



**2023**

# **ANNUAL COMPREHENSIVE FINANCIAL REPORT**

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FOR THE FISCAL YEAR ENDED JUNE 30, 2023





**Research Triangle Regional Public  
Transportation Authority, North Carolina**

**ANNUAL COMPREHENSIVE FINANCIAL REPORT**  
For the Fiscal Year Ended June 30, 2023

*Prepared by the Research Triangle Regional Public Transportation Authority  
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# Research Triangle Regional Public Transportation Authority, North Carolina

## Board of Trustees



Sig Hutchinson, Chair  
Wake County  
Appointed 2017



Brenda Howerton, Vice Chair  
Durham County  
Appointed 2021



Mary-Ann Baldwin  
City of Raleigh  
Appointed 2022



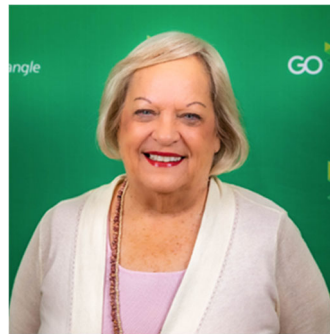
Corey Branch  
City of Raleigh  
Appointed 2019



Michael Fox  
NC Board of Transportation  
Appointed 2019



Sally Greene  
Orange County  
Appointed 2023



Vivian Jones  
Wake County  
Appointed 2013



Valerie Jordan  
NC Board of Transportation  
Appointed 2017



Elaine O'Neal  
City of Durham  
Appointed 2021



Michael Parker  
Town of Chapel Hill  
Appointed 2017



Jennifer Robinson  
Town of Cary  
Appointed 2012



Stelfanie Williams  
Durham City and County  
Appointed 2020



# Research Triangle Regional Public Transportation Authority, North Carolina

## Executive Staff

Charles E. Lattuca	President and CEO
Scott Thomas	Executive Vice President
Sharon Chavis	Chief of Staff
Eric Curry	Chief Communication Officer
Katharine Eggleston	Chief Development Officer
Sandra Freeman	Chief Financial Officer
Vinson Hines, Jr.	Chief of Operations
Byron Smith	General Counsel



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TRANSPORTATION AUTHORITY  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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# INTRODUCTORY SECTION





November 30, 2023

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, 2023. The basic financial statements and supplemental schedules contained herein have been audited by the independent certified public accounting firm of Cherry Bekaert LLP, 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. 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.

The 1997 session of the General Assembly enacted legislation permitting a regional public transportation authority to also 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 Durham, Orange and Wake counties; and the Authority's Board of Trustees. GoTriangle began collection of the tax on January 1, 1998.

The General Assembly enacted legislation allowing for voter referendums in Durham, Orange and Wake Counties on the levy of an additional 1/2¢ Local Option Sales Tax. The proceeds of this tax may only be used for public transportation purposes. The tax provides local funding for regional transit service expansion and transit projects. GoTriangle began receiving the tax proceeds in 2014 for Durham and Orange Counties. GoTriangle received the first Wake County tax revenue in 2017. The sales tax revenue appears in the tax district Operating Fund and the Capital Fund for each county.

### **Purpose**

GoTriangle was created to plan, finance, organize and operate a public transportation system for the Research Triangle area (Durham, Orange, and Wake Counties). The public transportation system may include operation of ridesharing activities, buses and fixed guideways.

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## **Board of Trustees**

GoTriangle is governed by a thirteen-member Board of Trustees. Ten (10) members are appointed by the region's cities and counties, and three (3) members are appointed by the NC Secretary of Transportation, as shown in the following chart.

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

## **Staffing**

GoTriangle annually reviews its staffing needs. There were 288 full-time budgeted positions as of June 30, 2023. The following chart shows these positions by department.

<u>Department</u>	<u>Full-Time Employees</u>
Executive Office/COO	4
General Counsel/Real Estate	10
Communications & Public Affairs	14
Finance	22
Human Resources	5
Administration	6
EEO/DBE	2
Capital Development	15
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## 2022-2023 Economic Development Announcements

### The Triangle

The Research Triangle region is comprised of Durham, Orange and Wake counties. The principal cities in the area include Raleigh, Durham, Cary, and Chapel Hill. The Triangle Region continues to receive accolades and is frequently ranked as one of “America’s Best Places to Live” and “Best Places for Business and Careers.”

With its success, the Triangle has the challenge of continuing to preserve and enhance the quality of life that it has come to enjoy. Current growth in the region has expanded from 1.60 million people in 2020 to 1.65 million in July 2022 as estimated by the NC Office of State Budget and Management. Further, the Office of State Budget and Management predicts a population for the three counties of 2.54 million by July 2050, a growth rate of 53.3% over a 28-year period.

The physical distance between the region’s development and limited public transportation networks have affected the opportunities for upward social mobility of some low-income residents. A study called the Equality of Opportunity by Harvard University and the University of California – Berkeley released in 2015 found that Wake and Durham ranked among the lowest six (6) percent of counties in the country in upward mobility among low income families (families in the 25<sup>th</sup> percentile). Improved transit and ridesharing alternatives, together with sound development practices, can provide affordable access to jobs for a greater share of the population.

Toward this end, communities in the Triangle have seen a surge in interest in the housing, working, and recreation options in their downtowns. Together with the major universities, they are developing a diversity of activities that can be well-served by public transit. GoTriangle and Wake County in collaboration with multiple partners have developed a long-range plan for transit expansion and improvement for the Triangle’s eastern county.

The local option sales tax revenues adopted in Durham, Orange and Wake Counties have funded expansions of transit service in all three counties. These consumer-driven tax revenues continue to grow. In Fiscal Year 2023, gross collections for Durham were \$42,261,734, up from \$40,301,373 in Fiscal Year 2022. Orange County also saw growth in this same time period, collecting \$11,139,429 in Fiscal Year 2023 compared to \$9,576,160 in Fiscal Year 2022. Wake County’s gross collections in Fiscal Year 2023 were \$132,807,068 compared to \$121,441,978 in the year before.

Transit ensures that communities in the Triangle have a transportation network that keeps pace with growth and provides affordable mobility. While it is widely known that transit eases congestion by adding capacity to existing roadways, many societal benefits are often overlooked. Some include:

- **Responding to the COVID-19 Outbreak** – In March 2020, a new strain of coronavirus, commonly known as COVID-19, reached pandemic status in the United States. That pandemic currently remains a factor in daily life. During Fiscal Year 2023, GoTriangle continued providing transportation services. Fares continued to be waived, allowing passengers to board and disembark from the rear doors of a bus. Hand sanitizer stations continue to be available for customer use and buses are sanitized regularly. The impact of returning to fares in Fiscal Year 2025 is currently under review.
- **Supporting the Employed** – In Fiscal Year 2023, GoTriangle provided transit services to 1.58 million passengers over 2.03 million revenue miles. The mileage decreased in Fiscal Year 2023 compared to Fiscal Year 2022 by 239,085 miles primarily caused by the operator shortage requiring suspension of certain routes. Ridership increased by 118,862 passengers. Wages were increased for bus operations employees during the year to both retain and attract new talent. Management continues to monitor the situation and utilizes resources to recruit the best available talent.
- **Strengthening Business** – Transit increases the region’s ability to attract and retain new jobs, providing mobility for employees, employers, suppliers and customers. As an example of this, GoTriangle manages procurement and construction of bus stop and amenities improvements for transit partners, including GoDurham. Since Fiscal Year 2020, GoTriangle has managed construction of 12 bus stop improvement project groups including 96 bus stop locations totaling slightly over \$3,000,000. Disadvantaged Business Enterprises (DBEs) were awarded contracts to construct 11 of those 12 project groups for 90 bus stop locations at a total of \$2,578,398. That is an average of approximately \$234,000 per project group. GoTriangle managed the projects, including the selection of the contractors through competitive bidding, on behalf of GoDurham. Because GoDurham ultimately pays the cost of these projects, they report the DBE participation rate of 91%.
- **Encouraging Independence** – Transit enables elderly and disabled people to remain independent by providing access to health care, shopping, nutrition programs, and other basic life needs. Paratransit revenue miles were 437,158 compared to 393,436 in Fiscal Year 2022. Management believes that as people, especially elderly citizens, resume pre-pandemic activities after an extended quarantine, the demand for paratransit services will continue to grow and exceed pre-pandemic levels.

To promote the habit of public transit use as a life-long habit, GoTriangle and the Wake County Transit Partners continued the Youth GoPass program, for participants between the ages of 13 and 18.

## **Major Initiatives**

During Fiscal Year 2023, GoTriangle continued to move forward with projects designed to improve the public transit efficiency and effectiveness in Durham, Orange and Wake Counties. However, the COVID-19 pandemic drastically altered GoTriangle's plans and those of the transit partners. Listed below are the major accomplishments of each area separated by fund.

- **Wake Operating and Capital Funds** – Throughout the year, staff continued to participate and take leadership roles with the Transit Planning Advisory Committee (TPAC) in Wake County. TPAC is tasked with coordinating the planning and implementation of the Wake Transit Work Plan. GoTriangle has fiduciary responsibilities for funds generated pursuant to the Interlocal Agreement (ILA). This agreement is between GoTriangle, the Capital Area Metropolitan Planning Organization (CAMPO), and Wake County. A full year of revenue collection generated \$165,607,626, a 31.6% increase over the prior year. Service expansion plans have been funded and implemented. Capital projects include Bus Infrastructure improvements, Bus Rapid Transit, Commuter Rail Transit, and vehicle acquisitions. The financial reserves expected to be accumulated will lessen the need for borrowing. Once debt issuance is required, sound financial management and documented financial reserves will maximize GoTriangle's debt rating resulting in lower interest costs.
- **Durham Operating and Capital Funds** - Throughout the year, GoTriangle staff continued to participate and take leadership roles with the Staff Working Group (SWG) in Durham County. The SWG is tasked with coordinating the planning and implementation of the Durham Transit Work Plan. GoTriangle has fiduciary responsibilities for funds generated pursuant to the ILA. This agreement is between GoTriangle, the Durham-Chapel Hill-Carrboro Metropolitan Planning Organization (DCHC MPO), and Durham County. A full year of revenue collection generated \$50,684,151, a 17.8% increase over the prior year. During the fiscal year, a new Durham County Transit Plan that identifies priorities for transit plan investments through the year 2040 was adopted. The plan includes projects that will focus on quick and reliable regional connections, enhancements and expansion of transit-related service, Bus Infrastructure improvements and vehicle acquisitions.
- **Orange Operating and Capital Funds** - GoTriangle staff continued to participate and take leadership roles with the Orange County Staff Working Group (SWG). The SWG is tasked with coordinating the planning and implementation of the Orange Transit Work Plan. GoTriangle has fiduciary responsibilities for funds generated pursuant to the ILA. This agreement is between GoTriangle, the Durham-Chapel Hill-Carrboro Metropolitan Planning Organization (DCHC MPO), and Orange County. A full year of revenue collection generated \$13,463,550, a 17.8% increase over the prior year. A new Orange County Transit Plan that identifies priorities for transit plan investments through the year 2040 was adopted in the fiscal year. The projects included in the plan were guided by five core community values: equity, environmental sustainability, economic prosperity, affordable and attainable quality of life, and transportation and access for all.

- **Regional Bus Fund** - Fixed Route bus ridership for Fiscal Year 2023 was 1,583,586 boardings, which is up by 8.1% compared to the previous year. GoTriangle was determined to be an essential “business” under state guidelines and continued to operate assisting essential workers to reach their places of employment and service. For the third year in a row, GoTriangle was impacted by the nationwide pandemic and orders to minimize in-person contact. Maintaining fare-free ridership was the primary response to minimizing contact with staff while getting passengers to their places of employment.
- **Ridesharing Fund** - The GoTransit Regional Information Center provides a single source of information about public transportation services, ridesharing and paratransit services throughout the Triangle by allowing customers to make one call via 919-485-RIDE (7433). The Center is an entity of Regional Partnerships with a cooperative function between GoTriangle, GoDurham, GoRaleigh, GoCary and the Town of Chapel Hill (Chapel Hill Transit). Through this multi-agency partnership, the GoTransit Regional Information Center provides comprehensive transit information of a consistently high quality that is relied upon by current and future customers. The center is staffed by 23 team members operating daily from 6:00 am - 9:00 pm.

During Fiscal Year 2023, calls decreased from 417,384 to 367,925. The Information Center answered 90% of inbound calls averaging a hold time of two seconds per call. Call Center staff believes the drop is due to a combination of reduced bus service because of the driver shortage and a winter without a major inclement weather event.

### **Raleigh Union Station Bus Station (RUS Bus)**

On October 24, 2023, members of GoTriangle’s Board of Trustees and management participated in the groundbreaking ceremony for the Raleigh Union Station Bus Station, commonly known as RUS Bus. The project will provide a bus station for GoTriangle and GoRaleigh buses across the street from the Amtrak train station, Raleigh Union Station. Rail passengers can transfer to bus transportation with only a short walk. A 23-story private development will be built above the RUS Bus Station. The station is expected to begin operating in 2026-2027. GoTriangle has been authorized \$20M towards the project by a federal BUILD grant.

### **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, Cherry Bekaert LLP, 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

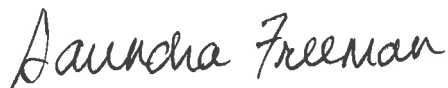
of this report. The inclusion of these reports is dependent upon GoTriangle's level of federal and state award spending during the year.

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the GoTriangle for its Annual Comprehensive Financial Report for the fiscal year ended June 30, 2022. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Annual Comprehensive Financial Report (ACFR). This report must satisfy both generally accepted accounting principles (GAAP) and applicable legal requirements.

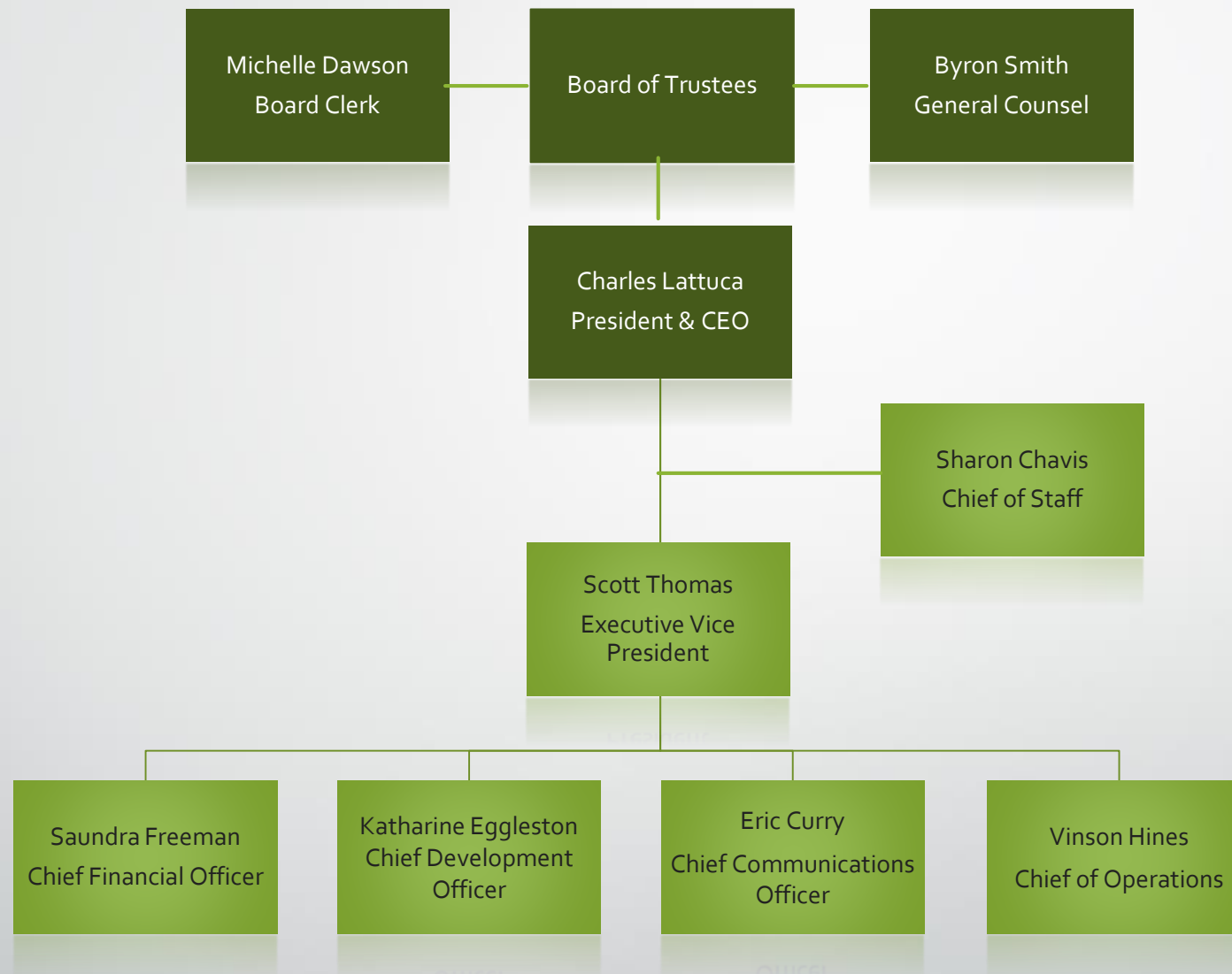
A Certificate of Achievement is valid for a period of one year only. GoTriangle has received a Certificate of Achievement for the last 29 consecutive years. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

Respectfully submitted,

A handwritten signature in cursive script that reads "Sandra Freeman".

Sandra Freeman  
Chief Financial Officer

# Executive Leadership





Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Research Triangle  
Regional Public Transportation Authority  
North Carolina**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2022

*Christopher P. Morill*

Executive Director/CEO



# FINANCIAL SECTION



## Report of Independent Auditor

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 accompanying financial statements of the governmental activities, the business-type activities, 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, 2023, and the related notes to the financial statements, which collectively comprise the Authority's financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective 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, 2023, and the respective changes in financial position and, where applicable, cash flows thereof, and the respective budgetary comparison for the General Fund, Triangle Tax District – Durham Operating Fund, Triangle Tax District – Durham Special Tax District Fund, Triangle Tax District – Orange Operating Fund, Triangle Tax District – 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 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 Responsibilities 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 opinions. 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 generally accepted auditing standards 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 generally accepted auditing standards 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 schedule of expenditures of federal and state awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and the State Single Audit Implementation Act are presented for purposes of additional analysis and are not a required part of the basic 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 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 basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the individual fund schedules and the schedule of expenditures of federal and state awards are 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 and statistical sections 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 November 30, 2023, 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 the Authority's internal control over financial reporting and compliance.

*Cherry Bekaert LLP*

Raleigh, North Carolina  
November 30, 2023

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**MANAGEMENT'S  
DISCUSSION &  
ANALYSIS**





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

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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, 2023. 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**

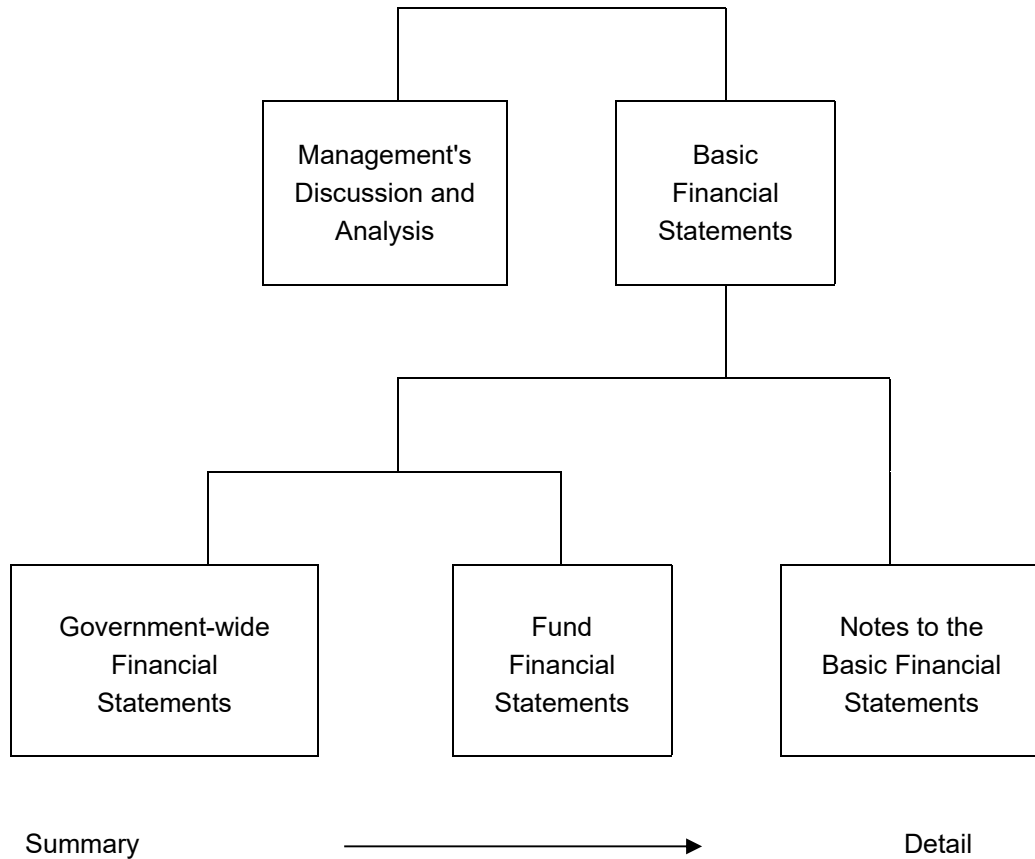
- The assets and deferred outflows of the Authority exceeded its liabilities and deferred inflows at the close of Fiscal Year 2023 by \$866,704,571 (*net position*).
- The Authority's total net position increased by \$167,473,871. The Wake Tax District Funds contributed \$126,123,932 of net revenue to the Authority's net position. Planning for a Raleigh Bus Rapid Transit system and a Commuter Rail Line in Johnston, Wake and Durham counties is continuing. 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 \$23,765,949, which is a significant growth following the stock market decline in late 2022 through early 2023.
- As of the close of the current fiscal year, the Authority's governmental funds reported combined ending fund balances of \$777,171,127, an increase of \$166,390,221 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 \$58,423,561, which is a \$3,863,625 decrease over Fiscal Year 2022 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 2023 over Fiscal Year 2022. Specifically, Durham County Tax District's fund balance increased by \$37,963,823, Orange County Tax District's fund balance increased by \$6,118,494, and Wake County Tax District's fund balance increased by \$126,171,529.
- 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.

