

**PUBLIC NOTICE**  
**REGIONAL TRANSIT AUTHORITY**  
**AUDIT & FINANCIAL OVERSIGHT SERVICES**  
**REQUEST FOR QUALIFICATIONS (RFQ) 2025-033**

**Project Description:** The Regional Transit Authority (RTA), a political subdivision of the State of Louisiana, is soliciting the services of a Certified Public Accountant (CPA) firm for the provision of professional services to audit RTA's financial statements for the fiscal periods ending December 31, 2025, through 2029, inclusive. The RTA's fiscal year is January to December.

**How to Obtain a copy of the RFP:** Scope of Work and further information concerning the RFP may be obtained beginning August 28, 2025, from the RTA's Procureware website at <https://norta.procureware.com/home>. You will be required to first register on this website. The RFP can also be obtained at the Regional Transit Authority's website at <http://www.norta.com>.

**Clarifications:** Any questions or further information concerning this RFP must be submitted through <https://norta.procureware.com/home> by 1:00PM on September 19, 2025. Only written questions submitted through Procureware site shall be considered official. All answers to questions shall be by formal addenda posted to the website under RFP 2025-033.

**Responding to RFP:** Proposals shall be submitted through RTA's Procureware website on or before 1:00 P.M., Wednesday, October 1, 2025.

RTA in accordance with 49 Code of Federal Regulations (CFR) Part 26 has an obligation to ensure nondiscrimination of Disadvantaged Business Enterprises (DBEs) and to comply with all federal, state and local regulations relative to utilization of DBEs on publicly funded projects. The RTA is committed to utilization of DBEs on all federally funded projects toward attainment of the agency's established overall goal of 32%. **A DBE goal of 18% has been established for this project.**

Notice to all offerors is hereby provided that in accordance with all applicable federal, state and local laws the RTA will ensure that DBEs are afforded full opportunity to submit offers and responses to this solicitation and to participate in any contract consummated pursuant to this advertisement. Additionally, no offeror will be discriminated against on the basis of age, sex, race, color, religion, national origin, ethnicity or disability.

The RTA reserves the right to accept or reject any and all submittals.

Lona Hankins  
Chief Executive Officer  
Regional Transit Authority

**REGIONAL TRANSIT AUTHORITY  
REQUEST FOR PROPOSALS (RFP) 2025-033  
AUDIT & FINANCIAL OVERSIGHT SERVICES**

REQUEST FOR PROPOSALS NO. 2025-033

SUBJECT: Audit & Financial Oversight Services

DATE: August 28, 2025

SUBMITTAL RECEIPT DEADLINE: Wednesday, October 1, 2025, at 1:00 pm

The Regional Transit Authority invites Qualifications Submittals for the services set forth above in accordance with the specifications enclosed herewith.

Proposals **MUST** be received at the RTA's Offices by date and time set as the Proposal Receipt Deadline.

Enclosures ("X" indicates item enclosed)

- Instructions to Proposers
- General Provisions
- Evaluation
- Attachments

## TABLE OF CONTENTS

	<u>PAGE NUMBER</u>
<b>I. INSTRUCTIONS TO PROPOSERS</b>	
1.1 Proposals Submittal	1
1.2 Submittal Submissions	1
1.3 Submittal Review Procedures	1
1.4 Contract Documentation	3
1.5 Cost of Proposal	4
1.6 Proposal Postponement and Addenda	4
1.7 Cancellation of Request for Proposals	4
1.8 Proposal Rejection	5
1.9 Single Proposal Response	5
1.10 Proposal Withdrawal	5
1.11 Acceptance of Proposals	5
1.12 Evaluation of Proposals	5
1.13 Award Procedure	5
1.14 Offers	6
1.15 Addenda	7
<b>II. GENERAL PROVISIONS</b>	
2.1 Written Change Orders/Amendments	8
2.2 Change Order/Amendment Procedure	8
2.3 Omissions	8
2.4 Priority	8
2.5 Communications	8
2.6 Interests of Members of, or Delegates to Congress	9
2.7 Conflict of Interest	9
2.8 Equal Employment Opportunity	9
2.9 Privacy Requirements	10
2.10 Indemnification	10
2.11 Performance	10
2.12 Status of Contractor and Its Employees	11
2.13 Insurance and Licenses	11
2.14 Subcontractors	11
2.15 Assumption of Risk of Loss	11
2.16 Acceptance	11
2.17 Quality Inspection	11
2.18 Correction by Contractor	12
2.19 Unavoidable Delays	12
2.20 Notification of Delay	12
2.21 Request for Extension	12
2.22 Access Requirements for Individuals with Disabilities	12
2.23 Application of Federal, State and Local Laws and Regulations	13
2.24 Contract Period	14
2.25 Exclusionary or Discriminatory Specifications	14
2.26 Geographic Restrictions	14
2.27 Prompt Payment	14

2.28	Confidentiality	15
2.29	Disputes	15
2.30	Ownership of Documents	16
2.31	State and Local Law Disclaimer	16
2.32	Participant Information	16
2.33	Non-Collusion Affidavit	17
2.34	Regional Transit Authority General Provisions	17
2.35	Restrictions on Lobbying	17
2.36	Disadvantaged Business Enterprise (DBE)	17

### **III. EVALUATION**

3.1	Administrative Evaluation	20
3.2	Evaluation Criteria	20
3.3	Contract Award	20
3.4	Place of Performance	22

### **ATTACHMENTS**

Attachment I – Supplier Submission Checklist

Attachment II – Scope of Services

## **I. INSTRUCTIONS TO PROPOSERS**

### **1.1 PROPOSALS**

Each submittal must include a Letter of Interest that addresses the suggested structure or organization of the proposed team (prime and sub-consultants), a detailed description of your team's approach and capability to handle project-specific issues, a schedule of the proposed work, and any other information that may assist the RTA in making a selection. Letters of Interest should be concise and limited to three (3) pages.

Proposals shall provide a straightforward, concise delineation of the proposer's capability to satisfy the requirements of the Request for Proposals. Each proposal shall be submitted in the requested format and provide all pertinent information including but not limited to information relevant to personnel assignments, specifications/scope of work, work completion, schedules, etc., as provided in this Request for Proposals. Each proposal shall be signed in ink by a duly authorized officer of the company.

### **1.2 PROPOSAL SUBMISSIONS**

Proposals can be sent electronically through RTA's Procureware system and uploaded through our electronic system <https://norta.procureware.com/home> until 1:00 P.M., on the date established as the submittal receipt deadline or upon request a hardcopy may be mailed to: Regional Transit Authority, Attn: Leah LeBlanc - Procurement Department, 2817 Canal Street, New Orleans, LA 70119. Proposals received after the specified date shall be considered late and, therefore, shall not be considered for award. Each proposal shall be in the form specified in this Request for Proposals and shall be in a sealed envelope with the name of the Proposer, the date scheduled as the proposal receipt deadline, and the title of the Request for Proposals marked on the outside.

### **1.3 PROPOSER REVIEW PROCEDURE**

For the purposes of this paragraph, all submissions must be received by the RTA no later than 1:00 p.m. (Central time) on the date specified as the clarification deadline.

#### **A. Request for Modification or Clarification**

This section establishes procedures for proposers to seek review of this Request for Proposals and any addenda. A proposer may discuss this Request for Proposals and any addenda with the RTA. Such discussions do not, however, relieve proposers from the responsibility of submitting written, documented requests.

Proposers may submit to the RTA requests for interpretations, clarifications or modifications concerning any term, condition and/or specification included in this Request for Proposals and/or in any addendum hereto. Any such request must be received by the RTA, in writing, by the date of the scheduled proposal clarification deadline. All requests

must be accompanied by all relevant information supporting the request for modification, interpretation, clarification or addendum of this solicitation.

All questions or further information concerning this RFP must be submitted through <https://norta.procureware.com/home>. Only written questions submitted through Procureware site shall be considered official. RTA will issue a written determination relating to received requests pursuant to this procedure. The written determination shall be by formal addenda posted to the website.

#### **B. Protest Procedures**

The following is an explanation of the RTA protest procedures which must be followed completely before all administrative remedies are exhausted.

Any person who is aggrieved in connection with the solicitation or award of a contract may protest to the Director of Procurement/RTA. Protests shall be submitted in writing specifically identifying the area of protest and containing any support data, test results, or other pertinent information substantiating the appeal. A protest with respect to a solicitation must be submitted in writing to the RTA at least seven (7) calendar days prior to proposal receipt deadline. A protest with regard to the award of a contract shall be submitted, in writing, within seven (7) calendar days after award of the contract.

Prior to any action in court, the Director of Procurement/RTA shall have the authority to settle or resolve a protest from an aggrieved person concerning the solicitation or award of a contract.

If the protest is not resolved by mutual agreement, the Director of Procurement/RTA or his designee shall within thirty (30) calendar days of protest issue a decision in writing. The decision shall:

1. State the reasons for the action taken; and
2. Inform the protestor of his/her right to administrative and judicial review.

A copy of this decision shall be mailed or otherwise furnished immediately to the protestant and any other party intervening. This decision shall be final and conclusive unless:

1. The decision is fraudulent; or
2. The person adversely affected by the decision has submitted a timely administrative appeal to the CEO/RTA.

In the event of a timely protest under these regulations, the RTA shall not proceed further with the solicitation or with the award of the contract unless the Director of Procurement/RTA makes a written determination that the award of the contract is necessary without delay to protect the substantial interests of the RTA.

The CEO/RTA shall have the authority to review and determine any appeal by an aggrieved person from a determination by the Director of Procurement/RTA or his designee.

The aggrieved person must file an appeal within five (5) calendar days of receipt of a decision from the Director of Procurement/RTA.

On any appeal of the decision of the Director of Procurement/RTA, the CEO/RTA shall decide within thirty (30) calendar days whether the solicitation or award was made in accordance with the constitution, statutes, regulations, and the terms and conditions of the solicitation. Any prior determination by the Director of Procurement/RTA or his designee shall not be final or conclusive.

A copy of the CEO's/RTA decision shall be mailed or otherwise furnished immediately to the protestant or any other party intervening.

The decision of the CEO/RTA shall be final and conclusive unless:

1. The decision is fraudulent; or
2. The person adversely affected by the decision has timely appealed to FTA after having exhausted the local protest procedures stated above.

The RTA reserves the right to designate any person(s) other than the CEO/RTA or the Director of Procurement/RTA to perform the duties provided for in this Paragraph.

Any appeal to FTA under these protest procedures will be made pursuant to Circular 4220.1F, as amended.

#### **1.4 CONTRACT DOCUMENTATION**

Any contract resulting from this solicitation shall contain the terms and conditions included in this Request for Proposals and any addenda issued pursuant hereto.

#### Confidential Information, Trade Secrets, and Proprietary Information

The designation of certain information as trade secrets and/or privileged or confidential proprietary information shall only apply to the technical portion of the proposal. The financial proposal will not be considered confidential under any circumstance. Any proposal copyrighted or marked as confidential or proprietary in its entirety may be rejected without further consideration or recourse.

For the purposes of this procurement, the provisions of the Louisiana Public Records Act (La. R.S. 44.1 et. seq.) shall be in effect. Pursuant to this Act, all proceedings, records, contracts, and other public documents relating to this procurement shall be open to public inspection.

You are reminded that while trade secrets and other proprietary information you submit in conjunction with this procurement may not be subject to public disclosure, you must claim such protections at the time of submission of your technical proposal. You should refer to the Louisiana Public Records Act for further clarification.

The City will not credit any blanket exemption claims lacking specific justification.

You shall clearly designate the part of the proposal that contains a trade secret and/or privileged or confidential proprietary information as "confidential" to claim protection, if any, from disclosure. You shall mark the cover sheet of the proposal with the following legend, specifying the specific section(s) of the proposal sought to be restricted in accordance with the conditions of the legend:

**"The data contained in pages \_\_\_\_\_ of the proposal have been submitted in confidence and contain trade secrets and/or privileged or confidential information and such data shall only be disclosed for evaluation purposes, provided that if a contract is awarded to this Respondent as a result of or in connection with the submission of this proposal, the City of New Orleans shall have the right to use or disclose the data therein to the extent provided in the contract. This restriction does not limit the City of New Orleans's right to use or disclose data obtained from any source, including the Respondent, without restrictions."**

Further, to protect such data, each page containing such data shall be specifically identified and marked "**CONFIDENTIAL**".

You must be prepared to defend the reasons why the material should be held confidential. By submitting a proposal with data, information, or material designated as containing trade secrets and/or privileged or confidential proprietary information, or otherwise designated as "confidential", you agree to indemnify and defend (including attorney's fees) the RTA and hold the RTA harmless against all actions or court proceedings that may ensue which seek to order the RTA to disclose the information.

The RTA reserves the right to make any proposal, including proprietary information contained therein, available to RTA personnel for the sole purpose of assisting the RTA in its evaluation of the proposal. The RTA shall require said individuals to protect the confidentiality of any specifically identified proprietary information or privileged business information obtained as a result of their participation in these evaluations.

Additionally, any proposal that fails to follow this section and/or La. R.S. 44:3.2.(D)(1) shall have failed to properly assert the designation of trade secrets and/or privileged or confidential proprietary information and the information may be considered public records.

## **1.5 COST OF PROPOSAL**

Any costs incurred by proposers responding to this Request for Proposals in anticipation of receiving a contract award will not be reimbursed by the RTA. Payments will only be made pursuant to a contract between the RTA and the successful proposer.

