refunds will be immaterial. No provision has been made in the accompanying financial statements for the refund of grant money.

RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY

11. STEWARDSHIP COMPLIANCE AND ACCOUNTABILITY

Budget Violations

During the fiscal year ended June 30, 2025, the Authority reported expenditures that violated N.C. General Statute 159-28 due to actual expenditures exceeding budget appropriations. Expenditures in excess of budgeted amounts include the following:

The General Fund's debt service-principal and debt service-interest and other charges were \$165,025 and \$28,231 respectively and neither were budgeted. Both of these line items are related to the leases and IT subscriptions. Additionally, \$89,210 in legal expenditures, \$53,945 in capital development, \$42,404 in administration, and \$598,136 in transit services were not budgeted in the General Fund.

The Ridesharing Fund's debt service-principal and debt service-interest and other charges were \$47,588 and \$7,108, respectively and neither were budgeted. Both of these line items are related to the leases and IT subscriptions. Additionally, \$184,357 in regional services planning, and \$107,135 for the regional call center were not budgeted in the Ridesharing Fund.

Actual expenses for the Regional Bus Service Fund exceeded budget by \$322,924 for Supervision and \$10,837,014 for Operations.

Adoption of Budget

The Authority did not adopt a budget for the Major Capital Project Fund for year ended June 30, 2025, which is in violation of N.C. General Statute 159-8.

Late Audit Submission

The Authority did not complete the June 30, 2025 audit within six months from fiscal year end as required by N.C. General Statute 159-34.

Contractual Obligation

The Authority has entered into a joint development services agreement with RB Infrastructure LLC, a special purpose entity owned and controlled by Hoffman & Associates, to develop and deliver its publicly funded Raleigh Union Station Bus Facility project (RUS Bus) as a component of a 20+ story mixed-use joint development that also will include privately-funded apartments, retail spaces, and a parking deck. The value for the grant funded public transit project as of June 30, 2025 was approximately \$38.6M, funded by a \$20M federal (USDOT) BUILD grant along with state and local transit plan dollars. The publicly-funded transit project includes a ground-floor bus facility, streetscape improvements, signalized intersections, enhanced connections to the existing Raleigh Union Station intercity (Amtrak) rail station, future intracity bus connections, and infrastructure to support a future bus rapid transit (BRT) station to be served by GoRaleigh adjacent to the site.

RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY

12. ERROR CORRECTIONS

During the year ended June 30, 2025, the Authority has determined that certain adjustments to beginning balances are necessary to correct errors reported in prior period financial statements.

Construction in Progress

- An adjustment of \$32,830,905 was made to decrease the Construction in Progress recorded in Governmental Activities and increase the Construction in Progress recorded in the Regional Bus Service Fund and Business-type activities to correctly report Construction in Progress as a business-type activity.
- An adjustment of \$265,492 was made to increase Construction in Progress recorded in the Regional Bus Service Fund and Business-type activities to correct balance.
- An adjustment of \$4,671,275 was made to decrease Construction in Progress recorded in the Regional Bus Service Fund and Business-type activities to correct an overstatement.

The net effect of the above construction in progress adjustments is a decrease in Governmental Activities of \$32,830,905 and an increase in Business Type Activities and the Regional Bus Service Fund of \$28,425,121.

Land

- An adjustment of \$35,547,564 was made to decrease land recorded in Governmental Activities and increase land recorded in the Regional Bus Service Fund and Business-type activities to correctly report this land as a business-type activity.
- An adjustment of \$12,852,494 was made to decrease land recorded in the Regional Bus Service Fund and Business-type activities to adjust for duplicate assets.

The net effect of the above land adjustments is a decrease in Governmental Activities of \$35,547,564 and an increase in the Regional Bus Service Fund and Business-Type Activities of \$22,695,070

Right-of-Way

- An adjustment of \$24,500,000 was made to increase Right-of-Way assets recorded in the Regional Bus Service Fund and Business-Type Activities to reclassify from land and move from governmental to business type activities.

Capital assets being depreciated

- An adjustment of \$177,846 was made to increase equipment, \$7,463 to increase vehicles, and \$30,996 to increase improvements in the Regional Bus Service Fund and Business-Type Activities for unrecorded assets. The cumulative effect of these adjustments was an increase to capital assets of \$216,305 in the Regional Bus Service Fund and Business-Type Activities.

RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY

12. ERROR CORRECTIONS (Continued)

Transfer of operations

- An adjustment of \$986,359 was made to transfer the fund balance of the Major Transit Investment Fund to the General Fund due to the closing of the Major Transit Investment Fund.

The below table summarizes the changes:

	Reporting Units Affected by Restatements of Beginning Balances				
	Governmental Funds		Proprietary Fund	Government-Wide	
	General Fund	Major Capital Projects Fund	Regional Bus Service Fund	Governmental Activities	Business-Type Activities
June 30, 2024 Fund Balance / Net Position, as previously reported	\$ 21,847,130	\$ 37,649,246	\$ 19,578,792	\$ 992,598,144	\$ 20,185,551
Correction of Errors					
Transfer of operations	(986,359)	986,359	-	-	-
Construction in progress	-	-	28,425,121	(32,830,905)	28,425,121
Land	-	-	22,695,070	(35,547,564)	22,695,070
Right-of-Way	-	-	24,500,000	-	24,500,000
Capital assets being depreciated	-	-	216,305	-	216,305
Total Correction of Errors	(986,359)	986,359	75,836,496	(68,378,469)	75,836,496
June 30, 2024 Fund Balance / Net Position, as restated	\$ 20,860,771	\$ 38,635,605	\$ 95,415,288	\$ 924,219,675	\$ 96,022,047

RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY

Schedule 1

**Required Supplementary Information
Schedule of Changes in the Total OPEB Liability and Related Ratios
June 30, 2025**

	2025	2024	2023	2022	2021
Service cost at end of year	\$ 205,237	\$ 274,787	\$ 414,169	\$ 488,114	\$ 313,498
Differences between expected and actual experience	(3,723)	(1,658,425)	(424)	(825,421)	454
Changes of assumptions or other inputs	(183,736)	(27,508)	(1,561,743)	235,599	1,351,222
Other	102,277	149,723	118,954	124,516	127,703
Net change in total OPEB liability	\$ 120,055	\$ (1,261,423)	\$ (1,029,044)	\$ 22,808	\$ 1,792,877
Total OPEB liability - beginning	\$ 2,878,447	\$ 4,139,870	\$ 5,168,914	\$ 5,146,106	\$ 3,353,229
Total OPEB liability - ending	\$ 2,998,502	\$ 2,878,447	\$ 4,139,870	\$ 5,168,914	\$ 5,146,106
Covered-employee payroll	\$ 13,413,496	\$ 13,413,496	\$ 13,550,638	\$ 13,550,638	\$ 15,430,910
Total OPEB liability as a percentage of covered-employee payroll	22.35%	21.46%	30.55%	38.15%	33.35%

	2020	2019	2018
Service cost at end of year	\$ 287,956	\$ 308,045	\$ 353,555
Differences between expected and actual experience	(29,706)	(268)	(254)
Changes of assumptions or other inputs	(129,268)	(249,791)	(417,596)
Other	120,729	104,694	87,811
Net change in total OPEB liability	\$ 249,711	\$ 162,680	\$ 23,516

Total OPEB liability - beginning	\$ 3,103,518	\$ 2,940,838	\$ 2,917,322
Total OPEB liability - ending	\$ 3,353,229	\$ 3,103,518	\$ 2,940,838
Covered-employee payroll	\$ 15,430,910	\$ 13,415,896	\$ 13,415,896
Total OPEB liability as a percentage of covered-employee payroll	21.73%	23.13%	21.92%

Notes to Schedule

Changes of assumptions:

Changes of assumptions and other inputs reflect the effects of changes in the discount rate of each period. The following are the discount rates used in each period.

Fiscal Year	Discount Rate
2018	3.56%
2019	3.89%
2020	3.50%
2021	2.21%
2022	2.16%
2023	3.54%
2024	3.65%
2025	3.93%

There are no assets accumulated in an irrevocable trust to pay the related benefits.

Ultimately, 10-years of information will be presented. Additional information will be displayed as it becomes available.

INDIVIDUAL FUND SCHEDULES

RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY
Technology Capital Project Fund
Schedule of Revenues, Expenditures And Changes in Fund Balances - Budget and Actual
From Inception and for the Fiscal Year Ended June 30, 2025

	<u>Annual Budget</u>	<u>Current Year</u>	<u>Variance with Annual Budget Positive (Negative)</u>
REVENUES			
Restricted intergovernmental revenues			
State grant revenues	\$ 49,320	\$ 49,320	\$ -
Reimbursement from others	42,700	-	(42,700)
Total revenues	<u>92,020</u>	<u>49,320</u>	<u>(42,700)</u>
EXPENDITURES			
Capital outlay:			
Equipment	254,800	228,046	26,754
Revenues over (under) expenditures	<u>(162,780)</u>	<u>(178,726)</u>	<u>(15,946)</u>
OTHER FINANCING SOURCES			
Transfers from other funds	162,780	162,780	-
Change in fund balance	<u>\$ -</u>	<u>(15,946)</u>	<u>\$ (15,946)</u>
Fund balance, beginning		<u>46,850</u>	
Fund balance, ending		<u>\$ 30,904</u>	

RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY
Major Capital Projects Fund
Schedule of Revenues, Expenditures And Changes in Fund Balances - Budget and Actual
For The Fiscal Year Ended June 30, 2025

	<u>Final Budget</u>	<u>Actual Amount</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES			
Vehicle rental tax	\$ -	\$ -	\$ -
Rental income	-	24,000	24,000
Investment income	-	1,568,835	1,568,835
Total revenues	<u>-</u>	<u>1,592,835</u>	<u>1,592,835</u>
EXPENDITURES			
Property management	<u>-</u>	<u>-</u>	<u>-</u>
Revenues over (under) expenditures	<u>-</u>	<u>1,592,835</u>	<u>1,592,835</u>
OTHER FINANCING SOURCES (USES)			
Transfers from other funds	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures	<u>\$ -</u>	<u>1,592,835</u>	<u>1,592,835</u>
Fund balance, beginning		37,649,246	
Error correction (note12)		986,359	
Fund balance, beginning, as restated		<u>38,635,605</u>	
Fund balance, ending		<u>\$ 40,228,440</u>	

RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY
Triangle Tax District - Durham Capital Fund
Schedule of Revenues, Expenditures And Changes in Fund Balances - Budget and Actual
For The Fiscal Year Ended June 30, 2025

	<u>Final Budget</u>	<u>Actual Amount</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES			
Special sales tax revenue	\$ 61,731,193	\$ 24,341,741	\$ (37,389,452)
Investment income	-	4,562,322	4,562,322
Total revenues	<u>61,731,193</u>	<u>28,904,063</u>	<u>(32,827,130)</u>
EXPENDITURES			
Transit Infrastructure			
City of Durham	34,633,440	5,045,678	29,587,762
Durham County	150,000	-	150,000
GoTriangle	16,642,646	4,274,141	12,368,505
Vehicle Purchase			
City of Durham	8,950	-	8,950
GoTriangle	1,780,810	377,874	1,402,936
Capital - Planning			
Durham County	1,874,022	163,022	1,711,000
Durham-Chapel Hill MPO	1,079,156	2,216	1,076,940
City of Durham	232,253	135,851	96,402
GoTriangle	769,956	409,109	360,847
Regional Connections			
Reserve	300,000	-	300,000
Light Rail			
GoTriangle	1,061,867	25,863	1,036,004
Allocation to Durham Capital Fund Balance	4,275,032	-	4,275,032
Total expenditures	<u>62,808,132</u>	<u>10,433,754</u>	<u>52,374,378</u>
Revenues over (under) expenditures	(1,076,939)	18,470,309	19,547,248
Fund balance appropriated	<u>1,076,939</u>	-	<u>(1,076,939)</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing (uses)	<u>\$ -</u>	18,470,309	<u>\$ 18,470,309</u>
Fund balance, beginning		<u>85,634,680</u>	
Fund balance, ending		<u>\$ 104,104,989</u>	

RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY
Triangle Tax District - Orange Capital Fund
Schedule of Revenues, Expenditures And Changes in Fund Balances - Budget and Actual
For The Fiscal Year Ended June 30, 2025

	<u>Final Budget</u>	<u>Actual Amount</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES			
Special sales tax revenue	\$ 15,965,705	\$ 6,624,456	\$ (9,341,249)
Investment income	-	831,343	831,343
Total revenues	<u>15,965,705</u>	<u>7,455,799</u>	<u>(8,509,906)</u>
EXPENDITURES			
Transit Infrastructure			
GoTriangle	2,480,538	214,549	2,265,989
Orange County Public Transportation	1,075,320	-	1,075,320
Town of Hillsborough	416,036	9,500	406,536
Town of Carrboro	1,040,616	27,243	1,013,373
Chapel Hill Transit	70,148	-	70,148
Vehicle Acquisition			
Chapel Hill Transit	209,684	-	209,684
GoTriangle	1,007,833	187,193	820,640
Orange County Public Transportation	260,440	260,440	-
Bus Rapid Transit			
Chapel Hill Transit - NS- BRT	8,000,000	3,320,143	4,679,857
Capital - Planning			
Chapel Hill Transit	300,000	-	300,000
Orange County Public Transit	105,000	105,000	-
GoTriangle	297,233	263,920	33,313
Light Rail			
GoTriangle	138,046	5,871	132,175
Allocation to Fund Balance	<u>1,364,811</u>	<u>-</u>	<u>1,364,811</u>
Total expenditures	<u>16,765,705</u>	<u>4,393,859</u>	<u>12,371,846</u>
Revenues over (under) expenditures	(800,000)	3,061,940	3,861,940
Fund balance appropriated	<u>800,000</u>	<u>-</u>	<u>(800,000)</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing (uses)	<u>\$ -</u>	<u>3,061,940</u>	<u>\$ 3,061,940</u>
Fund balance, beginning		<u>14,739,612</u>	
Fund balance, ending		<u>\$ 17,801,552</u>	

RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY
Triangle Tax District - Wake Capital Fund
Schedule of Revenues, Expenditures And Changes in Fund Balances - Budget and Actual
For The Fiscal Year Ended June 30, 2025

	<u>Final Budget</u>	<u>Actual Amount</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES			
Special sales tax revenue	\$ 430,610,173	\$ 102,785,901	\$ (327,824,272)
Other revenue	-	389,407	389,407
Investment income	-	31,811,249	31,811,249
Total revenues	<u>430,610,173</u>	<u>134,986,557</u>	<u>(295,623,616)</u>
EXPENDITURES			
Capital Planning			
GoTriangle	237,684	123,599	114,085
Capital Area Metro Planning Organization	681,270	528,692	152,578
Community Funding Area			
Town of Apex	417,757	12,631	405,126
Town of Knightdale	503,740	253,454	250,286
Town of Morrisville	169,045	32,114	136,931
Commuter Rail Transit			
GoTriangle	1,158,516	-	1,158,516
Reserve	24,610,371	-	24,610,371
Bus Infrastructure			
GoTriangle	32,151,750	9,974,726	22,177,024
City of Raleigh	66,088,332	3,469,830	62,618,502
Town of Cary	82,709,650	577,753	82,131,897
NC State University	99,360	99,360	-
Reserve	4,384,323	-	4,384,323
Vehicle Acquisition			
City of Raleigh	22,649,749	5,000,012	17,649,737
GoTriangle	9,685,256	1,317,326	8,367,930
Wake County	3,173,047	-	3,173,047
Bus Rapid Transit			
GoRaleigh	211,781,056	5,407,476	206,373,580
Total expenditures	<u>460,500,906</u>	<u>26,796,973</u>	<u>433,703,933</u>
Revenues over (under) expenditures	(29,890,733)	108,189,584	(729,327,549)
Appropriated fund balance	<u>29,890,733</u>	-	<u>(29,890,733)</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing (uses)	<u>\$ -</u>	108,189,584	<u>\$ 108,189,584</u>
Fund balance, beginning		<u>541,515,370</u>	
Fund balance, ending		<u>\$ 649,704,954</u>	

See additional capital outlay information on Table 15 in the Statistical Section

RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY
Schedule of Revenues and Expenditures
Proprietary Fund - Ridesharing
Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2025

	<u>Budget</u>	<u>Actual</u>	<u>Variance Budget Positive (Negative)</u>
REVENUES			
Intergovernmental revenues:			
Local grant revenues	\$ 627,858	\$ 478,037	\$ (149,821)
Reimbursement from others	927,121	1,053,807	126,686
Sponsorships	-	65,466	65,466
Total revenues	<u>1,554,979</u>	<u>1,597,310</u>	<u>42,331</u>
EXPENDITURES			
Regional services - planning	559,009	743,366	(184,357)
Sustainable travel services	632,201	498,709	133,492
Regional call center	1,090,528	1,197,663	(107,135)
Total operating expenditures	<u>2,281,738</u>	<u>2,439,738</u>	<u>(158,000)</u>
Debt service:			
Debt service - principal	-	47,588	(47,588)
Debt service - interest	-	7,108	(7,108)
Total debt service	<u>-</u>	<u>54,696</u>	<u>(54,696)</u>
Total expenditures	<u>2,281,738</u>	<u>2,494,434</u>	<u>(212,696)</u>
Revenues over (under) expenditures	<u>(726,759)</u>	<u>(897,124)</u>	<u>(170,365)</u>
Other Financing Sources (Uses)			
Transfers from other funds	<u>726,759</u>	<u>726,759</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing (uses)	<u>\$ -</u>	<u>(170,365)</u>	<u>\$ (170,365)</u>
Reconciliation from budgetary basis (modified accrual) to full accrual:			
Reconciling items:			
Change in subscription liability		47,588	
Amortization		(49,955)	
Other post employment benefits		(1,094)	
Compensated absences		23,480	
Total reconciling items		<u>20,019</u>	
Change in net position		<u>\$ (150,346)</u>	

RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY
Schedule of Revenues and Expenditures
Proprietary Fund - Regional Bus Service Fund
Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2025

	<u>Budget</u>	<u>Actual</u>	<u>Variance Budget Positive (Negative)</u>
REVENUES			
Rider fares			
Bus fares	\$ 730,131	\$ -	\$ (730,131)
GoPass	875,027	1,423,835	548,808
Paratransit services	1,542,788	527,523	(1,015,265)
Transit services	8,222,805	7,730,860	(491,945)
Other revenues	40,000	11,602,741	11,562,741
Intergovernmental revenues:			
State grant revenues	2,800,000	2,822,173	22,173
Total revenues	<u>16,610,751</u>	<u>24,107,132</u>	<u>7,496,381</u>
EXPENDITURES			
Supervision	2,410,519	2,733,443	(322,924)
Operations	14,725,398	25,562,412	(10,837,014)
Maintenance	5,407,331	4,859,843	547,488
Vanpool	354,300	268,772	85,528
Paratransit services	4,278,853	3,502,150	776,703
Total expenditures	<u>27,176,401</u>	<u>36,926,620</u>	<u>(9,750,219)</u>
Revenues over (under) expenditures	<u>(10,565,650)</u>	<u>(12,819,488)</u>	<u>(2,253,838)</u>
OTHER FINANCING SOURCES (USES)			
Capital contribution	-	13,591,570	13,591,570
Transfers from other funds	10,565,650	10,565,650	-
Investment interest	-	35,194	35,194
Total other financing sources (uses)	<u>10,565,650</u>	<u>24,192,414</u>	<u>13,626,764</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing (uses)	<u>\$ -</u>	11,372,926	<u>\$ 11,372,926</u>
Reconciliation from budgetary basis (modified accrual) to full accrual:			
Reconciling items:			
Depreciation		(3,493,377)	
Gain on capital assets disposals		(48,941)	
Capital outlay		28,919,302	
From Bus Capital Project:			
Federal grant revenue		11,389,332	
Transfer from other funds		1,779,812	
Spending recorded in bus capital project fund		(13,142,517)	
Capital contributions from governmental funds		(13,591,570)	
Compensated absences		(179,986)	
Other post employment benefits		250,159	
Change in net position		<u>\$ 23,255,140</u>	

RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY
Schedule of Revenues, Expenditures And Changes in Fund Balances - Budget and Actual (Non-GAAP)
Regional Bus Capital Project Fund
From Inception and For the Fiscal Year Ended June 30, 2025

	<u>Budget</u>	<u>Current Year</u>	<u>Variance Budget Positive (Negative)</u>
REVENUES:			
Restricted intergovernmental revenues:			
Federal grant revenues	\$ 30,428,676	\$ 11,389,332	\$ (19,039,344)
Other revenue	<u>37,708,498</u>	<u>-</u>	<u>(37,708,498)</u>
Total revenues	<u>68,137,174</u>	<u>11,389,332</u>	<u>(56,747,842)</u>
EXPENDITURES:			
Capital outlay:			
Buildings & Transit Amenities	<u>69,916,986</u>	<u>13,142,517</u>	<u>56,774,469</u>
Revenues over (under) expenditures	<u>(1,779,812)</u>	<u>(1,753,185)</u>	<u>26,627</u>
OTHER FINANCING SOURCES (USES)			
Transfers from other funds	<u>1,779,812</u>	<u>1,779,812</u>	<u>-</u>
Change in fund balance	<u>\$ -</u>	<u>\$ 26,627</u>	<u>\$ 26,627</u>

STATISTICAL SECTION

**RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY
YEAR ENDED JUNE 30, 2025**

This page explains the purpose of each schedule in the Statistical Section. This is intended to make the Statistical Section easier to understand.

Net Position by Component Last Ten Fiscal Years, Table 1 (p.78-79)

This table helps the reader gauge the Authority's financial progress.

Change in Net Position, Table 2 (p.80-81)

This schedule is a summary of the changes in net position for the last ten fiscal years. Information can be obtained from the Statement of Activities in the financial statements for each of the fiscal years.

Fund Balances, Governmental Fund, Table 3 (p.82-83)

This table gives a comparative view of the governmental fund balances over the past ten fiscal years.

Changes in Fund Balances, Governmental Fund, Table 4 (p.84-85)

This table shows the various factors which caused the changes in fund balances for the last ten years.

Changes in Governmental Fund Expenditures by Function, Table 5 (p.86-87)

This schedule is a summary of the governmental fund expenditures by function for the last ten fiscal years. Information can be obtained from the Statement of Revenues, Expenditures and Changes in Fund Balances Governmental Funds sheet in the financial statements for each of the fiscal years.

Governmental Fund Revenues by Source, Table 6 (p.88-89)

This schedule is a summary of the governmental fund revenues by source for the last ten fiscal years. Information can be obtained from the Statement of Revenues, Expenditures and Changes in Fund Balances Governmental Funds sheet in the financial statements for each of the fiscal years.

Ratios of Outstanding Debt by Type Last Ten Fiscal Years, Table 7 (p.90)

This table shows the ratio of primary government indebtedness per capita.

Employee Position Authorization by Department, Table 8 (p.91)

This table compares positions authorized by department for comparative purposes.

Operating Indicators by Function/Program, Table 9 (p.92-93)

This schedule shows various operating indicators of the district by function. It includes service information including initiatives to increase ridership.