**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

***Required Components of Annual Financial Report***

***Figure 1***



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.

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

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**Basic Financial Statements**

The first two statements (pages 31 through 33) 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 34 through 51) 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 53 to 84). 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. *Since the start of the pandemic in March 2020, the Authority has been fare free. This allows more social distancing between operators and passengers.* These include the ridesharing and bus services offered by the Authority. The government-wide financial statements are on pages 31 to 33 of this report.

**Fund Financial Statements** – The fund financial statements (see pages 34 through 51) 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**

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**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 him or her 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 41 - 47 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 Assets and the Statement of Activities. The proprietary fund financial statements are on pages 48– 51 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 53 through 84 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**

*Research Triangle Regional Public Transportation Authority's Net Position  
Figure 2*

**Government-Wide Financial Analysis**

	Governmental Activities 2023	Governmental Activities 2022	Business-Type Activities 2023	Business-Type Activities 2022	Total 2023	Total 2022
Current and other assets	\$ 787,040,113	\$ 628,936,375	\$ 8,747,388	\$ 10,449,454	\$ 795,787,501	\$ 639,385,829
Capital assets	67,258,393	67,357,218	22,910,367	19,534,809	90,168,760	86,892,027
Total assets	854,298,506	696,293,593	31,657,755	29,984,263	885,956,261	726,277,856
Deferred outflows of resources	318,989	374,171	819,829	922,356	1,138,818	1,296,527
Total assets and deferred outflows	854,617,495	696,667,764	32,477,584	30,906,619	887,095,079	727,574,383
Long term liabilities outstanding	2,146,743	2,136,574	3,642,953	4,286,384	5,789,696	6,422,958
Other liabilities	10,382,737	18,742,663	1,801,800	2,004,742	12,184,537	20,747,405
Total liabilities	12,529,480	20,879,237	5,444,753	6,291,126	17,974,233	27,170,363
Deferred inflows of resources	822,828	374,170	1,593,447	799,150	2,416,275	1,173,320
Total liabilities and deferred inflows	13,352,308	21,253,407	7,038,200	7,090,276	20,390,508	28,343,683
Net position:						
Net Investment in Capital Assets	66,678,767	67,121,817	22,706,400	19,534,809	89,385,167	86,656,626
Restricted - Stabilization by State Statute	87,984,463	80,402,299	-	-	87,984,463	80,402,299
Restricted - Enabling Legislation	473,045,304	490,333,573	-	-	473,045,304	490,333,573
Restricted - Interlocal Agreement	202,534,351	27,934,296	-	-	202,534,351	27,934,296
Unrestricted (deficit)	11,022,302	9,622,372	2,732,984	4,281,534	13,755,286	13,903,906
Total net position	\$ 841,265,187	\$ 675,414,357	\$ 25,439,384	\$ 23,816,343	\$ 866,704,571	\$ 699,230,700

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 \$866,704,571 as of June 30, 2023. The Authority's net position increased \$167,473,871 through operations. This compares to an increase of \$110,802,190 for the fiscal year ended June 30, 2022. The Authority's grant revenue from federal and State operating and capital grants was \$5,957,888. The contributions of the Durham, Orange, and Wake tax district funds are listed above. The Wake County Tax District is completing its seventh year of operation. The

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

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planning for the first five years emphasized accumulation. Increased spending in the tax district fund is expected.

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 an unrealized gain of \$13,780. The Authority generally holds investments to maturity or when called by the issuer. Realized investment earnings were \$23,817,450.
- As previously noted, the Wake County Tax District began operations with a 5-year savings plan intentionally in place. The net revenue contributed by the Wake County Tax District increased this year compared to the prior year by \$55,501,862. Wake Local Option Sales Tax revenue increased by \$14,888,720. The Interlocal Agreement controlling the funds requires that certain amounts be reserved for future uses. Those amounts are shown as "Restricted – Interlocal Agreement."
- In March 2020, North Carolina government officials began taking actions to prevent the spread of COVID-19 (coronavirus). Because the Authority provides public transportation, it was classified as an essential service. While bus operations continued, many of the office staff began working from home. Bus service was reduced in some areas to weekend frequency. To minimize contact between the riders and the drivers, service was provided fare-free beginning in late March 2020. Passengers entered and exited the buses through the rear doors, away from the farebox. These actions promoted physical distance between the drivers and the passengers, and provided a small economic relief to those passengers whose businesses closed or could only provide limited work. The Authority's Board of Trustees continued the no fare service during Fiscal Year 2023 and has committed to continuing it through the end of Fiscal Year 2024.
- During the fiscal year, records of underground utility lines, soil samples, and other subterranean information related to the former rail projects was deemed to be impaired. \$1,280,000 was charged against the Construction in Progress value. It is shown on the Statement of Activities as a Special Item. GoTriangle financial staff will continue to review the usefulness of these records with the Capital Development department leaders.

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

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

	Governmental Activities		Business-Type Activities		Total	Total
	2023	2022	2023	2022	2023	2022
<b>Revenues:</b>						
<b>Program revenues:</b>						
Charges for services	\$ 1,411,557	\$ 1,486,345	\$ 5,964,624	\$ 4,973,509	\$ 7,376,181	\$ 6,459,854
Operating grants and contributions	41,492	4,976,154	3,415,614	15,660,783	3,457,106	20,636,937
Capital grants and contributions	-	-	2,659,011	679,339	2,659,011	679,339
<b>General revenues:</b>						
Vehicle registration taxes	20,048,569	19,379,365	-	-	20,048,569	19,379,365
Vehicle rental taxes	14,871,008	13,415,999	-	-	14,871,008	13,415,999
Special sales tax revenues	186,208,231	171,319,511	-	-	186,208,231	171,319,511
Miscellaneous revenues	2,709,729	1,155,705	4,160,063	2,080,016	6,869,792	3,235,721
Unrestricted investment earnings	23,765,949	(13,040,903)	65,281	2,316	23,831,230	(13,038,587)
<b>Total revenues</b>	<b>249,056,535</b>	<b>198,692,176</b>	<b>16,264,593</b>	<b>23,395,963</b>	<b>265,321,128</b>	<b>222,088,139</b>
<b>Expenses:</b>						
Board	181,721	105,638	-	-	181,721	105,638
Executive Office	852,156	718,895	-	-	852,156	718,895
Human Resources	618,201	651,443	-	-	618,201	651,443
Administration	990,471	416,589	-	-	990,471	416,589
Capital Development	348,668	339,671	-	-	348,668	339,671
Commuter Rail Development	21,442	122,548	-	-	21,442	122,548
EEO/DBE	242,502	150,568	-	-	242,502	150,568
GoDurham	1,239,956	1,033,597	-	-	1,239,956	1,033,597
Finance	3,037,306	3,159,355	-	-	3,037,306	3,159,355
General Counsel	1,399,798	838,703	-	-	1,399,798	838,703
Communication and Public Affairs	799,893	829,168	-	-	799,893	829,168
Transit Services	59,133,994	73,722,651	-	-	59,133,994	73,722,651
Miscellaneous	163,497	590,930	-	-	163,497	590,930
Regional bus service	-	-	25,503,610	25,056,724	25,503,610	25,056,724
Regional Services	-	-	2,034,042	1,942,469	2,034,042	1,942,469
<b>Total expenses</b>	<b>69,029,605</b>	<b>82,679,756</b>	<b>27,537,652</b>	<b>26,999,193</b>	<b>96,567,257</b>	<b>109,678,949</b>
Increase (Decrease) in net position before transfers & special items	180,026,930	116,012,420	(11,273,059)	(3,603,230)	168,753,871	112,409,190
Transfers	(12,896,100)	(32,787,008)	12,896,100	32,787,008	-	-
Special Item	(1,280,000)	(1,607,000)	-	-	(1,280,000)	(1,607,000)
Increase (Decrease) in net position	165,850,830	81,618,412	1,623,041	29,183,778	167,473,871	110,802,190
Net position, beginning	675,414,357	593,795,945	23,816,343	(5,367,435)	699,230,700	588,428,510
<b>Net position, ending</b>	<b>\$ 841,265,187</b>	<b>\$ 675,414,357</b>	<b>\$ 25,439,384</b>	<b>\$ 23,816,343</b>	<b>\$ 866,704,571</b>	<b>\$ 699,230,700</b>



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

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**Governmental Activities** – Governmental activities increased the Authority's net position by \$165,850,830. Key elements of this significant change are as follows:

- General revenues increased from \$192,229,677 in Fiscal Year 2022 to \$247,603,486 in Fiscal Year 2023, a net increase of \$55,373,809. 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 2023, \$14,871,008 vehicle rental taxes were collected, and 50 percent of the total was allocated to the Durham, Orange and Wake County Tax District Funds. From Fiscal Year 2022 to Fiscal Year 2023, the taxes collected increased by \$1,455,009. Beginning in July 2023, the Authority will retain all vehicle rental taxes. The positive trend continued, and the investment gain reported by marking long-term investments to their fair value was \$23,765,949. 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.
- Many of the Authority's revenue streams had been impacted by the COVID-19 pandemic but are recovering. Revenue from Vehicle Rental Taxes is approaching pre-pandemic levels. The Authority's staff has looked for ways to cut costs and reduce expenses until full operations resume.
- During the fiscal year, \$12,896,100 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 \$1,623,041 to \$25,439,384. Key elements for this increase are as follows:

- Bus fares and ridership fees are \$0, and transit services including paratransit revenue totaled \$5,964,624, which is an increase of \$991,115 over Fiscal year 2022.
- Intergovernmental revenues decreased by \$9,744,387. The last available CARES Act grant funds were used the previous year.
- The cost of providing bus and transit services increased \$446,886.
- The Rideshare Fund stayed consistent, showing a net operating loss of \$582,777 for Fiscal Year 2023, compared to a loss of \$481,075 in Fiscal Year 2022.
- Funds were received from the General Fund to offset the operating deficit in the Bus Fund and the Rideshare Fund.

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

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**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 \$34,623,754, a decrease of \$853,714. Revenues declined \$1,365,904. \$4,976,154 was received last year as pandemic relief, which was not continued in Fiscal Year 2023. Expenditures increased by \$412,774. A net transfer out amount of \$3,450,469 also contributed to the net decrease in the General Fund

At June 30, 2023, the governmental funds of the Authority reported a combined fund balance of \$777,171,127, an increase of \$166,390,221 over last year. Factors contributing to this were:

- Cumulatively, the tax districts contributed \$170,253,846 to the overall financial position. In the prior year, the tax districts increased the financial position by \$96,792,161.
- Article 43 sales tax revenues have increased as a result of inflation.
- This is the Wake Transit Plan's seventh fiscal year of revenue collection for transportation purposes in Wake County. The Authority and the transit partners are working on major capital improvements for the County, including a Bus Rapid Transit system in Raleigh. The overall contribution to financial position remains strong as more projects are reaching the construction spending stage.
- Similarly, it has been four years since the discontinuance of the Durham-Orange Light Rail Project. Independent projects from Durham and Orange County will also be entering the higher spending phase.

**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.

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

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In Fiscal Year 2023, there were six budgetary violations. All but one of them were related to GASB Statement No. 87 Leases and GASB Statement No. 96 Subscription-Based Information Technology Arrangements.

Actual expenses for the Administration department in the General Fund exceeded budget by \$15,752. The reason for this difference is the \$24,445 addition for capital outlay for leases and IT subscriptions, which were not budgeted.

Actual expenses for the EEO/DBE department in the General Fund exceeded budget by \$53,002. The primary reason for this is a long-term employee left the Authority effective June 30, 2023 with short notice. Due to his years of service, he had a significant payout of accrued benefits.

The General Fund's debt service-principal and debt service-interest and other charges were \$91,340 and \$8,359 respectively and neither were budgeted. Both of these line items are related to the new leases and IT subscriptions.

Actual expenses for the Regional Call Center in the Ridesharing fund exceeded budget by \$195,961. The reason for this difference is the \$294,100 addition for capital outlay for leases and IT subscriptions, which were not budgeted.

The Technology Capital Project fund's debt service-principal and debt service-interest and other charges were \$27,285 and \$3,096 respectively and neither were budgeted. Both of these line items are related to the new IT subscription for B2Gnow diversity software.

The Fiscal Year 2023 DCHC MPO – Durham Capital – Planning budget was approved for \$289,426 based on the prior year carryover budget amount, but after June 30, 2023, it was discovered the actual carryover amount was \$398,259. DCHC MPO – Durham incurred \$353,077 for expenses in FY2023, which was covered by the approved Durham Transit Plan Work Plan. As a result, the full amount was recorded in FY2023 leaving \$45,182 in funds to be carried over into FY2024.

**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 \$448,187 at the end of the current fiscal year, which is \$37,118 more than the net position at the end of the previous fiscal year. Net position for the Regional Bus Service Fund increased by \$1,585,922 to a net position of \$24,991,196 at the end of the current fiscal year. As discussed above, the General Fund makes payments on behalf of other funds. During the year, Authority staff reviewed the balances between the Regional Bus Service Fund and the General Fund. Adjustments were made for expenses not expected to be reimbursed. This was the primary factor in the increase in net position.

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

**Capital Assets and Debt Administration**

**Capital Assets** – The Authority’s investment in capital assets for its governmental and business-type activities as of June 30, 2023 totaled \$90,168,760 (net of accumulated depreciation). This was an increase from the \$86,892,028 reported last year. These assets include buildings, land, machinery and equipment, leasehold improvements, vehicles, and construction in progress (CIP).

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

- During the write down of Construction in Progress (CIP) value for the Wake Legacy project in 2016 and the Durham-Orange Light Rail Project in 2019, \$8,803,221 in subterranean designs, surveys, core samples, etc. were retained in the CIP balance. These values were carried over because this information could serve as starting points for future engineers. Following review this year, an impairment charge of \$1,280,000 was made.
- In an overall summary, the Authority recognizes the right to use assets owned by others, \$785,068 at the end of Fiscal Year 2023. A liability for the amounts payable under the leases is also recorded, \$783,593 at the end of the Fiscal Year. Some lease payments include payments for service-related components not related to the use of the asset. Maintenance charges on copier leases is a common example of this difference. The right to use lease assets are included in Figure 4.
- The Bus Repower program has concluded. Older buses have been refurbished by a contractor adding an estimated six years each to their useful life. This type of maintenance will be done by GoTriangle staff going forward, reducing the overall expenses.
- The full listing of capital assets was reviewed during the year.

*Figure 4*

	Governmental Activities	Governmental Activities	Business-Type Activities	Business-Type Activities	Total	Total
	2023	2022	2023	2022	2023	2022
Land	\$ 43,270,817	\$ 43,531,820	\$ 748,068	\$ 748,068	\$ 44,018,885	\$ 44,279,888
Buildings	3,256,603	3,464,890	3,858,392	4,236,646	7,114,995	7,701,536
Building Improvements	1,786,978	1,901,920	2,148,628	966,418	3,935,606	2,868,338
Equipment and Vehicles	1,118,559	1,498,616	15,955,457	13,583,677	17,074,016	15,082,293
IT Subscriptions	401,305	-	199,822	-	601,127	-
Construction in Progress	17,424,131	16,959,972	-	-	17,424,131	16,959,972
<b>Total</b>	<b>\$ 67,258,393</b>	<b>\$ 67,357,218</b>	<b>\$ 22,910,367</b>	<b>\$ 19,534,809</b>	<b>\$ 90,168,760</b>	<b>\$ 86,892,027</b>

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

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

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**Budget Highlights for the Fiscal Year Ending June 30, 2024**

**Governmental Activities** – The total revenue budgeted in FY 2024 is \$247.8M. The major sources of revenue for these activities are the ½ cent sales tax, \$174.5M; 5% vehicle rental tax, \$14.1M; \$3, \$5, and \$7 vehicle registration taxes, \$20.4M; investments, \$1.3M and Prior Year Carryover, \$1.3M. Budgeted departmental expenditures in the General Fund are \$9.4M. Capital expenditures are budgeted at \$147.3M in the Durham, Orange and Wake Counties tax district funds.

**Business - Type Activities** – The total revenue budgeted in FY 2024 is \$46.8M. The major sources of revenue for these activities are transit services and local subsidies, \$10.3M; federal and state grants, \$21.7M; and other revenue, \$14.8M. Budgeted departmental expenditures in the Bus Fund, the Rideshare Fund and the Regional Bus Capital Fund are \$26.8M, \$2.5M, and \$33.9M, respectively. Transfers from the General Fund of \$16.5M are budgeted to offset the difference between 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.

# BASIC FINANCIAL STATEMENTS



RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY  
**Statement of Net Position**  
June 30, 2023

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
<b>ASSETS</b>			
Current assets:			
Cash and cash equivalents	\$ 43,838,763	\$ -	\$ 43,838,763
Receivables	1,524,013	822,952	2,346,965
Accrued interest receivable - lease & investments	2,289,675	-	2,289,675
Due from other governments	53,400,203	12,129,108	65,529,311
Internal balances	7,219,585	(7,219,585)	-
Investments	678,694,059	1,575,942	680,270,001
Inventories	-	1,438,971	1,438,971
Prepaid items	73,815	-	73,815
Total current assets	<u>787,040,113</u>	<u>8,747,388</u>	<u>795,787,501</u>
Noncurrent assets:			
Capital assets:			
Land	43,270,817	748,068	44,018,885
Construction in progress	17,424,131	-	17,424,131
Other capital assets, net of depreciation	5,978,078	21,962,477	27,940,555
Right to use assets net of amortization	585,367	199,822	785,189
Capital assets	<u>67,258,393</u>	<u>22,910,367</u>	<u>90,168,760</u>
Total assets	<u>854,298,506</u>	<u>31,657,755</u>	<u>885,956,261</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Other Post Employment Benefit deferrals	<u>318,989</u>	<u>819,829</u>	<u>1,138,818</u>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable	9,381,218	644,425	10,025,643
Accrued wages and benefits	457,892	521,663	979,555
Accrued interest payable	8,733	8,886	17,619
Compensated absences	420,040	570,006	990,046
Lease/subscription liabilities	104,860	54,316	159,176
Total OPEB liability	9,994	2,504	12,498
Total current liabilities	<u>10,382,737</u>	<u>1,801,800</u>	<u>12,184,537</u>
Noncurrent liabilities:			
Compensated absences	496,793	541,114	1,037,907
Lease/subscription liabilities	474,766	149,651	624,417
Total OPEB liability	1,175,184	2,952,188	4,127,372
Total noncurrent liabilities	<u>2,146,743</u>	<u>3,642,953</u>	<u>5,789,696</u>
Total liabilities	<u>12,529,480</u>	<u>5,444,753</u>	<u>17,974,233</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Leases	21,147	-	21,147
Other Post Employment Benefit deferrals	801,681	1,593,447	2,395,128
Total deferred inflows of resources	<u>822,828</u>	<u>1,593,447</u>	<u>2,416,275</u>
<b>NET POSITION</b>			
Investment in capital assets	66,678,767	22,706,400	89,385,167
Restricted for:			
Stabilization by State statute	87,984,463	-	87,984,463
Public transportation	473,045,304	-	473,045,304
Interlocal Agreement	201,203,104	-	201,203,104
Community Funding Area Program	1,331,247	-	1,331,247
Unrestricted (deficit)	11,022,302	2,732,984	13,755,286
Total net position	<u>\$ 841,265,187</u>	<u>\$ 25,439,384</u>	<u>\$ 866,704,571</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, 2023

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenue</u>	
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>
<b>Primary Government</b>			
Governmental activities:			
General government	\$ 69,029,605	\$ 1,411,557	\$ 41,492
Total governmental activities	<u>69,029,605</u>	<u>1,411,557</u>	<u>41,492</u>
Business-type activities:			
Regional bus service	25,503,610	5,964,624	2,919,139
Ridesharing	2,034,042	-	496,475
Total business-type activities	<u>27,537,652</u>	<u>5,964,624</u>	<u>3,415,614</u>
Total primary government	<u>\$ 96,567,257</u>	<u>\$ 7,376,181</u>	<u>\$ 3,457,106</u>

**General revenues:**

Taxes:

    Vehicle registration taxes

    Vehicle rental taxes

    Special tax revenues

    Miscellaneous revenues

    Unrestricted investment earnings

    Total general revenues excluding transfers

Special item-write down of records from discontinued projects

Transfers

    Total general revenues, special item and transfer

Change in net position

Net position - beginning

Net position - ending

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

<b>Net (Expenses) Revenue and Change in Net Position</b>			
<b>Primary Government</b>			
<b>Capital Grants and Contributions</b>	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
\$ -	\$ (67,576,556)	\$ -	\$ (67,576,556)
-	(67,576,556)	-	(67,576,556)
2,659,011	-	(13,960,836)	(13,960,836)
-	-	(1,537,567)	(1,537,567)
2,659,011	-	(15,498,403)	(15,498,403)
<u>\$ 2,659,011</u>	<u>(67,576,556)</u>	<u>(15,498,403)</u>	<u>(83,074,959)</u>
	20,048,569	-	20,048,569
	14,871,008	-	14,871,008
	186,208,231	-	186,208,231
	2,709,729	4,160,063	6,869,792
	23,765,949	65,281	23,831,230
	<u>247,603,486</u>	<u>4,225,344</u>	<u>251,828,830</u>
	(1,280,000)	-	(1,280,000)
	(12,896,100)	12,896,100	-
	<u>233,427,386</u>	<u>17,121,444</u>	<u>250,548,830</u>
	165,850,830	1,623,041	167,473,871
	675,414,357	23,816,343	699,230,700
	<u>\$ 841,265,187</u>	<u>\$ 25,439,384</u>	<u>\$ 866,704,571</u>