## **1.6 PROPOSAL POSTPONEMENT AND ADDENDA**

The RTA reserves the right to amend the instructions, general conditions, special conditions, plans, scope of work, and specifications of this solicitation up to the deadline date for proposal receipt. Copies of such addenda shall be made available to all prospective proposers via posting to RTA's procureware website. Where such addenda require changes in the services or prices quoted, the final date set for proposal receipt may be postponed by such number of days as in the opinion of the RTA shall enable prospective proposers to revise proposals.

## **1.7 CANCELLATION OF REQUEST FOR PROPOSALS**

The RTA reserves the right to cancel this Request for Proposals as a whole or in part upon written determination by the Director of Procurement/RTA that such cancellation is in the best interest of the RTA.

## **1.8 PROPOSAL REJECTION**

The RTA reserves the right to accept or reject any and all proposals submitted.

## **1.9 SINGLE PROPOSAL RESPONSE**

If only one proposal is received in response to this Request for Proposals, a detailed cost proposal may be requested of the single proposer. A cost/price analysis and evaluation and/or audit may be performed in order to determine if the offer is fair and reasonable. Award of a contract to the proposer submitting the only proposal received in response to this Request for Proposals may be subject to approval by the FTA.

## **1.10 PROPOSAL WITHDRAWAL**

Prior to the date and time set for the Proposal Receipt Deadline, proposals may be modified or withdrawn by the proposer's authorized representative in person, or by written, facsimile or electronic notice. If proposals are modified or withdrawn in person, the authorized representative shall make his identity known and shall sign a receipt for the proposal. Written, facsimile or electronic notices shall be received in the RTA Canal St. offices no later than the date scheduled as the proposal receipt deadline. After the Proposal Deadline, proposals may not be withdrawn for sixty (60) calendar days.

## **1.11 ACCEPTANCE OF PROPOSALS**

Each proposal shall be submitted with the understanding that it is subject to negotiation at the option of RTA. Upon acceptance in writing by RTA of the final offer to furnish any and all of the services described herein, the parties shall promptly execute the final contract documents. The written contract shall bind the Proposer to furnish and

deliver all services as specified herein in accordance with the conditions of said accepted proposal and this Request for Proposals, as negotiated.

### **1.12 EVALUATION OF PROPOSALS**

The evaluation criteria are provided in this Request for Proposals. The proposer receiving the highest point total during the evaluation phase of the selection process may be called in for negotiations. The contract will be awarded based on the Best Value to the RTA. RTA reserves the right to conduct any reviews it deems necessary and audit the business records of any and all proposers to determine the fairness and reasonableness of the offer. RTA reserves the right to award this contract without conducting negotiations.

### **1.13 AWARD PROCEDURE**

Within a reasonable time after the proposal receipt deadline, the RTA will transmit the contract documents to the Contractor. The contract documents will, at a minimum, consist of this Request for Proposals and any addenda thereto, the Contractor's proposal, RTA's standard contract provisions and provisions required by FTA.

### **1.14 OFFERS**

Each proposal submitted shall include all labor, materials, tools, equipment, and other costs necessary to fully complete the scope of services pursuant to the specifications provided herein. Any omissions derived from such specifications which are clearly necessary for the completion of the work specified herein shall be considered a portion of this Request for Proposals.

## **1.15 ADDENDA**

Proposers shall acknowledge receipt of all addenda to this Request for Proposals. Acknowledged receipt of each addendum shall be clearly established and included with each proposal. The undersigned acknowledges receipt of the following addenda.

Addendum No. \_\_\_\_\_, dated \_\_\_\_\_

Addendum No. \_\_\_\_\_, dated \_\_\_\_\_

Addendum No. \_\_\_\_\_, dated \_\_\_\_\_

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Company Name

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Company Representative

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RFP 2025-033

## **II. GENERAL PROVISIONS**

### **2.1 WRITTEN CHANGE ORDERS/AMENDMENTS**

This contract may be changed/ amended in any particular allowed by law upon the written mutual agreement of both parties.

### **2.2 CHANGE ORDER/AMENDMENT PROCEDURE**

Within ten (10) calendar days after receipt of the written change order to modify the contract, the Contractor shall submit to the RTA a detailed price and schedule proposal for the work to be performed. This proposal shall be accepted or modified by negotiations between the Contractor and the RTA. At that time, a detailed modification shall be executed in writing by both parties. In the event that federal funds are used in this procurement, the FTA may reserve the right to concur with any change order or any dispute arising under such change order. Disagreements that cannot be resolved by negotiation shall be resolved in accordance with the contract disputes clauses. Regardless of any disputes, the Contractor shall proceed with the work ordered, if the RTA has obtained the concurrence of FTA, should such concurrence be required. Regardless of any other requirement herein, RTA shall negotiate profit as a separate element of cost for any change order or amendment to any contract awarded pursuant to this solicitation.

### **2.3 OMISSIONS**

Notwithstanding the provision of drawings, technical specifications or other data by the RTA, the Contractor shall supply all resources and details required to make the supplies complete and ready for utilization even though such details may not be specifically mentioned in the drawings and specifications.

### **2.4 PRIORITY**

In the event of any conflicts between the description of the supplies and/or services in the Technical Specifications and drawings and other parts of this Request for Proposals, the Technical Specifications and drawings shall govern.

### **2.5 COMMUNICATIONS**

All official communications in connection with this contract shall be in writing. Respondents to this solicitation or persons acting on their behalf may not contact, between the release of the solicitation and award, any employee or officer of RTA or the Regional Transit Authority, including the Board of Commissioners, concerning any aspect of this solicitation, except in writing to the procurement officer or as provided in the solicitation documents. Violation of this provision may be grounds for rejecting a response.

## **2.6 INTEREST OF MEMBERS OF, OR DELEGATES TO CONGRESS**

In accordance with 18 U.S.C. Subsection 431, no member of, or delegates to, the Congress of the United States shall be admitted to a share or part of this contract or to any benefit arising there from.

## **2.7 CONFLICT OF INTEREST**

No Board Member, employee, officer or agent, or employee of such agent of the RTA shall participate in the selection or in the award or administration of a contract if a conflict of interest, real or apparent, is involved. Such a conflict would arise when:

- a. The Board Member, employee, officer or agent, or employee of such agent;
- b. Any member of his immediate family;
- c. His or her partner; or
- d. An organization that employs, or is about to employ any of the above, has a direct or indirect, present or future financial or other interest in the firm selected for award.

The RTA's Board Members, officers, employees or agents shall neither solicit nor accept gratuities, favors or anything of monetary value from contractors, potential contractors or parties of sub agreements.

Each entity that enters into a contract with the RTA is required, prior to entering into such contract, to inform the RTA of any real or apparent organizational conflicts of interest. An organizational conflict of interest exists when the contractor is unable or potentially unable to provide objective assistance or advice to the RTA due to other activities, relationships, contracts, or circumstances; when the contractor has an unfair competitive advantage through obtaining access to nonpublic information during the performance of an earlier contract; and during the conduct of an earlier procurement, the contractor has established the ground rules for a future procurement by developing specifications, evaluation factors, or similar documents, in accordance with Chapter VI, 2.a.(4)(h) of FTA C 4220.1F.

## **2.8 EQUAL EMPLOYMENT OPPORTUNITY**

The Contractor shall comply with Executive Order No. 11246 as amended, entitled "Equal Employment Opportunity" as supplemented in Department of Labor Regulations (41 C.F.R. Paragraph 60). In connection with the execution of this Agreement, the Contractor shall not discriminate against any employees or applicant for employment because of race, religion, color, sex, age, or national origin. The Contractor shall take affirmative action to ensure that applicants are employed and that employees are treated during their employment without regard to their race, religion, color, sex, age, or national origin. Such actions shall include, but not be limited to, the following: employment,

upgrading, demotion, or transfer, recruitment or recruitment advertising; layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. Contractor further agrees to insert a similar provision in all subcontracts, except subcontracts for standard commercial supplies or raw materials.

## **2.9 PRIVACY REQUIREMENTS**

The following requirements apply to the Contractor and its employees that administer any system of records on behalf of the Federal Government under any contract:

(1) The Contractor agrees to comply with, and assures the compliance of its employees with, the information restrictions and other applicable requirements of the Privacy Act of 1974, 5 U.S.C. § 552a. Among other things, the Contractor agrees to obtain the express consent of the Federal Government before the Contractor, or its employees operate a system of records on behalf of the Federal Government. The Contractor understands that the requirements of the Privacy Act, including the civil and criminal penalties for violation of that Act, apply to those individuals involved, and that failure to comply with the terms of the Privacy Act may result in termination of the underlying contract.

(2) The Contractor also agrees to include these requirements in each subcontract to administer any system of records on behalf of the Federal Government financed in whole or in part with Federal assistance provided by FTA.

## **2.10 INDEMNIFICATION**

The Contractor covenants and agrees to fully defend, protect, indemnify and hold harmless the RTA, and RTA, their directors, officers, employees, agents, and assigns from and against all liability, including strict liability, claims, demands, and causes of action brought by others against RTA, and/or RTA, and expenses, including but not limited to reasonable attorney's fees; and expense incurred in defense of RTA, and/or RTA arising out of, or in any way incidental to, or in connection with the work hereunder, and other activities by contractor; provided, however, that such indemnification shall apply only to the extent permitted by applicable law, and except and to the extent such liability, claim, demand or cause of action results from RTA's negligence.

## **2.11 PERFORMANCE**

Contractor shall perform all work diligently, carefully and in a good and workmanlike manner and shall furnish all labor, supervision, machinery, equipment, material and supplies necessary, therefore. Contractor shall obtain and maintain all permits and licenses required by public authorities in connection with performance of the work, and, if permitted to subcontract, shall be fully responsible for all work performed by subcontractors. Contractor shall conduct all operations in Contractor's own name and as an independent contractor, and not in the name of, or agent for RTA.

## **2.12 STATUS OF CONTRACTOR AND ITS EMPLOYEES**

For all purposes specified under the terms of this Agreement the Contractor shall be considered an independent contractor as defined in R.S. 23:1021 (5), and as such, the RTA shall not be liable to the Contractor for benefits or coverage provided by the Workers' Compensation Law of the State of Louisiana (R.S. 23:1021 et seq.), and further, under the provisions of R.S. 23:1034, no person employed by the Contractor shall be considered an employee of the RTA for the purpose of Workers' Compensation coverage.

## **2.13 INSURANCES**

The contractor shall, upon request from the RTA, submit a copy of their standard insurance certificates for this project. During the term of this Agreement, the Contractor shall obtain and maintain the following types and amounts of insurance naming the Regional Transit Authority as an additional insured. The Contractor shall furnish to the RTA certificates showing types, amounts, class of operations covered, effective dates and dates of expiration of policies:

- A) Worker's Compensation Insurance as required by Louisiana Law;
- B) Vehicle Liability Insurance in the amount of \$1,000,000.00; and
- C) General Liability Insurance in the amount of \$1,000,000.

## **2.14 SUBCONTRACTORS**

No portion of this contract may be, reassigned, transferred, or sublet without the written approval of the RTA. If allowed to subcontract, no subcontractor may be replaced without the written approval of the RTA.

## **2.15 ASSUMPTION OF RISK OF LOSS**

Prior to acceptance, Contractor shall bear the risk of loss of the supplies, except that upon delivery, as defined in this Request for Proposals, the RTA will bear the risk of loss due to the negligence of the RTA.

## **2.16 ACCEPTANCE**

Within seven (7) days after delivery, the RTA, its agents or assigns, will conduct an acceptance inspection. Acceptance shall be conditioned upon satisfactory results of such inspection, promptly communicated in writing to the Contractor, subject however, to revocation upon discovery of defects.

## **2.17 QUALITY INSPECTION**

All goods and services installed and supplied shall be good quality and free from any defects and shall at all times be subject to RTA's inspection; but neither RTA's inspection nor failure to inspect shall relieve Contractor of any obligation hereunder. If, in RTA's opinion, any goods or service (or component thereof) fails to conform to specifications or is otherwise defective, Contractor shall promptly replace or correct same

at Contractor's sole expense. No acceptance or payment by RTA shall constitute a waiver of the foregoing, and nothing herein shall exclude or limit any warranties implied by law.

## **2.18 CORRECTION BY CONTRACTOR**

After non-acceptance of the work, the Contractor shall begin implementing correction procedures within five (5) calendar days after receiving notification from the RTA. The RTA will make the site timely with Contractor's correction schedule. The Contractor shall bear all expense incurred to complete correction of the work after non-acceptance, and Contractor shall diligently implement correction procedures.

## **2.19 UNAVOIDABLE DELAYS**

If completion of the work furnished under this contract should be unavoidably delayed, the RTA may extend the time for satisfaction of the Contractor's obligations pursuant thereto for a number of days determined by RTA to be excusable due to unavoidability. A delay is unavoidable only if the delay was not reasonably expected to occur in connection with or during the Contractor's performance, and was not caused directly or substantially by acts, omissions, negligence or mistakes of the Contractor, the Contractor's suppliers or their agents and was substantial and in fact caused the Contractor to miss completion dates and could not adequately have been guarded against by contractual or legal means.

## **2.20 NOTIFICATION OF DELAY**

The Contractor shall notify the RTA as soon as the Contractor has, or should have, knowledge that an event has occurred or will occur which will delay progress or completion. Within five (5) days there from, the Contractor shall confirm such notice in writing furnishing as much detailed information as is available.