STATISTICAL SECTION TABLE OF CONTENTS (continued)

Capital Assets by Function/Program, Table 10 (p.94-95)

This schedule is a summary of the rolling stock capital assets for the last ten fiscal years.

Demographics and Economic Statistics for Durham County, Table 12-Durham, (p.96)

This schedule shows U.S. Census data for the past 10 years. This is the latest information available.

Principal Employers for Durham County, Table 13-Durham (p.97)

This schedule ranks top employers in Durham County comparatively for 2024 and 2015. Both Durham County tables provided by the Durham County Finance Department. This is the latest information currently available.

Demographics and Economic Statistics for Orange County, Table 12-Orange (p.98)

This schedule shows the latest available U.S. Census data for the past 10 years. This is the latest information currently available.

Principal Employers for Orange County, Table 13-Orange (p.99)

This schedule ranks top employers in Orange County comparatively for 2024 and 2015. Both Orange County tables provided by the Orange County Finance Department. This is the latest information currently available.

Demographics and Economic Statistics for Wake County, Table 12-Wake (p.100)

This schedule shows U.S. Census data for the past 10 years.

Principal Employers for Wake County, Table 13-Wake (p.101)

This schedule ranks top employers in Wake County comparatively for 2024 and 2015. Both Wake County tables provided by the Wake County Finance Department.

Principal Auto Rental Agencies, Table 14 (p.102)

This schedule ranks top auto rental agencies by rental taxes generated for 2024 and 2015. 2014 is the earliest year with available information.

Compilation of Wake County Capital Projects, Table 15 (p.103)

The Triangle Tax District –Wake Capital Fund is annually budgeted. This schedule provides a compilation of capital projects undertaken by Wake County Transit Partners since Fiscal Year 2018.

Analysis, Wake County Operating Fund against Benchmarks, Table 16 (p.104)

The Triangle Tax District –Wake Operating Fund has certain financial benchmarks that it is expected to meet. This provides the reader an analysis of how well the fund is meeting those expectations.

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RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY
Net Position by Component
Last Ten Fiscal Years

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Governmental Activities				
Net Invested in capital assets	\$ 96,128,688	\$ 102,252,715	\$ 157,716,647	\$ 65,628,903
Restricted	158,458,155	217,882,446	291,393,524	318,412,758
Unrestricted	<u>(12,848,313)</u>	<u>(20,794,546)</u>	<u>(28,356,084)</u>	<u>10,775,089</u>
Total governmental activities net position	<u>241,738,530</u>	<u>299,340,615</u>	<u>420,754,087</u>	<u>394,816,750</u>
Business-Type Activities				
Net Invested in capital assets	15,870,236	14,148,121	16,752,677	15,057,257
Unrestricted	<u>(13,579,941)</u>	<u>(13,477,608)</u>	<u>(16,238,710)</u>	<u>(20,782,140)</u>
Total business-type activities net position	<u>2,290,295</u>	<u>670,513</u>	<u>513,967</u>	<u>(5,724,883)</u>
Primary Government				
Net Invested in capital assets	111,998,924	116,400,836	174,469,324	80,686,160
Restricted	158,458,155	217,882,446	291,393,524	318,412,758
Unrestricted	<u>(26,428,254)</u>	<u>(34,272,154)</u>	<u>(44,594,794)</u>	<u>(10,007,051)</u>
Total primary government net position	<u>\$ 244,028,825</u>	<u>\$ 300,011,128</u>	<u>\$ 421,268,054</u>	<u>\$ 389,091,867</u>

Notes:

This table was prepared using the accrual basis of accounting

Table 1

2020	2021	2022	2023	2024	2025
\$ 65,446,000	\$ 64,051,612	\$ 67,121,817	\$ 66,678,767	\$ 80,560,399	\$ (444,572)
406,217,942	517,983,413	598,670,168	763,147,138	896,919,854	1,054,853,080
13,016,877	11,760,920	9,622,372	10,392,932	15,117,891	21,170,593
<u>484,680,819</u>	<u>593,795,945</u>	<u>675,414,357</u>	<u>840,218,837</u>	<u>992,598,144</u>	<u>1,075,579,101</u>
18,564,037	20,685,618	19,534,809	22,706,400	21,107,806	122,304,609
(24,054,669)	(26,053,053)	4,281,534	2,749,075	(922,255)	(3,177,768)
<u>(5,490,632)</u>	<u>(5,367,435)</u>	<u>23,816,343</u>	<u>25,439,384</u>	<u>20,185,551</u>	<u>119,126,841</u>
84,010,037	84,737,230	86,656,626	89,385,167	101,668,205	121,860,037
406,217,942	517,983,413	598,670,168	763,147,138	896,919,854	1,054,853,080
(11,037,792)	(14,292,133)	13,903,906	13,142,007	14,195,636	17,992,825
<u>\$ 479,190,187</u>	<u>\$ 588,428,510</u>	<u>\$ 699,230,700</u>	<u>\$ 865,674,312</u>	<u>\$ 1,012,783,695</u>	<u>\$ 1,194,705,942</u>

RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY
CHANGE IN NET POSITION
Last Ten Fiscal Years

	2016	2017	2018	2019	2020
Expenses					
Governmental activities:					
Administration	\$ 395,813	\$ 240,533	\$ 738,842	\$ 302,630	\$ 465,215
Capital Development	3,135,490	2,215,088	4,580,967	3,918,149	417,191
Communications and Public Affairs	792,256	1,572,138	2,408,427	1,083,796	860,176
Finance	3,593,377	3,537,718	2,806,896	2,634,018	2,817,699
General Counsel	206,367	757,937	971,652	1,782,291	7,524,707
Real Estate & Facilities	-	-	-	-	-
Human Resources	603,459	595,683	687,057	676,820	546,051
EEO/DBE	141,040	113,956	141,254	144,575	120,457
GoDurham	934,349	795,369	881,430	1,011,581	1,054,106
Board	95,629	133,670	146,958	103,946	123,919
FORTIFY	2,578,066	2,195,690	-	-	-
Transit services	5,710,000	5,530,960	17,584,859	25,376,819	53,404,609
Nondepartmental	-	614,678	-	462,124	-
Regional Services	-	89,572	188,583	663,938	-
Commuter Rail	-	-	-	-	-
Safety and Security	-	-	-	-	-
Information Technology	-	-	-	-	-
Executive Office	-	-	-	552,067	841,365
Total governmental activities expense	<u>18,185,846</u>	<u>18,392,992</u>	<u>31,136,925</u>	<u>38,712,754</u>	<u>68,175,495</u>
Business-type activities:					
Regional bus service	19,582,301	19,809,386	23,889,251	24,755,050	23,236,978
Ridesharing	2,049,457	2,181,925	2,365,159	2,024,007	2,211,787
Total business-type activities expense	<u>21,631,758</u>	<u>21,991,311</u>	<u>26,254,410</u>	<u>26,779,057</u>	<u>25,448,765</u>
TOTAL PRIMARY GOVERNMENT EXPENSES	<u>39,817,604</u>	<u>40,384,303</u>	<u>57,391,335</u>	<u>65,491,811</u>	<u>93,624,260</u>
Program Revenues					
Governmental activities:					
Charges for service	-	1,066,222	1,165,852	896,576	112,795
Operating grants and contributions:					
Capital development	2,529,679	2,475,198	4,943,910	89,070	87,397
Capital grants and contributions:					
Regional rail capital project	1,023,625	723,751	-	-	-
Technology capital project	135,004	99,000	149,994	87,427	-
Total governmental activities revenue	<u>4,179,034</u>	<u>5,415,825</u>	<u>6,259,756</u>	<u>1,073,073</u>	<u>200,192</u>
Business-type activities:					
Regional bus service					
Charges for services	2,479,761	4,953,704	3,288,406	2,652,653	1,826,029
Grant revenue	3,415,833	3,981,607	6,923,338	1,332,613	2,781,273
Ridesharing					
Grant revenue	660,395	426,261	665,539	750,433	465,151
Total business-type activities revenues	<u>6,065,263</u>	<u>8,309,918</u>	<u>10,877,283</u>	<u>4,735,699</u>	<u>5,072,453</u>
TOTAL PRIMARY GOVERNMENT REVENUES	<u>10,244,297</u>	<u>13,725,743</u>	<u>17,137,039</u>	<u>5,808,772</u>	<u>5,272,645</u>
Net revenue (Expense)					
Governmental activities	(63,803,549)	(12,977,167)	(24,125,058)	(184,441,134)	(68,855,625)
Business-type activities	(15,566,495)	(13,681,393)	(16,129,238)	(22,043,358)	(20,376,312)
TOTAL PRIMARY GOVERNMENT NET EXPENSE	<u>(79,370,044)</u>	<u>(26,658,560)</u>	<u>(40,254,296)</u>	<u>(206,484,492)</u>	<u>(89,231,937)</u>
General revenues and other changes in net position					
Governmental activities:					
Vehicle registration taxes	9,413,400	9,671,756	18,516,428	19,015,982	18,560,212
Special tax revenue	31,536,121	54,179,262	122,793,936	129,911,500	130,876,707
Vehicle rental taxes	10,665,172	11,378,047	11,671,976	12,524,361	11,144,224
Miscellaneous revenues	3,327,995	2,155,082	886,790	1,426,098	3,235,331
Gain (loss) on sale of capital assets	-	-	-	-	-
Unrestricted investment earnings	1,427,905	859,364	1,908,742	5,205,925	5,462,717
Transfers	(10,645,230)	(10,905,887)	(10,453,969)	(9,580,069)	(10,559,497)
Total governmental activities	<u>45,725,363</u>	<u>67,337,624</u>	<u>145,323,903</u>	<u>158,503,797</u>	<u>158,719,694</u>
Business-type activity:					
Miscellaneous	2,942,154	1,427,356	6,142,719	6,222,461	10,000,760
Gain (loss) on sale of capital assets	-	-	-	-	-
Unrestricted investment earnings	25,100	(105,885)	14,156	1,978	50,314
Transfers	10,645,230	10,905,887	10,453,969	9,580,069	10,559,497
Total business-type activities	<u>13,612,484</u>	<u>12,227,358</u>	<u>16,610,844</u>	<u>15,804,508</u>	<u>20,610,571</u>
TOTAL PRIMARY GOVERNMENT GENERAL REVENUES AND OTHER CHANGES IN NET POSITION	<u>59,337,847</u>	<u>79,564,982</u>	<u>161,934,747</u>	<u>174,308,305</u>	<u>179,330,265</u>
Change in net position					
Governmental activities	31,718,551	51,284,576	121,622,370	120,864,116	90,744,391
Business-type activity	(1,954,011)	(1,454,035)	481,606	(6,238,850)	234,259
Prior period adjustments/error corrections	-	3,075,881	(423,525)	-	-
Special Items	(49,796,737)	-	-	(146,801,453)	(880,322)
TOTAL PRIMARY GOVERNMENT CHANGE IN NET POSITION	<u>\$ (20,032,197)</u>	<u>\$ 52,906,422</u>	<u>\$ 121,680,451</u>	<u>\$ (32,176,187)</u>	<u>\$ 90,098,328</u>