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

RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY  
**Balance Sheet**  
**Governmental Funds**  
June 30, 2023

	<b>Major Funds</b>				
	<b>General Fund</b>	<b>Triangle Tax District - Durham Operating</b>	<b>Durham Special Tax District</b>	<b>Triangle Tax District - Orange Operating</b>	<b>Orange Special Tax District</b>
<b>ASSETS</b>					
Cash and cash equivalents	\$ 2,531,640	\$ 2,072,643	\$ 5,207,099	\$ 1,193,968	\$ 2,491,228
Taxes receivable, net:					
Vehicle registration taxes	1,693,220	433,503	185,781	203,217	87,093
Refundable sales tax	335,152	-	-	-	-
Local option sales tax	-	10,887,996	-	3,242,814	-
Governmental agencies	325,758	20,836	-	6,341	-
Rental tax	-	3,115,530	-	1,521,538	-
Accrued interest	81,712	154,356	-	-	-
Prepaid items	73,815	-	-	-	-
Due from other funds	16,237,652	-	-	-	-
Other Miscellaneous	1,489,501	12,000	-	-	-
Investments	12,404,669	71,294,399	-	1,532,131	-
Total assets	<u>35,173,119</u>	<u>87,991,263</u>	<u>5,392,880</u>	<u>7,700,009</u>	<u>2,578,321</u>
<b>LIABILITIES</b>					
Accounts payable and accrued liabilities	140,174	1,781,162	-	1,293,702	-
Due to other funds	63,230	1,598,705	-	480,334	-
Accrued wages and benefits	345,961	35,177	-	10,329	-
Total liabilities	<u>549,365</u>	<u>3,415,044</u>	<u>-</u>	<u>1,784,365</u>	<u>-</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Leases	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>					
Nonspendable					
Prepaid items	73,815	-	-	-	-
Restricted - Stabilization by State Statute	20,162,995	14,624,221	185,781	4,973,910	87,093
Restricted - Enabling Legislation	-	66,565,820	5,207,099	-	2,491,228
Restricted - Interlocal Agreement	-	3,386,178	-	941,734	-
Restricted - Community Funding Area Program	-	-	-	-	-
Unassigned	14,386,944	-	-	-	-
Total fund balances	<u>34,623,754</u>	<u>84,576,219</u>	<u>5,392,880</u>	<u>5,915,644</u>	<u>2,578,321</u>
Total liabilities and fund balances	<u>\$ 35,173,119</u>	<u>\$ 87,991,263</u>	<u>\$ 5,392,880</u>	<u>\$ 7,700,009</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
\$ 19,544,112	\$ -	\$ 10,798,075	\$ -	\$ -	\$ -	\$ -	\$ 43,838,765
1,735,860	743,670	-	-	-	-	-	5,082,344
-	-	-	-	-	-	-	335,152
33,498,660	-	-	-	-	-	-	47,629,470
-	-	302	-	-	-	-	353,237
9,853,769	-	821,965	-	-	-	-	15,312,802
1,045,183	-	184,959	-	-	-	-	1,466,210
-	-	-	-	-	-	-	73,815
-	-	-	-	-	-	63,230	16,300,882
-	-	24,012	-	-	-	-	1,525,513
28,475,310	-	33,307,727	55,967,658	8,558,475	467,153,690	-	678,694,059
94,152,894	743,670	45,137,040	55,967,658	8,558,475	467,153,690	63,230	810,612,249
5,279,625	743,670	14,532,375	-	-	-	110,080	23,880,788
202,166	-	6,736,861	-	-	-	-	9,081,296
66,424	-	-	-	-	-	-	457,891
5,548,215	743,670	21,269,236	-	-	-	110,080	33,419,975
-	-	21,147	-	-	-	-	21,147
-	-	21,147	-	-	-	-	21,147
-	-	-	-	-	-	-	73,815
46,133,472	743,670	1,010,091	-	-	-	63,230	87,984,463
31,854,293	-	22,836,566	20,428,637	7,279,497	316,382,164	-	473,045,304
9,285,667	-	-	35,539,021	1,278,978	150,771,526	-	201,203,104
1,331,247	-	-	-	-	-	-	1,331,247
-	(743,670)	-	-	-	-	(110,080)	13,533,194
88,604,679	-	23,846,657	55,967,658	8,558,475	467,153,690	(46,850)	777,171,127
\$ 94,152,894	\$ 743,670	\$ 45,137,040	\$ 55,967,658	\$ 8,558,475	\$ 467,153,690	\$ 63,230	\$ 810,612,249

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

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RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY  
**Reconciliation of the Balance Sheet to the Statement of Net Position**  
**Governmental Funds**  
June 30, 2023

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Fund Balances - Governmental Funds	\$ 777,171,127
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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	\$ 79,303,382	
Accumulated depreciation	(12,630,356)	
Right to use assets	832,321	
Accumulated amortization	<u>(246,954)</u>	
		67,258,393

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

Other post-employment benefits	(1,185,178)	
Compensated absences	(916,833)	
Lease payments	(579,626)	

Deferred inflows of resources related to OPEB are not reported in the funds	(801,681)
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Deferred outflows of resources related to OPEB are not reported in the funds	<u>318,985</u>
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Net position of governmental activities	<u><u>841,265,187</u></u>
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The accompanying notes are an integral part of the financial statements.

RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Governmental Funds**  
For the Fiscal Year Ended June 30, 2023

	Major Funds				
	General Fund	Triangle Tax District- Durham Operating	Durham Special Tax District	Triangle Tax District Orange Operating	Orange Special Tax District
<b>REVENUES</b>					
Restricted intergovernmental revenues:					
Federal grant revenues	\$ 2,718	\$ 20,836	\$ -	\$ 6,341	\$ -
State grant revenues	11,295	-	-	-	-
Other revenue (expenses)	2,291,134	-	-	-	-
Vehicle registration taxes	6,679,765	1,724,430	739,041	815,108	349,332
Special tax revenue	-	9,898,793	-	4,750,120	-
Indirect cost credits	1,569,034	-	-	-	-
Vehicle rental tax	-	1,598,602	-	780,712	-
Investment income	449,204	1,019,350	-	159,671	-
Total revenues	<u>11,003,150</u>	<u>14,262,011</u>	<u>739,041</u>	<u>6,511,952</u>	<u>349,332</u>
<b>EXPENDITURES</b>					
Current:					
Board	175,825	-	-	-	-
Executive Office	852,726	-	-	-	-
Human Resources	618,628	-	-	-	-
Administration	476,969	-	-	-	-
Capital Development	283,427	-	-	-	-
Commuter Rail Development	21,442	-	-	-	-
EEO/DBE	242,644	-	-	-	-
GoDurham	1,240,812	-	-	-	-
Finance	2,471,879	-	-	-	-
General Counsel/Real Estate	1,119,478	-	-	-	-
Communication and Public Affairs	800,416	-	-	-	-
Transit Services	-	8,755,364	-	5,077,475	-
Debt Service:					
Principal	91,340	10,200	-	4,351	-
Interest and other charges	8,359	916	-	512	-
Capital outlay	258,153	-	-	-	-
Total expenditures	<u>8,662,098</u>	<u>8,766,480</u>	<u>-</u>	<u>5,082,338</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>2,341,052</u>	<u>5,495,531</u>	<u>739,041</u>	<u>1,429,614</u>	<u>349,332</u>
<b>Other Financing Sources (Uses)</b>					
Transfers from other funds*	12,276,660	2,411,025	-	349,332	-
Transfers (to) other funds*	(15,727,129)	-	(739,041)	-	(349,332)
Liabilities issued	19,819	1,304	-	468	-
IT subscription agreement	235,884	23,185	-	9,568	-
Total other financing sources (uses)	<u>(3,194,766)</u>	<u>2,435,514</u>	<u>(739,041)</u>	<u>359,368</u>	<u>(349,332)</u>
Net change in fund balances	(853,714)	7,931,045	-	1,788,982	-
Fund balances - beginning	35,477,468	76,645,174	5,392,880	4,126,662	2,578,321
Fund balances - ending	<u>\$ 34,623,754</u>	<u>\$ 84,576,219</u>	<u>\$ 5,392,880</u>	<u>\$ 5,915,644</u>	<u>\$ 2,578,321</u>

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

\* See page 80

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
\$ -	\$ -	\$ 302	\$ -	\$ -	\$ -	\$ -	\$ 30,197
-	-	-	-	-	-	-	11,295
795,699	-	86,841	-	-	-	-	3,173,674
6,819,400	2,921,493	-	-	-	-	-	20,048,569
19,276,792	-	-	32,362,941	6,389,309	113,530,276	-	186,208,231
-	-	-	-	-	-	-	1,569,034
5,056,042	-	7,435,652	-	-	-	-	14,871,008
2,917,342	-	1,396,685	3,320,158	212,957	14,290,582	-	23,765,949
<u>34,865,275</u>	<u>2,921,493</u>	<u>8,919,480</u>	<u>35,683,099</u>	<u>6,602,266</u>	<u>127,820,858</u>	-	<u>249,677,957</u>
-	-	-	-	-	-	-	175,825
-	-	-	-	-	-	-	852,726
-	-	-	-	-	-	-	618,628
-	-	-	-	-	-	500,125	977,094
-	-	-	-	-	-	-	283,427
-	-	-	-	-	-	-	21,442
-	-	-	-	-	-	-	242,644
-	-	-	-	-	-	-	1,240,812
-	-	-	-	-	-	-	2,471,879
-	-	281,270	-	-	-	-	1,400,748
-	-	-	-	-	-	-	800,416
21,995,877	-	-	5,601,005	1,951,412	13,550,967	-	56,932,100
17,371	-	-	-	-	-	27,285	150,547
164	-	-	-	-	-	3,096	13,047
-	-	-	49,316	321,342	3,919,315	97,209	4,645,335
<u>22,013,412</u>	<u>-</u>	<u>281,270</u>	<u>5,650,321</u>	<u>2,272,754</u>	<u>17,470,282</u>	<u>627,715</u>	<u>70,826,670</u>
<u>12,851,863</u>	<u>2,921,493</u>	<u>8,638,210</u>	<u>30,032,778</u>	<u>4,329,512</u>	<u>110,350,576</u>	<u>(627,715)</u>	<u>178,851,287</u>
2,921,493	-	623,840	-	-	-	1,159,045	19,741,395
-	(2,921,493)	(12,900,500)	-	-	-	-	(32,637,495)
2,794	-	-	-	-	-	-	24,385
44,803	-	-	-	-	-	97,209	410,649
<u>2,969,090</u>	<u>(2,921,493)</u>	<u>(12,276,660)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,256,254</u>	<u>(12,461,066)</u>
15,820,953	-	(3,638,450)	30,032,778	4,329,512	110,350,576	628,539	166,390,221
72,783,726	-	27,485,107	25,934,880	4,228,963	356,803,114	(675,389)	610,780,906
<u>\$ 88,604,679</u>	<u>\$ -</u>	<u>\$ 23,846,657</u>	<u>\$ 55,967,658</u>	<u>\$ 8,558,475</u>	<u>\$ 467,153,690</u>	<u>\$ (46,850)</u>	<u>\$ 777,171,127</u>

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

\* See page 80



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, 2023

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

Net changes in fund balances - total governmental funds	\$	166,390,221
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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.

Capital outlay	\$	4,645,335	
Less:			
Special item - write down of records from discontinued projects		(1,280,000)	
Work in process capitalized in business activities		(1,471,466)	
Depreciation/amortization		<u>(907,700)</u>	
			986,169
 New long-term debt issued			 (529,966)
Principal payments			150,547

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.

Other post-employment benefits		(360,063)	
Deferred inflows		(427,511)	
Deferred outflows		(55,182)	
Compensated absences		26,296	
Other expenses/changes		249,945	
Leases Payable		<u>(579,626)</u>	

Total changes in net position of governmental activities	\$	<u><u>165,850,830</u></u>
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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, 2023

	<u>Budget Amounts</u>		<u>Actual Amount</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Restricted intergovernmental revenues:				
Federal grant revenues	\$ 121,040	\$ 121,040	\$ 2,718	\$ (118,322)
State grant revenues	-	-	11,295	11,295
Indirect cost credits	1,458,912	1,458,912	1,569,034	110,122
\$5 Vehicle registration tax	6,776,000	6,776,000	6,679,765	(96,235)
Other revenue	1,737,087	2,334,604	2,291,134	(43,470)
Investment income	400,000	400,000	449,204	49,204
Total revenues	<u>10,493,039</u>	<u>11,090,556</u>	<u>11,003,150</u>	<u>(87,406)</u>
<b>EXPENDITURES</b>				
Current:				
Board of Trustees	192,326	210,726	177,530	33,196
Executive Office	958,348	958,348	866,498	91,850
Communications & Public Affairs	1,038,504	1,034,628	873,796	160,832
Administration	497,235	498,835	514,587	(15,752)
Human Resources	835,599	871,099	635,843	235,256
Finance	2,339,293	2,866,941	2,551,472	315,469
EEO/DBE	171,929	193,229	246,231	(53,002)
Legal	953,178	925,082	802,414	122,668
Commuter Rail Development	141,049	90,674	21,442	69,232
Real Estate	336,300	341,600	334,583	7,017
Capital Development	273,635	348,802	297,191	51,611
GoDurham	1,595,987	1,595,987	1,240,812	355,175
Debt service:				
Principal	-	-	91,340	(91,340)
Interest and other charges	-	-	8,359	(8,359)
Total expenditures	<u>9,333,383</u>	<u>9,935,951</u>	<u>8,662,098</u>	<u>1,273,853</u>
Revenues over (under) expenditures	<u>1,159,656</u>	<u>1,154,605</u>	<u>2,341,052</u>	<u>1,186,447</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers from other funds*	7,759,569	7,704,363	12,276,660	4,572,297
Transfers (to) other funds*	(14,055,145)	(14,055,145)	(15,727,129)	(1,671,984)
Lease liabilities issued	-	-	19,819	19,819
IT subscription agreements	-	-	235,884	235,884
Total other financing sources (uses)	<u>(6,295,576)</u>	<u>(6,350,782)</u>	<u>(3,194,766)</u>	<u>3,156,016</u>
Fund balance appropriated	5,135,920	5,196,177	-	(5,196,177)
Excess (deficiency) of revenues over expenditures and other sources and (uses)	<u>\$ -</u>	<u>\$ -</u>	(853,714)	<u>\$ (853,714)</u>
Fund balance, beginning			<u>35,477,468</u>	
Fund balance, ending			<u>\$ 34,623,754</u>	

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

\* = See page 80

RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY  
**Triangle Tax District - Durham Operating**  
**Statement of Revenues, Expenditures And Changes in Fund Balances - Budget and Actual**  
For The Fiscal Year Ended June 30, 2023

	Budget Amounts		Actual Amount	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Restricted intergovernmental:				
Federal grant revenue	\$ -	\$ -	\$ 20,836	\$ 20,836
Special sales tax revenue	8,226,711	8,315,020	9,898,793	1,583,773
Vehicle rental tax	1,201,500	1,201,500	1,598,602	397,102
\$7 Vehicle registration tax	1,737,085	1,737,085	1,724,430	(12,655)
Investment income/Other	-	-	1,019,350	1,019,350
Miscellaneous revenue	-	-	-	-
Total revenues	<u>11,165,296</u>	<u>11,253,605</u>	<u>14,262,011</u>	<u>3,008,406</u>
<b>EXPENDITURES</b>				
Tax District Administration	423,675	423,675	283,036	140,639
Transit Plan Administration				
DCHC MPO	59,600	59,600	24,871	34,729
GoTriangle	1,508,695	1,508,695	1,084,542	424,153
Durham County	211,100	211,100	175,960	35,140
Bus Operations				
Durham County Access	201,100	201,100	201,100	-
GoDurham	7,523,523	6,403,550	4,652,557	1,750,993
GoTriangle	1,982,047	3,190,329	2,344,414	845,915
Total expenditures	<u>11,909,740</u>	<u>11,998,049</u>	<u>8,766,480</u>	<u>3,231,569</u>
Revenues over (under) expenditures	<u>(744,444)</u>	<u>(744,444)</u>	<u>5,495,531</u>	<u>6,239,975</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers from other funds*	744,444	744,444	2,411,025	1,666,581
Transfers (to) other funds*	-	-	-	-
Lease liabilities issued	-	-	1,304	1,304
IT subscription arrangement	-	-	23,185	23,185
Total other financing sources (uses)	<u>744,444</u>	<u>744,444</u>	<u>2,435,514</u>	<u>1,691,070</u>
Fund balance appropriated	-	-	-	-
Excess (deficiency) of revenues and other financing sources over expenditures and other financing (uses)	<u>\$ -</u>	<u>\$ -</u>	<u>7,931,045</u>	<u>\$ 7,931,045</u>
Fund balance, beginning			<u>76,645,174</u>	
Fund balance, ending			<u>\$ 84,576,219</u>	

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

\* = See page 80.

RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY  
**Triangle Tax District - Durham Special Tax District Fund**  
**Statement of Revenues, Expenditures And Changes in Fund Balances - Budget and Actual**  
For The Fiscal Year Ended June 30, 2023

	Budget Amounts		Actual Amount	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
\$3 Vehicle registration tax	\$ 744,444	\$ 744,444	\$ 739,041	\$ (5,403)
Total revenues	744,444	744,444	739,041	(5,403)
<b>EXPENDITURES</b>				
Total expenditures	-	-	-	-
Revenues over (under) expenditures	744,444	744,444	739,041	(5,403)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers from other funds*	-	-	-	-
Transfers (to) other funds*	(744,444)	(744,444)	(739,041)	5,403
Total other financing sources (uses)	(744,444)	(744,444)	(739,041)	5,403
Excess (deficiency) of revenues and other financing sources over expenditures and other financing (uses)	\$ -	\$ -	-	\$ -
Fund balance, beginning			5,392,880	
Fund balance, ending			\$ 5,392,880	

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

\* = See page 80.

RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY  
**Triangle Tax District - Orange Operating**  
**Statement of Revenues, Expenditures And Changes in Fund Balances - Budget and Actual**  
For The Fiscal Year Ended June 30, 2023

	Budget Amounts		Actual Amount	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Restricted intergovernmental:				
Federal grant revenue	\$ -	\$ -	\$ 6,341	\$ 6,341
Special sales tax revenue	3,582,332	3,752,531	4,750,120	997,589
Vehicle rental tax	586,800	586,800	780,712	193,912
\$7 Vehicle registration tax	818,895	818,895	815,108	(3,787)
Investment income/Other	-	-	159,671	159,671
Miscellaneous revenue	-	-	-	-
Total revenues	<u>4,988,027</u>	<u>5,158,226</u>	<u>6,511,952</u>	<u>1,353,726</u>
<b>EXPENDITURES</b>				
Tax District Administration	276,850	276,850	161,211	115,639
Transit Plan Administration				
DCHC MPO	59,600	59,600	24,871	34,729
GoTriangle	488,973	488,973	324,289	164,684
Transit Operations				
Chapel Hill Transit	2,630,328	2,622,453	2,622,453	-
Orange County Public Transit	778,367	956,441	948,482	7,959
GoTriangle	1,104,867	1,104,867	1,001,032	103,835
Total expenditures	<u>5,338,985</u>	<u>5,509,184</u>	<u>5,082,338</u>	<u>426,846</u>
Revenues over (under) expenditures	<u>(350,958)</u>	<u>(350,958)</u>	<u>1,429,614</u>	<u>1,780,572</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers from other funds*	350,958	350,958	349,332	(1,626)
Transfers (to) other funds*	-	-	-	-
Lease liabilities issued	-	-	468	468
IT subscription arrangement	-	-	9,568	9,568
Total other financing sources (uses)	<u>350,958</u>	<u>350,958</u>	<u>359,368</u>	<u>8,410</u>
Fund balance appropriated	-	-	-	-
Excess (deficiency) of revenues and other financing sources over expenditures and other financing (uses)	<u>\$ -</u>	<u>\$ -</u>	<u>1,788,982</u>	<u>\$ 1,788,982</u>
Fund balance, beginning			<u>4,126,662</u>	
Fund balance, ending			<u>\$ 5,915,644</u>	

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

\* = See page 80.

RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY  
**Triangle Tax District - Orange Special Tax District Fund**  
**Statement of Revenues, Expenditures And Changes in Fund Balances - Budget and Actual**  
For The Fiscal Year Ended June 30, 2023

	Budget Amounts		Actual Amount	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
\$3 Vehicle registration tax	\$ 350,958	\$ 350,958	\$ 349,332	\$ (1,626)
Total revenues	<u>350,958</u>	<u>350,958</u>	<u>349,332</u>	<u>(1,626)</u>
<b>EXPENDITURES</b>				
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Revenues over (under) expenditures	<u>350,958</u>	<u>350,958</u>	<u>349,332</u>	<u>(1,626)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers from other funds*	-	-		-
Transfers (to) other funds*	<u>(350,958)</u>	<u>(350,958)</u>	<u>(349,332)</u>	<u>1,626</u>
Total other financing sources (uses)	<u>(350,958)</u>	<u>(350,958)</u>	<u>(349,332)</u>	<u>1,626</u>
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.