## **2.21 REQUESTS FOR EXTENSION**

The Contractor agrees to supply, as soon as such data are available, any/all reasonable proof required by the RTA to make a decision relative to any request for extension. The RTA shall examine the request and any documents supplied by the Contractor, and RTA shall determine if the Contractor is entitled to an extension and the duration of such extension. The RTA shall notify the Contractor of this decision in writing. It is expressly understood and agreed that the Contractor shall not be entitled to damages or compensation and shall not be reimbursed for losses on account of delays resulting from any cause under this provision.

## **2.22 ACCESS REQUIREMENTS FOR INDIVIDUALS WITH DISABILITIES**

During the performance of this contract, the contractor, for itself, its assignees and successors in interest agree to comply with all applicable requirements of the Americans with Disabilities Act of 1990 (ADA), 42 U.S.C. sections 12101 et seq.; section 504 of the Rehabilitation Act of 1973, as amended, 29 U.S.C. section 794; section 16 of the Federal

Transit Act, as amended, 49 U.S.C. app. section 1612; and the following regulations and any amendments thereto:

- (a) U.S. DOT regulations, "Transportation Services for Individuals with Disabilities (ADA)," 49 C.F.R. Part 37;
- (b) U.S. DOT regulations, "Nondiscrimination on the Basis of Handicap in Programs and Activities Receiving or Benefiting from Federal Financial Assistance," 49 C.F.R. Part 27;
- (c) U.S. DOT regulations, "American with Disabilities (ADA) Accessibility Specifications for Transportation Vehicles," 49 C.F.R. Part 38;
- (d) Department of Justice (DOJ) regulations, "Nondiscrimination on the Basis of Disability in State and Local Government Services," 28 C.F.R. Part 35;
- (e) DOJ regulations, "Nondiscrimination on the Basis of Disability by Public Accommodations and in Commercial Facilities," 28 C.F.R. Part 36;
- (f) General Services Administration regulations, "Accommodations for the Physically Handicapped," 41 C.F.R. Subpart 101-19;
- (g) Equal Employment Opportunity Commission, "Regulations to Implement the Equal Employment Provision of the Americans with Disabilities Act," 29 C.F.R. Part 1630;
- (h) Federal Communications Commission regulations, "Telecommunications Relay Services and Related Customer Premises Equipment for the Hearing and Speech Disabled," 47 C.F.R. Part 64, Subpart F; and
- (i) FTA regulations, "Transportation of Elderly and Handicapped Persons," 49 C.F.R. Part 609.

## **2.23 APPLICATION OF FEDERAL, STATE AND LOCAL LAWS AND REGULATIONS**

### **(a) Federal Laws and Regulations**

The Federal requirements (laws, regulations policies, and related administratively) contained in this contract may change (from time to time) after the date the contract has been executed. Any changes in federal requirements shall apply to this contract and be incorporated therein.

### **(b) State or Territorial Law and Local Law**

This contract shall be entered into in the State of Louisiana and shall be governed and/or construed in accordance with the laws and jurisprudence of the State of Louisiana, except to the extent that a Federal Statute or regulation preempts State or territorial law.

## **2.24 CONTRACT PERIOD**

THE TERM OF THIS CONTRACT SHALL BE SET FORTH IN THE CONTRACT AGREEMENT.

## **2.25 EXCLUSIONARY OR DISCRIMINATORY SPECIFICATIONS**

Apart from inconsistent requirements imposed by federal statute or regulations, the RTA will comply with the requirements of 49 U.S.C. § 5323(h) (2) by refraining from using any Federal assistance awarded by FTA to support procurements using exclusionary or discriminatory specifications.

## **2.26 GEOGRAPHIC RESTRICTIONS**

Except as expressly mandated, encouraged or permitted by FTA or Federal statute, RTA will refrain from using state or local geographic preferences.

## **2.27 PROMPT PAYMENT**

Payment shall be made thirty (30) days from date of approved and accepted invoice unless changed in the contract agreement. The prime contractor agrees to pay each subcontractor under this prime contract for satisfactory performance of its contract no later than five (5) days from the receipt of each payment the prime contractor receives from the RTA. The prime contractor further agrees to return retainage payment to each subcontractor within ten (10) days after the subcontractor's work is satisfactorily completed and accepted by RTA, and all lien delay's under applicable laws have expired. Any delay or postponement of payment from the above-referenced time frame may occur only for good cause following written approval of the RTA. This clause applies to both DBE and non-DBE subcontractors.

*Identification of subcontractors: All prime contractors submitting offers in response to this Request for Proposals must provide the following information for All subcontractors whether the firm is identified as a Disadvantaged Business Enterprise or not. The required information is:*

- (1) Firm Name*
- (2) Firm Address*
- (3) Firm's status as a DBE or non-DBE*
- (4) The age of the firm*
- (5) The annual gross receipts of the firm*

Additionally, each contract RTA enters into with a contractor (and each subcontract) the prime contractor signs with a subcontractor shall include the following assurance:

The contractor, sub recipient or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The contractor shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of DOT assisted contracts. Failure by the contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy, as the RTA deems appropriate.

Further, each contract RTA enters into with a contractor (and each subcontract the prime contractor signs with a subcontractor shall include the following assurance:

The contractor, sub-recipient or subcontractor shall make prompt payments for all satisfactory work performed under this agreement. The contractor shall, within five (5) days of receipt of payment from RTA make all payments due to subcontractors and suppliers. This requirement shall flow down to all levels, including subcontractors making payments to subcontractors and suppliers, etc. Additionally, upon release of retainage(s) by RTA, Contractor shall, in turn, within ten (10) days release retainage(s) it holds. The requirement for release of retainage(s) within ten (10) days shall flow down to all subcontractors, etc., performing under this contract. Contractor or any of its subcontractors, etc., may not delay or postpone payments or release of retainage without prior RTA written approval. RTA may delay, or withhold up to twenty-five percent of Contractor's payments, retainage, etc., if there is evidence that Contractor is not complying with any provision hereunder. RTA may withhold monies due Contractor until such time as Contractor, by its actions or assurances, has, to RTA's satisfaction, proven that it will or has complied with all the requirements hereunder.

## **2.28 CONFIDENTIALITY**

Contractor agrees that any and all information, in oral or written form, whether obtained from RTA, its agents or assigns, or other sources, or generated by Contractor pursuant to this contract shall not be used for any purpose other than fulfilling the requirements of this contract. Contractor further agrees to keep in absolute confidence all data relative to the business of RTA and RTA, their agents or assigns. No news release, including but not limited to photographs and film, public announcement, denial or confirmation of any part of the subject matter of any phase of any program hereunder shall be made by Contractor without written approval of RTA.

## **2.29 DISPUTES**

Disputes arising in the performance of this Contract which are not resolved by agreement of the parties shall be decided in writing by the Director of Procurement. The decision of the Director of Procurement shall be final and conclusive unless within [seven (7)] days from the date of receipt of its copy, the Contractor mails or otherwise furnishes a

written appeal to the Vice President-RTA. In connection with any such appeal, the Contractor may be afforded an opportunity to be heard and to offer evidence in support of its position. The decision of the Vice President-RTA shall be binding upon the Contractor, and the Contractor shall abide by the decision.

Performance During Dispute – Unless otherwise directed by RTA, Contractor shall continue performance under this contract while matters in dispute are being resolved.

Claims for Damages – Should either party to the Contract suffer injury or damage to person or property because of any act or omission of the party or of any of his employees, agents or others for whose acts he is legally liable, a claim for damages therefore shall be made in writing to such other party within a reasonable time after the first observance of such injury or damage.

Remedies – Unless this contract provides otherwise, all claims, counterclaims, disputes and other matters in question between the RTA and the Contractor arising out of or relating to this agreement or its breach will be decided by arbitration if the parties mutually agree, or in a court of competent jurisdiction within the State of Louisiana.

Rights and Remedies – The duties and obligations imposed by the Contract Documents and the rights and remedies available thereunder shall be in addition to and not a limitation of any duties, obligations, rights and remedies otherwise imposed or available by law. No action or failure to act by the RTA, (its agents or assigns) or Contractor shall constitute a waiver of any right or duty afforded any of them under the Contract, nor shall any such action or failure to act constitute an approval of or acquiescence in any breach thereunder, except as may be specifically agreed in writing.

### **2.30 OWNERSHIP OF DOCUMENTS**

Any documents, drawings, specifications, reports or data generated by the Contractor in connection with this project shall become the sole property of the RTA, subject to any rights asserted by FTA of the U.S. Department of Transportation. The Contractor may retain copies of such items for its files. The Contractor shall not release any documents, reports or data from this project without prior written permission from the RTA.

### **2.31 STATE AND LOCAL LAW DISCLAIMER**

The use of many of the Clauses herein are not governed by federal law, many of the clauses contained herein contain FTA suggested language in certain instances these clauses may be affected by State Law.

### **2.32 PARTICIPANT INFORMATION FORM**

All participants and their subcontractors are required to submit a completely executed, Participant Information Form available in the Vendor Form Library at [New Orleans Regional Transit Authority - Procurements and Contracts \(norta.com\).](http://New_Orleans_Regional_Transit_Authority - Procurements_and_Contracts_(norta.com).)

## **2.33 NON-COLLUSION AFFIDAVIT**

The Non-Collusion Affidavit is a required submittal. The necessary form is available in the Vendor Form Library at [New Orleans Regional Transit Authority - Procurements and Contracts \(norta.com\).](http://New%20Orleans%20Regional%20Transit%20Authority%20-%20Procurements%20and%20Contracts%20(norta.com).)

## **2.34 REGIONAL TRANSIT AUTHORITY GENERAL PROVISIONS**

The Regional Transit Authority's General Provisions shall apply to this solicitation and resulting contract.

## **2.35 RESTRICTIONS ON LOBBYING**

Byrd Anti-Lobbying Amendment, 31 U.S.C. 1352, as amended by the Lobbying Disclosure Act of 1995, P.L. 104-65 [to be codified at 2 U.S.C. § 1601, et seq.] Contractors who apply or bid for an award of \$100,000 or more shall file the certification required by 49 CFR parts 20, "New Restrictions on Lobbying." Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier shall also disclose the name of any registrant under the Lobbying Disclosure Act of 1995 who has made lobbying contacts on its behalf with non-Federal funds with respect to that Federal contract, grant or award covered by 31 U.S.C. 1352. Such disclosures are forwarded from tier to tier up to the RTA. The necessary form is available in the Vendor Form Library at [New Orleans Regional Transit Authority - Procurements and Contracts \(norta.com\).](http://New%20Orleans%20Regional%20Transit%20Authority%20-%20Procurements%20and%20Contracts%20(norta.com).)

## **2.36 DISADVANTAGED BUSINESS ENTERPRISE (DBE)**

It is the intent of the Regional Transit Authority (RTA) of New Orleans to create a level playing field on which Disadvantaged Business Enterprises (DBEs) can compete fairly for opportunities. Accordingly, the RTA participates in the State-Local DBE Program of the City of New Orleans for all solicitations that are not funded by the US Department of Transportation.

DBE firms are firms that have 51% ownership and control by socially and/or economically disadvantaged individuals. **For this solicitation**, RTA will accept certification of DBE firms of the following government agencies:

- **Louisiana Department of Transportation and Development, Louis Armstrong New Orleans International Airport and New Orleans Regional Transit Authority – Louisiana Unified Certification Program (LAUCP)** - <http://www.laucp.org/ucp/>

In compliance with the RTA's DBE Policy to be eligible for award of a contract, the contractor/prime bidder MUST either:

1. Meet the DBE goal as advertised with meaningful DBE participation through subcontracts, joint ventures, or suppliers; OR
2. Demonstrate Good Faith Efforts to meet the DBE goal.

All firms participating on RTA projects, including SBE, DBE and non-DBE firms MUST be documented on the Contract Participation and DBE Commitment Form 1 – Schedule A. This form must be submitted by the prime/bidder, must include all information requested and must be signed by an authorized signatory.

For each participating SBE, and DBE firm, a DBE Participation Questionnaire Form 2 – Schedule B MUST be included and signed by an authorized signatory of the firm. The purpose of this form is to confirm that the SBE or DBE firm has committed to participating in the project and that both parties agree to the scope of work and price as designated on the Contract Participation and S/DBE Commitment Form 1.

The SBE and DBE firms proposed in this form are binding. Any substitutions or removals of SBE or DBE firms listed on these forms after submission of the bid must be requested through the formal process of contract amendment and be approved by the DBE Liaison Officer. The Contractor shall, no later than three (3) days from the award of a contract, execute formal contracts, agreements and/or purchase orders with the SBE and DBE firms included on the Contract Participation and S/DBE Commitment Form 1.

If the Prime Bidder has not attained the DBE goal established for the project, Documentation of Good Faith Efforts Form 3 – Schedule C MUST be submitted. The completed form along with all required supporting documentation must be furnished. Should a bidder fail to comply with the submission of complete and accurate DBE Compliance Forms demonstrating attainment of the DBE Goal or Good Faith Efforts to attain the DBE goal, the bid shall be deemed non-responsive.