Table 2

2021	2022	2023	2024	2025
\$ 504,977	\$ 416,589	\$ 990,471	\$ 892,184	\$ 833,860
429,840	339,671	348,668	668,678	631,214
883,088	829,168	799,893	836,828	847,327
3,085,490	3,159,355	3,037,306	4,017,953	3,253,443
1,472,755	838,703	1,399,798	1,043,018	1,411,814
-	-	-	348,513	16,356,279
738,138	651,443	618,201	698,926	988,688
141,647	150,568	242,502	131,652	382,881
1,052,601	1,033,597	1,239,956	-	-
116,718	105,638	181,721	138,348	352,343
-	-	-	-	-
55,820,548	73,722,651	59,133,994	94,606,754	88,594,841
-	590,930	163,497	185,337	-
-	-	-	-	-
-	122,548	21,442	6,201	-
-	-	-	-	1,168,802
-	-	-	-	1,713,670
688,709	718,895	852,156	950,437	919,047
<u>64,934,511</u>	<u>82,679,756</u>	<u>69,029,605</u>	<u>104,524,829</u>	<u>117,454,209</u>
24,765,636	25,056,724	25,503,610	26,145,577	38,164,609
1,882,422	1,942,469	2,034,042	1,972,283	2,474,415
<u>26,648,058</u>	<u>26,999,193</u>	<u>27,537,652</u>	<u>28,117,860</u>	<u>40,639,024</u>
<u>91,582,569</u>	<u>109,678,949</u>	<u>96,567,257</u>	<u>132,642,689</u>	<u>158,093,233</u>
95,329	1,486,345	1,411,557	1,550,259	-
8,584,787	4,976,154	41,492	-	17,545,632
-	-	-	-	-
176,873	-	-	-	-
<u>8,856,989</u>	<u>6,462,499</u>	<u>1,453,049</u>	<u>1,550,259</u>	<u>17,545,632</u>
6,555,584	4,973,509	5,964,624	6,503,847	9,682,218
4,451,676	15,820,390	5,578,150	6,126,961	14,211,505
570,672	519,732	496,475	452,420	478,037
<u>11,577,932</u>	<u>21,313,631</u>	<u>12,039,249</u>	<u>13,083,228</u>	<u>24,371,760</u>
<u>20,434,921</u>	<u>27,776,130</u>	<u>13,492,298</u>	<u>14,633,487</u>	<u>41,917,392</u>
(57,820,522)	(76,217,257)	(67,576,556)	(102,974,570)	(99,908,577)
<u>(15,070,126)</u>	<u>(5,685,562)</u>	<u>(15,498,403)</u>	<u>(15,034,632)</u>	<u>(16,267,264)</u>
<u>(72,890,648)</u>	<u>(81,902,819)</u>	<u>(83,074,959)</u>	<u>(118,009,202)</u>	<u>(116,175,841)</u>
20,049,483	19,379,365	20,048,569	20,166,120	20,983,848
146,646,580	171,319,511	186,208,231	190,991,049	189,952,419
9,175,135	13,415,999	14,871,008	16,158,765	16,132,550
3,755,750	1,155,705	2,709,729	9,435,286	4,688,129
-	-	-	-	3,228,350
(170,401)	(13,040,903)	23,765,949	30,530,491	42,557,091
<u>(12,430,760)</u>	<u>(32,787,008)</u>	<u>(12,896,100)</u>	<u>(8,634,936)</u>	<u>(26,663,791)</u>
<u>167,025,787</u>	<u>159,442,669</u>	<u>234,707,386</u>	<u>258,646,775</u>	<u>250,878,596</u>
2,955,602	2,080,016	4,160,063	1,393,575	12,722,014
-	-	-	-	(48,941)
(193,039)	2,316	65,281	(263,803)	35,194
<u>12,430,760</u>	<u>32,787,008</u>	<u>12,896,100</u>	<u>8,634,936</u>	<u>26,663,791</u>
<u>15,193,323</u>	<u>34,869,340</u>	<u>17,121,444</u>	<u>9,764,708</u>	<u>39,372,058</u>
<u>182,219,110</u>	<u>194,312,009</u>	<u>251,828,830</u>	<u>268,411,483</u>	<u>290,250,654</u>
110,858,126	83,225,412	167,130,830	155,672,205	150,970,019
123,197	29,183,778	1,623,041	(5,269,924)	23,104,794
-	-	-	(1,030,259)	7,458,027
<u>(1,743,000)</u>	<u>(1,607,000)</u>	<u>(1,280,000)</u>	<u>(3,292,898)</u>	<u>-</u>
<u>\$ 109,238,323</u>	<u>\$ 110,802,190</u>	<u>\$ 167,473,871</u>	<u>\$ 146,079,124</u>	<u>\$ 181,532,840</u>

**RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY
FUND BALANCES, GOVERNMENTAL FUNDS
Last Ten Fiscal Years**

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
General Fund				
Nonspendable	\$ 1,800,234	\$ 1,671,179	\$ 2,035,951	\$ 47,620
Restricted	18,681,070	20,324,751	25,304,010	28,421,731
Assigned	-	-	-	-
Unassigned	(13,663,617)	(20,842,811)	(27,031,415)	13,326,009
Total General Fund	<u>\$ 6,817,687</u>	<u>\$ 1,153,119</u>	<u>\$ 308,546</u>	<u>\$ 41,795,360</u>
All other governmental funds				
Restricted - reserve by state statute	\$ -	\$ 69,922,702	\$ 84,791,735	\$ 48,400,542
Restricted - public transportation	139,777,085	127,634,993	159,952,779	201,501,984
Restricted - interlocal agreement	-	-	21,345,000	40,088,501
Restricted- community funding area program	-	-	-	24,821
Unassigned	(45,885)	(606,700)	(1,562,759)	(733,638)
Total all other governmental funds	<u>\$ 139,731,200</u>	<u>\$ 196,950,995</u>	<u>\$ 264,526,755</u>	<u>\$ 289,282,210</u>

Table 3

2020	2021	2022	2023	2024	2025
\$ 1,223,469	\$ 140,030	\$ 173,301	\$ 73,815	\$ 102,393	\$ 1,542,783
28,513,232	26,314,599	21,961,603	20,162,995	4,195,551	8,006,660
-	-	-	-	4,309,595	4,500,000
14,458,841	14,018,351	13,342,564	14,386,944	13,239,591	2,947,270
<u>\$ 44,195,542</u>	<u>\$ 40,472,980</u>	<u>\$ 35,477,468</u>	<u>\$ 34,623,754</u>	<u>\$ 21,847,130</u>	<u>\$ 16,996,713</u>
\$ 39,300,157	\$ 54,511,077	\$ 58,440,696	\$ 67,821,468	\$ 46,850	\$ 65,429,399
278,852,605	354,264,277	490,333,573	473,045,304	690,143,102	761,370,512
59,551,948	82,893,460	26,875,000	201,203,104	201,203,104	218,620,079
144,111	470,808	1,059,296	1,331,247	1,331,247	1,426,430
(808,313)	(739,291)	(1,405,127)	(853,750)	-	-
<u>\$ 377,040,508</u>	<u>\$ 491,400,331</u>	<u>\$ 575,303,438</u>	<u>\$ 742,547,373</u>	<u>\$ 892,724,303</u>	<u>\$ 1,046,846,420</u>

RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
Last Ten Fiscal Years

REVENUES	2016	2017	2018	2019
Restricted intergovernmental revenues:				
NC Department of Transportation	\$ 605,838	\$ 607,457	\$ 189,492	\$ 181,995
Federal Transit Administration	3,292,902	3,496,814	2,752,624	87,428
State Grant Revenues	-	-	-	-
Other revenue	2,904,313	2,173,533	3,830,146	806,054
Vehicle registration tax	9,413,400	9,671,756	18,516,428	19,015,982
Special tax revenue	31,536,121	54,179,262	122,793,936	129,911,500
Indirect cost credits	1,072,250	1,098,951	1,126,395	1,408,673
Vehicle rental tax	10,665,172	11,378,047	11,671,976	12,524,361
Farebox	-	-	-	15,022
Investment income	1,427,905	859,364	1,908,742	5,205,925
Total revenues	<u>60,917,901</u>	<u>83,465,184</u>	<u>162,789,739</u>	<u>169,156,940</u>
EXPENDITURES				
Current:				
Governing board	76,289	127,035	105,915	100,086
Executive office	-	-	-	552,067
Regional services	-	89,572	-	663,161
Human resources	532,354	595,683	647,858	676,028
Administration	455,097	224,981	482,692	293,507
Capital development	2,138,408	2,738,464	6,009,825	3,872,649
Real estate and facilities	-	-	-	-
Commuter rail development	-	-	-	-
EEO/DBE	124,459	113,956	133,195	144,402
DATA/GoDurham	820,649	795,369	881,430	1,011,581
Finance	2,137,074	2,406,551	2,602,435	2,117,649
Safety and Security	-	-	-	-
Information Technology	-	-	-	-
General counsel	482,388	757,937	865,899	1,780,203
Communications and public affairs	2,513,220	1,707,372	1,829,418	1,082,529
FORTIFY	2,226,520	2,204,191	-	-
Transit services	5,710,000	5,530,960	16,754,925	28,711,722
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	7,558,101	8,833,421	56,095,168	52,329,020
Total expenditures	<u>24,774,559</u>	<u>26,125,492</u>	<u>86,408,760</u>	<u>93,334,604</u>
Excess of revenues over expenditures	<u>36,143,342</u>	<u>57,339,692</u>	<u>76,380,979</u>	<u>75,822,336</u>
OTHER FINANCING SOURCES (USES)				
Sale of land	-	1,879,804	-	-
Sale of Capital Asset	-	-	-	-
Transfers from other funds	3,626,565	1,681,905	5,796,009	215,720,384
Transfers to other funds	(14,271,795)	(12,587,792)	(16,249,978)	(225,300,453)
Liabilities issued	-	-	-	-
Total other financing sources (uses)	<u>(10,645,230)</u>	<u>(9,026,083)</u>	<u>(10,453,969)</u>	<u>(9,580,069)</u>
Net change in fund balance	25,498,112	48,313,609	65,927,010	66,242,269
Fund balances-beginning	121,050,766	146,548,878	197,537,832	264,835,301
Prior period adjustments/error correction	-	3,241,628	1,370,459	-
Fund balances-ending	<u>\$ 146,548,878</u>	<u>\$ 198,104,115</u>	<u>\$ 264,835,301</u>	<u>\$ 331,077,570</u>
Debt service as a percentage of non-capital expenditures	0.00%	0.00%	0.00%	0.00%

Note:
The 2018 Fund Balance-beginning is shown in italics to disclose it is lower by \$566,283 Beginning in FY18, the Regional Bus Capital Project Fund is shown as a proprietary capital project fund rather than a governmental fund.