\* = See page 80

RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY  
**Triangle Tax District - Wake Operating**  
**Statement of Revenues, Expenditures And Changes in Fund Balances - Budget and Actual**  
For The Fiscal Year Ended June 30, 2023

	Budget Amounts		Actual Amount	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Special sales tax revenue	\$ 15,590,485	\$ 15,680,152	\$ 19,276,792	\$ 3,596,640
Vehicle rental tax	3,800,000	3,800,000	5,056,042	1,256,042
\$7 Vehicle registration tax	6,940,000	6,940,000	6,819,400	(120,600)
Investment income	-	-	2,917,342	2,917,342
Miscellaneous revenue	497,000	497,000	795,699	298,699
Total revenues	<u>26,827,485</u>	<u>26,917,152</u>	<u>34,865,275</u>	<u>7,948,123</u>
<b>EXPENDITURES</b>				
Tax District Administration (GoTriangle)	551,371	651,371	501,182	150,189
Transit Plan Administration				
GoTriangle	2,432,842	2,547,842	2,133,218	414,624
Capital Area Metropolitan Planning Organization	623,366	713,033	439,861	273,172
City of Raleigh	1,560,406	1,560,406	1,090,517	469,889
Town of Cary	862,779	944,625	882,692	61,933
Community Funding Area				
Town of Wake Forest	375,235	375,235	370,160	5,075
Town of Apex	408,534	408,534	289,364	119,170
Town of Morrisville	347,270	347,270	336,739	10,531
Reserve	902,963	902,963	-	902,963
Bus Operations				
GoTriangle	4,916,826	4,916,826	2,819,899	2,096,927
City of Raleigh	13,734,165	13,734,165	10,087,086	3,647,079
Town of Cary	2,426,426	2,426,426	2,416,769	9,657
Wake County	644,425	644,425	644,425	-
Town of Wendell	4,636	4,636	1,500	3,136
Town of Zebulon	6,241	6,241	-	6,241
Total expenditures	<u>29,797,485</u>	<u>30,183,998</u>	<u>22,013,412</u>	<u>8,170,586</u>
Revenues over (under) expenditures	<u>(2,970,000)</u>	<u>(3,266,846)</u>	<u>12,851,863</u>	<u>16,118,709</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers from other funds*	2,970,000	2,970,000	2,921,493	(48,507)
Lease liabilities issued	-	-	2,794	2,794
IT subscription arrangement	-	-	44,803	44,803
Total other financing sources (uses)	<u>2,970,000</u>	<u>2,970,000</u>	<u>2,969,090</u>	<u>(910)</u>
Appropriation from fund balance	-	296,846	-	(296,846)
Excess (deficiency) of revenues and other financing sources over expenditures and other financing (uses)	<u>\$ -</u>	<u>\$ -</u>	<u>15,820,953</u>	<u>\$ 15,820,953</u>
Fund balance, beginning			<u>72,783,726</u>	
Fund balance, ending			<u>\$ 88,604,679</u>	

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

\* = See page 80

RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY  
**Wake Special Tax District**  
**Statement of Revenues, Expenditures And Changes in Fund Balances - Budget and Actual**  
For The Fiscal Year Ended June 30, 2023

	Budget Amounts		Actual Amount	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
\$3 Vehicle registration tax	\$ 2,970,000	\$ 2,970,000	\$ 2,921,493	\$ (48,507)
Total revenues	<u>2,970,000</u>	<u>2,970,000</u>	<u>2,921,493</u>	<u>(48,507)</u>
<b>EXPENDITURES</b>				
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Revenues over (under) expenditures	<u>2,970,000</u>	<u>2,970,000</u>	<u>2,921,493</u>	<u>(48,507)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers (to) other funds*	<u>(2,970,000)</u>	<u>(2,970,000)</u>	<u>(2,921,493)</u>	<u>48,507</u>
Total other financing sources (uses)	<u>(2,970,000)</u>	<u>(2,970,000)</u>	<u>(2,921,493)</u>	<u>48,507</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing (uses)	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund balance, beginning			<u>-</u>	
Fund balance, ending			<u>\$ -</u>	

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

\* = See page 80.



RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY  
**Statement of Net Position**  
**Proprietary Funds**  
June 30, 2023

	<b>Proprietary Funds</b>		
	<b>Ridesharing Fund</b>	<b>Regional Bus Service Fund</b>	<b>Total</b>
<b>ASSETS</b>			
Current assets:			
Investments	\$ -	\$ 1,575,942	\$ 1,575,942
Inventories	-	1,438,970	1,438,970
Intergovernmental receivables	569,427	11,559,681	12,129,108
Other receivables	537,806	285,148	822,954
Total current assets	<u>1,107,233</u>	<u>14,859,741</u>	<u>15,966,974</u>
Non-current assets:			
Capital assets:			
Land	-	748,068	748,068
Other capital assets, net of depreciation	-	21,962,477	21,962,477
Right to use subscription asset, net of amortization	199,822	-	199,822
Total non-current assets	<u>199,822</u>	<u>22,710,545</u>	<u>22,910,367</u>
Total Assets	<u>1,307,055</u>	<u>37,570,286</u>	<u>38,877,341</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Other post-employment benefit deferrals	<u>68,957</u>	<u>750,872</u>	<u>819,829</u>
<b>LIABILITIES</b>			
Current Liabilities:			
Accounts payable and accrued liabilities	36,854	616,457	653,311
Due to other funds	120,861	7,098,725	7,219,586
Accrued wages and benefits	51,524	470,139	521,663
Compensated absences	11,780	558,226	570,006
Subscription liability	54,316	-	54,316
Total OPEB liability	-	2,504	2,504
Total current liabilities	<u>275,335</u>	<u>8,746,051</u>	<u>9,021,386</u>
Non-current liabilities:			
Compensated absences	135,478	405,636	541,114
Total OPEB liability	223,223	2,728,965	2,952,188
Subscription liability	149,651	-	149,651
Total non-current liabilities	<u>508,352</u>	<u>3,134,601</u>	<u>3,642,953</u>
Total liabilities	<u>783,687</u>	<u>11,880,652</u>	<u>12,664,339</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Other post-employment benefit deferrals	<u>144,138</u>	<u>1,449,309</u>	<u>1,593,447</u>
Total deferred inflows of resources	<u>144,138</u>	<u>1,449,309</u>	<u>1,593,447</u>
<b>NET POSITION</b>			
Investment in capital assets	(4,145)	22,710,545	22,706,400
Unrestricted	452,332	2,280,652	2,732,984
Total net position	<u>\$ 448,187</u>	<u>\$ 24,991,197</u>	<u>\$ 25,439,384</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, 2023

	<b>Proprietary Funds</b>		
	<b>Ridesharing Fund</b>	<b>Regional Bus Service Fund</b>	<b>Total</b>
<b>OPERATING REVENUES</b>			
Paratransit services	\$ -	\$ 545,044	\$ 545,044
Transit Services	-	5,419,580	5,419,580
Other revenues	862,397	3,297,176	4,159,573
Intergovernmental revenues:			
Federal grant revenues	92,393	-	92,393
State grant revenues	-	2,826,746	2,826,746
Local grant revenues	496,475	-	496,475
<b>Total operating revenues</b>	<b>1,451,265</b>	<b>12,088,546</b>	<b>13,539,811</b>
<b>OPERATING EXPENSES</b>			
Bus Supervision	-	2,746,167	2,746,167
Bus Operations	-	12,405,496	12,405,496
Bus Maintenance	-	5,132,485	5,132,485
Vanpool	-	215,528	215,528
Paratransit Services	-	2,086,968	2,086,968
Regional Services	131,935	-	131,935
Sustainable Travel	591,351	-	591,351
Regional Call Center	1,094,956	-	1,094,956
Development Planning	165,845	-	165,845
Depreciation and Amortization	49,955	2,916,966	2,966,921
<b>Total operating expenses</b>	<b>2,034,042</b>	<b>25,503,610</b>	<b>27,537,652</b>
<b>Operating income loss</b>	<b>(582,777)</b>	<b>(13,415,064)</b>	<b>(13,997,841)</b>
<b>NON-OPERATING REVENUES</b>			
Gain on asset sales	-	490	490
Investment earnings	-	65,281	65,281
<b>Total nonoperating revenue</b>	<b>-</b>	<b>65,771</b>	<b>65,771</b>
<b>Loss before transfers and capital contributions</b>	<b>(582,777)</b>	<b>(13,349,293)</b>	<b>(13,932,070)</b>
Capital contributions	-	2,659,011	2,659,011
Transfers from other funds*	619,895	12,276,205	12,896,100
<b>Change in net position</b>	<b>37,118</b>	<b>1,585,923</b>	<b>1,623,041</b>
<b>Total net position - beginning</b>	<b>411,069</b>	<b>23,405,274</b>	<b>23,816,343</b>
<b>Total net position - ending</b>	<b>\$ 448,187</b>	<b>\$ 24,991,197</b>	<b>\$ 25,439,384</b>

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

\* = See page 80.

RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY  
**Statement of Cash Flows**  
**Proprietary Funds**  
For the Fiscal Year Ended June 30, 2023

	<b>Proprietary Funds</b>		
	<b>Ridesharing Fund</b>	<b>Regional Bus Service Fund</b>	<b>Total</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers	\$ 921,721	675,411	\$ 1,597,132
Payments to suppliers	(551,389)	(11,007,897)	(11,559,286)
Payments to employees	(1,130,958)	(9,741,248)	(10,872,206)
Other receipts	281,444	10,115,244	10,396,688
Net cash used in operating activities	<u>(479,182)</u>	<u>(9,958,490)</u>	<u>(10,437,672)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Increase (decrease) in due to General Fund	110,633	1,054,703	1,165,336
Transfers from General Fund	619,895	12,276,205	12,896,100
Net cash provided by noncapital financing activities	<u>730,528</u>	<u>13,330,908</u>	<u>14,061,436</u>
<b>CASH FLOWS FROM CAPITAL AND FINANCING ACTIVITIES</b>			
Capital grants	-	2,659,011	2,659,011
Purchase of capital assets	(251,346)	(6,016,896)	(6,268,242)
Net cash used in capital and financing activities	<u>(251,346)</u>	<u>(3,357,885)</u>	<u>(3,609,231)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Investment income	-	65,281	65,281
Proceeds from sale/maturity of investments	-	260,492	260,492
Purchase of investments	-	(340,306)	(340,306)
Net cash provided by investing activities	<u>-</u>	<u>(14,533)</u>	<u>(14,533)</u>
Net change in cash and cash equivalents	<u>-</u>	<u>-</u>	<u>-</u>
Balances beginning	-	-	-
Balances ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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, 2023

	<b>Proprietary Funds</b>		
	<b>Ridesharing Fund</b>	<b>Regional Bus Service Fund</b>	<b>Total</b>
Reconciliation of operating loss to cash used in operating activities:			
Operating loss	\$ (582,777)	\$ (13,415,064)	\$ (13,997,841)
Adjustments to reconcile operating loss to net cash used in operating activities:			
Depreciation and amortization	49,955	2,916,966	2,966,921
Changes in assets and liabilities:			
Receivables from governmental agencies	(176,008)	954,593	778,585
Inventories	-	(169,947)	(169,947)
Other receivables	(5,418)	46,778	41,360
Accrued payroll	7,914	89,321	97,235
Accrued compensated absences	11,780	(10,916)	864
Accounts payable & other liabilities	203,093	(483,258)	(280,165)
Other post employment benefits increases	12,279	113,037	125,316
Total adjustments	<u>103,595</u>	<u>3,456,574</u>	<u>3,560,169</u>
Net cash used in operating activities	<u>\$ (479,182)</u>	<u>\$ (9,958,490)</u>	<u>\$ (10,437,672)</u>

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

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# NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2023

## 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 (GAAP) 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.

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 includes the Major Transit Investment Fund and the Regional Rail Capital Project Fund. Together, both account for property management of assets obtained for a prior rail project. These funds are not limited to use in any specific County.
- 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 have been operating fare-free, as a social distancing safety measure. Operations continued to be fare-free through Fiscal Year 2023.

#### 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. The government-wide and proprietary fund financial statements are reported using the 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.

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 \$10,000; however, any revisions that alter total expenditures of any fund or exceed \$10,000 must be approved by the Board of Trustees. The Authority does not use encumbrance accounting.

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.
- 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.

#### 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.

## RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### G. Receivables

Receivables include amounts due from transportation services provided, rental income due, and certain governmental non-exchange transactions. Note 4, page 68 contains additional detail on the balance of Due from Other Agencies and Governments.

Lease receivables are measured at present value of the lease payments expected to be received during the lease term. A deferred inflow of resources is recorded at the initiation of the lease in an amount equal to the initial recording of the lease receivable. The deferred inflow of resources is recognized on a straight-line basis over the term of the lease.

#### 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 service utility 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 GAAP.

## 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 are reported as a prepayment (asset). Such prepayments are 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 are 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 are amortized on a straight-line basis over the subscription term.

Capital assets are depreciated 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
Furniture and equipment	3-10
Computer equipment and software	3-7

#### 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 pension deferrals and certain leases meet the criterion for this category.

## RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 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 vacation policy of the Authority advances vacation hours for the calendar year. Terminated employees will be paid for accrued vacation hours, subject to policy maximums. Any advanced hours taken will be deducted from the final paycheck. The amount of vacation employees are allowed to rollover is capped; employees are encouraged to take vacation each calendar year to avoid forfeiting unused vacation hours. Employees may accrue unlimited sick leave hours. Upon termination, employees hired on or before December 31, 2021 will be paid, per a pre-set schedule, for a portion of their accumulated sick leave. Employees hired on or after January 1, 2022 are not paid for unused, accrued sick leave upon termination.

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. The fund used to liquidate this liability is the fund to which an employee's salary is normally charged.

#### 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

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.

**Inventories** – portion of fund balance that is not an available resource because it represents the year-end balance of ending inventories, which are not spendable resources.

## RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 by Enabling Legislation – 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.

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 a specific purpose imposed by majority vote of the Board of Trustees. Any changes or removal of specific purposes requires a majority action by the Board. The Authority has no Committed items as of June 30, 2023

## RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

**Assigned Fund Balance** – portion of fund balance that has been constrained to reflect the Authority’s intended use of resources. The Authority had no Assigned items as of June 30, 2023.

**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>\$ 34,623,754</u>
Less:	
Prepaid expenses	73,815
Restricted for Stabilization by State Statute	<u>20,162,995</u>
Available for appropriation	<u><u>\$ 14,386,944</u></u>

### 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.



## RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### **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.

#### **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 ended in July 2023.

## RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 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.

#### P. Consolidation of Funds

Some funds are budgeted and maintained separately through the year and are combined for reporting purposes. The management fund for GoDurham is budgeted with the General Fund. It is maintained as a separate fund for clearer accounting through the year. It is consolidated with the General Fund for annual reporting. Additionally, the Major Transit Investment Fund is combined with the Major Transit Investment Fund Capital Project Fund for reporting purposes. It is reported as a capital project fund.

### 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

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, 2023, the amount of the deposits on the Authority's books was \$43,838,763 and the bank balances were \$43,351,222. Of the bank balance, \$750,000 was covered by federal depository insurance, and \$42,601,222 in deposits was covered by collateral held under the Pooling Method.

## RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY

### 3. INVESTMENTS

As of June 30, 2023, the Authority had the following investments and maturities:

Investment Type	Fair Value	Less than 1 year	1-5 years	5-10 years	10+ years
SBA Participation Securities	\$ 109,789,077	\$ 1,343	\$ 4,967,230	\$ 29,096,441	\$ 75,724,063
Mortgage Backed Securities	82,188,239	2,589	24,160,807	23,848,592	34,176,251
US Treasuries	6,353,850	6,353,850	-	-	-
NCCMT Government Portfolio	481,938,835	481,938,835	-	-	-
<b>Total</b>	<b>\$ 680,270,001</b>	<b>\$ 488,296,617</b>	<b>\$ 29,128,037</b>	<b>\$ 52,945,033</b>	<b>\$ 109,900,314</b>

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.

#### Fair Value Measurements Using:

	Fair Value	Quoted Prices, in Active Markets for Identical Assets, Level 1	Significant Other Observable Inputs, Level 2	Significant Unobservable Inputs, Level 3
SBA Participation Securities	\$ 109,789,077	\$ -	\$ 109,789,077	\$ -
Mortgage Backed Securities	82,188,239	-	82,188,239	-
US Treasuries	6,353,850	6,353,850	-	-
NCCMT Government Portfolio	481,938,835	481,938,835	-	-
<b>Total</b>	<b>\$ 680,270,001</b>	<b>\$ 488,292,685</b>	<b>\$ 191,977,316</b>	<b>\$ -</b>

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.

#### 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 (16.1%) and Mortgage Backed Securities (12.1%). The remainder of the Authority's investments are in the NC Capital Management Trust –

**RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY**

**3. INVESTMENTS** (Continued)

Government Portfolio (NCCMT) and US Treasuries. Short-term investments in the NCCMT are 70.8% of the investment portfolio balance.

**4. RECEIVABLES**

Due From Other Governments and Public Agencies

The following summarizes amounts due from other agencies and governments by source as of June 30, 2023:

<u>Federal</u>	<u>State</u>	<u>Local</u>	<u>Total</u>
<u>\$ 11,887,938</u>	<u>\$ 53,047,465</u>	<u>\$ 593,908</u>	<u>\$ 65,529,311</u>

Lease Receivable

In May 2023, the Authority entered into a new agreement to lease a vacant property to AGS Apartments for use as a staging area as the apartments are under construction. The non-cancellable period of the lease is for 13 months. AGS Apartments is required to make monthly payments of \$2,000. The Authority has recognized \$1,922 as rental income and \$78 as interest income. There is no stated interest rate in the agreement. The Authority has no long-term borrowing to use for estimating the incremental borrowing rate. The Authority has made the accounting for this lease using the prime interest rate at commencement of the lease, 8.0%. No one estimate was better than the other, and this rate is widely available.

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**RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY**

**5. CAPITAL ASSETS**

Capital asset activity for the year ended June 30, 2023, was as follows:

	<u>Beginning</u> <u>Balances</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending</u> <u>Balances</u>
<u>Governmental activities:</u>				
<b>Capital assets not being depreciated:</b>				
Land	\$ 43,531,820	\$ -	\$ 261,003	\$ 43,270,817
Construction in progress	16,959,972	4,039,617	3,575,458	17,424,131
Total capital assets not being depreciated:	<u>60,491,792</u>	<u>4,039,617</u>	<u>3,836,461</u>	<u>60,694,948</u>
<b>Capital assets being depreciated:</b>				
Buildings	6,248,871	-	-	6,248,871
Equipment and vehicles	8,006,834	7,399	-	8,014,233
Building improvements	4,276,976	68,354	-	4,345,330
Total capital assets being depreciated	<u>18,532,681</u>	<u>75,753</u>	<u>-</u>	<u>18,608,434</u>
<b>Less accumulated depreciation for:</b>				
Buildings	2,783,981	208,287	-	2,992,268
Equipment and vehicles	6,738,401	341,335	-	7,079,736
Building improvements	2,375,056	183,296	-	2,558,352
Total accumulated depreciation	<u>11,897,438</u>	<u>732,918</u>	<u>-</u>	<u>12,630,356</u>
Total capital assets being depreciated, net	<u>6,635,243</u>			<u>5,978,078</u>
<b>Capital assets being amortized:</b>				
Equipment	302,355	27,001	51,295	278,061
Right to use assets	-	502,965	-	502,965
Total capital assets being amortized	<u>302,355</u>	<u>529,966</u>	<u>51,295</u>	<u>781,026</u>
<b>Less accumulated amortization for:</b>				
Equipment	72,172	73,122	51,295	93,999
Right to use assets	-	101,660	-	101,660
Total accumulated amortization	<u>72,172</u>	<u>174,782</u>	<u>51,295</u>	<u>195,659</u>
Total capital assets being amortized, net	<u>230,183</u>			<u>585,367</u>
<b>Governmental activities capital assets, net</b>	<u>\$ 67,357,218</u>			<u>\$ 67,258,393</u>

**RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY**

**5. CAPITAL ASSETS (Continued)**

<b><u>Business-type activities:</u></b>	<b>Beginning</b>			<b>Ending</b>
	<b>Balances</b>	<b>Increases</b>	<b>Decreases</b>	<b>Balances</b>
<b><i>Regional Bus Service Fund</i></b>				
<b>Capital assets not being depreciated:</b>				
Land	\$ 748,068	\$ -	\$ -	\$ 748,068
<b>Capital assets being depreciated:</b>				
Furniture, fixtures, and equipment	5,864,671	1,438,748	-	7,303,419
Vehicles	34,947,403	3,289,864	-	38,237,267
Building improvements	1,815,850	1,364,092	-	3,179,942
Buildings	9,881,900	-	-	9,881,900
Total capital assets being depreciated	52,509,824	6,092,704	-	58,602,528
<b>Less accumulated depreciation for:</b>				
Furniture, fixtures, and equipment	2,406,790	848,737	-	3,255,527
Vehicles	24,821,607	1,508,094	-	26,329,701
Building improvements	849,432	181,881	-	1,031,313
Buildings	5,645,254	378,254	-	6,023,508
Total accumulated depreciation	33,723,083	\$ 2,916,966	-	36,640,051
Total capital assets being depreciated, net	18,786,741			21,962,477
	19,534,809			22,710,545
<b>Regional Bus Fund capital assets, net</b>	<b>\$ 19,534,809</b>			<b>\$ 22,710,545</b>
<b><i>Ridesharing Fund</i></b>				
<b>Capital assets being amortized:</b>				
IT subscriptions	\$ -	249,777	-	249,777
Total capital assets being depreciated	-	249,777	-	249,777
<b>Less accumulated amortization for:</b>				
IT subscriptions	-	49,955	-	49,955
Total accumulated amortization	-	\$ 49,955	-	49,955
<b>Ridesharing Fund capital assets, net</b>	<b>\$ -</b>			<b>\$ 199,822</b>

## RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY

### 5. CAPITAL ASSETS (Continued)

All prior assets associated with the Ridesharing Fund were fully depreciated in the past and were removed as scrapped. With the implementation of GASB Statement 96, *Subscription Based Information Technology Arrangements*, subscription software used by the Rideshare Fund has been recorded as a right-to-use IT subscription asset.