#### Contracting With Small and Minority Businesses, Women's Business Enterprises, and Labor Surplus Area Firms

a) Any party to this Contract, when expending any Federal funds received under this Agreement, must take all necessary affirmative steps to assure that minority businesses, women's business enterprises, and labor surplus area firms are used when possible. These steps are required for the hiring of any subcontractors under this Contract.

b) Affirmative steps must include:

- 1) Placing qualified small and minority businesses and women's business enterprises on solicitation lists;
- 2) Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;
- 3) Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises;

- 4) Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises; and
- 5) Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce.

The RTA shall have the authority to investigate allegations of discriminatory practices of bidder(s) who contract or seek to contract with the RTA.

Please direct all questions related to DBE compliance prior to submission of the solicitation to the RTA Disadvantaged Business Enterprise Liaison Officer.

### **III. EVALUATION CRITERIA**

#### **3.1 ADMINISTRATIVE EVALUATION**

Prior to the distribution of submittals to the Technical Evaluation Committee, the RTA shall perform an administrative evaluation of each submittal to determine completeness and responsiveness to this RFP.

#### **3.2 EVALUATION CRITERIA**

The following evaluation criteria will be used by the Technical Evaluation Committee. The criteria and the weighted values (in parentheses) to be used by the Technical Evaluation Committee in evaluating responses for the selection of a firm(s) to perform this service(s) are listed below:

##### **1. Qualifications of Assigned Staff (30%)**

- For each staff member to be assigned to do auditing work please submit with your submittal the staff member's resume, which should indicate that each (s)he has at least three (3) years of job experience and has the qualifications to do the tasks outlined in the Scope of Work.

##### **2. Firm's Experience & Qualifications (25%)**

- Applicants shall provide proof of current certification status and data on the number of years its firm has been in business, including the number of years its firm has provided professional services to Public/Political Subdivisions, Transit Authorities or Similar Entities.

##### **3. Project Approach (20%)**

- Applicant shall demonstrate his/her understanding of the scope of services requested by briefly describing the team's project approach. The project approach should include proposed methods, required resources and staff input, proposed deliverables, and proposed schedule as appropriate.

##### **4. Availability (15%)**

- Application shall respond to the team's ability to provide the required services within the specified time period and meet with RTA Board members and representatives.

##### **5. References (10%)**

- Please provide contact information for three (3) references, including e-mail addresses and Telephone numbers.

#### **3.3 CONTRACT AWARD**

(1) The RTA intends to award a contract or contracts resulting from this solicitation to the proposer responsible whose proposal(s) represents the best value after evaluation in accordance with the factors and sub-factors in the solicitation.

(2) The RTA may reject any or all proposals if such action is in the RTA's interest.

(3) The RTA may waive informalities and minor irregularities in proposals received.

(4) The RTA intends to evaluate proposals and award contracts without discussions with offerors. Therefore, the offeror's initial proposal should contain the offeror's best terms from a cost or price and technical standpoint. The RTA reserves the right to conduct discussions if the Contracting Officer later determines them to be necessary. If the Contracting Officer determines that the number of proposals that would otherwise be in the competitive range exceeds the number at which an efficient competition can be conducted, the Contracting Officer may limit the number of proposals in the competitive range to the greatest number that will permit an efficient competition among the most highly rated proposals.

(5) The RTA reserves the right to make an award on any item for a quantity less than the quantity offered, at the unit cost or prices offered, unless the offeror specifies otherwise in the proposal.

(6) The RTA reserves the right to make multiple awards if, after considering the additional administrative costs, it is in the RTA's best interest to do so.

(7) Exchanges with offerors after receipt of a proposal do not constitute a rejection or counteroffer by the RTA.

(8) The RTA may determine that a proposal is unacceptable if the prices proposed are materially unbalanced between line items or subline items. Unbalanced pricing exists when, despite an acceptable total evaluated price, the price of one or more line items is significantly overstated or understated as indicated by the application of cost or price analysis techniques. A proposal may be rejected if the Contracting Officer determines that the lack of balance poses an unacceptable risk to the RTA.

(9) If a cost realism analysis is performed, cost realism may be considered by the source selection authority in evaluating performance or schedule risk.

(10) A written award or acceptance of proposal mailed or otherwise furnished to the successful offeror within the time specified in the proposal shall result in a binding contract without further action by either party.

(11) If a post-award debriefing is given to requesting offerors, the RTA shall disclose the following information, if applicable:

(i) The agency's evaluation of the significant weak or deficient factors in the debriefed offeror's offer.

(ii) The overall evaluated cost or price and technical rating of the successful and the debriefed offeror and past performance information on the debriefed offeror.

(iii) The overall ranking of all offerors, when any ranking was developed by the agency during source selection.

(iv) A summary of the rationale for award.

(v) For acquisitions of commercial items, the make and model of the item to be delivered by the successful offeror.

(vi) Reasonable responses to relevant questions posed by the debriefed offeror as to whether source-selection procedures set forth in the solicitation, applicable regulations, and other applicable authorities were followed by the agency.

RTA shall score and rank all proposals based upon the evaluation criteria contained herein. An interview and/or presentation may be required. Award of this contract shall be to a

properly licensed, responsible offeror deemed the most qualified, for which fair and reasonable compensation can be determined.

Proposers are reminded that price/cost shall not be used as an evaluation factor during the initial evaluation. However, price proposals will be evaluated, and proposers are required to submit cost data separately from their proposal. Proposals which do not contain cost/price information may be considered non-responsive to the administrative requirements of the RFP.

## PROPOSAL PRICING RESTRICTIONS

Any proposed overhead rate which exceeds 75% of approved categories (e.g., "labor") shall be substantiated by a current audit performed by an independent Certified Public Accounting Firm. Any proposed overhead rate which exceeds 100% of the approved categories shall be substantiated by a current audit conducted by a federal or state agency. Labor rates for all individuals who may perform any work associated with this project shall be identified in the proposal. The individuals will be identified by name and job category. This requirement extends to all individuals whether classified as professional or non-professional. Any changes in labor rates and/or additions or changes to personnel providing work on this project must be pre-approved by RTA in writing.

### 3.4 PLACE OF PERFORMANCE

- (a) The offeror or respondent, in the performance of any contract resulting from this solicitation, intends, does not intend [check applicable block] to use one or more plants or facilities located at a different address from the address of the offeror or respondent as indicated in this proposal or response to request for information.
- (b) If the offeror or respondent checks "intends" in paragraph (a) of this provision, it shall insert in the following spaces the required information:

Place of Performance (Street Address, City, State, County, ZIP Code)

Name and Address of Owner and Operator of the Plant or Facility if Other than Offeror or Respondent

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**ATTACHMENT I**  
**SUPPLIER SUBMISSION CHECKLIST**

**The following items must be submitted as noted in order to be considered responsive.**

Letter of Interest

Consultant Questionnaire Form

Non-Collusion Affidavit

Certification of Restrictions on Lobbying

Participant Information Form

DBE Form 1 – Contract Participation and DBA Commitment

DBE Form 2 – DBE Participation Questionnaire

DBE Form 3 – Documentation of Good Faith Effort (if applicable)

DBE Form 4 – DBE Participation Plan (For RFPs and RFQs)

**To be determined responsive, all forms are due on the proposal submittal date.**

#### INSTRUCTIONS FOR OBTAINING FORMS

Go to RTA's official web site at:

[New Orleans Regional Transit Authority - Procurements and Contracts \(norta.com\)](http://New Orleans Regional Transit Authority - Procurements and Contracts (norta.com))

(<https://www.norta.com/get-to-know-us/doing-business-with-us/procurements-contracts>)

Click on "Vendor Form Library"

**ATTACHMENT II**  
**SCOPE OF SERVICES**

**SCOPE OF SERVICES**  
**RTA RFP 2025-033**  
**Audit & Financial Oversight Services**

**OVERVIEW**

The Regional Transit Authority (RTA), a political subdivision of the State of Louisiana, is soliciting the services of a Certified Public Accountant (CPA) firm for the provision of professional services to audit RTA's financial statements for the fiscal periods ending December 31, 2025, through 2029, inclusively. The RTA's fiscal year is January to December. As a result, the RTA's Annual Audit Report must be completed and submitted to the Louisiana Legislature Auditor no later than June 30<sup>th</sup> of the following year.

RTA is a federal financial assistance grantee through the Federal Transit Administration (FTA). Therefore, all work shall comply with all relevant FTA requirements. All FTA provisions applicable to this project will be incorporated into any contract awarded hereunder.

Submittals shall include a brief response to each of the selection criteria including: (a) a statement of qualifications of firm and staff, (b) a summary of staff experience, and (c) three professional references. Each applicant shall provide with its submittal proof of professional liability insurance in effect by the contract commencement date.

RTA may, at its sole discretion, enter into negotiations with offerors. RTA may accept offers without negotiations, and RTA may accept or reject any and all offers received. Further, RTA may assign any or all of its rights, privileges, duties, and obligations under any contract awarded hereunder to any party deemed acceptable to RTA.

**SCOPE OF SERVICES**

**Independent Audit**

The primary scope of this RFQ will be to audit all funds and account groups in accordance with auditing standards generally accepted in the United States of America, standards for financial audits, contained in Government Auditing Standards, issued by the Comptroller General of the United States and the provisions of the U.S. Office of Management and Budget's Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR Part 200).

The Auditor shall also determine the appropriateness of expenditures charged to Federal and other funds as guided by the Cost Principles under Subpart E of 2 CFR Part 200.

In connection with the audit of the financial statements, the Auditor shall perform tests of compliance and internal controls in accordance with Government Auditing Standards; 2 CFR Part 200 Subpart F (Audit Requirements), Audits of State and Local Governments. Government Accounting Standards Board (GASB) and other applicable standards. The audit shall result in the preparation of financial statements, related notes and required supplemental information from the audited records on which the Auditor will render an opinion. The Auditor shall also submit a management letter, including management's responses with each audit. The selected firm shall prepare:

1. Prepare and submit all required audit communications with the Louisiana Legislative Auditor (LLA).
2. Prepare the auditor's report on internal control over financial reporting.
3. Prepare the auditor's report on compliance and other matters based on an audit of financial statements, performed in accordance with Government Auditing Standards.

4. Prepare the auditor's report on compliance with requirements applicable to each major program, and on internal control over compliance, in accordance with 2 CFR Part 200, Subpart F- Audit Requirements (Uniform Guidance).
5. Prepare annual audits of the RTA's financial statements, which shall be conducted in accordance with generally accepted auditing standards as set forth by the American Institute of Certified Public Accountants, and the standards for financial audits set forth in the U.S. General Accounting Office's "Government Accounting Standards", the provisions of the Single Audit Act, and the provisions of U.S. Office of Management and Budget 2 CFR Part 200, Subpart F- Audit Requirements (Uniform Guidance), Audits of States, Local Governments, and Non-Profit Organizations.
6. Submit report of required communications under generally accepted auditing standards, including, but not limited to, any reportable conditions found during the audit. The report on compliance shall include all material instances of noncompliance. The auditor shall make an immediate, written report to the Finance Committee, Chief Financial Officer, and Chief Executive Officer of all irregularities and illegal acts of which they become aware.
7. Perform annual entrance and exit interview meetings with the appropriate staff. Provide staff with planning documents and budget prior to the start of fieldwork. Prepare and submit a management letter to the RTA at the conclusion of the annual fieldwork. The management letter shall report all significant opportunities for practical improvements to internal controls of the RTA's operations and procedures that are discovered or observed by the Auditor during the course of the audit.

#### LLA Statewide Agreed-Upon Procedures

The Auditor must perform procedures which are agreed to by the RTA Board of Commissioners and the Louisiana Legislative Auditor (LLA) regarding the control and compliance (c/c) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal periods ending December 31, 2025, through 2029, inclusive. The Agreed-Upon Procedures engagement must be conducted in accordance with attestation standards established by the American Institute of Certified Public Accounts and applicable standards of Government Auditing Standards. The selected firm shall:

1. Prepare and submit all required SAUP communications with the LLA.
2. Prepare the Independent Accountant's Report on applying Agreed-Upon Procedures in accordance with the above SAUP, and present to the RTA's Finance Committee, Chief Financial Officer and Chief Executive Officer.

#### National Transit Database (NTD) Agreed-Upon Procedures

The FTA has established the following standards regarding the data reported for the Federal Funding Allocation Statistics form of the RTA's annual National Transit Database (NTD) report:

1. A system is in place and maintained for recording data in accordance with NTD definitions. The data shall be accurately measured, and no systematic errors shall exist.
2. A system is in place to record data on a continuing basis, with data gathering being an ongoing effort.
3. Source documents are available to support the reported data and are maintained for FTA review and audit for a minimum of three years following FTA's receipt of the NTD report. The data is fully documented and securely stored.

4. A system of internal controls is in place to ensure the data collection process is accurate and to ensure the recording system and reported comments are not altered. All documents are reviewed and signed by a supervisor, as required.
5. The data collection methods are those suggested by FTA or otherwise meet FTA requirements.
6. The deadhead miles, computed as the difference between the reported total actual vehicle miles data and the reported total actual vehicle revenue miles (VRM) data, shall be accurate.
7. Data is consistent with prior reporting periods and other facts known about transit agency operations.

The Auditor must evaluate whether RTA complied with the standards described in the first paragraph (Items 1-7) and whether the information included in the NTD report is accurate.