Table 4

2020	2021	2022	2023	2024	2025
\$ -	\$ -	\$ -	\$ 11,295	\$ -	\$ -
-	8,835,845	4,976,154	30,197	-	-
-	-	-	-	-	2,215,000
1,914,824	2,247,538	1,028,236	3,173,674	9,431,039	2,458,934
18,560,212	20,049,483	19,379,365	20,048,569	20,166,120	20,983,848
130,876,707	146,646,580	171,319,511	186,208,231	190,991,049	189,952,419
1,520,695	1,529,356	1,596,201	1,569,034	1,444,314	2,229,195
11,144,224	9,175,135	13,415,999	14,871,008	16,158,765	16,132,550
-	-	-	-	-	-
5,462,717	(170,403)	(13,040,907)	23,765,949	30,530,491	42,557,091
169,479,379	188,313,534	198,674,559	249,677,957	268,721,778	276,529,037
118,423	113,092	99,292	175,825	132,288	345,229
841,003	698,763	718,537	852,726	951,707	914,116
-	-	-	-	-	-
545,810	748,192	651,130	618,628	699,914	983,140
452,262	499,503	401,596	977,094	878,919	817,207
357,573	375,657	270,740	283,427	601,687	570,552
-	-	-	-	-	354,429
-	88,775	122,503	21,442	6,201	-
120,397	143,475	150,479	242,644	131,793	381,031
1,053,653	1,067,224	1,335,281	1,240,812	-	-
2,070,791	2,369,880	2,293,472	2,471,879	3,288,215	2,493,885
-	-	-	-	-	1,162,638
-	-	-	-	-	1,704,424
7,521,418	1,493,776	1,093,162	1,400,748	1,393,506	1,404,417
859,784	895,883	828,721	800,416	837,957	843,012
-	-	-	-	-	-
53,676,933	55,467,172	73,165,331	56,932,100	92,467,466	101,634,115
-	-	-	150,547	155,105	4,199,299
-	-	-	13,047	30,516	35,376
1,143,358	1,284,123	5,867,328	4,645,335	15,723,307	-
68,761,405	65,245,515	86,997,572	70,826,670	117,298,581	117,842,870
100,717,974	123,068,019	111,676,987	178,851,287	151,423,197	158,686,167
-	-	-	-	-	-
-	-	-	-	-	3,268,347
77,307,418	3,047,637	38,918,080	19,741,395	7,567,110	5,257,999
(87,866,915)	(15,478,397)	(71,705,088)	(32,637,495)	(20,725,317)	(18,330,220)
-	-	17,613	435,034	111,530	-
(10,559,497)	(12,430,760)	(32,769,395)	(12,461,066)	(13,046,677)	(9,803,874)
90,158,478	110,637,261	78,907,592	166,390,221	138,376,520	148,882,293
331,077,570	421,236,053	531,873,314	610,780,906	777,171,127	914,571,433
-	-	-	-	(976,214)	-
\$ 421,236,048	\$ 531,873,314	\$ 610,780,906	\$ 777,171,127	\$ 914,571,433	\$ 1,063,453,726
0.00%	0.00%	0.00%	0.25%	0.18%	3.73%

RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY
GOVERNMENTAL FUND EXPENDITURES BY FUNCTION
Last Ten Fiscal Years

	2016	2017	2018	2019
Governing board	\$ 76,289	\$ 127,035	\$ 105,915	\$ 100,086
Executive office	-	-	-	552,067
Regional Services	-	89,572	-	663,161
Human resources	532,354	595,683	647,858	676,028
Administration	453,265	224,981	482,692	293,507
Capital development	2,141,315	2,738,465	6,009,825	3,872,649
Real estate and facilities	-	-	-	-
Commuter rail development	-	-	-	-
Equal employ. opport./disadv. bus. enter.	124,459	113,956	133,195	144,402
Safety and Security	-	-	-	-
Information Technology	-	-	-	-
DATA/GoDurham	820,649	795,369	881,430	1,011,581
Finance	2,137,074	2,406,551	2,602,435	2,117,649
General counsel	479,762	757,937	865,899	1,780,203
Communications and public affairs	2,514,771	1,707,372	1,829,418	1,082,529
FORTIFY	2,226,520	2,204,191	-	-
Transit services	5,710,000	5,530,960	16,754,925	28,711,722
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	7,558,101	8,833,421	56,095,168	52,329,020
Totals	<u>\$ 24,774,559</u>	<u>\$ 26,125,493</u>	<u>\$ 86,408,760</u>	<u>\$ 93,334,604</u>

Table 5

2020	2021	2022	2023	2024	2025
\$ 118,423	\$ 113,092	\$ 99,292	\$ 175,825	\$ 132,288	\$ 345,229
841,003	698,763	718,537	852,726	951,707	914,116
-	-	-	-	-	-
545,810	748,192	651,130	618,628	699,914	983,140
452,262	499,503	401,596	977,094	878,919	817,207
357,573	375,657	270,740	283,427	601,687	570,552
-	-	-	-	-	354,429
-	88,775	122,503	21,442	6,201	-
120,397	143,475	150,479	242,644	131,793	381,031
-	-	-	-	-	1,162,638
-	-	-	-	-	1,704,424
1,053,653	1,067,224	1,335,281	1,240,812	-	-
2,070,791	2,369,880	2,293,472	2,471,879	3,288,215	2,493,885
7,521,418	1,493,776	1,093,162	1,400,748	1,393,506	1,404,417
859,784	895,883	828,721	800,416	837,957	843,012
-	-	-	-	-	-
53,676,933	55,467,172	73,165,331	56,932,100	92,467,466	101,634,115
-	-	-	150,547	155,105	4,199,299
-	-	-	13,047	30,516	35,376
1,143,358	1,284,123	5,867,328	4,645,335	15,723,307	-
<u>\$ 68,761,405</u>	<u>\$ 65,245,515</u>	<u>\$ 86,997,572</u>	<u>\$ 70,826,670</u>	<u>\$ 117,298,581</u>	<u>\$ 117,842,870</u>

**RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY
GOVERNMENTAL FUND REVENUES BY SOURCE
Last Ten Fiscal Years**

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Vehicle registration taxes	\$ 9,413,400	\$ 9,671,756	\$ 18,516,428	\$ 19,015,982	\$ 19,015,982
Vehicle rental taxes	10,665,172	11,378,047	11,671,976	12,524,361	12,524,361
Special revenue taxes	31,536,121	54,179,262	122,793,936	129,911,500	129,911,500
Intergovernmental revenues:					
Federal Transit Administration	3,292,902	3,496,814	2,752,624	87,428	87,428
NC Department of Transportation	605,838	607,457	189,492	181,995	181,995
State Grant revenues	-	-	-	-	-
Indirect cost credits	1,072,250	1,098,951	1,126,395	1,408,673	1,408,673
Farebox	-	-	-	15,022	-
Investment income (loss)	1,427,905	859,364	1,908,742	5,205,925	5,205,925
Other	2,904,313	2,173,533	3,830,146	806,054	806,054
Totals	<u>\$ 60,917,901</u>	<u>\$ 83,465,184</u>	<u>\$ 162,789,739</u>	<u>\$ 169,156,940</u>	<u>\$ 169,141,918</u>

Table 6

	2021	2022	2023	2024	2025
\$	18,560,212	\$ 19,379,365	\$ 20,048,569	\$ 20,166,120	\$ 20,983,848
	11,144,224	13,415,999	14,871,008	16,158,765	16,132,550
	130,876,707	171,319,511	186,208,231	190,991,049	189,952,419
	-	4,976,154	30,197	-	-
	-	-	11,295	-	-
	-	-	-	-	2,215,000
	1,520,695	1,596,201	1,569,034	1,444,314	2,229,195
	-	-	-	-	-
	5,462,717	(13,040,907)	23,765,949	30,530,491	42,557,091
	1,914,824	1,028,238	3,173,674	9,431,039	2,458,934
\$	<u>169,479,379</u>	<u>\$ 198,674,561</u>	<u>\$ 249,677,957</u>	<u>\$ 268,721,778</u>	<u>\$ 276,529,037</u>

Table 7

RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY
RATIOS OF OUTSTANDING DEBT BY TYPE
Last Ten Fiscal Years

Fiscal Year	Governmental Activities			Business-Type Activities			Total Primary Government	Per Capita
	COPS & Installment Financing	Leases	Subscriptions	Revenue Bonds	Subscriptions	State Revolving Loan		
2025	\$ -	\$ 54,882	\$ 225,313	\$ -	\$ 102,063	\$ -	\$ 327,376	\$ 0.19
2024	-	165,347	370,704	-	149,651	-	520,355	0.31
2023	-	213,672	365,954	-	203,967	-	783,593	0.48
2022	-	235,401	-	-	-	-	235,401	0.15
2021	-	-	-	-	-	-	-	-
2020	-	-	-	-	-	-	-	-
2019	-	-	-	-	-	-	-	-
2018	-	-	-	-	-	-	-	-
2017	-	-	-	-	-	-	-	-
2016	-	-	-	-	-	-	-	-

Note:

"Leases" includes the net value of right to use lease assets per GASB Statement 87 and subscription based IT arrangements per GASB Statement 96.

"Per Capita" is based on the most recent population data for from NC Dept. of Revenue records

Table 8

RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY
EMPLOYEE POSITION AUTHORIZATION BY DEPARTMENT
Last Ten Fiscal Years

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Executive Office/COO	-	-	-	-	3	4	4	4	3	3
General counsel/Real Estate	3	6	6	3	7	8	8	10	12	12
Communications and public affairs	11	15	20	17	11	13	15	14	10	10
Finance	13	14	15	15	15	19	20	22	16	11
Human resources	4	4	5	5	4	5	5	5	6	6
Information Technology	-	-	-	-	-	-	-	-	-	6
Administration	2	2	3	3	5	5	5	6	5	5
EEO/DBE	1	1	1	1	1	1	2	2	3	3
Capital development	20	27	26	34	12	13	13	15	12	12
Regional bus	174	173	168	178	166	180	186	187	205	205
Ridesharing	33	22	18	21	21	22	22	23	28	28
Tax District	-	-	3	3	3	3	3	3	3	3
Totals	<u>261</u>	<u>264</u>	<u>262</u>	<u>277</u>	<u>245</u>	<u>270</u>	<u>280</u>	<u>288</u>	<u>303</u>	<u>304</u>

This table indicates the number of the Authority's authorized positions by department at the end of the fiscal year.

Source: Budget and Financial Reporting Supervisor

**RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY
OPERATING INDICATORS BY FUNCTION/PROGRAM
Last Ten Fiscal Years**

	<u>2016</u>	<u>2017</u>	<u>2018</u>
Services consumed:			
Fare paid boardings	<u>1,784,408</u>	<u>1,662,758</u>	<u>1,636,072</u>
Services supplied:			
Regular route revenue miles	2,819,804	2,831,146	2,809,815
Paratransit miles	n/a	505,190	599,410
Deadhead, training and maintenance miles	<u>868,384</u>	<u>305,391</u>	<u>495,402</u>
Total miles driven	<u>3,688,188</u>	<u>3,641,727</u>	<u>3,904,627</u>
Regular route revenue hours	137,348	140,448	143,057
Paratransit hours	n/a	23,686	27,816
Deadhead, training and maintenance hours	<u>27,811</u>	<u>28,131</u>	<u>31,232</u>
Total bus hours	<u>165,159</u>	<u>192,265</u>	<u>202,105</u>

Note: Grey highlights indicate that the selected information is not available for that particular year.

* No fees were collected from late March 2020 through June 2024 in response to the COVID-19 pandemic.

Table 9

<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
<u>1,654,836</u>	<u>1,346,709</u>	<u>1,167,033</u> *	<u>1,464,724</u> *	<u>1,583,586</u> *	<u>1,799,534</u> *	<u>1,529,756</u>
2,822,999	2,418,443	2,634,259	2,265,597	2,026,512	2,332,346	2,491,257
593,229	406,543	315,509	393,436	437,158	463,304	483,349
826,022	790,220	763,590	693,517	619,945	605,202	727,674
<u>4,242,250</u>	<u>3,615,206</u>	<u>3,713,358</u>	<u>3,352,550</u>	<u>3,083,615</u>	<u>3,400,852</u>	<u>3,702,280</u>
143,627	123,173	132,770	110,236	100,780	114,582	126,963
27,554	18,167	13,082	17,189	19,947	22,713	22,402
26,461	25,161	23,925	22,364	20,534	17,934	22,267
<u>197,642</u>	<u>166,501</u>	<u>169,777</u>	<u>149,789</u>	<u>141,261</u>	<u>155,229</u>	<u>171,632</u>

**RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY
CAPITAL ASSETS BY FUNCTION/PROGRAM
Last Ten Fiscal Years**

<u>FUNCTION/PROGRAM</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Business-type activities:			
38 - Passenger buses	-	-	3
37 - Passenger buses	6	6	-
36 - Passenger buses	36	36	36
30 - Passenger buses	20	20	20
16 - Passenger buses	5	5	5
16 - Passenger handicap accessible vans	6	6	6
15 - Passenger vans	2	2	-
14 - Passenger handicap accessible vans	-	-	5
12 - Passenger handicap accessible van	55	55	3
12 - Passenger vans	-	-	54
10 - Passenger handicap accessible van	7	12	6
8 - Passenger handicap accessible vans	1	1	-
8 - Passenger vans	2	2	2
7 - Passenger vans	14	14	14
7 - Passenger handicap accessible van	3	3	-
Service truck	4	4	4
Supervisor vehicles	4	4	6
	<u>165</u>	<u>170</u>	<u>164</u>
Total Vehicles	<u>165</u>	<u>170</u>	<u>164</u>

Source: Information provided by Authority Bus Operations.