#### Construction in Progress and Other Adjustments

In April of 2019, Research Triangle Regional Public Transportation Authority was not able to reach agreements with certain parties necessary to advance the Durham Orange Light Rail Project. Following this, the Authority's Board of Trustees, as well as the Boards of Commissioners for Durham County and Orange County voted to discontinue design efforts on the project. As part of the wrap up process, subterranean soil samples, surveys, maps etc. were deemed to have potential value as starting points for future work in the same areas. The records will not replace current or future underground testing but are expected to reduce the amount of testing needed. GoTriangle Finance staff and Capital Development staff meet annually to determine what, if any, impairment there has been to the usefulness of these assets. The impairment charge has been estimated as \$1,280,000 for the fiscal year ended June 30, 2023.

During the fiscal year, the Authority recorded two (2) additional right-to-use-assets. The assets are right-to-use assets owned by other parties. The assets are for the lease of a color printer and an updated postage machine. Additionally, the Authority recorded six (6) right-to-use IT subscription asset. The software addresses mission-critical software for financial reporting, bus routing and tracking and other functions.

### 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.



**RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY**

**6. POST EMPLOYMENT OBLIGATIONS (Continued)**

- 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.

Membership of the HCB Plan consisted of the following at June 30, 2021, the date of the latest actuarial valuation:

Inactive employees or beneficiaries currently receiving benefits	0
Inactive members entitled to but not yet receiving benefits	0
Active Employees	<u>223</u>
Total	223

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 \$4,139,870 was measured as of June 30, 2022 and was determined by an actuarial valuation as of that date.

*Actuarial assumptions and other inputs.* The total OPEB liability in the June 30, 2022 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	2.16%
Measurement Date	3.54%
Healthcare cost trends	
Pre-Medicare and prescription drug	7.00% for 2021 decreasing to an ultimate rate of 4.50% by 2031.
Medicare medical and prescription drug	5.125% for 2021 decreasing to an ultimate rate of 4.50% by 2024

**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, 2021	\$ 5,168,914
<i>Changes for the year:</i>	
Service Cost at the end of the year	414,169
Interest on Total OPEB Liability and Cash Flows	120,577
Change in benefit terms	-0-
Difference between expected and actual experience	(424)
Changes of assumptions or other inputs	(1,561,743)
Net benefit payments	(1,623)
Other	<u>-0-</u>
<b>Net Changes</b>	<b><u>\$ (1,029,044)</u></b>
<b>Total OPEB Liability as of June 30, 2022</b>	<b><u>\$ 4,139,870</u></b>

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, 2022 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, 2022 valuation were based on a review of recent plan experience done concurrently with the June 30, 2022 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>
	(2.54%)	(3.54%)	(4.54%)
Total OPEB Liability	\$5,210,942	\$4,139,870	\$3,320,501

*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	\$3,166,481	\$4,139,870	\$5,480,495

**OPEB Expense and Deferred Inflows of Resources Related to OPEB**

For the year ended June 30, 2023, the Authority recognized OPEB expense of \$352,096. At June 30, 2023, 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	\$ 319
Changes of assumptions or other inputs	<u>1,138,499</u>
Total	<u><u>\$ 1,138,818</u></u>

	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 671,151
Changes of assumptions or other inputs	<u>1,723,977</u>
Total	<u><u>\$ 2,395,128</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:**

2024	\$ (182,650)
2025	(182,650)
2026	(179,849)
2027	(134,234)
2027	(107,947)
Thereafter	<u>(468,980)</u>
Total	<u>\$ (1,256,310)</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 retirement plan covering all of its full-time employees as of June 30, 2023. Contributions and costs are determined as 8% of all full-time employees' salaries.

Employees are 100% vested in these benefits after 3 years of service. Forfeitures from employees who leave before they are 100% vested are used to reduce future contributions. The Authority's total payroll for fiscal year 2023 was \$18,056,172, of which \$17,325,574 relates to employees covered under the plan. The Authority's contributions to the plan for the year ended June 30, 2023, including forfeitures, totaled \$1,442,017 (8% of covered payroll). Total forfeitures for the year were \$30,960.

## RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY

### 6. POST EMPLOYMENT OBLIGATIONS (Continued)

The assets of the plan are invested in various mutual funds, guaranteed interest contracts, and U.S. Treasury Bonds. The establishment of the plan was authorized by the Authority's Board of Trustees and may only be amended by the Authority's Board of Trustees.

#### 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.

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**RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY**

**7. CHANGES IN LONG-TERM LIABILITIES**

Long term debt activity for the fiscal year ended June 30, 2023 is as follows:

	July 1, 2022	Increases	Decreases	June 30, 2023	Long Term Portion	Current Portion of Balance
<u>Governmental activities:</u>						
Compensated Absences	\$ 943,129	\$ 463,079	\$ 489,375	\$ 916,833	\$ 496,793	\$ 420,040
Lease/subsription liabilities	235,401	529,966	185,741	579,626	474,766	104,860
Total OPEB	<u>1,545,241</u>	<u>-</u>	<u>360,063</u>	<u>1,185,178</u>	<u>1,175,184</u>	<u>9,994</u>
Total Government activity long-term liabilities	<u>\$ 2,723,771</u>	<u>\$ 993,045</u>	<u>\$ 1,035,179</u>	<u>\$ 2,681,637</u>	<u>\$ 2,146,743</u>	<u>\$ 534,894</u>
<u>Business-type activities</u>						
Compensated Absences	\$ 1,110,256	\$ 589,987	\$ 589,123	\$ 1,111,120	\$ 541,114	\$ 570,006
Lease/subsription liabilities	-	249,777	45,810	203,967	149,651	54,316
Total OPEB	<u>3,623,673</u>	<u>-</u>	<u>668,981</u>	<u>2,954,692</u>	<u>2,952,188</u>	<u>2,504</u>
Total Business-type activity long-term liabilities	<u>\$ 4,733,929</u>	<u>\$ 589,987</u>	<u>\$ 1,258,104</u>	<u>\$ 4,065,812</u>	<u>\$ 3,493,302</u>	<u>\$ 572,510</u>

Leases

The Authority entered into two right-to-use asset agreements in Fiscal Year 2023. The first was a new lease for an updated postage machine, in September 2022. The lease requires quarterly payments of \$717 through June 2027. An effective interest rate of 5.5% was assumed. No interest rate was stated, and this was the prime interest rate at the time of implementation. The present value of the right-to-use lease at June 30, 2023 is \$10,238. The second right-to-use asset was for a copier in January 2023. The lease requires monthly payments of \$493. There is a non-lease component to the agreement, to cover supplies and maintenance. The rate for this portion is not explicitly stated. An allowance of 10% has been applied. The lease is effective until December 2025. An effective interest rate of 7.5% was used.

During the year, the Authority entered into six (6) right to use subscription assets. The agreements covered the software for such essential functions as the Microsoft suite of applications, bus scheduling and tracking software, financial software for recording and reporting and public relations management. None of the agreements extend beyond 5 years. As of June 30, 2023, the SBITAs had a present value of \$536,507.

**RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY**

**7. CHANGES IN LONG-TERM LIABILITIES (Continued)**

The chart below shows the expected principal and interest payments for the lease and subscription liabilities.

Fiscal Year Ending June 30	Debt Payments	Interest	Total
2024	159,176	44,711	203,887
2025	272,875	32,493	305,368
2026	181,719	20,232	201,951
2027	110,070	9,921	119,991
2028	6,647	3,431	10,078
2029-2033	30,459	10,094	40,553
2034-2038	22,647	3,152	25,799
	<u>\$ 783,593</u>	<u>\$ 124,034</u>	<u>\$ 907,627</u>

**Liquidation**

The General Fund liquidates OPEB obligations for governmental activities; the fund used to liquidate compensated absences is the fund to which an employee’s salary is normally charged. The Rideshare Fund and the Regional Bus Fund liquidate compensated absence and 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, 2023. Interfund balances result from the time lag between the dates that transactions are recorded in the accounting system and payments between funds are made.

<u>Receivable Fund</u>	<u>Payable Proprietary Fund</u>	<u>Amount</u>
General Fund	Enterprise - Rideshare	\$ 120,861
General Fund	Enterprise - Regional Bus	<u>7,098,725</u>
Total Due from and Due to Proprietary Funds		<u>7,219,586</u>
<u>Receivable Fund</u>	<u>Payable</u>	
General Fund	TTD-Durham Operating	1,598,705
General Fund	TTD-Orange Operating	480,334
General Fund	TTD-Wake Operating	202,166
General Fund	Major Capital Projects Fund	6,736,861
Advanced Technology Fund	General Fund	<u>63,230</u>
Total Due from and Due to Governmental Funds		<u>9,081,296</u>
<b>Totals</b>		<u><u>\$ 16,300,882</u></u>

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 are the amounts paid on their behalf, not yet reimbursed. The amounts owed by the Triangle Tax District funds are obligations paid by the General Fund, not yet reimbursed.

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.

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**RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY**

**8. INTERFUND BALANCES AND ACTIVITY** (Continued)

	Transfers From:					Total
	General Fund	Major Capital Projects Fund	Durham Special	Orange Special	Wake Special	
Transfers To:						
General Fund	\$ -	\$ 12,276,660	-	-	-	\$ 12,276,660
Regional Bus Fund	12,276,205	-	-	-	-	12,276,205
Ridesharing Fund	619,895	-	-	-	-	619,895
Durham Operating	1,671,984	-	739,041	-	-	2,411,025
Orange Operating	-	-	-	349,332	-	349,332
Wake Operating	-	-	-	-	2,921,493	2,921,493
Advanced Technology Fund	1,159,045	-	-	-	-	1,159,045
<b>Total</b>	<b>\$ 15,727,129</b>	<b>\$ 12,276,660</b>	<b>\$ 739,041</b>	<b>\$ 349,332</b>	<b>\$ 2,921,493</b>	<b>\$ 32,013,655</b>

The purpose of the transferred monies is as follows:

The Authority’s Major Capital Projects Fund transferred \$12,276,660 to the General Fund during fiscal year 2023 to fund payroll obligations and the General Fund’s payment on behalf of other funds’ operation expenses.

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 (\$2,921,493 for FY23) 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. \$739,041 was transferred to the Durham Operating Fund, and \$349,332 was transferred to the Orange Operating Fund.

The General Fund makes operational support transfers to certain funds through the year. The General Fund transferred \$10,835,924, \$619,895, and \$1,159,045 to the Regional Bus Fund, to the Ridesharing Fund, and the Advanced Technology Fund, respectively.

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. The Authority reduces its risk of loss by carrying commercial insurance coverage. 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. All of the insurance companies from whom the Authority has purchased insurance have A.M. Best ratings of A- or better. In accordance with G.S. 159-29, the Authority's employees that have access to \$100 or more at any given time of the Authority's funds are performance bonded through a commercial surety bond. The Chief Financial Officer is bonded for \$100,000.

The insurance companies used by the Authority are:

- Berkley National Insurance Company
- RLI Insurance Company
- Hartford Fire Insurance Company
- General Star Indemnity Company
- RSUI Indemnity Company
- National Union Fire Insurance Company of Pittsburg
- Homeland Insurance Co. of New York
- ICO
- Lloyd's
- Carolina Casualty Insurance Company

Not including health insurance, the Authority has the following types and limits of coverage:

Public Officials Professional Liability	\$5,000,000
Commercial General Liability	5,000,000
Public Employee Bond	50,000
Real and personal property	
Buildings	24,759,510
Contents	1,578,219
Business income	5,163,616
Flood Insurance	1,000,000
Business Auto Liability	5,000,000
Employee Dishonesty	50,000
Excess liability	10,000,000
Workers' compensation	Statutory limits
Employee benefits liability	1,000,000
Catastrophic (Auto)	10,000,000
Inland Marine	9,334,154

## RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY

### 9. RISK MANAGEMENT (Continued)

Insurance coverage for health claims in excess of \$100,000 is also carried. No settlements have exceeded insurance coverage in the past four fiscal years.

The Authority has a limited risk management program for unemployment claims. Premiums were paid at the rate of 3% of each employee's salary into the fund by all other funds until June 2001. Management has determined that an adequate fund balance existed and premium payments could be suspended. It is anticipated that investment earnings on this fund will be sufficient to pay future unemployment claims.

#### Flood Insurance

The Authority is not located inside a flood zone according to FEMA flood maps. However, in consultation with the Authority's insurance brokers, \$1,000,000 of flood insurance is in place.

### 10. COMMITMENTS AND CONTINGENCIES

The Authority leases easements and parking and building spaces to various tenants. As of fiscal year end, three (3) tenants remained generating monthly rental income of \$6,383 per month, or approximately \$76,600 annually. Two of the contractual arrangements are now on a month to month basis. As noted previously, the Authority entered into a new lease of property as a staging area during new apartment construction. The lease has a non-cancelable term of 13 months. The Authority has applied the provisions of GASB Statement 87.

#### Pending or Threatened Lawsuits

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

#### Considerations related to COVID-19 for 2023 Year-End

During Fiscal Year 2020, the World Health Organization declared the spread of the Coronavirus Disease (COVID-19) a worldwide pandemic. The COVID-19 pandemic has had significant effects on global markets, supply chains, businesses, and communities. Specific to the Authority, COVID-19 is expected to impact various parts of the Fiscal Year 2023 operations and financial results. The Authority has continued the fare-free policy through June 30, 2023. The fare-free policy has been continued into Fiscal Year 2024.

**RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY**

**10. COMMITMENTS AND CONTINGENCIES** (Continued)

Management believes the Authority is taking appropriate actions to mitigate the negative impact. However, the full impact of COVID-19 is unknown and cannot be reasonably estimated as events associated with the pandemic and the aftermath continue to develop.

Subsequent event

On October 4, 2023, a fire broke out in the Parts Room at the Bus Operations and Maintenance Facility (BOMF). No one was injured and the sprinkler system was effective in containing the fire until first responders could arrive. At this time, the insurance claim review process is well underway. The Authority does not have any information of the size of the insurance settlement, nor does the Authority have an assessment yet of any possible structural damage or impairment to the BOMF. With this uncertainty and no estimate clearly better than another, no adjustment has been made to the financial statements this fiscal year.

**11. STEWARDSHIP COMPLIANCE AND ACCOUNTABILITY**

Wake Transit Plan

The Transit Governance Interlocal Agreement requires certain restrictions be imposed on resources for future use in Wake County. These are shown as Restricted – Interlocal Agreement. \$1,331,247 is restricted in the Triangle Tax District – Wake Operating Fund to fund expenditures budgeted for the Community Funding Area Program. \$24,816,433 in the Triangle Tax District – Wake Capital Fund is a restriction of 25% of the estimated local option sales tax revenue budgeted for Fiscal Year 2024.

The Triangle Tax District-Wake Operating Fund has the same 25% restriction, in the amount of \$7,369,435. GoTransit Partners

To facilitate fund raising for the Durham-Orange Light Rail Project, the Authority organized a separate 501(c)(3) corporation, GoTransit Partners, to assist with fund raising for the project. Potential donors cited governing bylaws, which required them to make significant contributions, like what the Authority was soliciting, to a non-profit corporation. GoTransit Partners began fundraising and solicitation efforts in FY19. Less than \$1,700 was received. There has been no fund raising efforts since efforts stopped on the Light Rail Project. Prior service charges were returned by the bank. The current bank balance at June 30, 2023 is \$1,646.

Expenditures Exceeding Appropriations

Department	Original Budget	Final Budget	Actual Expenditure	Variance
<u>General Fund</u>				
Administration	\$ 497,235	\$ 498,835	\$ 514,587	\$ (15,752)
EEO/DBE	\$ 171,929	\$ 193,229	\$ 246,231	\$ (53,002)

## RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY

### 11. STEWARDSHIP COMPLIANCE AND ACCOUNTABILITY (Continued)

The Administration Department includes Information Technology services. As new right-to-use assets were recognized during the year, other financing sources and capital outlay were recorded. This new requirement contributed to the budget overage. GoTriangle staff will review this issue and future lease acquisitions during the year. Appropriate adjustments will be made. The long-time director of the Equal Employment Opportunity/Disadvantaged Business Enterprises department announced his retirement shortly before year end, effective June 30, 2023. The payment of accrued vacation and sick time caused this budget overage. GoTriangle staff will consider this for future “last minute” retirements and benefit payments. This is considered an infrequent event; similar circumstances are not expected to recur frequently.

#### Deficit Fund Balance

The Advanced Technology Fund ended the year with a deficit balance of \$46,850. Authority staff made a transfer of \$1,159,045. Subsequent information showed a budgeted transfer of \$1,199,045. Had this transfer been made, the deficit would be an immaterial amount. GoTriangle staff will work closer with the budget staff members to ensure the latest information is clearly and consistently used.

#### Special item

As discussed in Note 5. Capital Assets, the Construction in Progress balance includes certain records from prior rail projects that did not reach the construction stage. These are the subterranean maps showing utility lines, soil samples, and similar records. Capital Development staff and Finance staff are of the opinion that these records can be a “jump start” for future projects in the area. New surveying would be done, but less than if the current records and samples were not available. During the year, these records were shared with officials from a transit partner County for use on an unrelated project. The records did allow the County officials to arrange for confirmation testing instead of completely new testing.

As time passes, staff members will review the viability of these records and record an impairment of the asset value as appropriate. For the Fiscal Year Ended June 30, 2023, an impairment of \$1,280,000 has been recorded.

#### Contractual Obligation

The Authority has entered into a joint development services agreement with RB Infrastructure LLC, an entity owned and controlled by Hoffman & Associates, to develop and deliver its Raleigh Union Station Bus Facility project (RUS Bus) as a component of a 20+ story mixed-use joint development that also will include apartments, retail spaces, and a parking deck. The board-authorized contract value for the public project as of June 30, 2023 was approximately \$32M, funded by a \$20M federal (USDOT) grant along with state and local tax dollars. The publicly-funded project includes a ground-floor bus facility, streetscape improvements, enhanced 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. Bus operations are expected to start in mid-2025.

**RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY**

**Required Supplementary Information  
Schedule of Changes in the Total OPEB Liability and Related Ratios  
June 30, 2023**

Schedule 1

<b>Total OPEB Liability</b>	2023	2022	2021	2020	2019	2018
Service cost at end of year	\$ 414,169	\$ 488,114	\$ 313,498	\$ 287,956	\$ 308,045	\$ 353,555
Differences between expected and actual experience	(424)	(825,421)	454	(29,706)	(268)	(254)
Changes of assumptions or other inputs	(1,561,743)	235,599	1,351,222	(129,268)	(249,791)	(417,596)
Other	118,954	124,516	6,974	-	-	-
Net change in total OPEB liability	\$ (1,029,044)	\$ 22,808	\$ 1,792,877	\$ 249,711	\$ 162,680	\$ 23,516
Total OPEB liability - beginning	\$ 5,168,914	\$ 5,146,106	\$ 3,353,229	\$ 3,103,518	\$ 2,940,838	\$ 2,917,322
Total OPEB liability - ending	\$ 4,139,870	\$ 5,168,914	\$ 5,146,106	\$ 3,353,229	\$ 3,103,518	\$ 2,940,838
Covered-employee payroll	\$ 13,550,638	\$ 13,550,638	\$ 15,430,910	\$ 15,430,910	\$ 13,415,896	\$ 13,415,896
Total OPEB liability as a percentage of covered-employee payroll	30.55%	38.15%	33.35%	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.

<u>Fiscal Year</u>	<u>Discount Rate</u>
2018	3.56%
2019	3.89%
2020	3.50%
2021	2.21%
2022	2.16%
2023	3.54%

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.