The Agreed-Upon Procedures must be applied separately to each of the information systems used to develop the reported actual vehicle revenue miles (VRM), fixed guideway (FG), directional route miles (DRM), passenger miles traveled (PMT), and operating expenses (OE) of the RTA for the fiscal year during the engagement for each of the following modes:

- Motor Bus – Purchased Transportation
- Streetcar – Purchased Transportation
- Demand Response – Purchased Transportation
- Ferry Boat – Purchased Transportation

In performing the procedures, the Auditor must opine whether the information included in the NTD report for the Federal Funding Allocation Statistics form for the fiscal periods ending December 31, 2025, through 2029, inclusive, is presented fairly, in all material respects, with the requirements of the National Transit Database (NTD) as defined in 49 CFR Part 630, and the associated Policy Manual for the fiscal periods ending December 31, 2025, through 2029, inclusive.

This Agreed-Upon Procedures engagement must be conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants.

#### Other Audit Work

1. Provide all necessary auditor communications with respect to potential past or future bond or other financing issues.

The assigned personnel shall have the expertise to respond to Federal and State accounting and auditing guidelines and regulations and shall be knowledgeable of the accounting systems utilized by state and city governments regarding grant transactions.

Audit tasks may include review and/or audits of hours charged by the Operations and Maintenance vendor, operating efficiencies, forensic auditing, and associated services, as determined by RTA.

The Contractor shall perform all services under the auspices of the Regional Transit Authority's Chief Financial Officer, located at 2817 Canal Street, New Orleans, Louisiana 70119. Additionally, personnel possess excellent written and oral communication skills to address all levels of staff within the Regional Transit Authority.

The Auditor team will be required to attend and report to the RTA's Board of Commissioners and Finance Committee a minimum of three times each year during the term of the engagement.

## REGIONAL TRANSIT AUTHORITY

### PUBLIC NOTICE

#### **RFQ 2025-033 Audit & Financial Oversight Services**

##### **Addendum I**

Acknowledge receipt of this addendum in the bid submission. This addendum is a part of the Contract Documents and shall be included in the Contract Documents. Changes made by the addenda take precedence over information published at an earlier date.

**This addendum serves to answer vendor questions/inquiries.**

1. What is the status of the FBI investigation into the BRC Construction Group contract?

Response: Information regarding pending investigations will be provided during the audit process with the selected vendor.

2. Are there any other current or pending investigations, reviews, or audits ongoing?

Response: Annual regulatory audits are ongoing.

3. Has there been any recent turnover in the past 12 months in the executive management team or the key finance/accounting individuals?

Response: No.

4. Who prepares the financial statements and footnotes? RTA or the auditor?

Response: RTA prepares monthly financial statements. However, the auditors provide the financial statements as part of the audit report. The auditors also provide the footnotes and work collaboratively with RTA management to identify any gaps in information on the footnotes.

5. What is the desired timeline for interim fieldwork? Year-end fieldwork?

Response: The timeline for interim work is negotiable per the schedules of both teams. April-June 2026.

6. When does RTA anticipate having a final trial balance available to provide to the auditors?

Response: This depends on the accounting team's year-end close work and when the external auditors need to receive the final trial balance to achieve a June 30 submission.

**Lona Hankins**  
**Chief Executive Officer**  
**Regional Transit Authority**

7. Does RTA have a preference for on-site or remote fieldwork?

Response: Preference is on-site for field work but would consider a hybrid approach.

## REGIONAL TRANSIT AUTHORITY

### PUBLIC NOTICE

#### **RFP 2025-033 Audit & Financial Oversight Services**

##### **Addendum II**

Acknowledge receipt of this addendum in the bid submission. This addendum is a part of the Contract Documents and shall be included in the Contract Documents. Changes made by the addenda take precedence over information published at an earlier date.

**This addendum is issued to (1) update the evaluation criteria as reflected in *Attachment A*, (2) provide a pricing structure outlined in *Attachment B*, and (3) address vendor questions and inquiries submitted to date.**

**Question/Clarification Responses:**

1. Has the 2024 audit been completed? If so, please provide a copy of the reports (including agreed-upon procedures). If not, what is the expected timing for the issuance of the 2024 audit financial statements, and what is the reason for the delay?

**Response: Extension grant by LLA until 9/30/2025.**

2. Did the 2024 audit identify any internal control findings (material weaknesses or significant deficiencies) or adjustments to the books?

**Response: Audit is not yet complete.**

3. What aspect would NORTA seek to change about the way in which the external audit has been performed in the past?

**Response: RTA has drafted this procurement based on past services and current needs.**

4. What were the total 2024 audit fees for each of the items included in the statement of work?

**Response: Audit is not yet complete.**

5. What does NORTA see as its biggest challenges as an organization over the next several years?

**Response: Any information relevant to the procured services will be provided to the selected vendor.**

**Lona Hankins  
 Chief Executive Officer  
 Regional Transit Authority**

6. Does NORTA anticipate having more than one major program for any of the upcoming single audits?

**Response:** The auditors are responsible for major programs determination and testing.

7. The RFP does specify a level of detail for the cost proposal. Is a total annual fee sufficient?

**Response:** Yes, total annual fees shall include cost details per the pricing structure in Attachment B.

## Attachment A

### RFP 2025-031 – Evaluation Criteria

#### Qualifications of Assigned Staff (30 points)

- For each staff member to be assigned to do auditing work, please submit with your submittal the staff member's resume, which should indicate that each (s)he has at least three (3) years of job experience and has the qualifications to do the tasks outlined in the Scope of Work.

#### Firm's Experience & Qualifications (25 points)

- Applicants shall provide proof of current certification status and data on the number of years their firm has been in business, including the number of years their firm has provided professional services to Public/Political Subdivisions, Transit Authorities, or Similar Entities.

#### Project Approach (20 points)

- Applicant shall demonstrate his/her understanding of the scope of services requested by briefly describing the team's project approach. The project approach should include proposed methods, required resources, and staff input, proposed deliverables, and proposed schedule as appropriate.

#### Cost Proposal (15 points)

- Total cost is appropriate and reflects the value of the planned approach for the delivery of effective and quality services. Includes itemized fees for personnel, travel, materials, and indirect costs, aligned with each deliverable/task.

#### References (10 points)

- Provide contact information for three (3) references, including e-mail addresses and Telephone numbers.

**Lona Hankins  
Chief Executive Officer  
Regional Transit Authority**

## Attachment B

### RFP 2025-031 – Pricing Structure

Service	2025	2026	2027	2028	2029
Independent Audit					
LLA Statewide Agreed-Upon Procedures					
National transit database (NTD) Agreed-Upon Procedures					
Other Audit Work					
<b>Total</b>					

**Lona Hankins**  
Chief Executive Officer  
Regional Transit Authority

**REGIONAL TRANSIT AUTHORITY**

**PUBLIC NOTICE**

**RFP 2025-033 Audit & Financial Oversight Services**

**Addendum III**

Acknowledge receipt of this addendum in the bid submission. This addendum is a part of the Contract Documents and shall be included in the Contract Documents. Changes made by the addenda take precedence over information published at an earlier date.

**This addendum is issued to extend the clarification and proposal submission deadlines.**

New Deadlines are as follows:

The clarification deadline for this solicitation has been extended to

October 6, 2025, at 1:00 pm cst.

The proposal deadline for this solicitation has been extended to

October 17, 2025, at 1:00 pm cst.

Lona Hankins  
Chief Executive Officer  
Regional Transit Authority

**REGIONAL TRANSIT AUTHORITY**

**PUBLIC NOTICE**

**RFP 2025-033 Audit & Financial Oversight Services**

**Addendum IV**

Acknowledge receipt of this addendum in the bid submission. This addendum is a part of the Contract Documents and shall be included in the Contract Documents. Changes made by the addenda take precedence over information published at an earlier date.

**This addendum is issued to vendor questions and inquiries submitted to date.**

**Question/Clarification Responses:**

1. What is the reason for issuing the RFP?

**Response:** New contract required for requested services.

2. Is there a mandatory rotation requirement?

**Response:** No there isn't a mandatory rotation requirement.

3. Are the current auditors eligible to submit a proposal?

**Response:** Yes.

4. How long have the current auditors been the auditors for the RTA?

**Response:** Since the 12/31/2014 audit

5. In what areas can your auditor create added value?

**Response:** By providing updates to accounting standards and reporting requirements in advance of the year in which they will be implemented, notifying the

**Lona Hankins  
Chief Executive Officer  
Regional Transit Authority**

organization if they become aware of any changes to federal compliance requirements and/or reporting standards that may impact the organization, and providing professional guidance in areas where the organization has questions and/or could benefit from a thought partner such as the accounting treatment for certain transactions or implementation of more effective internal controls in areas where risks are identified.

6. Does the RTA have an Internal Audit department?

Response: Yes.

7. Are there any areas within the audit or the RTA's operations that impact the audit that is of special concern to management?

Response: No.

8. Is the transition to a new auditor a concern? If so, why? What would lessen your concern?

Response: No.

9. May we obtain a copy of the 2024 internal control letter (management letter) if available?

Response: No. No comments were issued for this audit.

10. If an internal control letter is not available, were there any material weaknesses or significant deficiencies identified? If so, in what areas.

Response: The internal control letter is available.

11. How would you describe the RTA's internal control environment?

Response: RTA has a strong internal control environment. The agency has policies and procedures for carrying out necessary work by which accounting department adheres to and ensures accounting functions are performed on a regular and ongoing basis with the proper segregation of duties. The board of commissioners is independent from management and provides the proper oversight and governance through the finance and operations committees of the board, while allowing the CEO and staff to perform the day to day

**Lona Hankins  
Chief Executive Officer  
Regional Transit Authority**

management duties of the agency. The RTA also has oversight and partnership with the Federal Transit Administration (FTA) and is responsible for monthly and annual reporting to FTA. While our internal control environment is strong, we are always seeking ways to strengthen and improve internal controls.

12. May we obtain a copy of the FY 2024 Financial Statements and Single Audit Reports, if available?

Response: Yes. Please see Attachment 1.

13. If financial statements are not available, what is the cause of delay in issuing the report?

Response: Financial statements are available.

14. If single audit reports are not available, how many major programs were audited in 2024?

Response: The single audit report is available.

15. Do you anticipate the level of federal funding for the RTA to be different for FY 2025?

Response: No

16. Were there any significant findings in the single audit?

Response: No

17. What was the nature and magnitude of any audit adjustments for the FY 2024 audit?

Response: The audit adjustments for FY2024 were non-attest adjustments related to Other Post Employment Benefit (OPEB) valuation, automobile and general liability claim adjustments, the implementation of GASB 101, and an adjustment to correct the year end prepaid expense balance.

18. What are the most significant challenges faced during the FY 2024 audit, if any?

Response: The most significant challenge was the timing of the year end close which was delayed due to the implementation of a new ERP system implemented in

**Lona Hankins**  
**Chief Executive Officer**  
**Regional Transit Authority**

the last quarter of 2023 and impacting the monthly close process during the year 2024.

19. Please describe the financial systems of the RTA. Are the RTA's financial systems integrated? Is the integration automated or manual?

**Response:** The RTA uses the Oracle Fusion Cloud system for financial reporting. Integrations are both automated and manual.

20. What is the level of involvement by the auditors w/ Bond Offerings?

**Response:** The auditors' involvement with bond offerings is not significant; we've had our existing bonds since 2020, and all transactions are recorded and reconciled internally.

21. Has interim work been performed for the audit? If so, how long were the auditors in the field for interim and final and how many people?

**Response:** No.

22. What DBE firm currently assists with the audit of RTA?

**Response:** Sean M. Bruno, CPAs

23. What is the timeline for completion of the AUP engagement?

**Response:** The AUP engagement has been completed and the final report will be submitted no later than Friday, October 17, 2025.

24. Can you provide a copy of the 2024 LLA Statewide & National Transit Database AUP reports or findings?

**Response:** This engagement has not yet been completed.

25. Public Notice Page - We noted that the RFP establishes an 18% DBE goal for this project, while also referencing the agency's overall goal of 32% for federally funded projects. Could you please clarify whether the expectation for this engagement is to meet the 18% project-specific goal, or if the agency is encouraging proposers to strive

**Lona Hankins  
Chief Executive Officer  
Regional Transit Authority**

toward the overall 32% goal? Understanding your priorities will help us tailor our approach and ensure compliance with your objectives.

**Response:** Proposers are required to meet the established DBE goal of 18% or to prove good faith effort in meeting the goal.

26. Supplier Submission Checklist – can each document be included in one PDF or does each document in the list need to be submitted separately?

**Response:** All components of the proposal shall be submitted in one file.

27. Attachment II. Pg. 1 – We noted that the RFP requires proof of professional liability insurance. Is that to be submitted as a separate document in the portal?

**Response:** All components of the proposal shall be submitted in one file.

28. Attachment II Pg. 1 – We noted that the RFP requires submittals shall include a brief response to each of the selection criteria. Please confirm that the criteria is what is outlined in Section 3.2. Please confirm if this should be submitted and uploaded as a separate document or can it be combined into one PDF? (Question 25 above)

**Response:** All components of the proposal shall be submitted in one file including all elements outlined in section 3.2. *Please note: Section 3.2 – Evaluation Criteria has been amended in this addendum.*

29. Attachment II. Pg 3 - We noted that the RFP requires the auditor team to attend and report to the RTA's Board of Commissioners and Finance Committee a minimum of three times each year during the engagement. Are there specific topics, milestones, or reporting objectives you would like addressed during these sessions?