Table 10

<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
3	3	13	19	19	19	19
-	-	-	-	-	-	-
46	51	45	45	45	45	53
20	20	20	13	13	13	5
4	-	-	-	-	-	-
10	6	11	7	10	10	8
-	-	-	-	-	-	-
6	9	8	7	9	9	11
-	2	-	2	2	2	2
46	16	13	14	13	13	13
9	7	-	9	7	7	7
-	1	7	-	-	-	-
-	-	1	-	1	1	1
14	8	6	6	6	6	6
-	-	3	4	4	4	4
4	4	4	4	4	4	4
7	7	8	8	5	5	5
<u>169</u>	<u>134</u>	<u>139</u>	<u>138</u>	<u>138</u>	<u>138</u>	<u>138</u>

**Demographic and Economic Statistics
Last Ten Years
Unaudited**

Year	Population Estimates¹	Personal Income² (thousands of dollars)	Per Capita Personal Income³	School Enrollment⁴	Unemployment Rate⁵
2025	367,022	*	*	31,788	3.60%
2024	324,833	\$ 19,651,318	\$ 59,070	30,901	3.60%
2023	332,680	19,597,175	60,330	31,124	3.20%
2022	327,306	17,692,950	54,093	31,360	3.40%
2021	321,488	16,624,991	51,713	31,603	4.30%
2020	331,807	*	*	32,928	7.60%
2019	320,639	*	*	32,343	4.00%
2018	308,941	16,058,004	50,698	32,629	3.80%
2017	301,243	14,904,230	47,825	32,907	3.80%
2016	293,647	14,064,619	45,931	33,144	4.70%

* Information was not available at time of issuance. Prior audit years were not updated.

(1) Durhamnc.gov (last updated January 1, 2025)

(2) All personal income data are estimates for the calendar year ended in each fiscal year are provided by Bureau of Economic Analysis, last updated 2020.

(3) All per capita income data is for the calendar year ended in each fiscal year.

2011-2018 is actual per capita income provided by Bureau of Economic Analysis, last update November 14, 2023.

(4) Durham County Public Schools

(5) North Carolina Department of Commerce.

Information provided in Durham County Annual Comprehensive Financial Report, 2024.

**Principal Employers
Unaudited**

Employer	2025			2016		
	Employees ¹	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Duke University & Health System	51,100	1	27.45%	36,004	1	18.70%
Fidelity Investments	5,000	2	2.69%	3,100	6	1.61%
Durham Public Schools	5,054	3	2.72%	5,000	3	2.60%
Cisco	86,200	4	46.31%	4,000	5	2.08%
Veterans Administration Va Ro318	5,054	5	2.72%	4,600	4	2.39%
International Business Machine Corp	446	6	0.24%			
City of Durham	2,759	7	1.48%			
Wolfspeed	5,013	8	2.69%			
Durham County Government	2,000	9	1.07%	2,500	9	1.30%
Research Triangle Institute (RTP)	2,700	10	1.45%			
IQIVIA (formerly Quintiles) Cree, Inc				2,600	7	1.35%
GlaxoSmithKline				2,600	8	1.28%
Durham City Government				2,457	10	1.35%
	<u>165,326</u>		<u>88.82%</u>	<u>62,861</u>		<u>32.66%</u>

Source: Google

¹As of fiscal year-ended 2022, the Durham Chamber of Commerce (DCC) no longer provides exact employment numbers for principal employers. Instead, DCC provides significantly more rounded employment numbers gathered from a number of different sources.

**Demographic and Economic Statistics
Last Ten Years
Unaudited**

Year	Population Estimates¹	Personal Income² (thousands of dollars)	Per Capita Personal Income³	Median Age⁴	School Enrollment⁴	Unemployment Rate⁵	(6) Building Permits Issued⁶
2016	141,704	\$ 7,822,229	\$ 55,201	35.05	20,040	4.4%	3,026
2017	143,264	8,884,312	62,014	35.05	19,959	4.6%	1,793
2018	143,873	8,884,312	61,751	33.60	20,232	3.5%	2,937
2019	144,372	9,728,507	67,385	33.60	20,398	4.0%	2,087
2020	146,521	9,840,004	67,158	34.70	20,408	5.4%	4,853
2021	148,696	9,975,866	67,089	34.90	19,491	5.5%	4,085
2022	149,013	9,997,133	67,089	35.10	20,461	3.5%	4,838
2023	150,477	11,165,424	74,994	35.10	19,256	3.2%	5,082
2024	150,626	12,424,716	82,487	36.70	18,769	3.5%	5,105
2025	150,913	12,424,716	82,330	36.20	18,943	3.6%	4,811

(1) - N.C. State Data Center. Estimates are as of beginning of fiscal year.

(2) - Bureau of Economic Analysis, U.S. Department of Commerce. Figures are for the prior calendar year.

(3) Office of State Budget and Management

(4) - Orange County Operating Budget Office document

(5) - N.C. Employment Security Commission, Annual Average for prior calendar year.

(6) - Total number of building permits issued by Orange County Inspections Department includes inspections by the Town of Hillsborough.

Information provided in Orange County Annual Comprehensive Financial Report, 2025.

**Principal Employers
Unaudited**

Employer	2025			2016		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
UNC-Health Care	18,055	1	46.22%	12,095	2	16.50%
UNC Chapel Hill	13,938	2	35.68%	18,335	1	25.00%
Chapel Hill-Carrboro City Schools	1,859	3	4.76%	2,000	3	2.73%
Orange County Government	1,435	4	3.67%	992	5	1.35%
Orange County Schools	1,143	5	2.93%	1,100	4	1.50%
Town of Chapel Hill	735	6	1.88%	700	6	0.95%
Industrial Connections & Solutions ABB (formerly G.E.)	721	7	1.85%	502	7	0.68%
AKG of America	400	8	1.02%			
Wegmans	396	9	1.01%			
Medline	379	10	0.97%			
Sports Endeavors, Inc.				382	8	0.52%
Aramack Services				354	9	0.48%
Walmart				322	10	0.44%

Information provided in Orange County Annual Comprehensive Financial Report, 2025.

**Demographic and Economic Statistics
Last Ten Years
Unaudited**

Year	Population Estimates¹	Personal Income² (thousands of dollars)	Per Capita Personal Income³	School Enrollment⁴	Unemployment Rate⁵
2016	1,024,198	\$ 57,023,200	\$ 54,317	156,644	4.2%
2017	1,046,791	59,909,444	55,808	158,374	3.6%
2018	1,072,203	65,358,983	59,777	160,429	3.6%
2019	1,092,305	69,016,602	61,948	160,471	3.9%
2020	1,111,761	74,489,625	65,892	161,907	7.1%
2021	1,129,410	85,563,104	74,254	157,673	4.1%
2022	1,150,204	90,351,452	77,172	158,761	3.4%
2023	1,175,021	96,795,590	81,322	158,412	3.1%
2024	1,190,275	*	*	160,183	3.6%
2025	1,229,269	*	*	161,115	3.4%

* Information not available

(1) U.S. Census Bureau, previous calendar year

(2) Bureau of Economic Analysis Regional, Economic Information System - Bureau of Economic Analysis November 2024

(3) Bureau of Economic Analysis Regional Economic Account - computed using Census midyear population estimates available as of March 2025.

(4) North Carolina Department of Public Instruction. 2024-2025 Wake County Public Schools District Facts.

(5) Economic Security Commission of North Carolina; 2024-2025 - North Carolina Department of Commerce-Labor & Economic Analytics Division.

Information provided in Wake County Annual Comprehensive Financial Report, 2025.

**Principal Employers
Unaudited**

Employer	2025*			2016		
	Employees ¹	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
State of North Carolina	24,083	1	3.84%	24,083	1	5.01%
Wake County Public School System	17,000	2	2.71%	18,554	2	3.86%
Wal-Mart	16,800	3	2.68%			
WakeMed Health & Hospitals	10,307	4	1.65%	8,422	4	1.64%
Food Lion	9,037	5	1.44%			
North Carolina State University	9,019	6	1.44%	7,876	5	1.75%
Target	8,400	7	1.34%			
UNC Rex Healthcare	7,700	8	1.23%	5,300	7	1.10%
Harris Teeter	5,300	9	0.85%			
Lenovo	5,100	10	0.81%			
SAS Institute, Inc.				5,232	8	1.09%
IBM Corporation				10,000	3	2.08%
GlaxoSmithKline, Inc.				4,950	6	1.03%
Cisco Systems				5,500	9	1.15%
NC DHHS				3,800	10	1.03%
	<u>112,746</u>		<u>17.99%</u>	<u>93,717</u>		<u>19.74%</u>

(1) Wake County Economic Development / Greater Raleigh Chamber of Commerce

(2) North Carolina Department of Commerce

*Data from 2025 unavailable, data from 2024 used.

Information provided in Wake County Annual Comprehensive Financial Report, 2025.

**RESEARCH TRIANGLE REGIONAL PUBLIC
TRANSPORTATION AUTHORITY**

Table 14

**For Wake, Durham and Orange Counties
Principal Auto Rental Agencies
For the Current Fiscal Year and Nine Years Ago**

Vendors	2025			2016		
	Vehicle Rental Tax	Rank	Percentage of Total Sales	Vehicle Rental Tax	Rank	Percentage of Total Sales
Enterprise Rent A Car	\$ 8,494,702	1	51.67%	\$ 5,690,439	1	53.36%
Hertz Corporation	2,665,127	2	16.21%	1,917,954	2	17.98%
Avis Rent A Car System	1,728,396	3	10.51%	1,053,182	3	9.87%
Budget Rent A Car Systems	1,297,008	4	7.89%	790,911	4	7.42%
DTG Operations	901,805	5	5.49%	505,545	5	4.74%
Sixt Rent A Car, LLC	636,424	6	3.87%	-	-	-
U-Haul	506,809	7	3.08%	276,088	6	2.59%
Payless Car Rental, Inc	41,733	8	0.25%	97,790	8	0.92%
Capital Ford	37,802	9	0.23%	-	-	-
Herc Rentals, Inc.	33,435	10	0.20%	-	-	-
Advantage Rent a Car	-	-	-	155,529	7	1.46%
Fred Anderson Toyota	-	-	-	20,471	10	0.19%
University Ford Isuzu	-	-	-	27,041	9	0.25%
Other	96,871	N/A	0.59%	130,222	N/A	1.22%
Total	\$ 16,440,112		100.00%	\$ 10,665,172		100.00%

Notes: The 1997 session of the General Assembly enacted legislation permitting a regional public transportation authority to levy a 5% tax on motor vehicle rental receipts in its multi-county service area. Following a public hearing, a tax levy of 5% on motor vehicle rental receipts was approved by the Special Tax Board, the Boards of County Commissioners of Wake, Durham, and Orange counties; and the GoTriangle Board of Trustees. GoTriangle began collection of the tax on January 1, 1998.

This table is prepared based on actual cash receipts. Accrual adjustments have been made for the financial statements.

RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY
Triangle Tax District - Wake Capital
Schedule of Cumulative Capital Project Effort
From Inception to the Fiscal Year Ended June 30, 2025

	Cummulative Amounts of All Projects	Prior Years	Actual Amount FY25	Total	Variance From Cumulative Amount Positive (Negative)
REVENUES					
Special Sales Tax	\$ 657,333,039	\$ 668,131,586	\$ 102,785,901	\$ 770,917,487	\$ 113,584,448
Other revenue	-	-	389,407	389,407	389,407
Investment Income	-	24,447,113	31,811,249	56,258,362	56,258,362
Total revenues	<u>657,333,039</u>	<u>692,578,699</u>	<u>134,986,557</u>	<u>827,565,256</u>	<u>170,232,217</u>
EXPENDITURES					
Capital Planning					
GoTriangle	4,213,622	3,975,938	123,599	4,099,537	114,085
City of Raleigh	422,943	422,943	-	422,943	-
CAMPO	1,572,993	893,051	528,692	1,421,743	151,250
Wake County	165,000	165,000	-	165,000	-
Community Funding Areas					
Town of Apex	746,275	328,518	12,631	341,149	405,126
Town of Fuquay-Varina	48,253	48,253	-	48,253	-
Town of Garner	47,782	47,782	-	47,782	-
Town of Knightdale	619,207	115,467	253,454	368,921	250,286
Town of Morrisville	298,000	128,955	32,115	161,070	136,930
Town of Rolesville	11,517	11,517	-	11,517	-
Research Triangle Foundation	263,463	263,463	-	263,463	-
Commuter Rail					
GoTriangle	6,365,242	5,732,552	-	5,732,552	632,690
Reserve	24,610,371	-	-	-	24,610,371
Bus Rapid Transit					
City of Raleigh	234,708,030	22,926,974	5,407,476	28,334,450	206,373,580
Bus Infrastructure					
GoTriangle	56,730,285	22,785,657	9,974,725	32,760,382	23,969,903
City of Raleigh	82,662,531	16,574,199	3,469,830	20,044,029	62,618,502
Town of Cary	108,806,402	26,122,406	577,753	26,700,159	82,106,243
NC State University	99,360	-	99,360	99,360	-
Town of Holly Springs	46,634	46,634	-	46,634	-
Reserve	4,384,323	-	-	-	4,384,323
Bus Acquisition					
GoTriangle	16,232,250	6,546,994	1,317,326	7,864,320	8,367,930
City of Raleigh	66,573,773	43,927,024	5,000,012	48,927,036	17,646,737
Wake County	3,173,047	-	-	-	3,173,047
Allocation to Wake Capital Fund	227,562,299	541,515,370	108,189,584	649,704,954	(422,142,655)
Total expenditures	<u>840,363,602</u>	<u>692,578,699</u>	<u>134,986,557</u>	<u>827,565,256</u>	<u>12,798,346</u>
Revenues over expenditures	<u>(183,030,563)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>183,030,563</u>
OTHER FINANCING SOURCES (USES)					
Allocation from Wake Capital Fund Balance	183,030,563	-	-	-	(183,030,563)
Total other financing sources	<u>183,030,563</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(183,030,563)</u>
Excess of revenues over expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Note:

This informational schedule compiles the totals of all capital projects authorized by the Wake Transit Plan governing board, the Transit Planning Advisory Committee.

Both open and closed projects are included, giving the reader the full breadth of the capital projects funded by the public money.

An annual capital budget is adopted by the Research Triangle Regional Public Transportation Authority and is presented in the individual statement an schedule section following the notes.

Funding is provided from the Article 43 Local Option Sales Tax and investment income.

This schedule is to give the reader an overview of the various projects by general class and by transit partner.

No multi-year project ordinance is adopted at this time by the Authority.

This schedule includes all adopted project ordinance amounts since inception. Project adjustments adopted by the Wake Transi Governing Boards have been included in the Cumulative Amounts of All Projects.

RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY
Triangle Tax District - Wake Funds
Fund Balance Against Inter-local Agreement Benchmarks
June 30, 2025

	TTD - Wake Operating	TTD - Wake Capital
Fund Balances:		
Restricted - Stabilization by State Statute	\$ 43,062,107	\$ -
Restricted - Public Transportation	70,336,158	503,960,246
Restricted - Interlocal Agreement	15,812,640	145,744,708
Restricted - Community Funding Area Program	1,426,430	-
Total fund balances	<u>\$ 130,637,335</u>	<u>\$ 649,704,954</u>
Article 43, Local Option Sales Tax budgeted in FY 2026	\$ 53,083,962	\$ 91,916,038
At 25%	13,270,991	22,979,010
Excess / (Deficit) Coverage	<u>\$ 117,366,344</u>	<u>\$ 626,725,944</u>
FY 2026 Budgeted Operating Expenditures	\$ 64,129,038	NA
90 Days Operating Cash Requirement	15,812,640	NA
Excess / (Deficit) Coverage	<u>\$ 114,824,695</u>	<u>NA</u>

COMPLIANCE SECTION



Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

**To the Board of Trustees
Research Triangle Regional Public Transportation Authority
Research Triangle Park, North Carolina**

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the **Research Triangle Regional Public Transportation Authority** (the "Authority") as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated April 7, 2026.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Authority's internal control over financial reporting ("internal control") as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2025-001 and 2025-002 that we consider to be material weaknesses.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed three instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*, and which are described in the accompanying schedule of findings and questioned costs as items 2025-003, 2025-004, and 2025-005.

Research Triangle Regional Public Transportation Authority's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the Authority's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The Authority's responses were not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the responses.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Raleigh, North Carolina
April 7, 2026



Independent Auditor's Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance in Accordance with Applicable Sections of the OMB Uniform Guidance and the State Single Audit Implementation Act

**To the Board of Trustees
Research Triangle Regional Public Transportation Authority
Research Triangle Park, North Carolina**

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited **Research Triangle Regional Public Transportation Authority's** (the "Authority") compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* and the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission, that could have a direct and material effect on each of the Authority's major federal programs for the year ended June 30, 2025. The Authority's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each major federal program for the year ended June 30, 2025.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (Government Auditing Standards); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a reasonable basis for our opinion on compliance for the major federal program. Our audit does not provide a legal determination of the Authority's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the Authority's federal programs.

Auditor's Responsibility for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Authority's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Authority's compliance with the requirements of the major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Authority's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Authority's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Authority's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Mauldin & Jenkins, PLLC

Raleigh, North Carolina
April 7, 2026



Independent Auditor's Report on Compliance for Each Major State Program and Report on Internal Control over Compliance in Accordance with Applicable Sections of the OMB Uniform Guidance and the State Single Audit Implementation Act

**To the Board of Trustees
Research Triangle Regional Public Transportation Authority
Research Triangle Park, North Carolina**

Opinion on Each Major State Program

We have audited **Research Triangle Regional Public Transportation Authority's** (the "Authority") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission, that could have a direct and material effect on each of the Authority's major state programs for the year ended June 30, 2025. The Authority's major state program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each major state program for the year ended June 30, 2025.

Basis for Opinion on Each Major State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and the State Single Audit Implementation Act. Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a reasonable basis for our opinion on compliance for the major state program. Our audit does not provide a legal determination of the Authority's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the Authority's state programs.

Auditor's Responsibility for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Authority's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Authority's compliance with the requirements of the major state program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Authority's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Authority's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Authority's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify a certain deficiency in internal control over compliance that we consider to be a significant deficiency.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Mauldin & Jenkins, PLLC

Raleigh, North Carolina
April 7, 2026

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2025

SECTION I SUMMARY OF AUDIT RESULTS

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP: Unmodified

Internal control over financial reporting:
 Material weakness(es) identified? Yes No

Significant deficiency(ies) identified? Yes None reported

Noncompliance material to financial statements noted? Yes No

Federal Awards

Internal control over major state programs:
 Material weakness(es) identified? Yes No

Significant deficiency(ies) identified? Yes None reported

Type of auditor's report issued on compliance for major federal programs? Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? Yes No

Identification of major program:

<u>Assistance Listing Number</u>	<u>Name of Federal Program or Cluster</u>
20.933	BUILD

Dollar threshold used to distinguish between type A and type B programs: \$750,000

Auditee qualified as low-risk auditee? No

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2025

SECTION I SUMMARY OF AUDIT RESULTS (CONTINUED)

State Awards

Internal control over major state programs:

Material weakness(es) identified? Yes No

Significant deficiency(ies) identified? Yes None reported

Type of auditor's report issued on compliance for
major state programs?

Unmodified

Any audit findings disclosed that are required to be reported in
accordance with the State Single Audit Implementation Act?

Yes No

Identification of major State program:

Program Name

State Maintenance Assistance Program (SMAP)

State Construction Agreement

Auditee qualified as low-risk auditee?

No

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2025

SECTION II FINANCIAL STATEMENT FINDINGS AND RESPONSES

2025-001 Restatement of Prior Year Balances

Criteria: Internal controls should be in place to ensure that financial statements properly present the financial position and results of the Authority in accordance with generally accepted accounting principles.

Condition: Internal controls were not sufficient to timely detect material misstatements in the Authority's financial statements for the year ended June 30, 2024.

Context/Cause: During our audit for the year ended June 30, 2025, material misstatements in the opening balances of the Authority were identified and thus error corrections were required as follows:

- An adjustment of \$32,830,905 was made to decrease the Construction in Progress recorded in Governmental Activities and increase the Construction in Progress recorded in the Regional Bus Service Fund and Business-type Activities to correctly report Construction in Progress as a business-type activity.
- An adjustment of \$265,492 was made to increase Construction in Progress recorded in the Regional Bus Service Fund and Business-type activities to correct expenditures.
- An adjustment of \$4,671,275 was made to decrease Construction in Progress recorded in the Regional Bus Service Fund and Business-type Activities to correct an overstatement.
- An adjustment of \$35,547,564 was made to decrease land recorded in Governmental Activities and increase land recorded in the Regional Bus Service Fund and Business-type Activities to correctly report this land as a business-type activity.
- An adjustment of \$12,852,494 was made to decrease land recorded in the Regional Bus Service Fund and Business-type Activities to adjust for duplicate assets.
- An adjustment of \$24,500,000 was made to increase Right-of-Way assets recorded in the Regional Bus Service Fund and Business-type Activities.
- An adjustment of \$177,846 was made to increase equipment, \$7,463 to increase vehicles, and \$30,996 to increase improvements in the Regional Bus Service Fund and Business-type Activities for unrecorded assets. The cumulative effect of these adjustments was an increase to capital assets of \$216,305 in the Regional Bus Service Fund and Business-type Activities.
- An adjustment of \$986,359 was made to transfer the fund balance of the Major Transit Investment Fund to the General Fund.

Effects: As a result of the issues identified above, material audit adjustments were required to correct previously reported balances of the Authority.

Recommendation: We recommend the Authority carefully review the financial statements and the applicable reporting requirements under GAAP to ensure that all information and financial data is properly reported.

Auditee's Response: We concur with the finding.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2025

SECTION II FINANCIAL STATEMENT FINDINGS AND RESPONSES (CONTINUED)

2025-002 Financial Close and Maintenance of General Ledger Accounts

Criteria: Internal controls should be in place to ensure that financial statements properly present the financial position and results of operations of the Authority in accordance with generally accepted accounting principles.

Condition: The Authority's reviews and year-end adjustments were not sufficient to prevent, or detect and correct, material misstatements in the Authority's financial statements submitted for audit. The nature and magnitude of these misstatements, as well as the audit adjustments required, are discussed below.

Context/Cause: During our audit for the year ended June 30, 2025, material audit adjustments were required to correct current year balances for the Authority as follows:

- An adjustment of \$598,136 to correct the overstatement of accounts receivable after the Authority settled with the County.
- An adjustment of \$736,537 to correct the overstatement of accrued payroll in the General Fund and Regional Bus Fund.
- An adjustment of \$8,860,000 to correct the understatement of grants receivable in the Wake Operating Tax District Fund.
- An adjustment of \$8,685,632 to correct the understatement of the accounts receivable in the Wake Operating Tax District Fund.
- An adjustment of \$12,000,000 to correct the understatement of the note payable at the government wide level.