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# 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, 2023

	<u>Annual Budget</u>	<u>Current Year</u>	<u>Variance with Annual Budget Positive (Negative)</u>
<b>REVENUES</b>			
Restricted intergovernmental revenues			
State grant revenues	\$ 43,840	\$ -	\$ (43,840)
Reimbursement from others	1,348,214	-	(1,348,214)
Total revenues	<u>1,392,054</u>	<u>-</u>	<u>(1,392,054)</u>
<b>EXPENDITURES</b>			
Capital outlay:			
Equipment	2,591,099	597,334	1,993,765
Debt Service:			
Principal	-	27,285	(27,285)
Interest and other charges	-	3,096	(3,096)
Total expenditures	<u>2,591,099</u>	<u>627,715</u>	<u>1,963,384</u>
Revenues over (under) expenditures	<u>(1,199,045)</u>	<u>(627,715)</u>	<u>571,330</u>
<b>OTHER FINANCING SOURCES</b>			
Transfers from other funds	1,199,045	1,159,045	(40,000)
Lease liabilities issued	-	97,209	97,209
Total other financing sources	<u>1,199,045</u>	<u>1,256,254</u>	<u>57,209</u>
<b>Change in fund balance</b>	<u>\$ -</u>	<u>628,539</u>	<u>\$ 628,539</u>
Fund balance, beginning		<u>(675,389)</u>	
Fund balance, ending		<u>\$ (46,850)</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, 2023

	<u>Final Budget</u>	<u>Actual Amount</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>REVENUES</b>			
Restricted intergovernmental:			
Federal grant revenue	\$ -	\$ 302	\$ 302
Vehicle rental tax	5,588,235	7,435,652	1,847,417
Other revenue	100,000	86,841	(13,159)
Investment income	745,000	1,396,685	651,685
Total revenues	<u>6,433,235</u>	<u>8,919,480</u>	<u>2,486,245</u>
<b>EXPENDITURES</b>			
Property management	<u>514,000</u>	<u>281,270</u>	<u>232,730</u>
Total expenditures	<u>514,000</u>	<u>281,270</u>	<u>232,730</u>
Revenues over (under) expenditures	<u>5,919,235</u>	<u>8,638,210</u>	<u>2,718,975</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers from other funds	414,000	623,840	209,840
Transfers (to) other funds	<u>(8,118,363)</u>	<u>(12,900,500)</u>	<u>(4,782,137)</u>
Total other financing sources (uses)	<u>(7,704,363)</u>	<u>(12,276,660)</u>	<u>(4,572,297)</u>
Fund balance appropriated	<u>1,785,128</u>	<u>-</u>	<u>(1,785,128)</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing (uses)	<u>\$ -</u>	<u>(3,638,450)</u>	<u>(3,638,450)</u>
Fund balance, beginning		<u>27,485,107</u>	
Fund balance, ending		<u>\$ 23,846,657</u>	

RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY  
**Triangle Tax District - Durham Capital**  
**Schedule of Revenues, Expenditures And Changes in Fund Balances - Budget and Actual**  
For The Fiscal Year Ended June 30, 2023

	<u>Final Budget</u>	<u>Actual Amount</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>REVENUES</b>			
Special sales tax revenue	\$ 27,184,980	\$ 32,362,941	\$ 5,177,961
Investment income	-	3,320,158	3,320,158
Total revenues	<u>27,184,980</u>	<u>35,683,099</u>	<u>8,498,119</u>
<b>EXPENDITURES</b>			
Transit Infrastructure			
GoTriangle	15,393,737	2,103,673	13,290,064
Durham County ACCESS	150,000	-	150,000
City of Durham / GoDurham	12,386,021	2,567,135	9,818,886
Commuter Rail Project			
GoTriangle	1,308,329	230,295	1,078,034
Vehicle Purchase			
GoTriangle	996,187	15,012	981,175
City of Durham / GoDurham	7,104,474	-	7,104,474
Capital - Planning			
GoTriangle	2,303,525	369,890	1,933,635
DCHC MPO	289,426	353,077	(63,651)
Durham County ACCESS	33,423	11,239	22,184
Allocation to Durham Capital Fund Balance	15,323,935	-	15,323,935
Total expenditures	<u>55,289,057</u>	<u>5,650,321</u>	<u>49,638,736</u>
Revenues over (under) expenditures	<u>(28,104,077)</u>	<u>30,032,778</u>	<u>58,136,855</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers from other funds	-	-	-
Transfers (to) other funds	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance appropriated	28,104,077	-	(28,104,077)
Excess (deficiency) of revenues and other financing sources over expenditures and other financing (uses)	<u>\$ -</u>	<u>30,032,778</u>	<u>\$ 30,032,778</u>
Fund balance, beginning		<u>25,934,880</u>	
Fund balance, ending		<u>\$ 55,967,658</u>	

RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY  
**Triangle Tax District - Orange Capital**  
**Schedule of Revenues, Expenditures And Changes in Fund Balances - Budget and Actual**  
For The Fiscal Year Ended June 30, 2023

	<u>Final Budget</u>	<u>Actual Amount</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>REVENUES</b>			
Special sales tax revenue	\$ 5,047,469	\$ 6,389,309	\$ 1,341,840
Investment income	-	212,957	212,957
Total revenues	<u>5,047,469</u>	<u>6,602,266</u>	<u>1,554,797</u>
<b>EXPENDITURES</b>			
Transit Infrastructure			
Town of Carrboro	1,345,452	97,647	1,247,805
Chapel Hill Transit / Town of Chapel Hill	586,704	-	586,704
GoTriangle	662,521	52,844	609,677
Town of Hillsborough	400,000	204,332	195,668
Orange County Public Transportation	833,353	-	833,353
Vehicle Acquisition			
GoTriangle	562,013	8,006	554,007
Bus Rapid Transit			
Chapel Hill Transit - NS- BRT	1,812,500	1,812,500	-
Capital - Planning			
GoTriangle	575,822	84,331	491,491
Orange County Public Transit	178,612	13,094	165,518
Allocation to Orange Capital Fund Balance	2,360,969	-	2,360,969
Total expenditures	<u>9,317,946</u>	<u>2,272,754</u>	<u>7,045,192</u>
Revenues over (under) expenditures	<u>(4,270,477)</u>	<u>4,329,512</u>	<u>8,599,989</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers from other funds	-	-	-
Transfers (to) other funds	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance appropriated	4,270,477	-	(4,270,477)
Excess (deficiency) of revenues and other financing sources over expenditures and other financing (uses)	<u>\$ -</u>	<u>4,329,512</u>	<u>\$ 4,329,512</u>
Fund balance, beginning		<u>4,228,963</u>	
Fund balance, ending		<u>\$ 8,558,475</u>	

RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY  
**Triangle Tax District - Wake Capital**  
**Schedule of Revenues, Expenditures And Changes in Fund Balances - Budget and Actual**  
For The Fiscal Year Ended June 30, 2023

	<u>Final Budget</u>	<u>Actual Amount</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>REVENUES</b>			
Special sales tax revenue	\$ 91,819,847	\$ 113,530,276	\$ 21,710,429
Investment income	-	14,290,582	14,290,582
Total revenues	<u>91,819,847</u>	<u>127,820,858</u>	<u>36,001,011</u>
<b>EXPENDITURES</b>			
Capital Planning			
GoTriangle	1,122,471	499,534	622,937
Capital Area Metro Planning Organization	176,110	161,110	15,000
Community Funding Area			
Town of Apex	197,487	194,073	3,414
Town of Fuquay-Varina	50,000	48,253	1,747
Town of Knightdale	23,553	23,488	65
Town of Morrisville	153,754	13,495	140,259
Research Triangle Foundation	242,739	242,739	-
Bus Infrastructure			
GoTriangle	34,787,278	1,985,250	32,802,028
City of Raleigh	32,275,595	2,076,475	30,199,120
Town of Cary	56,573,827	1,583,108	54,990,719
Reserve	3,121,600	-	3,121,600
Commuter Rail			
GoTriangle	2,040,446	533,496	1,506,950
Reserve	24,610,371	-	24,610,371
Bus Acquisition			
City of Raleigh	4,230,319	478,572	3,751,747
GoTriangle	3,503,046	50,040	3,453,006
Bus Rapid Transit			
City of Raleigh	88,253,964	9,580,649	78,673,315
Allocation to Wake Capital Fund Balance	<u>28,173,694</u>	<u>-</u>	<u>28,173,694</u>
Total expenditures	<u>279,536,254</u>	<u>17,470,282</u>	<u>262,065,972</u>
Revenues over (under) expenditures	<u>(187,716,407)</u>	<u>110,350,576</u>	<u>(226,064,961)</u>
Appropriated fund balance	187,716,407	-	(187,716,407)
Excess (deficiency) of revenues and other financing sources over expenditures and other financing (uses)	<u>\$ -</u>	<u>110,350,576</u>	<u>\$ 110,350,576</u>
Fund balance, beginning		<u>356,803,114</u>	
Fund balance, ending		<u>\$ 467,153,690</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, 2023

	<u>Budget</u>	<u>Actual</u>	<u>Variance Budget Positive (Negative)</u>
<b>REVENUES</b>			
Intergovernmental revenues:			
Federal grant revenues	\$ -	\$ 92,393	\$ 92,393
Local grant revenues	706,362	496,475	(209,887)
Reimbursement from others	966,479	806,982	(159,497)
Sponsorships and miscellaneous revenue	70,407	55,415	(14,992)
Total revenues	<u>1,743,248</u>	<u>1,451,265</u>	<u>(291,983)</u>
<b>EXPENDITURES</b>			
Regional services	164,936	119,872	45,064
Regional services - planning	324,955	163,933	161,022
Sustainable travel services	710,352	577,968	132,384
Regional call center	1,162,901	1,064,762	98,139
Total operating expenditures	<u>2,363,144</u>	<u>1,926,535</u>	<u>436,609</u>
Debt service:			
Debt service - principal	-	84,933	(84,933)
Debt service - interest	-	249	(249)
Total debt service	<u>-</u>	<u>85,182</u>	<u>(85,182)</u>
Total expenditures	<u>2,363,144</u>	<u>2,011,717</u>	<u>351,427</u>
Revenues over (under) expenditures	<u>(619,896)</u>	<u>(560,452)</u>	<u>59,444</u>
<b>Other Financing Sources (Uses)</b>			
Transfers from other funds	619,896	619,895	(1)
Transfers (to) other funds	-	-	-
Total other financing sources (uses)	<u>619,896</u>	<u>619,895</u>	<u>(1)</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing (uses)	<u>\$ -</u>	<u>59,443</u>	<u>\$ 59,443</u>
<b>Reconciliation from budgetary basis (modified accrual) to full accrual:</b>			
Reconciling items:			
Capital outlay		249,777	
Amortization		(49,955)	
Change in lease liability		(199,822)	
Other post employment benefits		(22,325)	
Total reconciling items		<u>(22,325)</u>	
Change in net position		<u>\$ 37,118</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, 2023

	<u>Budget</u>	<u>Actual</u>	<u>Variance Budget Positive (Negative)</u>
<b>REVENUES</b>			
Rider fares			
Paratransit services	\$ 405,000	545,044	140,044
Transit services	7,660,649	5,419,580	(2,241,069)
Other revenues	117,000	106,904	(10,096)
Intergovernmental revenues:			
Federal grant revenues	1,600,000	76,775	(1,523,225)
State grant revenues	2,800,000	2,826,746	26,746
Total revenues	<u>12,582,649</u>	<u>8,975,049</u>	<u>(3,607,600)</u>
<b>EXPENDITURES</b>			
Supervision	2,837,101	2,745,532	91,569
Operations	11,117,706	9,961,757	1,155,949
Maintenance	5,650,612	5,095,903	554,709
Vanpool	257,490	214,028	43,462
Paratransit services	3,478,664	3,410,101	68,563
Unemployment claims	77,000	-	77,000
Total expenditures	<u>23,418,573</u>	<u>21,427,321</u>	<u>1,991,252</u>
Revenues over (under) expenditures	<u>(10,835,924)</u>	<u>(12,452,272)</u>	<u>(1,616,348)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers from other funds	10,835,924	12,276,205	1,440,281
Investment interest	-	65,281	65,281
Total other financing sources (uses)	<u>10,835,924</u>	<u>12,341,486</u>	<u>1,505,562</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing (uses)	<u>\$ -</u>	<u>(110,786)</u>	<u>\$ (110,786)</u>
<b>Reconciliation from budgetary basis (modified accrual) to full accrual:</b>			
Reconciling items:			
Depreciation		(2,916,966)	
Gain on fixed assets disposals		490	
Capital outlay		6,092,704	
From Bus Capital Project:			
Federal grant revenue		2,424,007	
Other revenue (amounts paid by others)		3,348,501	
Spending recorded in bus capital project fund		(7,046,509)	
Other post employment benefits		(205,518)	
Change in net position		<u>\$ 1,585,923</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, 2023

	<u>Budget</u>	<u>Current Year</u>	<u>Variance Budget Positive (Negative)</u>
<b>REVENUES:</b>			
Restricted intergovernmental revenues:			
Federal grant revenues	\$ 12,963,504	\$ 2,424,007	\$ (10,539,497)
Other revenue	8,924,276	3,348,501	(5,575,775)
Total revenues	<u>21,887,780</u>	<u>5,772,508</u>	<u>(16,115,272)</u>
<b>EXPENDITURES:</b>			
Capital outlay:			
Buildings & Transit Amenities	23,288,061	7,046,509	16,241,552
Total expenditures	<u>23,288,061</u>	<u>7,046,509</u>	<u>16,241,552</u>
Revenues over (under) expenditures	<u>(1,400,281)</u>	<u>(1,274,001)</u>	<u>126,280</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers from other funds	1,400,281	1,440,281	40,000
Transfers (to) other funds	-	-	-
Total other financing sources (uses)	<u>1,400,281</u>	<u>1,440,281</u>	<u>40,000</u>
Fund balance appropriated	<u>-</u>	<u>-</u>	<u>-</u>
<b>Change in fund balance</b>	<u>\$ -</u>	<u>\$ 166,280</u>	<u>\$ 166,280</u>

# STATISTICAL SECTION



**RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY  
YEAR ENDED JUNE 30, 2023**

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.98-99)**

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

**Change in Net Position, Table 2 (p.100-101)**

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.102-103)**

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.104-105)**

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.106-107)**

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.108-109)**

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.110)**

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

**Employee Position Authorization by Department, Table 8 (p.111)**

This table compares positions authorized by department for comparative purposes.

**Operating Indicators by Function/Program, Table 9 (p.112-113)**

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.114-115)**

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

### **Insurance in Force- July 1, 2023- June 30, 2024, Table 11 (p.117)**

This table shows the Authority's insurance by type of coverage and amount.

### **Demographics and Economic Statistics for Durham County, Table 12-Durham, (p.118)**

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.119)**

This schedule ranks top employers in Durham County comparatively for 2023 and 2014. 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.120)**

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.121)**

This schedule ranks top employers in Orange County comparatively for 2022 and 2013. 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.122)**

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

### **Principal Employers for Wake County, Table 13-Wake (p.123)**

This schedule ranks top employers in Wake County comparatively for 2023 and 2014. Both Wake County tables provided by the Wake County Finance Department.

### **Principal Auto Rental Agencies, Table 14 (p.124)**

This schedule ranks top auto rental agencies by rental taxes generated for 2022 and 2014. 2014 is the earliest year with available information.

### **Compilation of Wake County Capital Projects, Table 15 (p.125)**

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.126)**

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>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
<b>Governmental Activities</b>				
Invested in capital assets	\$ 138,677,090	\$ 139,651,572	\$ 96,128,688	\$ 102,252,715
Restricted	108,138,826	138,340,712	158,458,155	217,882,446
Unrestricted	<u>(10,866,442)</u>	<u>(18,175,568)</u>	<u>(12,848,313)</u>	<u>(20,794,546)</u>
Total governmental activities net position	<u>235,949,474</u>	<u>259,816,716</u>	<u>241,738,530</u>	<u>299,340,615</u>
<b>Business-Type Activities</b>				
Invested in capital assets	17,637,793	17,983,482	15,870,236	14,148,121
Unrestricted	<u>(12,757,822)</u>	<u>(13,739,176)</u>	<u>(13,579,941)</u>	<u>(13,477,608)</u>
Total business-type activities net position	<u>4,879,971</u>	<u>4,244,306</u>	<u>2,290,295</u>	<u>670,513</u>
<b>Primary Government</b>				
Invested in capital assets	156,314,883	157,635,054	111,998,924	116,400,836
Restricted	108,138,826	138,340,712	158,458,155	217,882,446
Unrestricted	<u>(23,624,264)</u>	<u>(31,914,744)</u>	<u>(26,428,254)</u>	<u>(34,272,154)</u>
Total primary government net position	<u>\$ 240,829,445</u>	<u>\$ 264,061,022</u>	<u>\$ 244,028,825</u>	<u>\$ 300,011,128</u>

Notes:

This table was prepared using the accrual basis of accounting

Table 1

<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
\$ 157,716,647	\$ 65,628,903	\$ 65,446,000	\$ 64,051,612	\$ 67,121,817	\$ 66,678,767
291,393,524	318,412,758	406,217,942	517,983,413	598,670,168	763,564,118
<u>(28,356,084)</u>	<u>10,775,089</u>	<u>13,016,877</u>	<u>11,760,920</u>	<u>9,622,372</u>	<u>11,022,302</u>
<u>420,754,087</u>	<u>394,816,750</u>	<u>484,680,819</u>	<u>593,795,945</u>	<u>675,414,357</u>	<u>841,265,187</u>
16,752,677	15,057,257	18,564,037	20,685,618	19,534,809	22,706,400
<u>(16,238,710)</u>	<u>(20,782,140)</u>	<u>(24,054,669)</u>	<u>(26,053,053)</u>	<u>4,281,534</u>	<u>2,732,984</u>
<u>513,967</u>	<u>(5,724,883)</u>	<u>(5,490,632)</u>	<u>(5,367,435)</u>	<u>23,816,343</u>	<u>25,439,384</u>
174,469,324	80,686,160	84,010,037	84,737,230	86,656,626	89,385,167
291,393,524	318,412,758	406,217,942	517,983,413	598,670,168	763,564,118
<u>(44,594,794)</u>	<u>(10,007,051)</u>	<u>(11,037,792)</u>	<u>(14,292,133)</u>	<u>13,903,906</u>	<u>13,755,286</u>
<u>\$ 421,268,054</u>	<u>\$ 389,091,867</u>	<u>\$ 479,190,187</u>	<u>\$ 588,428,510</u>	<u>\$ 699,230,700</u>	<u>\$ 866,704,571</u>



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

	2014	2015	2016	2017
<b>Expenses</b>				
Governmental activities:				
Administration	\$ 230,773	\$ 445,968	\$ 395,813	\$ 240,533
Capital Development	206,471	4,378,573	3,135,490	2,215,088
Communications and Public Affairs	1,058,663	2,128,808	792,256	1,572,138
Finance	4,633,963	2,742,430	3,593,377	3,537,718
General Counsel	428,521	1,307,863	206,367	757,937
Human Resources	428,364	487,517	603,459	595,683
EEO/DBE	116,539	130,349	141,040	113,956
GoDurham	669,303	695,624	934,349	795,369
Board	84,522	84,306	95,629	133,670
FORTIFY	662,597	2,010,101	2,578,066	2,195,690
Transit services	-	-	5,710,000	5,530,960
Nondepartmental	-	-	-	614,678
Regional Services	-	-	-	89,572
Commuter Rail	-	-	-	-
Executive Office	-	-	-	-
Total governmental activities expense	<u>8,519,716</u>	<u>14,411,539</u>	<u>18,185,846</u>	<u>18,392,992</u>
Business-type activities:				
Regional bus service	18,084,542	19,629,795	19,582,301	19,809,386
Ridesharing	1,935,617	1,991,903	2,049,457	2,181,925
Total business-type activities expense	<u>20,020,159</u>	<u>21,621,698</u>	<u>21,631,758</u>	<u>21,991,311</u>
TOTAL PRIMARY GOVERNMENT EXPENSES	<u>28,539,875</u>	<u>36,033,237</u>	<u>39,817,604</u>	<u>40,384,303</u>
<b>Program Revenues</b>				
Governmental activities:				
Charges for service	-	-	-	1,066,222
Operating grants and contributions:				
Capital development	980,983	3,446,914	2,529,679	2,475,198
Capital grants and contributions:				
Regional rail capital project	1,071,944	751,906	1,023,625	723,751
Technology capital project	66,474	203,994	135,004	99,000
Total governmental activities revenue	<u>2,200,986</u>	<u>5,191,620</u>	<u>4,179,034</u>	<u>5,415,825</u>
Business-type activities:				
Regional bus service				
Charges for services	2,714,489	2,790,366	2,479,761	4,953,704
Grant revenue	3,720,512	4,079,320	3,415,833	3,981,607
Ridesharing				
Charges for services	1,000	-	-	-
Grant revenue	569,369	670,787	660,395	426,261
Total business-type activities revenues	<u>6,923,785</u>	<u>6,751,667</u>	<u>6,065,263</u>	<u>8,309,918</u>
TOTAL PRIMARY GOVERNMENT REVENUES	<u>9,124,771</u>	<u>11,943,287</u>	<u>10,244,297</u>	<u>13,725,743</u>
Net revenue (Expense)				
Governmental activities	(6,318,730)	(18,733,079)	(63,803,549)	(12,977,167)
Business-type activities	(13,096,374)	(14,870,031)	(15,566,495)	(13,681,393)
TOTAL PRIMARY GOVERNMENT NET EXPENSE	<u>(19,415,104)</u>	<u>(33,603,110)</u>	<u>(79,370,044)</u>	<u>(26,658,560)</u>
General revenues and other changes in net position				
Governmental activities:				
Vehicle registration taxes	5,737,329	10,662,625	9,413,400	9,671,756
Special tax revenue	28,516,774	30,561,753	31,536,121	54,179,262
Vehicle rental taxes	9,586,666	9,924,456	10,665,172	11,378,047
Miscellaneous revenues	3,232,682	2,625,210	3,327,995	2,155,082
Unrestricted investment earnings	333,698	422,560	1,427,905	859,364
Transfers	(9,194,110)	(11,596,283)	(10,645,230)	(10,905,887)
Total governmental activities	<u>38,213,039</u>	<u>42,600,321</u>	<u>45,725,363</u>	<u>67,337,624</u>
Business-type activity:				
Miscellaneous	1,572,129	2,577,715	2,942,154	1,427,356
Unrestricted investment earnings	12,831	63,014	25,100	(105,885)
Transfers	9,194,110	11,596,283	10,645,230	10,905,887
Total business-type activities	<u>10,779,070</u>	<u>14,237,012</u>	<u>13,612,484</u>	<u>12,227,358</u>
TOTAL PRIMARY GOVERNMENT GENERAL REVENUES AND OTHER CHANGES IN NET POSITION	<u>48,992,109</u>	<u>56,837,333</u>	<u>59,337,847</u>	<u>79,564,982</u>
Change in net position				
Governmental activities	31,894,309	33,380,402	31,718,551	51,284,576
Business-type activity	(2,317,304)	(633,019)	(1,954,011)	(1,454,035)
Prior period adjustments/restatements	-	-	-	3,075,881
Special Items	-	(9,513,160)	(49,796,737)	-
TOTAL PRIMARY GOVERNMENT CHANGE IN NET POSITION	<u>\$ 29,577,005</u>	<u>\$ 23,234,223</u>	<u>\$ (20,032,197)</u>	<u>\$ 52,906,422</u>