**Response:** RTA proposes to amend the referenced language as follows:

*"The Auditor team may be required to attend and present to the RTA Board of Commissioners and Finance Committee no more than three (3) times per year during the term of the engagement."*

There are no predetermined topics or reporting requirements for these sessions. The purpose of the Auditor's attendance is to provide updates to the Board regarding any significant challenges or circumstances that could delay the timely issuance of the audit, as well as to communicate any findings of non-compliance or other matters that could result in an opinion other than unmodified.

**Lona Hankins  
Chief Executive Officer  
Regional Transit Authority**

30. Contractor Questionnaire form - Does item #12 refer to firm-wide personnel or only those within the office performing the audit? Also, should this be limited to individuals directly involved in the engagement?

**Response:** This list shall apply only to staff to be involved in this project for requested services.

31. Can you please clarify if a Price Proposal (page 22) is to be submitted? If so, is it to be uploaded as a separate document?

**Response:** Please refer to question 7 for price proposal details. All components of the proposal shall be submitted in one file.

32. The instructions to proposers indicate proposal shall be signed in ink. With the proposals being submitted electronically, would NORTA accept electronic or digital signatures?

**Response:** Yes, digital or electronic signatures are acceptable.

33. Should question 12 on the Service Provider Questionnaire be completed only for the team members expected to serve on NORTA's engagement?

**Response:** This list shall apply only to staff to be involved in this project for requested services.

34. Referring to question 16 on the Service Provider Questionnaire, we serve thousands of clients out of the office named in question 3, including private entities whose information could not be disclosed here. As an alternative, would it be sufficient to list the transit engagements currently being served by the proposed lead engagement partner for the NORTA audit?

**Response:** Yes, the alternative will suffice.

35. Please provide the reasons for the delays with the 2024 audit and whether similar issues are expected with the 2025 audit.

**Response:** The delay in the 2024 audit was related to the implementation of a new ERP system that was completed in 2023 but not fully implemented with the major system errors being identified and corrected until 2024 which impacted the timeliness of financial reporting for both years. Similar issues will not occur for the 2025 audit as we have resumed our normal monthly closing process and timeline.

36. Please confirm the acceptable certifying agency certifications that will be allowed for a firm designated themselves as a DBE.

Response: For this solicitation, RTA will accept certification of DBE firms the following government agencies:

- » Regional Transit Authority – SBE Certification Program
- » Louisiana Department of Transportation and Development – Louisiana Unified Certification Program (LAUCP) - <http://www.laucp.org/ucp/>
- » City of New Orleans Office of Supplier Diversity -- SLDBE Certification Program – [www.nola.gov](http://www.nola.gov)

37. DBE Form 4 - Please advise what information should be included in the column labeled DBE Office Verification. Should that be the Certifying Agency?

Response: RTA staff will complete the DBE Office Verification

RFP 2025-033 - Audit & Financial Oversight Services  
Addendum IV - Attachment 1

**Regional Transit Authority**

**FINANCIAL STATEMENTS**

**December 31, 2024 and 2023**

**FINANCIAL SECTION**

Independent Auditor's Report	1
Management's Discussion and Analysis	4

**Basic Financial Statements**

Statements of Net Position	13
Statements of Revenues, Expenses, and Changes in Net Position	15
Statements of Cash Flows	16
Notes to Financial Statements	18

**Required Supplementary Information**

Schedule of Changes in Net Pension Asset (Liability)	56
Proportionate Share of Net Pension Liability	57
Schedule of Contributions	58
Schedule of Changes in OPEB Liability and Related Ratios	59

**Other Supplementary Information**

Schedules of Changes in Restricted Asset Bond Accounts	60
Schedule of Compensation, Benefits, and Other Payments to Agency Head	62



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## INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners  
Regional Transit Authority  
New Orleans, Louisiana

### Report on the Audit of the Financial Statements

#### *Opinion*

We have audited the accompanying financial statements of the Regional Transit Authority (the "RTA"), as of and for the years ended December 31, 2024 and 2023, and the related notes to the financial statements, which collectively comprise the RTA's basic 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 RTA, as of December 31, 2024 and 2023, and the respective changes in financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

#### *Basis for Opinion*

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 RTA and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### *Change in Accounting Principle*

As discussed in Note 2 to the financial statements, in 2024 the RTA adopted new accounting guidance, GASBS No. 101, Compensated Absences, which resulted in a cumulative effect of change in accounting principle to the December 31, 2023 and 2022 net position, respectively. Our opinion is not modified with respect to this matter.

#### *Other Matter – Prior Period Adjustments and Restatement of 2023 Financial Statements*

As described in Note 2, the RTA restated its 2023 financial statements related to an accrual of revenue and a reduction in payroll liabilities. Our opinion is not modified with respect to this matter.

### ***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 RTA'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 opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 RTA'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 RTA'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 information, on pages 4-12, and the GASB-required pension and OPEB supplementary information, on pages 56-59, 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 an opinion on the financial statements that collectively comprise the RTA's basic financial statements. The Schedules of Changes in Restricted Asset Bond Accounts and Schedule of Compensation, Benefits, and Other Payments to Agency Head (the Schedules) 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 Schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated September 29, 2025, on our consideration of the RTA'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 RTA'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 RTA's internal control over financial reporting and compliance.

*Carr, Riggs & Chapman, L.L.C.*

Metairie, Louisiana

September 29, 2025

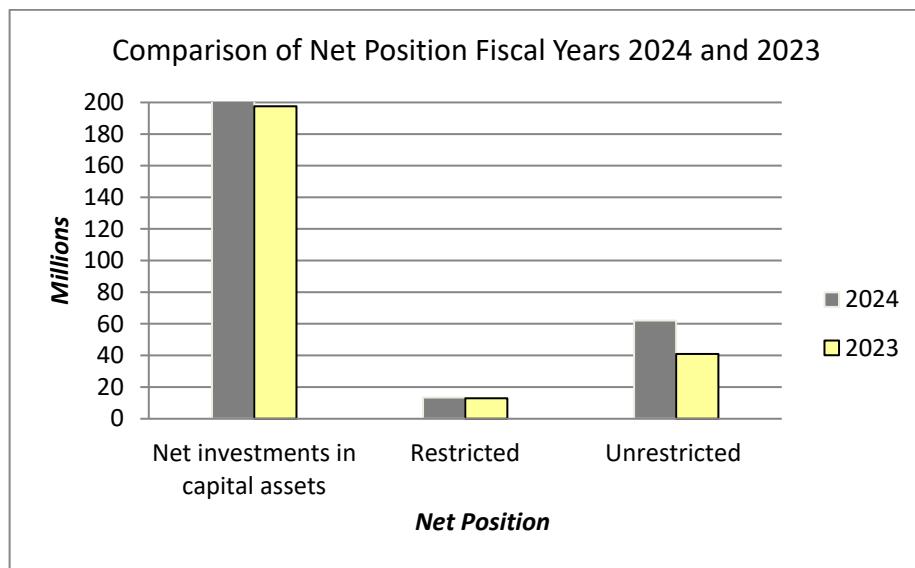
## Regional Transit Authority Management's Discussion and Analysis

This section of the Regional Transit Authority's (the "RTA") annual financial report presents a discussion and analysis of the RTA's financial performance during the fiscal years ended December 31, 2024 and 2023. Please read it in conjunction with the RTA's financial statements, which follow this section.

### **FINANCIAL HIGHLIGHTS**

#### **2024**

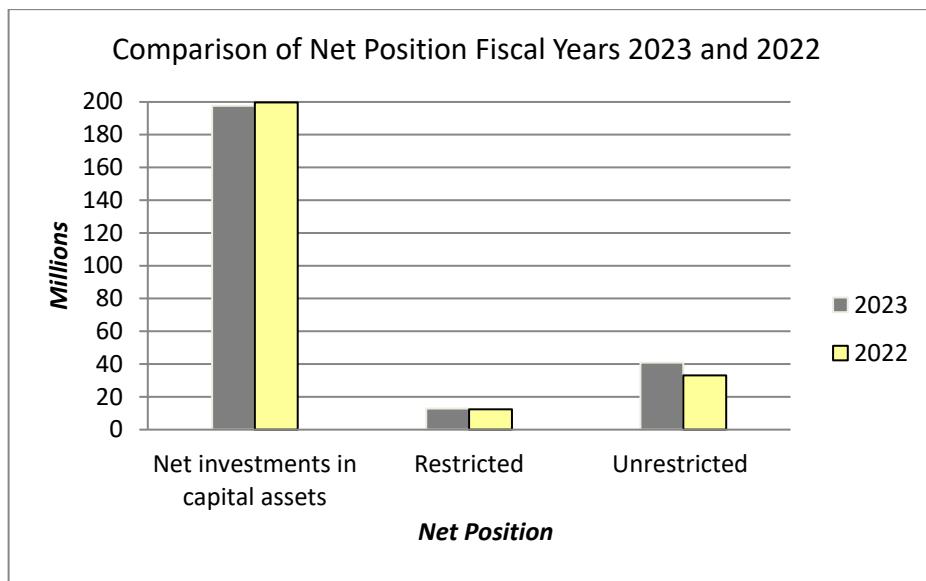
In 2024, the RTA experienced a slight increase in passenger fare revenue as compared to 2023. We continue to experience the benefits of increased pass sales that began with our new fare structure adopted in 2022, coupled with an increase in mobile app users, which continues to grow exponentially. We also entered 1-year pilot program which introduced Zero Fares for Opportunity Youth ages 16-24 funded through the city of New Orleans. The RTA continued its regular operations of the routes that were redesigned in September of 2022. With the implementation of the expanded service, and the addition of 29 new buses put into service in the fall of 2024, the RTA continued to operate full peak service, to meet the public transit needs of customers. This resulted in total transit operating expenses of \$162.6M inclusive of maritime operations, which is an increase of 4.68% from 2023 due to required drydocking of the Levy vessel. The City of New Orleans continued to do well with events and tourism in 2024, however it seems to have leveled off from booms in previous years, as hotel/motel sales tax showed a decrease of 16.55%. Sales tax, however, increased slightly by 0.40%. Overall, our figures still showed that the RTA generated healthy returns, as we ended the year with \$94.3M in sales tax revenues and \$176.4M in total non-operating revenues. The RTA saw the completion of the new Canal Street Ferry Terminal and the Napoleon facility during FY 2024. The agency issued no new debt in 2024, as our credit rating remained positive, allowing capacity for larger capital projects in future years.



## Regional Transit Authority Management's Discussion and Analysis

### 2023

In 2023, the RTA experienced a moderate increase in passenger fare revenue as compared to 2022. We continue to experience the benefits of increased pass sales that began with our new fare structure adopted in 2022, coupled with an increase in mobile app users. The RTA continued its regular operations of the routes that were redesigned in September of 2022, with recommendations made from the New Links study. With the implementation of the expanded service, the RTA operated its new peak service, to meet the public transit needs of customers. This resulted in total transit operating expenses of \$155.3M inclusive of maritime operations, which is an increase of from 2022. The City of New Orleans continued to do well with events and tourism in 2023, however the boom that we experienced in the latter part of 2022 leveled off, as general use and hotel/motel sales tax showed a slight decrease of nearly 2%. Overall, our numbers showed that the City generated healthy returns, as we ended the year with \$93.9M in sales tax revenues and \$140.1M in total non-operating revenues. The RTA began several other capital projects in 2023. The agency issued no new debt in 2023, as our credit rating remained positive, allowing capacity for larger capital projects in future years. While we experienced challenges with our fleet in 2023, we were able to initiate the procurement of 29 new buses through government grant funding to assist with replacing our aging fleet. The addition of new buses in 2024 will allow the RTA to continue serving the customers throughout our region.



### **OVERVIEW OF THE FINANCIAL STATEMENTS**

This financial report consists of four parts: required supplementary information, including management discussion and analysis (this section), the basic financial statements, the notes to the financial statements, and other supplementary information.

## **Regional Transit Authority Management's Discussion and Analysis**

The financial statements provide both long-term and short-term information about the RTA's overall financial status. The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of other supplementary information that further explains and supports the information in the financial statements.

The RTA's financial statements are prepared on the accrual basis in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The basic financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when a liability is incurred, regardless of the timing of related cash flows, expenses are recognized in the period in which they are incurred, and depreciation of assets is recognized in the Statement of Revenues, Expenses, and Changes in Net Position. All assets and liabilities associated with the operation of the RTA are included in the Statement of Net Position.

Net Position, the difference between the RTA's assets and deferred outflows of resources, and liabilities and deferred inflow of resources, is one way to measure the RTA's financial health or position. In 2024, the RTA's Net Position increased by \$36.3 million. The increase in the RTA's net position during 2024 is primarily attributed to an increase in grants from the FTA and drawdown of the ARPA funding for vehicles and operating expenses, offset by a \$7.3 million increase in operating expenses. The RTA's total liabilities in 2024 decreased by approximately \$14.7 million compared to total liabilities for 2023. In 2024, the RTA received approximately \$94.3 million in sales tax revenues from the City of New Orleans.

### **2024 Net Position**

The RTA's total net position at December 31, 2024, increased to approximately \$287.7 million, a 14.4% increase from December 2023 (see Table A-1). Total assets increased 6.7% to approximately \$432.0 million and total liabilities decreased 8.7% to approximately \$154.0 million. Restricted assets increased from December 31, 2023, values to \$13.4 million and capital assets increased to \$296.2 million respectively. The unrestricted net position balance increased approximately \$21.1 million from approximately \$40.9 million at December 31, 2023, to approximately \$62.0 million at December 31, 2024.