Effects: As a result of the issues identified above, material audit adjustments were required to correct reported balances of the Authority. Audit adjustments totaling \$30,880,305 were needed to correct the financial statements as of June 30, 2025.

Recommendation: Management should be reconciling the financial statements to the subsidiary ledgers each month in order to timely address variances in the account balance which are outside of expectations. Additionally, management should be reviewing classification of revenue at year end to ensure proper accounting in accordance with generally accepted accounting principles.

Auditee's Response: We concur with the finding.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2025

SECTION II FINANCIAL STATEMENT FINDINGS AND RESPONSES (CONTINUED)

2025-003 Noncompliance with Preaudit Requirement

Criteria: N.C. General Statutes 159-28(a) requires the Authority to certify that funds are available and budgeted before incurring any contractual obligation, salary change, or purchase.

Condition: During our disbursement testing, we noted 13 out of 25 items we selected for testing did not have authorization from the finance officer certifying the expense had been preaudited, ensuring an unencumbered balance exists in the budget.

Context/Cause: See the condition above.

Effects: As a result of the issues identified above, the Authority was found in noncompliance of the Preaudit Statute 159-28(a).

Recommendation: Management of the Authority needs to review its processes and internal controls related to budgeting and have proper documentation that a preaudit authorization was performed before the obligation is incurred.

Auditee's Response: We concur with the finding.

2025-004 Late Audit Submission

Criteria: N.C. General Statutes 159-34 requires the Authority to have an audit completed by December 31, 2025.

Condition: In performing our audit, it was noted that the finance department experienced significant delays in the year-end accounting and reporting process due to turnover in the department. In addition, several accounts were not properly adjusted or timely to facilitate meeting the required reporting deadline.

Context/Cause: See the condition above.

Effects: The Authority did not meet the required extended reporting deadline of February 12, 2026.

Recommendation: We recommend the Authority establish effective policies and controls around the yearend closeout process. Additionally, we recommend the Authority consider engaging with a consulting firm when there is significant turnover in the finance department to assist in the design and development of the procedures along with the physical closeout continuing until the Authority has sufficient procedures and controls in place to perform the functions on their own.

Auditee's Response: We concur with the finding.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2025

SECTION II FINANCIAL STATEMENT FINDINGS AND RESPONSES (CONTINUED)

2025-005 Adoption of Budget

Criteria: North Carolina General Statutes §159-8 states: "Each local government and public authority shall operate under an annual balanced budget ordinance adopted and administered in accordance with this Article. A budget ordinance is balanced when the sum of estimated net revenues and appropriated fund balances is equal to appropriations."

Condition: The Authority did not comply with General Statutes §159-8 for the Major Capital Project Fund for the fiscal year ended June 30, 2025.

Context/Cause: During our audit for the fiscal year ended June 30, 2025, we noted the Authority did not adopt a budget for Major Capital Project Fund. The Authority's board approved the consolidation of the Major Capital Project Fund into the General Fund and therefore the revenue and related expenditures were budgeted in the General Fund. However, based on the funding sources, main function to acquire or construct assets, and the duration of the projects of the Major Capital Project Fund, consolidation into the General Fund was not carried out in fiscal year ended June 30, 2025. When this determination was made not to consolidate the funds, the original budget ordinance was not amended to add a budget for the Major Capital Project Fund.

Effects: As a result of not adopting a budget for the Major Capital Project Fund noted above, the County was not in compliance with General Statutes §159-8.

Recommendation: We recommend the Authority adopt a budget for the Major Capital Project Fund in fiscal year 2026 and going forward. The Authority should determine if a project ordinance under North Carolina General Statutes §159-13.2 is appropriate given the duration of capital projects.

Auditee's Response: We concur with the finding.

SECTION III FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None reported.

SECTION IV STATE AWARD FINDINGS AND QUESTIONED COSTS

None reported.

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS FOR THE YEAR ENDED JUNE 30, 2025

2024-001 Restatement of Prior Year Balances

Criteria: Internal controls should be in place to ensure that financial statements properly present the financial position and results of the Authority in accordance with generally accepted accounting principles.

Condition: Internal controls were not sufficient to timely detect material misstatements in the Authority's financial statements for the year ended June 30, 2023.

Status: Repeat finding, see 2025-001.

2024-002 Financial Close and Maintenance of General Ledger Accounts

Criteria: Internal controls should be in place to ensure that financial statements properly present the financial position and results of operations of the Authority in accordance with generally accepted accounting principles.

Condition: The Authority's reviews and year-end adjustments were not sufficient to prevent, or detect and correct, material misstatements in the Authority's financial statements submitted for audit. The nature and magnitude of these misstatements, as well as the audit adjustments required, are discussed below.

Status: Repeat finding, see 2025-002.

2024-003 Reporting of Capital Assets and Related Balances

Criteria: Internal controls should be in place to ensure that the Authority's capital assets and related balances are properly reported in accordance with generally accepted accounting principles.

Condition: During our audit procedures, material misstatements were noted in the Authority's capital asset balances that required audit adjustments. The nature and magnitude of these misstatements is discussed further below.

Status: Repeat finding, see 2025-001.

2024-004 Late Audit Submission

Criteria: N.C. General Statutes 159-34 requires the Authority to have an audit completed by October 31, 2024.

Condition: In performing our audit, it was noted that the finance department experienced significant delays in the year-end accounting and reporting process due to turnover in the department. In addition, several accounts were not properly adjusted or timely to facilitate meeting the required reporting deadline.

Status: Repeat finding, see 2025-004.

Finding 2025-001 Restatement of Prior Year Balances

Name of Contact Person – Michelle Jeng, CFO

Condition: Internal controls were not sufficient to timely detect material misstatements in the Authority’s financial statements for the year ended June 30, 2024.

Corrective Action – Management is enhancing its internal control framework by strengthening review and reconciliation procedures, implementing more rigorous month-end and year-end close processes, and increasing oversight of key financial reporting areas. These improvements are designed to prevent material misstatements from occurring in the future.

Proposed date of completion: May 15, 2026

Finding 2025-002 Financial Close and Maintenance of General Ledger Accounts

Name of Contact Person – Michelle Jeng, CFO

Condition: The Authority’s reviews and year-end adjustments were not sufficient to prevent, or detect and correct, material misstatements in the Authority’s financial statements submitted for audit.

Corrective Action – Management will implement monthly reconciliations of the financial statements to the subsidiary ledgers to promptly identify and resolve variances outside of expected thresholds. In addition, management will perform a comprehensive year-end review of revenue classifications to ensure proper recognition and presentation in accordance with generally accepted accounting principles (GAAP).

Proposed date of completion: Ongoing

Finding 2025-003 Noncompliance with Pre Audit Requirement

Name of Contact Person – Michelle Jeng, CFO

Condition: During our disbursement testing, we noted 13 out of 25 items we selected for testing did not have authorization from the finance officer certifying the expense had been pre-audited, ensuring an unencumbered balance exists in the budget.

Corrective Action – The Authority acknowledges that certain transactions did not include documented authorization from the finance officer confirming pre-audit review and the availability of an unencumbered budget balance.

To address this, management has reinforced internal controls to ensure all disbursements received proper pre-audit authorization prior to processing including implementing standardized documentation procedures, strengthening review protocols, and providing additional training to relevant staff to ensure consistent compliance with established policies.

Proposed date of completion: February 23, 2026

Finding 2025-004 Late Audit Submission

Name of Contact Person – Michelle Jeng, CFO

Condition: In performing our audit, it was noted that the finance department experienced significant delays in the year-end accounting and reporting processes due to turnover in the department. In addition, several accounts were not properly adjusted or timely to facilitate meeting the required reporting deadline.

Corrective Action – The Authority acknowledges that turnover within the finance department contributed to delays in the year-end accounting and reporting process, and that certain accounts were not adjusted in a timely manner to meet required reporting deadlines.

Management is implementing measures to strengthen staffing continuity and enhance the year-end closing process. These actions include cross-training personnel, establishing more structured closing timelines, and enhancing review procedures to ensure all accounts are properly analyzed and adjusted in a timely manner. These improvements are intended to support timely and accurate financial reporting going forward.

Proposed date of completion – September 30, 2026

Finding 2025-005 Adoption of Budget

Condition: The Authority did not comply with General Statutes §159-8 for the Major Capital Project Fund for the fiscal year ended June 30, 2025.

Corrective Action – The Authority acknowledges noncompliance with General Statutes §159-8 related to the Major Capital Project Fund for the fiscal year ended June 30, 2025.

In response, management will implement enhanced budgetary control procedures to ensure full compliance with statutory requirements. This will include more frequent monitoring of project ordinances, timely amendments when necessary, and strengthened review processes to ensure expenditures do not exceed authorized appropriations. Additionally, staff will receive further training on applicable statutory requirements to support ongoing compliance.

Proposed date of completion – September 30, 2026

RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY
Schedule of Expenditures of Federal and State Awards
For the Fiscal Year Ended June 30, 2025

Grantor/Pass-through Grantor/Program Title	Federal Assistance Listing Number	State/ Pass-through Grantor's Number	Grant Number	Current Year Expenditures			
				Total	Federal (Direct & Pass-through) Expenditures	State Expenditures	Local Expenditures
Federal Grants:							
<u>Direct Programs:</u>							
<u>U.S. Department of Transportation</u>							
<u>Federal Transit Cluster</u>							
Federal Transit-Formula Grants (Urbanized Area Formula Program)	20.507		NC-2019-012	\$ 12,918	\$ 10,334	\$ -	\$ 2,584
Office of the Secretary: BUILD	20.933		NC-2020-037	19,350,741	11,378,998	-	7,971,743
Total Federal assistance:				<u>19,363,659</u>	<u>11,389,332</u>	<u>-</u>	<u>7,974,327</u>
State Grants:							
<u>Direct Programs:</u>							
<u>North Carolina Department of Transportation</u>							
State Maintenance Assistance Program	DOT-9	36234.76.2.1		26,262,311	-	2,822,173	23,440,138
Public Transportation Capital Grant Program	DOT-14	25-AT-118		49,320	-	49,320	-
State Construction Grant		TDA-5269 WBS 51477.3.1		8,860,000	-	8,860,000	-
<u>Passed through Central Pines Regional Council:</u>							
Rideshare	DOT-11		TDMGOTRI25	629,674	-	478,037	151,637
Total State assistance:				<u>35,801,305</u>	<u>-</u>	<u>12,209,530</u>	<u>23,591,775</u>
			Total Assistance:	<u>\$ 55,164,964</u>	<u>\$ 11,389,332</u>	<u>\$ 12,209,530</u>	<u>\$ 31,566,102</u>

Note 1 -- Basis of Presentation

The accompanying schedule of expenditures of federal and State awards (SEFSA) includes the federal and State grant activity of the Research Triangle Regional Public Transportation Authority under the programs of the federal government and the State of North Carolina for the fiscal year ended June 30, 2025. The information in this SEFSA is presented in accordance with the requirements of Title 2 US Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and the State Single Audit Implementation Act. Because the Schedule presents only a selected portion of the operations of the Research Triangle Regional Public Transportation Authority, it is not intended to and does not present the financial position, changes in net position or cash flows of the Research Triangle Regional Public Transportation Authority.

Note 2 -- Summary of Significant Accounting Policies

Expenditures reported in the SEFSA are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Research Triangle Regional Public Transportation Authority has elected not to use the 10 percent de minimus indirect cost rate as allowed under Uniform Guidance.