TABLE 2

2018	2019	2020	2021	2022	2023
\$ 738,842	\$ 302,630	\$ 465,215	\$ 504,977	\$ 416,589	\$ 990,471
4,580,967	3,918,149	417,191	429,840	339,671	348,668
2,408,427	1,083,796	860,176	883,088	829,168	799,893
2,806,896	2,634,018	2,817,699	3,085,490	3,159,355	3,037,306
971,652	1,782,291	7,524,707	1,472,755	838,703	1,399,798
687,057	676,820	546,051	738,138	651,443	618,201
141,254	144,575	120,457	141,647	150,568	242,502
881,430	1,011,581	1,054,106	1,052,601	1,033,597	1,239,956
146,958	103,946	123,919	116,718	105,638	181,721
-	-	-	-	-	-
17,584,859	25,376,819	53,404,609	55,820,548	73,722,651	59,133,994
-	462,124	-	-	590,930	163,497
188,583	663,938	-	-	-	-
-	-	-	-	122,548	21,442
-	552,067	841,365	688,709	718,895	852,156
<u>31,136,925</u>	<u>38,712,754</u>	<u>68,175,495</u>	<u>64,934,511</u>	<u>82,679,756</u>	<u>69,029,605</u>
23,889,251	24,755,050	23,236,978	24,765,636	25,056,724	25,503,610
2,365,159	2,024,007	2,211,787	1,882,422	1,942,469	2,034,042
<u>26,254,410</u>	<u>26,779,057</u>	<u>25,448,765</u>	<u>26,648,058</u>	<u>26,999,193</u>	<u>27,537,652</u>
57,391,335	65,491,811	93,624,260	91,582,569	109,678,949	96,567,257
1,165,852	896,576	112,795	95,329	1,486,345	1,411,557
4,943,910	89,070	87,397	8,584,787	4,976,154	41,492
-	-	-	-	-	-
149,994	87,427	-	176,873	-	-
<u>6,259,756</u>	<u>1,073,073</u>	<u>200,192</u>	<u>8,856,989</u>	<u>6,462,499</u>	<u>1,453,049</u>
3,288,406	2,652,653	1,826,029	6,555,584	4,973,509	5,964,624
6,923,338	1,332,613	2,781,273	4,451,676	15,820,390	5,578,150
-	-	-	-	-	-
665,539	750,433	465,151	570,672	519,732	496,475
<u>10,877,283</u>	<u>4,735,699</u>	<u>5,072,453</u>	<u>11,577,932</u>	<u>21,313,631</u>	<u>12,039,249</u>
17,137,039	5,808,772	5,272,645	20,434,921	27,776,130	13,492,298
(24,125,058)	(184,441,134)	(68,855,625)	(57,820,522)	(76,217,257)	(67,576,556)
(16,129,238)	(22,043,358)	(20,376,312)	(15,070,126)	(5,685,562)	(15,498,403)
<u>(40,254,296)</u>	<u>(206,484,492)</u>	<u>(89,231,937)</u>	<u>(72,890,648)</u>	<u>(81,902,819)</u>	<u>(83,074,959)</u>
18,516,428	19,015,982	18,560,212	20,049,483	19,379,365	20,048,569
122,793,936	129,911,500	130,876,707	146,646,580	171,319,511	186,208,231
11,671,976	12,524,361	11,144,224	9,175,135	13,415,999	14,871,008
886,790	1,426,098	3,235,331	3,755,750	1,155,705	2,709,729
1,908,742	5,205,925	5,462,717	(170,401)	(13,040,903)	23,765,949
(10,453,969)	(9,580,069)	(10,559,497)	(12,430,760)	(32,787,008)	(12,896,100)
<u>145,323,903</u>	<u>158,503,797</u>	<u>158,719,694</u>	<u>167,025,787</u>	<u>159,442,669</u>	<u>234,707,386</u>
6,142,719	6,222,461	10,000,760	2,955,602	2,080,016	4,160,063
14,156	1,978	50,314	(193,039)	2,316	65,281
10,453,969	9,580,069	10,559,497	12,430,760	32,787,008	12,896,100
<u>16,610,844</u>	<u>15,804,508</u>	<u>20,610,571</u>	<u>15,193,323</u>	<u>34,869,340</u>	<u>17,121,444</u>
161,934,747	174,308,305	179,330,265	182,219,110	194,312,009	251,828,830
121,622,370	120,864,116	90,744,391	110,858,126	83,225,412	167,130,830
481,606	(6,238,850)	234,259	123,197	29,183,778	1,623,041
(423,525)	-	-	-	-	-
-	(146,801,453)	(880,322)	(1,743,000)	(1,607,000)	(1,280,000)
<u>\$ 121,680,451</u>	<u>\$ (32,176,187)</u>	<u>\$ 90,098,328</u>	<u>\$ 109,238,323</u>	<u>\$ 110,802,190</u>	<u>\$ 167,473,871</u>

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

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
General Fund				
Nonspendable	\$ 1,672,481	\$ 1,549,072	\$ 1,800,234	\$ 1,671,179
Restricted	21,650,712	25,972,080	18,681,070	20,324,751
Unassigned	<u>(11,658,559)</u>	<u>(18,482,290)</u>	<u>(13,663,617)</u>	<u>(20,842,811)</u>
Total General Fund	<u>\$ 11,664,634</u>	<u>\$ 9,038,862</u>	<u>\$ 6,817,687</u>	<u>\$ 1,153,119</u>
All other governmental funds				
Restricted - reserve by state statute	\$ 26,634,089	\$ 41,094,919	\$ -	\$ 69,922,702
Restricted - enabling legislation	59,854,025	71,273,713	139,777,085	127,634,993
Restricted - interlocal agreement	-	-	-	-
Restricted- community funding area program	-	-	-	-
Unassigned	<u>(32,624)</u>	<u>(356,728)</u>	<u>(45,885)</u>	<u>(606,700)</u>
Total all other governmental funds	<u>\$ 86,455,490</u>	<u>\$ 112,011,904</u>	<u>\$ 139,731,200</u>	<u>\$ 196,950,995</u>

**Table 3**

<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
\$ 2,035,951	\$ 47,620	\$ 1,223,469	\$ 140,030	\$ 173,301	\$ 73,815
25,304,010	28,421,731	28,513,232	26,314,599	21,961,603	20,162,995
(27,031,415)	13,326,009	14,458,841	14,018,351	13,342,564	14,386,944
<u>\$ 308,546</u>	<u>\$ 41,795,360</u>	<u>\$ 44,195,542</u>	<u>\$ 40,472,980</u>	<u>\$ 35,477,468</u>	<u>\$ 34,623,754</u>
\$ 84,791,735	\$ 48,400,542	\$ 39,300,157	\$ 54,511,077	\$ 58,440,696	\$ 67,821,468
159,952,779	201,501,984	278,852,605	354,264,277	490,333,573	473,045,304
21,345,000	40,088,501	59,551,948	82,893,460	26,875,000	201,203,104
-	24,821	144,111	470,808	1,059,296	1,331,247
(1,562,759)	(733,638)	(808,313)	(739,291)	(1,405,127)	(853,750)
<u>\$ 264,526,755</u>	<u>\$ 289,282,210</u>	<u>\$ 377,040,508</u>	<u>\$ 491,400,331</u>	<u>\$ 575,303,438</u>	<u>\$ 742,547,373</u>

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

<b>REVENUES</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
Restricted intergovernmental revenues:				
NC Department of Transportation	\$ 297,032	\$ 748,813	\$ 605,838	\$ 607,457
Federal Transit Administration	1,585,087	4,304,010	3,292,902	3,496,814
Other revenue	2,495,399	1,770,486	2,904,313	2,173,533
Vehicle registration tax	5,737,329	10,662,625	9,413,400	9,671,756
Special tax revenue	28,516,774	30,561,753	31,536,121	54,179,262
Indirect cost credits	1,056,150	993,524	1,072,250	1,098,951
Vehicle rental tax	9,586,666	9,924,456	10,665,172	11,378,047
Farebox	-	-	-	-
Investment income	333,698	422,560	1,427,905	859,364
<b>Total revenues</b>	<b>49,608,135</b>	<b>59,388,227</b>	<b>60,917,901</b>	<b>83,465,184</b>
<b>EXPENDITURES</b>				
Current:				
Governing board	84,522	79,376	76,289	127,035
Executive office	-	-	-	-
Regional services	-	-	-	89,572
Human resources	420,839	481,672	532,354	595,683
Administration	207,070	431,683	455,097	224,981
Capital development	119,210	882,981	2,138,408	2,738,464
Commuter rail development	-	-	-	-
EEO/DBE	103,090	125,894	124,459	113,956
DATA/GoDurham	958,996	691,853	820,649	795,369
Finance	2,782,260	2,064,382	2,137,074	2,406,551
General counsel	454,961	1,314,534	482,388	757,937
Communications and public affairs	657,384	2,219,011	2,513,220	1,707,372
FORTIFY	662,597	2,010,101	2,226,520	2,204,191
Transit services	1,236,447	3,325,255	5,710,000	5,530,960
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	10,358,856	17,112,045	7,558,101	8,833,421
<b>Total expenditures</b>	<b>18,046,232</b>	<b>30,738,787</b>	<b>24,774,559</b>	<b>26,125,492</b>
Excess of revenues over expenditures	31,561,903	28,649,440	36,143,342	57,339,692
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of land	-	3,076,624	-	1,879,804
Transfers from other funds	3,484,105	1,370,688	3,626,565	1,681,905
Transfers to other funds	(12,678,215)	(10,166,110)	(14,271,795)	(12,587,792)
Liabilities issued	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>(9,194,110)</b>	<b>(5,718,798)</b>	<b>(10,645,230)</b>	<b>(9,026,083)</b>
Net change in fund balance	22,367,793	22,930,642	25,498,112	48,313,609
Fund balances-beginning	75,752,331	98,120,124	121,050,766	146,548,878
Prior period adjustment	-	-	-	3,241,628
<b>Fund balances-ending</b>	<b>\$ 98,120,124</b>	<b>\$ 121,050,766</b>	<b>\$ 146,548,878</b>	<b>\$ 198,104,115</b>
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

	2018	2019	2020	2021	2022	2023
\$	189,492	\$ 181,995	\$ -	\$ -	\$ -	\$ 11,295
	2,752,624	87,428	-	8,835,845	4,976,154	30,197
	3,830,146	806,054	1,914,824	2,247,538	1,028,236	3,173,674
	18,516,428	19,015,982	18,560,212	20,049,483	19,379,365	20,048,569
	122,793,936	129,911,500	130,876,707	146,646,580	171,319,511	186,208,231
	1,126,395	1,408,673	1,520,695	1,529,356	1,596,201	1,569,034
	11,671,976	12,524,361	11,144,224	9,175,135	13,415,999	14,871,008
	-	15,022	-	-	-	-
	1,908,742	5,205,925	5,462,717	(170,403)	(13,040,907)	23,765,949
	<u>162,789,739</u>	<u>169,156,940</u>	<u>169,479,379</u>	<u>188,313,534</u>	<u>198,674,559</u>	<u>249,677,957</u>
	105,915	100,086	118,423	113,092	99,292	175,825
	-	552,067	841,003	698,763	718,537	852,726
	-	663,161	-	-	-	-
	647,858	676,028	545,810	748,192	651,130	618,628
	482,692	293,507	452,262	499,503	401,596	977,094
	6,009,825	3,872,649	357,573	375,657	270,740	283,427
	-	-	-	88,775	122,503	21,442
	133,195	144,402	120,397	143,475	150,479	242,644
	881,430	1,011,581	1,053,653	1,067,224	1,335,281	1,240,812
	2,602,435	2,117,649	2,070,791	2,369,880	2,293,472	2,471,879
	865,899	1,780,203	7,521,418	1,493,776	1,093,162	1,400,748
	1,829,418	1,082,529	859,784	895,883	828,721	800,416
	-	-	-	-	-	-
	16,754,925	28,711,722	53,676,933	55,467,172	73,165,331	56,932,100
	-	-	-	-	-	150,547
	-	-	-	-	-	13,047
	56,095,168	52,329,020	1,143,358	1,284,123	5,867,328	4,645,335
	<u>86,408,760</u>	<u>93,334,604</u>	<u>68,761,405</u>	<u>65,245,515</u>	<u>86,997,572</u>	<u>70,826,670</u>
	<u>76,380,979</u>	<u>75,822,336</u>	<u>100,717,974</u>	<u>123,068,019</u>	<u>111,676,987</u>	<u>178,851,287</u>
	-	-	-	-	-	-
	5,796,009	215,720,384	77,307,418	3,047,637	38,918,080	19,741,395
	(16,249,978)	(225,300,453)	(87,866,915)	(15,478,397)	(71,705,088)	(32,637,495)
	-	-	-	-	17,613	435,034
	<u>(10,453,969)</u>	<u>(9,580,069)</u>	<u>(10,559,497)</u>	<u>(12,430,760)</u>	<u>(32,769,395)</u>	<u>(12,461,066)</u>
	65,927,010	66,242,269	90,158,478	110,637,261	78,907,592	166,390,221
	197,537,832	264,835,301	331,077,570	421,236,053	531,873,314	610,780,906
	1,370,459	-	-	-	-	-
	<u>\$ 264,835,301</u>	<u>\$ 331,077,570</u>	<u>\$ 421,236,048</u>	<u>\$ 531,873,314</u>	<u>\$ 610,780,906</u>	<u>\$ 777,171,127</u>
	0.00%	0.00%	0.00%	0.00%	0.00%	0.25%

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

	2014	2015	2016	2017
Governing board	\$ 84,522	\$ 79,376	\$ 76,289	\$ 127,035
Executive office	-	-	-	-
Regional Services	-	-	-	89,572
Human resources	420,839	481,672	532,354	595,683
Administration	207,070	431,683	453,265	224,981
Capital development	119,210	882,981	2,141,315	2,738,465
Commuter rail development	-	-	-	-
Equal employ. opport./disadv. bus. enter.	103,090	125,894	124,459	113,956
DATA/GoDurham	958,996	691,853	820,649	795,369
Finance	2,782,260	2,064,382	2,137,074	2,406,551
General counsel	454,961	1,314,534	479,762	757,937
Communications and public affairs	657,384	2,219,011	2,514,771	1,707,372
FORTIFY	662,597	2,010,101	2,226,520	2,204,191
Transit services	1,236,447	3,325,255	5,710,000	5,530,960
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	10,358,856	17,112,045	7,558,101	8,833,421
Totals	<u>\$ 18,046,232</u>	<u>\$ 30,738,787</u>	<u>\$ 24,774,559</u>	<u>\$ 26,125,493</u>

**Table 5**

2018	2019	2020	2021	2022	2023
\$ 105,915	\$ 100,086	\$ 118,423	\$ 113,092	\$ 99,292	\$ 175,825
-	552,067	841,003	698,763	718,537	852,726
-	663,161	-	-	-	-
647,858	676,028	545,810	748,192	651,130	618,628
482,692	293,507	452,262	499,503	401,596	977,094
6,009,825	3,872,649	357,573	375,657	270,740	283,427
-	-	-	88,775	122,503	21,442
133,195	144,402	120,397	143,475	150,479	242,644
881,430	1,011,581	1,053,653	1,067,224	1,335,281	1,240,812
2,602,435	2,117,649	2,070,791	2,369,880	2,293,472	2,471,879
865,899	1,780,203	7,521,418	1,493,776	1,093,162	1,400,748
1,829,418	1,082,529	859,784	895,883	828,721	800,416
-	-	-	-	-	-
16,754,925	28,711,722	53,676,933	55,467,172	73,165,331	56,932,100
-	-	-	-	-	150,547
-	-	-	-	-	13,047
56,095,168	52,329,020	1,143,358	1,284,123	5,867,328	4,645,335
<u>\$ 86,408,760</u>	<u>\$ 93,334,604</u>	<u>\$ 68,761,405</u>	<u>\$ 65,245,515</u>	<u>\$ 86,997,572</u>	<u>\$ 70,826,670</u>



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

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Vehicle registration taxes	\$ 5,737,329	\$ 10,662,625	\$ 9,413,400	\$ 9,671,756	\$ 18,516,428
Vehicle rental taxes	9,586,666	9,924,456	10,665,172	11,378,047	11,671,976
Special revenue taxes	28,516,774	30,561,753	31,536,121	54,179,262	122,793,936
Intergovernmental revenues:					
Federal Transit Administration	1,585,087	4,304,010	3,292,902	3,496,814	2,752,624
NC Department of Transportation	297,032	748,813	605,838	607,457	189,492
Indirect cost credits	1,056,150	993,524	1,072,250	1,098,951	1,126,395
Farebox	-	-	-	-	-
Investment income (loss)	333,698	422,560	1,427,905	859,364	1,908,742
Other	2,495,399	1,770,486	2,904,313	2,173,533	3,830,146
Totals	<u>\$ 49,608,135</u>	<u>\$ 59,388,227</u>	<u>\$ 60,917,901</u>	<u>\$ 83,465,184</u>	<u>\$ 162,789,739</u>

Table 6

2019	2020	2021	2022	2023
\$ 19,015,982	\$ 19,015,982	\$ 18,560,212	\$ 19,379,365	\$ 20,048,569
12,524,361	12,524,361	11,144,224	13,415,999	14,871,008
129,911,500	129,911,500	130,876,707	171,319,511	186,208,231
87,428	87,428	-	4,976,154	30,197
181,995	181,995	-	-	11,295
1,408,673	1,408,673	1,520,695	1,596,201	1,569,034
15,022	-	-	-	-
5,205,925	5,205,925	5,462,717	(13,040,907)	23,765,949
806,054	806,054	1,914,824	1,028,238	3,173,674
<u>\$ 169,156,940</u>	<u>\$ 169,141,918</u>	<u>\$ 169,479,379</u>	<u>\$ 198,674,561</u>	<u>\$ 249,677,957</u>

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

**Table 7**

Fiscal Year	Governmental Activities		Business-Type Activities			Total Primary Government	Per Capita
	COPS & Installment Financing	Leases	Revenue Bonds	Leases	State Revolving Loan		
2023	\$ -	\$ 579,626	\$ -	\$ 203,967	\$ -	\$ 783,593	\$ 0.48
2022	-	235,401	-	-	-	235,401	0.15
2021	-	-	-	-	-	-	-
2020	-	-	-	-	-	-	-
2019	-	-	-	-	-	-	-
2018	-	-	-	-	-	-	-
2017	-	-	-	-	-	-	-
2016	-	-	-	-	-	-	-
2015	-	-	-	-	-	-	-
2014	-	-	-	-	-	-	-

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

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

**Table 8**

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Executive Office/COO	-	-	-	-	-	-	3	4	4	4
General counsel/Real Estate	3	4	3	6	6	3	7	8	8	10
Communications and public affairs	10	11	11	15	20	17	11	13	15	14
Finance	13	14	13	14	15	15	15	19	20	22
Human resources	4	4	4	4	5	5	4	5	5	5
Administration	2	2	2	2	3	3	5	5	5	6
EEO/DBE	1	1	1	1	1	1	1	1	2	2
Capital development	13	13	20	27	26	34	12	13	13	15
Regional bus	167	177	174	173	168	178	166	180	186	187
Ridesharing	23	34	33	22	18	21	21	22	22	23
Totals	<u>236</u>	<u>260</u>	<u>261</u>	<u>264</u>	<u>262</u>	<u>277</u>	<u>245</u>	<u>270</u>	<u>280</u>	<u>288</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>2014</u>	<u>2015</u>	<u>2016</u>
Services consumed:			
Fare paid boardings	<u>1,822,853</u>	<u>1,843,735</u>	<u>1,784,408</u>
Services supplied:			
Regular route revenue miles	2,383,071	2,630,942	2,819,804
Paratransit miles	██████████	██████████	██████████
Deadhead, training and maintenance miles	<u>719,696</u>	<u>805,479</u>	<u>868,384</u>
Total miles driven	<u>3,102,767</u>	<u>3,436,421</u>	<u>3,688,188</u>
Regular route revenue hours	115,369	128,510	137,348
Paratransit hours	██████████	██████████	██████████
Deadhead, training and maintenance hours	<u>22,912</u>	<u>25,791</u>	<u>27,811</u>
Total bus hours	<u>138,281</u>	<u>154,301</u>	<u>165,159</u>

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

\* This is the number of passengers boarding during the year. No fees were collected from late March 2020 through June 2021. The Fiscal Year Ended 6-30-2022 was also fare free. This is a response to the COVID-19 pandemic. The fare free policy allows riders to enter & exit buses through the rear doors, promoting social distancing.

**Table 9**

<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
<u>1,662,758</u>	<u>1,636,072</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> *
2,831,146	2,809,815	2,822,999	2,418,443	2,634,259	2,265,597	2,026,512
505,190	599,410	593,229	406,543	315,509	393,436	437,158
305,391	495,402	826,022	790,220	763,590	693,517	619,945
<u>3,641,727</u>	<u>3,904,627</u>	<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>
140,448	143,057	143,627	123,173	132,770	110,236	100,780
23,686	27,816	27,554	18,167	13,082	17,189	19,947
28,131	31,232	26,461	25,161	23,925	22,364	20,534
<u>192,265</u>	<u>202,105</u>	<u>197,642</u>	<u>166,501</u>	<u>169,777</u>	<u>149,789</u>	<u>141,261</u>

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

<u>FUNCTION/PROGRAM</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Business-type activities:			
38 - Passenger buses	-	-	-
37 - Passenger buses	-	-	6
36 - Passenger buses	36	42	36
30 - Passenger buses	23	30	20
16 - Passenger buses	5	5	5
16 - Passenger handicap accessible vans	-	-	6
15 - Passenger vans	3	2	2
14 - Passenger handicap accessible vans	-	-	-
12 - Passenger handicap accessible van	47	58	55
12 - Passenger vans	-	-	-
10 - Passenger handicap accessible van	16	15	7
8 - Passenger handicap accessible vans	2	-	1
8 - Passenger vans	-	-	2
7 - Passenger vans	14	16	14
7 - Passenger handicap accessible van	-	-	3
Service truck	4	4	4
Supervisor vehicles	2	2	4
	<u>152</u>	<u>174</u>	<u>165</u>
Total Vehicles	<u>152</u>	<u>174</u>	<u>165</u>

Source: Information provided by Authority Bus Operations.