### **2023 Net Position**

The RTA's total net position at December 31, 2023, increased to approximately \$251.4 million, a 2.6% increase from December 2022 (see Table A-1). Total assets decreased 6.5% to approximately \$405.1 million and total liabilities increased 3.1% to approximately \$168.7 million. Restricted assets increased from December 31, 2022, values to \$12.9 million capital assets decreased to \$288.1 million respectively. The unrestricted net position balance increased approximately \$7.9 million from approximately \$33.0 million at December 31, 2022, to approximately \$40.9 million at December 31, 2023.

**Regional Transit Authority  
Management's Discussion and Analysis**

**Table A-1  
Regional Transit Authority's Net Position  
(in thousands of dollars)**

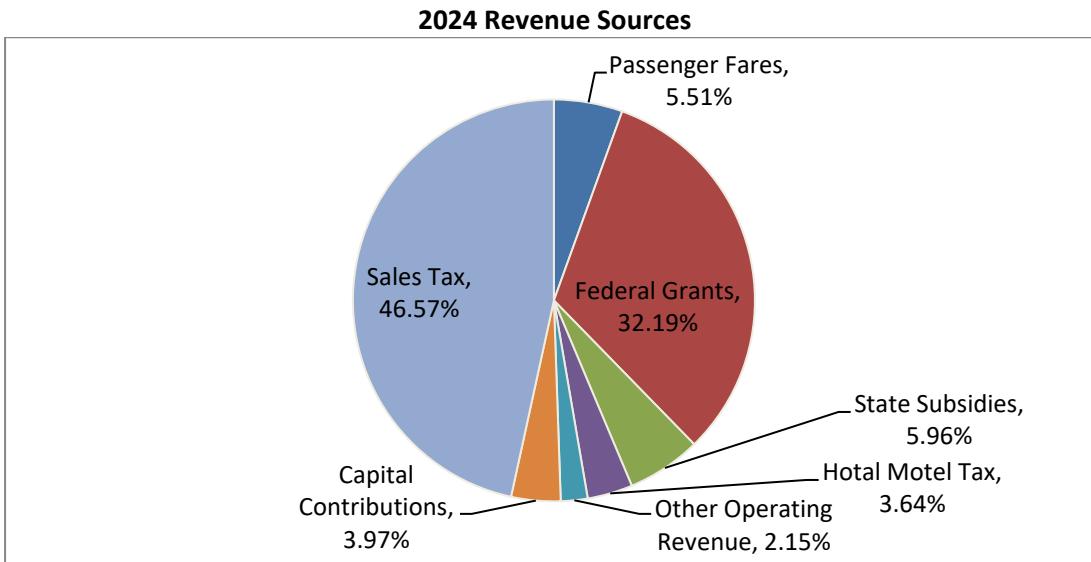
	<b>2024</b>	<b>2023 (restated)</b>	<b>Increase (Decrease)</b>	<b>2022 (restated)</b>
Current assets	\$ 119,868	\$ 104,059	15.2%	\$ 95,919
Restricted assets	13,367	12,917	3.5%	12,497
Capital assets	296,191	288,103	2.8%	292,364
Net pension asset	2,602	-	100.0%	32,419
<b>Total assets</b>	<b>432,028</b>	<b>405,079</b>	<b>6.7%</b>	<b>433,199</b>
<b>Deferred outflow of resources</b>	<b>11,335</b>	<b>16,950</b>	<b>-33.1%</b>	<b>632</b>
Current liabilities	56,889	54,971	3.5%	50,317
Long-term liabilities	97,115	113,748	-14.6%	113,323
<b>Total liabilities</b>	<b>154,004</b>	<b>168,719</b>	<b>-8.7%</b>	<b>163,640</b>
<b>Deferred inflow of resources</b>	<b>1,650</b>	<b>1,911</b>	<b>-13.7%</b>	<b>25,095</b>
Inet investment in capital assets	212,324	197,553	7.5%	199,640
Restricted	13,367	12,917	3.5%	12,413
Unrestricted	62,018	40,929	51.5%	33,043
<b>Total net position</b>	<b>\$ 287,709</b>	<b>\$ 251,399</b>	<b>14.4%</b>	<b>\$ 245,096</b>

**2024 Changes in Net Position**

The change in net position for the year ended December 31, 2024, was approximately \$36.3 million or 476.1% more than the year ended December 31, 2023. The RTA's operating revenues increased 3.6% to approximately \$14.4 million, and total operating expenses increased 4.7% to approximately \$162.6 million. The changes in net position are detailed in Table A-2; operating expenses are detailed in Table A-3.

Passenger fare revenues increased 0.9% to approximately \$11.2 million compared to \$11.0 million in 2023. Non-operating revenues increased 25.9% to approximately \$176.4 million. Federal funding in 2024 was \$72.2 million as compared to \$27.8 million in 2023 and State funding decreased to \$12.1 million in 2024 compared to \$12.4 million in 2023.

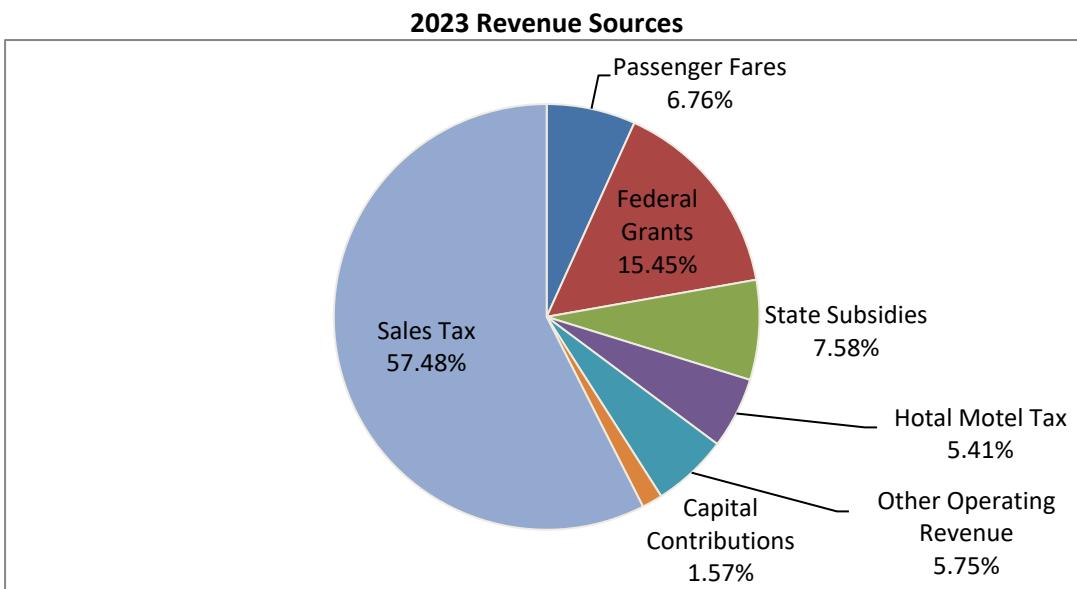
## Regional Transit Authority Management's Discussion and Analysis



### **2023 Changes in Net Position**

The change in net position for the year ended December 31, 2023, was approximately \$6.3 million or 62.9% less than the year ended December 31, 2022. The RTA's operating revenues increased 2.2% to approximately \$13.9 million, and total operating expenses increased 6.7% to approximately \$155.3 million. The changes in net position are detailed in Table A-2; operating expenses are detailed in Table A-3.

Passenger fare revenues increased 4.7% to approximately \$11.0 million compared to \$10.6 million in 2022. Non-operating revenues increased 4.3% to approximately \$140.1 million. Federal funding in 2023 was \$27.8 million as compared to \$40.5 million in 2022 and State funding increased to \$12.4 million in 2023 compared to \$7.2 million in 2022.



## Regional Transit Authority Management's Discussion and Analysis

**Table A-2**  
**Regional Transit Authority's Changes in Net Position**  
(in thousands of dollars)

	2024	2023 (restated)	Increase (Decrease)	2022 (restated)
Operating Revenues:				
Passenger fares	\$ 11,153	\$ 11,046	0.9%	\$ 10,559
Other	3,266	2,864	14.0%	3,060
<b>Total operating revenues</b>	<b>14,419</b>	<b>13,914</b>	<b>3.6%</b>	<b>13,618</b>
Operating Expenses:				
Operating expenses	137,449	133,356	3.1%	124,029
Depreciation	25,137	21,968	14.4%	21,968
<b>Total operating expenses</b>	<b>162,586</b>	<b>155,324</b>	<b>4.7%</b>	<b>145,540</b>
Operating loss	(148,167)	(141,410)	4.8%	(131,922)
Non-operating revenues-net	176,440	140,150	25.9%	134,403
Capital contributions	8,037	7,563	6.2%	14,496
<b>Change in net position</b>	<b>36,310</b>	<b>6,303</b>	<b>476.0%</b>	<b>16,977</b>
<b>Total net position, beginning of year</b>	<b>251,399</b>	<b>245,096</b>	<b>2.4%</b>	<b>228,119</b>
<b>Total net position, end of year</b>	<b>\$ 287,709</b>	<b>\$ 251,399</b>	<b>14.4%</b>	<b>\$ 245,096</b>

**Table A-3**  
**Regional Transit Authority's Operating Expenses**  
(in thousands of dollars)

	2024	2023 (restated)	Increase (Decrease)	2022 (restated)
Labor and fringe benefits excluding				
post-retirement benefits	\$ 92,939	\$ 82,440	12.7%	\$ 80,191
Post-retirement benefits	(4,397)	(458)	860.0%	(9,600)
Depreciation	25,137	21,968	14.4%	21,511
Contract services	27,778	22,993	20.8%	21,577
Insurance and self-insured costs	8,842	12,352	(28.4)%	11,135
Materials, fuel, and supplies	9,320	13,503	(31.0)%	11,893
Utilities	1,696	1,570	8.0%	1,739
Taxes, other than payroll	96	275	(65.1)%	397
Leases	226	204	10.8%	162
Miscellaneous	949	477	99.0%	6,232
<b>Total operating expenses</b>	<b>\$ 162,586</b>	<b>\$ 155,324</b>	<b>4.7%</b>	<b>\$ 155,218</b>

## Regional Transit Authority Management's Discussion and Analysis

### **2024 Capital Assets**

As of December 31, 2024, the RTA had invested approximately \$767.2 million in capital assets. Net of accumulated depreciation, the RTA's capital assets at December 31, 2024, totaled approximately \$296.2 million. Capital additions for the year ended December 31, 2024, included approximately \$4.9 million in construction in progress, approximately \$1.1 million in furniture, shelters and rail equipment and \$95 thousand in building upgrades and approximately \$28.9 million in transportation vehicles. Additionally, there were approximately \$41.4 million transfers to buildings from CIP and approximately \$2.4 million in transfers into busses, street cards and service vehicles from CIP.

### **2023 Capital Assets**

As of December 31, 2023, the RTA had invested approximately \$733.9 million in capital assets. Net of accumulated depreciation, the RTA's capital assets at December 31, 2023, totaled approximately \$288.1 million. Capital additions for the year ended December 31, 2023, included approximately \$10.5 million in construction in progress, approximately \$6.1 million in furniture, bus shelters and rail equipment and \$141 thousand in building upgrades and approximately \$944 thousand in transportation vehicles.

### **2024 Debt Administration**

During 2024, there was no unusual bond activity outside of the normal principal and interest payments based on bond amortization. No new debt was issued in the 2024 fiscal year. The RTA was awarded an AA-positive long-term rating by S&P Global Inc. This upgrade from A+ stable to AA-positive primarily reflected outstanding sales tax revenue bonds. S&P Global expressed confidence that rebounded pledged revenues would remain steady, reinforcing robust coverage and liquidity. The rating also mirrored RTA's strong economic fundamentals, supported by a thriving and diverse economy that serves as a dynamic engine for the state. With historically low volatility in nationwide sales taxes, the agency maintained overall strong creditworthiness based on sales tax revenue bonds.

### **2023 Debt Administration**

During 2023, there was no unusual bond activity outside of the normal principal and interest payments based on bond amortization. No new debt was issued in the 2023 fiscal year. On April 9, 2021, S&P Global Ratings revised their rating from A+ with a negative outlook to A+ stable. On July 29, 2020, Moody's Investor Service reviewed and assigned a rating of Aa3 to the New Orleans Regional Transit Authority Sales Tax Revenue Refunding Bonds. This rating has been extended as of July 2022. In September of 2022, S&P Global Ratings upgraded the RTA's bond rating from A+ Stable to A+ Positive.

## Regional Transit Authority Management's Discussion and Analysis

### **ECONOMIC FACTORS**

The City of New Orleans has seen the signs of flourishing tourism as events returned to the City of New Orleans since 2022. In 2024, the RTA implemented the spending plan for the \$59.8 million of ARPA funds which included the addition of the 29 new buses to replace the aging fleet and several infrastructure projects that will help move forward equitable and reliable transit in the City of New Orleans.

The Rampart Streetcar route reopened in May of 2024 after being closed due to the Hard Rock Hotel collapse in 2019. Management will analyze the impact on this line reopening on operating expenses, ridership and fare revenue events on ridership and revenues.