**Table 10**

<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
-	3	3	3	13	19	19
6	-	-	-	-	-	-
36	36	46	51	45	45	45
20	20	20	20	20	13	13
5	5	4	-	-	-	-
6	6	10	6	11	7	10
2	-	-	-	-	-	-
-	5	6	9	8	7	9
55	3	-	2	-	2	2
-	54	46	16	13	14	13
12	6	9	7	-	9	7
1	-	-	1	7	-	-
2	2	-	-	1	-	1
14	14	14	8	6	6	6
3	-	-	-	3	4	4
4	4	4	4	4	4	4
4	6	7	7	8	8	5
<u>170</u>	<u>164</u>	<u>169</u>	<u>134</u>	<u>139</u>	<u>138</u>	<u>138</u>



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**RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY  
INSURANCE IN FORCE  
JULY 1, 2023 - JUNE 30, 2024**

**Table 11**

	Limits
<u>Real and Personal Property</u>	
Real Property	\$ 24,759,510
Personal Property	1,578,219
Inland Marine	8,515,038
Business Income	5,163,616
 <u>Commercial General Liability</u>	
General Liability Each Occurrence/General Aggregate	5,000,000
 <u>Automobile Liability</u>	
Each Occurrence	5,000,000
Owned & Nonowned Auto Physical Damage	
Comprehensive - \$10,000 Deductible for Buses/\$1,000 All Others	
Collision - \$10,000 Deductible for Buses/\$1,000 All Others	
Uninsured Motorist Liability	85,000
 Excess Liability (over General Liability and Auto Liability)	
Each Occurrence	5,000,000
Aggregate	5,000,000
 <u>Excess Liability (over General Liability and Auto Liability &amp; Employer's Liability)</u>	
Each Occurrence	10,000,000
Aggregate	10,000,000
 <u>Workers' Compensation</u>	Statutory
 <u>Employer's Liability</u>	
Bodily Injury by Each Accident	1,000,000
Bodily Injury by Disease/Each Employee	1,000,000
Bodily Injury by Disease/Aggregate Limit	1,000,000
 <u>Public Officials</u>	5,000,000
 <u>Employee Dishonesty</u>	50,000
 <u>Public Employee Bond (Faithful Performance of Duty)</u>	50,000
 <u>Catastrophic (Auto)</u>	11,000,000

**DURHAM COUNTY, NORTH CAROLINA**

**Demographic and Economic Statistics  
Last Ten Years**

<b>Year</b>	<b>Population Estimates<sup>1</sup></b>	<b>Personal Income<sup>2</sup> (thousands of dollars)</b>	<b>Per Capita Personal Income<sup>3</sup></b>	<b>School Enrollment<sup>4</sup></b>	<b>Unemployment Rate<sup>5</sup></b>
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%
2015	290,874	13,394,612	44,507	33,626	5.40%
2014	284,437	12,611,613	42,830	33,296	5.30%

\* Information was not available in prior audit years and not updated.

- (1) U.S. Census Bureau, Population Estimates, last updated 2022.
- (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 2022.
- (3) All per capita income data are for the calendar year ended in each fiscal year are provided by Bureau of Economic Analysis, last updated 2022.
- (4) Durham County Public Schools.
- (5) North Carolina Department of Commerce.

## DURHAM COUNTY, NORTH CAROLINA

Principal Employers  
Current Year and Nine Years Ago

Employer	2023			2014		
	Employees <sup>1</sup>	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Duke University & Health System	43,108	1	27.96%	34,366	1	18.93%
International Business Machines (IBM)	8,000	2	5.19%	10,000	2	5.51%
Durham Public Schools	7,696	3	4.99%	4,600	3	2.53%
Cisco	5,000	4	3.24%			
Blue Cross and Blue Shield North Carolina	3,930	5	2.55%	2,401	5	1.32%
Fidelity Investments	3,900	6	2.53%	2,200	9	1.21%
US Department of Veterans Affairs	3,900	7	2.53%	2,162	10	1.19%
Pfizer	3,620	8	2.35%			
IQVIA (formerly Quintiles)	2,700	9	1.75%			
Wolfspeed	2,500	10	1.62%			
GlaxoSmithKline				3,700	4	2.04%
Durham City Government				2,401	6	1.32%
Cree, Inc.				2,304	7	1.27%
Research Triangle Institute (RTI)				2,300	8	1.27%
	<u>84,354</u>		<u>54.71%</u>	<u>66,434</u>		<u>36.59%</u>

Source: Durham Chamber of Commerce and Bureau of Labor Statistics.

<sup>1</sup>As 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

Information provided by Durham County Finance Office

**ORANGE COUNTY, NORTH CAROLINA**

Table 12 -- ORANGE

**Demographic and Economic Statistics  
Last Ten Fiscal Years  
(Unaudited)**

<b>Year</b>	<b>Population (1)</b>	<b>Personal Income (2) (Thousands of Dollars)</b>	<b>Per Capita Personal Income (2)</b>	<b>Median Age</b>	<b>Public Schools Enrollment (3)</b>	<b>Unemployment Rate (4)</b>	<b>Number of Building Permits Performed (5)</b>
2013	138,330	\$ 7,131,776	\$ 48,683	33.49	19,553	6.2%	1,769
2014	139,694	7,345,876	51,702	33.49	20,051	5.7%	1,791
2015	141,596	7,557,466	52,339	34.57	20,202	4.8%	1,852
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

Notes:

- (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. 2022 personal income not yet available, prior year figures are repeated.
- (3) Orange County Finance and Administrative Services budget student numbers
- (4) N.C. Employment Security Commission, Annual Average for prior calendar year.
- (5) Total number of building permits issued by Orange County Inspections Department.  
Includes inspections by municipalities.

**Provided by the Orange County Finance Department**

**ORANGE COUNTY, NORTH CAROLINA**

**Table 13-Orange**

**Principal Employers  
(Unaudited)**

<b>Employer</b>	<b>2022</b>			<b>2013</b>		
	<b>Employees</b>	<b>Rank</b>	<b>Percentage of Total County Employment</b>	<b>Employees</b>	<b>Rank</b>	<b>Percentage of Total County Employment</b>
UNC-Health Care	13,536	<b>1</b>	18.64%	9,335	2	13.42%
UNC Chapel Hill	12,961	<b>2</b>	17.85%	15,964	1	22.95%
Chapel Hill-Carrboro City Schools	1,787	<b>3</b>	2.46%	1,686	3	2.42%
Orange County Government	1,280	<b>4</b>	1.76%	964	5	1.38%
Orange County Schools	1,272	<b>5</b>	1.75%	1,329	4	1.90%
Town of Chapel Hill	690	<b>6</b>	0.95%	879	6	1.26%
Industrial Connections & Solutions (ABB)	655	<b>7</b>	0.90%	---	---	---
AKG of America	430	<b>8</b>	0.59%	---	---	---
Wegmans	374	<b>9</b>	0.52%	---	---	---
Armacell	312	<b>10</b>	0.43%	---	---	---
Blue Cross Blue Shield	---	---	---	788	7	1.13%
UNC Physicians Network LLC	---	---	---	533	8	0.76%
Aramark Services	---	---	---	444	9	0.63%
Harris Teeter	---	---	---	407	10	0.59%

Source: Orange County Economic Development Commission, Employment Security Commission

Information provided by the Orange County Finance Department

Table 12-Wake

**Demographic and Economic Statistics  
Last Ten Years**

Year	Population Estimates <sup>1</sup>	Personal Income (thousands of dollars) <sup>2</sup>	Per Capita Personal Income <sup>3</sup>	School Enrollment <sup>4</sup>	Unemployment Rate <sup>5</sup>
2014	974,289	50,257,552	50,835	153,039	4.9%
2015	998,691	53,028,913	53,625	155,000	4.7%
2016	1,024,198	56,592,270	54,549	156,644	4.2%
2017	1,046,791	60,216,950	56,162	158,374	3.6%
2018	1,072,203	64,461,643	59,014	160,429	3.6%
2019	1,092,305	69,222,569	62,264	160,471	3.9%
2020	1,111,761	74,107,214	65,450	161,907	7.1%
2021	1,129,410	81,900,659	71,205	157,673	4.1%
2022	1,150,204	*	*	158,761	3.4%
2023	1,175,021	*	*	158,412	3.1%

\* Information not yet available

<sup>(1)</sup> U.S. Census Bureau, previous calendar year

<sup>(2)</sup> Bureau of Economic Analysis Regional, Economic Information System - Bureau of Economic Analysis November 2022.

<sup>(3)</sup> Bureau of Economic Analysis Regional Economic Account - computed using Census Bureau midyear population estimates available as of November 2022.

<sup>(4)</sup> North Carolina Department of Public Instruction. 2022-2023 Wake County Public Schools District Facts.

<sup>(5)</sup> Employment Security Commission of North Carolina; 2022-2023 - North Carolina Department of Commerce-Labor & Economic Analytics Division.

Table 13-Wake

**Principal Employers  
Current Year and Nine Years Ago**

Employer	2023			2014*		
	Employees 1	Rank	Percentage of Total County Employment 2	Employees 1	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%	17,572	2	3.66%
Wal-Mart	16,800	3	2.68%			
WakeMed Health & Hospitals	10,307	4	1.65%	8,423	4	1.68%
Food Lion	9,037	5	1.44%			
North Carolina State University	9,019	6	1.44%	8,080	5	1.75%
Target	8,400	7	1.34%			
UNC Rex Healthcare	7,700	8	1.23%	5,400	7	1.12%
Harris Teeter	5,300	9	0.85%			
Lenovo	5,100	10	0.81%			
SAS Institute, Inc				5,159	8	1.07%
IBM Corporation				10,000	3	2.08%
GlaxoSmithKline, Inc				4,140	10	0.86%
Wake County Government				4,341	9	0.90%
Cisco Systems				5,500	6	1.15%
	<u>112,746</u>		<u>17.99%</u>	<u>92,698</u>		<u>19.28%</u>

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

(2) Source: North Carolina Department of Commerce

FY18-FY21: Top 10 Employers included the Triangle Regional Area



**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	2023			2014		
	Vehicle Rental Tax	Rank	Percentage of Total Sales	Vehicle Rental Tax	Rank	Percentage of Total Sales
Enterprise Rent A Car	\$ 7,386,448	1	50.07%	\$ 4,548,059	1	47.50%
Hertz Corporation	2,323,152	2	15.75%	1,826,887	2	19.08%
Avis Rent A Car System	1,708,213	3	11.58%	1,056,760	3	11.04%
Budget Rent A Car Systems	1,539,863	4	10.44%	739,793	4	7.73%
DTG Operations	1,078,963	5	7.31%	548,735	5	5.73%
U-Haul	491,503	6	3.33%	216,800	7	2.26%
Payless Car Rental, Inc	36,182	7	0.25%	-	-	-
Capital Ford	32,819	8	0.22%	-	-	-
Herc Rentals, Inc.	31,904	9	0.22%	-	-	-
Van Products	27,459	10	0.19%	-	-	-
Triangle Rent A Car	-	-	-	272,433	6	2.85%
Simply Wheelz, LLC	-	-	-	91,672	8	0.96%
University Ford Isuzu	-	-	-	23,913	9	0.25%
ZipCar, Inc	-	-	-	13,338	10	0.14%
Other	96,934	N/A	0.66%	236,685	N/A	2.46%
<b>Total</b>	<b>\$ 14,753,440</b>		<b>100.00%</b>	<b>\$ 9,575,075</b>		<b>100.00%</b>

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, 2023

	Cummulative Amounts of All Projects	Prior Years	Actual Amount FY23	Total	Variance From Cumulative Amount Positive (Negative)
<b>REVENUES</b>					
Special Sales Tax	\$ 455,735,842	\$ 449,970,115	\$ 113,530,276	\$ 563,500,391	\$ 107,764,549
Investment Income	-	(7,060,954)	14,290,582	7,229,628	7,229,628
Total revenues	<u>455,735,842</u>	<u>442,909,161</u>	<u>127,820,858</u>	<u>570,730,019</u>	<u>114,994,177</u>
<b>EXPENDITURES</b>					
Capital Planning					
GoTriangle	4,305,999	2,186,406	499,534	2,685,940	1,620,059
City of Raleigh	425,000	422,943	-	422,943	2,057
CAMPO	740,000	482,074	161,110	643,184	96,816
Wake County	30,000	30,000	-	30,000	-
Community Funding Area					
Town of Apex	207,000	9,513	194,073	203,586	3,414
Town of Fuquay-Varina	63,750	9,000	48,253	57,253	6,497
Town of Garner	50,000	47,782	-	47,782	2,218
Town of Knightdale	50,000	26,448	23,488	49,936	64
Town of Morrisville	248,000	94,246	13,495	107,741	140,259
Town of Rolesville	16,500	11,517	-	11,517	4,983
Research Triangle Foundation	263,463	20,724	242,739	263,463	-
Commuter Rail					
GoTriangle	4,796,962	5,199,059	533,496	5,732,555	(935,593)
Reserve	41,663,409	-	-	-	41,663,409
Bus Rapid Transit					
City of Raleigh	103,955,545	15,701,581	9,580,649	25,282,230	78,673,315
Bus Infrastructure					
GoTriangle	41,106,233	6,385,972	1,985,250	8,371,222	32,735,011
City of Raleigh	37,728,522	4,087,552	2,076,475	6,164,027	31,564,495
Town of Cary	58,909,110	2,313,060	1,583,108	3,896,168	55,012,942
Town of Holly Springs	55,000	46,634	-	46,634	8,366
Reserve	5,161,600	-	-	-	5,161,600
Bus Acquisition					
GoTriangle	10,000,000	6,496,954	50,040	6,546,994	3,453,006
City of Raleigh	47,432,509	42,534,580	478,572	43,013,152	4,419,357
Reserve	1,200,000	-	-	-	1,200,000
Allocation to Wake Capital Fund	<u>227,562,299</u>	<u>356,803,114</u>	<u>110,350,576</u>	<u>467,153,690</u>	<u>(239,591,391)</u>
Total expenditures	<u>585,970,901</u>	<u>442,909,161</u>	<u>127,820,858</u>	<u>570,730,019</u>	<u>15,240,882</u>
Revenues over expenditures	<u>(130,235,059)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>130,235,059</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Allocation from Wake Capital Fund Balance	<u>130,235,059</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(130,235,059)</u>
Total other financing sources	<u>130,235,059</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(130,235,059)</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 and 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 Transit 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, 2023

	TTD - Wake Operating	TTD - Wake Capital
Fund Balances:		
Restricted - Stabilization by State Statute	\$ 46,133,472	\$ -
Restricted - Enabling Legislation	31,854,293	316,382,164
Restricted - Interlocal Agreement	9,285,667	150,771,526
Restricted - Community Funding Area Program	1,331,247	-
Total fund balances	<u>\$ 88,604,679</u>	<u>\$ 467,153,690</u>
Article 43, Local Option Sales Tax budgeted in FY 2024	\$ 26,519,260	\$ 98,480,740
At 25%	6,629,815	24,620,185
Excess / (Deficit) Coverage	<u>\$ 81,974,864</u>	<u>\$ 442,533,505</u>
FY 2024 Operating Expenditures	\$ 37,658,538	NA
90 Days Operating Cash Requirement	9,285,667	NA
Excess / (Deficit) Coverage	<u>\$ 79,319,012</u>	<u>NA</u>

# COMPLIANCE SECTION



**Report of Independent Auditor 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 the auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, 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, 2023, and the related notes to the financial statements, which collectively comprises the Authority's basic financial statements, and have issued our report thereon dated November 30, 2023.

**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 opinions 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 a 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

**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 no instances of noncompliance or other matter that are required to be reported under *Government Auditing Standards*.

**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.

*Cherry Bekaert LLP*

Raleigh, North Carolina  
November 30, 2023

**Report of Independent Auditor on Compliance for the Major Federal Program and on Internal Control over Compliance Required by the 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 the 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, 2023. 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 of its major federal programs for the year ended June 30, 2023.

***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; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. *Code of Federal Regulations* 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, the Uniform Guidance, and the State Single Audit Implementation Act 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 the audit evidence we have obtained is sufficient and appropriate to provides a basis for our opinion on compliance for each 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 Responsibilities 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 generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance, and the State Single Audit Implementation Act 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 each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, Uniform Guidance, and the State Single Audit Implementation Act, 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 and the State Single Audit Implementation Act, but not for the purpose of expressing an opinion on the effectiveness of the 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 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 *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. Given these limitations, during our audit, we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. 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 and State Single Audit Implementation Act. Accordingly, this report is not suitable for any other purpose.

*Cherry Bekaert LLP*

Raleigh, North Carolina  
November 30, 2023

**Report of Independent Auditor on Compliance for the Major State Program and on Internal Control over Compliance Required by 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 State Program**

***Opinion on Each Major State Program***

We have audited the Research Triangle Regional Public Transportation Authority's (the "Authority"), compliance with the types of compliance requirements identified as subject to audit in 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, 2023. The Authority's major state 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 of its major state programs for the year ended June 30, 2023.

***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* 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, the Uniform Guidance, and the State Single Audit Implementation Act 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 the audit evidence we have obtained is sufficient and appropriate to provides a basis for our opinion on compliance for each 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 Responsibilities 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 generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance, and State Single Audit Implementation Act 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 each major state program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance, and the State Single Audit Implementation Act, 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 and the State Single Audit Implementation Act, but not for the purpose of expressing an opinion on the effectiveness of the 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 state 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 state 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 combination of deficiencies, in internal control over compliance with a type of compliance requirement of a state 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 *Auditor's Responsibilities for the Audit of Compliance* section and 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. Given these limitations, during our audit, 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 and the State Single Audit Implementation Act. Accordingly, this report is not suitable for any other purpose.

*Cherry Bekaert LLP*

Raleigh, North Carolina  
November 30, 2023

**RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

YEAR ENDED JUNE 30, 2023

**Section I—Summary of Auditor’s 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             X  no
- Significant Deficiency(s) identified            \_\_\_ yes             X  none reported

Noncompliance material to financial statements noted            \_\_\_ yes             X  no

**Federal Awards**

Internal control over major federal programs:

- Material weakness(es) identified?            \_\_\_ yes             X  no
- Significant Deficiency(s) identified            \_\_\_ yes             X  no

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             X  no

Identification of major federal programs:

<u>Assistance Listing Number#</u>	Names of Federal Program or Cluster
20.933	Highway Planning, Research, and Construction Cluster: Better Utilizing Investments to Leverage Development (BUILD) Transportation Grants

Dollar threshold used to distinguish between Type A and Type B Programs            \$750,000

Auditee qualified as low-risk auditee?             X  yes            \_\_\_ no

**RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)**

YEAR ENDED JUNE 30, 2023

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**Section I—Summary of Auditor’s Results**

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**State Awards**

Internal control over major State programs:

- Material weakness(es) identified?            \_\_\_ yes             X  no
- Significant Deficiency(s) identified            \_\_\_ yes             X  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             X  no

Identification of major State programs:

Program Name

State Maintenance Assistance for Urban and Small Urban Program

**RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)**

*YEAR ENDED JUNE 30, 2023*

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**Section II – Financial Statement Findings**

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None noted.

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**Section III – Federal Award Findings and Questioned Costs**

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None noted.

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**Section IV – State Award Findings and Questioned Costs**

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None noted.



**RESEARCH TRIANGLE REGIONAL PUBLIC TRANSPORTATION AUTHORITY  
SCHEDULE OF PRIOR YEAR AUDIT FINDINGS**

*YEAR ENDED JUNE 30, 2023*

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**Schedule of Prior Year Audit Findings**

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None.

Research Triangle Regional Public Transportation Authority  
Schedule of Expenditures of Federal and State Awards  
For the Fiscal Year Ended  
June 30, 2023

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
<b>Federal Grants:</b>							
<u>Direct Programs:</u>							
<u>U.S. Department of Transportation</u>							
Federal Transit Cluster Federal Transit-Formula Grants (Urbanized Area Formula Program)	20.507		NC-2020-053	249,206	\$ 199,365	- \$	49,841
Federal Transit-Formula Grants (Urbanized Area Formula Program)	20.507		NC-2016-027	54,335	38,718	-	15,617
Total Federal Transit Cluster				303,541	238,083	-	65,458
National Infrastructure Investment	20.933		NC-2020-037	4,526,165	2,385,289	-	2,140,876
				4,829,706	2,623,372	-	2,206,334
<b>Total Federal assistance:</b>				4,829,706	2,623,372	-	2,206,334
<b>State Grants:</b>							
<u>Direct Programs:</u>							
<u>North Carolina Department of Transportation</u>							
State Maintenance Assistance Pr	DOT-9	36234.76.2.1		20,642,981	-	2,822,173	17,820,808
Intern/Apprentice Program	DOT-11	36223.53.19.1	23-DG-118	17,696	-	15,926	1,770
<u>Passed through the Triangle J Council of Governments:</u>							
Rideshare	DOT-11		TDMGOTRI23	659,908	-	496,535	163,374
<b>Total State assistance:</b>				21,320,585	-	3,334,634	17,985,952
<b>Total Assistance:</b>				<b>\$ 26,150,291</b>	<b>\$ 2,623,372</b>	<b>\$ 3,334,634</b>	<b>\$ 20,192,286</b>

**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, 2023. 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.