In 2024 the RTA resumed Labor negotiations with the United Labor Union, Local 100 (ULU), for RTA's administrative personnel. The contract, which is in the final stages of negotiations and review, is anticipated to be ratified before the end of the year, with an effective date of July 1, 2024, and ending on June 30, 2027.

### **Future Impacts**

In 2025, RTA will continue making significant strides in infrastructure and fleet improvements. With a strong credit rating, affirmed by our rating agencies (S&P and Moody's) and no new debt issued in 2024, RTA remains well-positioned for future transit investments.

Capital investment remained a priority in 2024, with the Algiers Ferry Terminal Renovation Project advancing through critical planning, design, and outreach phases. This \$9.8 million project is set to enter procurement in Spring 2025, delivering an updated terminal that enhances the experience for transit riders, ferry operators, and the Algiers community. Several other capital investments are in the planning stage, that we anticipate seeing a move to design and development as we progress through 2025 and 2026.

The City of New Orleans hosted Super Bowl LIX in February of 2025. The RTA has been instrumental in transit planning and reading our fleet, bus stops and technology to assist the city in preparation of increased visitors and transit needs during this time. The City of New Orleans is estimating an additional \$13.8 million in one-time revenue that will be generated by the Super Bowl, resulting in an overall 3.2% increase in other taxes (Sales and Hotel/Motel), for which otherwise were forecasted to remain flat. With the addition of Super Bowl and Mardi Gras revenue directly impacting Sales and Hotel Motel Taxes for the City, the Regional Transit Authority saw an increase in our tax payments from the City during the months of February and March and April of 2025. These tax projections are directly linked to our operating revenue budget for the year 2025, resulting in positive General Use Sales Tax and Hotel Motel Tax for the agency. However, the city is projecting a decrease in General Use sales and hotel motel tax for the remainder of 2025 and for the next 2-3 years as we see a decline in tourism, that will project will negatively impact our sales tax revenue. As a result, RTA is reviewing operational efficiencies and actively working to grow fare and alternative sources of revenue to minimize potential impact.

## **Regional Transit Authority Management's Discussion and Analysis**

### **CONTACTING THE RTA'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our bondholders, patrons, and other interested parties with a general overview of the RTA's finances and to demonstrate the RTA's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Gizelle Johnson-Banks, CFO – Regional Transit Authority at (504) 827-8488.

**Regional Transit Authority**  
**Statements of Net Position**

December 31,	2024	2023		
	(Restated)			
<b>Assets</b>				
Current assets				
Cash and cash equivalents	\$ 42,699,594	\$ 49,077,396		
Accounts receivable, net	71,231,850	50,097,648		
Inventories	1,691,745	223,059		
Prepaid expenses and other assets	4,244,494	4,661,544		
 Total current assets	 119,867,683	104,059,647		
Restricted assets				
Cash and cash equivalents				
2020A and 2020B series bond trustee accounts	11,465,979	11,057,720		
2010 series bond trustee accounts	439,527	418,536		
Investments				
Self-insurance reserve	1,461,917	1,440,790		
 Total restricted assets	 13,367,423	12,917,046		
Noncurrent assets				
Property, buildings, and equipment, net	296,191,032	288,102,629		
Net pension asset	2,602,463	-		
 Total noncurrent assets	 298,793,495	288,102,629		
 Total assets	 432,028,601	405,079,322		
 <b>Deferred Outflows of Resources</b>				
Deferred charges - prepaid bond insurance	259,262	365,238		
Pension deferrals	11,075,345	16,509,932		
OPEB deferrals	-	75,241		
 Total deferred outflows of resources	 11,334,607	16,950,411		
 Total assets and deferred outflows of resources	 \$ 443,363,208	\$ 422,029,733		

(Continued)

*The accompanying notes are an integral part of these financial statements.*

**Regional Transit Authority**  
**Statements of Net Position**

December 31,	2024	2023		
	(Restated)			
<b>Liabilities</b>				
Current liabilities (payable from current assets)				
Accounts payable, accrued expenses, and deferred credits	\$ 42,517,995	\$ 37,755,875		
Current portion of compensated absences	2,988,517	3,307,676		
Current portion of legal and small claims	2,905,459	2,767,149		
Current portion of OPEB liability	745,255	859,072		
 Total current liabilities (payable from current assets)	 49,157,226	44,689,772		
Current liabilities (payable from restricted assets)				
Current portion of accrued bond interest	1,593,133	1,617,309		
Current portion of bonds payable, net	6,139,159	6,094,159		
Advanced collection of ferry subsidy	-	2,570,000		
 Total current liabilities (payable from restricted assets)	 7,732,292	10,281,468		
Long-term Liabilities				
Compensated absences less current portion	2,267,446	1,881,720		
Legal and small claims less current portion	17,420,748	20,161,024		
Bonds payable less current portion, net	74,441,866	80,581,025		
Net pension liability	-	7,211,970		
Total OPEB liability	2,984,712	3,912,457		
 Total long-term liabilities	 97,114,772	113,748,196		
 Total Liabilities	 154,004,290	168,719,436		
 <b>Deferred Inflows of Resources</b>				
Pension deferrals	-	16,812		
Deferred refunding gain	1,649,686	1,894,084		
 Total deferred inflows of resources	 1,649,686	1,910,896		
 <b>Net Position</b>				
Net investment in capital assets	212,324,019	197,552,817		
Restricted	13,367,423	12,917,046		
Unrestricted	62,017,790	40,929,538		
 Total Net Position	 \$ 287,709,232	\$ 251,399,401		

(Concluded)

*The accompanying notes are an integral part of these financial statements.*

**Regional Transit Authority**  
**Statements of Revenues, Expenditures, and Changes in Net Position**

For the years ended December 31,	2024	2023
	(Restated)	
Operating revenues		
Passenger fares	\$ 11,153,388	\$ 11,050,373
Advertising	1,538,477	1,473,331
Other	1,727,075	1,390,329
Total operating revenues	<b>14,418,940</b>	13,914,033
Operating expenses		
Labor and fringe benefits excluding post-retirement benefits	92,939,244	82,439,847
Post-retirement benefits	(4,396,658)	(457,839)
Depreciation	25,136,721	21,968,417
Contract services	27,778,357	22,992,758
Insurance and self-insured costs	8,841,967	12,352,148
Materials, fuel, and supplies	9,320,374	13,502,635
Utilities	1,695,620	1,570,201
Taxes, other than payroll	95,624	275,012
Leases	225,958	204,190
Miscellaneous	948,598	476,915
Total operating expenses	<b>162,585,805</b>	155,324,284
Loss from operations	<b>(148,166,865)</b>	(141,410,251)
Nonoperating revenues (expenses)		
Tax revenues		
Sales tax	94,273,581	93,895,348
Hotel/motel tax	7,371,243	8,833,185
Government operating grants		
Federal subsidy	21,424,878	16,684,664
Federal Emergency Management Agency	16,441	1,322,512
State ferry subsidy	10,139,998	10,139,998
State Department of Transportation	1,924,687	2,242,146
Planning and technical study grants	43,724,890	7,229,291
Investment income	1,089,877	1,533,564
Disaster-related expenses	(1,842,610)	-
Interest expense, net	(1,682,710)	(1,731,061)
Total nonoperating revenues	<b>176,440,275</b>	140,149,647
Net profit before capital contributions	<b>28,273,410</b>	(1,260,604)
Capital contributions - federal	<b>6,996,873</b>	2,563,549
Revenues restricted for ferry related improvements		
Capital contributions - nonprofit	1,039,548	-
Capital contributions - City of New Orleans	-	5,000,000
Total capital contributions	<b>8,036,421</b>	7,563,549
Increase in net position	<b>36,309,831</b>	6,302,945
Net position, beginning of year, as previously reported	<b>251,399,401</b>	245,621,603
Accounting changes and error corrections (Note 2)	-	(525,147)
Net position, beginning of year, as restated	<b>251,399,401</b>	245,096,456
Net position, end of year	<b>\$ 287,709,232</b>	<b>\$ 251,399,401</b>

*The accompanying notes are an integral part of these statements.*

**Regional Transit Authority**  
**Statements of Cash Flows**

*For the years ended December 31,*

	<b>2024</b>	<b>2023</b>
<b>Cash Flows From Operating Activities</b>		
Cash received from operations	\$ 1,255,197	\$ 11,003,509
Cash received from other sources	12,818,014	2,408,329
Cash paid to employees and for related expenses	(93,838,998)	(85,490,550)
Cash paid to suppliers	(35,990,812)	(32,043,337)
Cash paid for insurance, legal claims, and related costs	(11,443,933)	(11,482,598)
Net cash flows used in operating activities	<b>(127,200,532)</b>	(115,604,647)
<b>Cash Flows from Noncapital Financing Activities</b>		
Cash received from sales tax	92,854,992	93,898,279
Cash received from hotel/motel tax	7,209,717	8,823,470
Operating subsidies received from other governments	8,168,299	10,868,471
Net cash flows provided by noncapital financing activities	<b>108,233,008</b>	113,590,220
<b>Cash Flows from Capital and Related Financing Activities</b>		
Acquisition and construction of capital assets	(25,551,938)	(10,506,745)
Capital revenues from federal grants	47,284,237	9,038,989
Interest paid	(1,706,886)	(1,995,816)
Deferred refunding gain	(244,398)	-
Repayment of bonds	(5,988,183)	(6,049,158)
Net cash flows used in capital and related financing activities	<b>13,792,832</b>	(9,512,730)
<b>Cash Flows from Investing Activities</b>		
Interest payments received (paid)	(752,733)	1,533,564
Net cash flows provided by investing activities	<b>(752,733)</b>	1,533,564
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(5,927,425)</b>	(9,993,593)
Cash and cash equivalents, beginning of year	61,994,442	71,988,035
Cash and cash equivalents, end of year	<b>\$ 56,067,017</b>	<b>\$ 61,994,442</b>

(Continued)

*The accompanying notes are an integral part of these financial statements.*

**Regional Transit Authority**  
**Statements of Cash Flows**

*For the years ended December 31,*

	<b>2024</b>	<b>2023</b>
Reconciliation of Loss from Operations to		
Net Cash Used in Operations		
Loss from operations	\$ (148,166,865)	\$ (141,410,251)
Depreciation	25,136,721	21,968,417
Adjustments to reconcile loss from operations to net cash used in operations:		
Change in pension costs	(4,396,658)	(304,809)
Change in OPEB costs	(966,321)	(1,042,557)
Change in accounts receivable	(345,729)	(497,860)
Change in prepaid assets	417,050	(888,007)
Change in inventory	(1,468,686)	553,891
Change in accounts payable and accrued expenses	5,125,355	4,275,091
Change in compensated absences liability	66,567	871,888
Change in the provision for legal and small claims liability	(2,601,966)	869,550
<b>Net Cash Used in Operating Activities</b>	<b>\$ (127,200,532)</b>	<b>\$ (115,604,647)</b>
Reconciliation to Statements of Net Position		
Cash and cash equivalents for cash flow statements include:		
Cash	\$ 42,699,594	\$ 49,077,396
Restricted assets		
Cash		
2020A and 2020B series bond trustee accounts	11,465,979	11,057,720
2010 series bond trustee accounts	439,527	418,536
Self-insurance reserve	1,461,917	1,440,790
<b>Total Cash and Cash Equivalents</b>	<b>\$ 56,067,017</b>	<b>\$ 61,994,442</b>

(Concluded)

## Regional Transit Authority Notes to Financial Statements

### **Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

#### ***Organization and Reporting Entity***

The Regional Transit Authority (RTA) of New Orleans is an independent political subdivision of the State of Louisiana created in 1979 by Act 439 of the Louisiana Legislature in order to provide mass transportation within its jurisdiction, which comprises the Greater New Orleans area. Effective July 1, 1983 under a transfer agreement among the RTA, the City of New Orleans (the City) and New Orleans Public Service, Inc. (NOPSI), the RTA assumed responsibility for all mass transit operations in Orleans Parish and acquired transit-related assets and assumed certain transit-related liabilities of NOPSI and of the City through purchase, funded by federal and local government grants, and through contributions from the City. Subsequently, the RTA has also assumed responsibility for mass transit operations of the City of Kenner and Ferry services from the State of Louisiana. The RTA's area of service presently comprises Orleans Parish, the City of Kenner in Jefferson Parish, and ferry services in St. Bernard Parish and may ultimately include future transit operations throughout the Greater New Orleans area.

The RTA is governed by an eight-member Board of Commissioners composed of appointees of the participating local governments within the RTA's jurisdiction. The Board of Commissioners establishes policies, approves the budget, controls appropriations and appoints a Chief Executive Officer responsible for administering all RTA operations and activities.

The RTA holds title to substantially all assets and controls, or is entitled to, substantially all revenue and funds used to support its operations and is solely responsible for its fiscal affairs. The Board of Commissioners is authorized to issue bonds, incur short-term debt and levy taxes upon approval of the voters in one or more of the parishes or municipalities served by the RTA.

The RTA is a stand-alone entity as defined by GASB Codification Section 2100 *Defining the Financial Reporting Entity*. The RTA is neither fiscally dependent on any other local government, nor does it provide specific financial benefits to or impose specific financial burdens on any other government. No other potential component units meet the criteria for inclusion in the financial statements of the RTA.

#### ***Measurement Focus, Basis of Accounting, and Financial Statement Presentation***

The accounting policies of the RTA conform to accounting principles generally accepted in the United States of America as applicable to governments. The basic financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when a liability is incurred, regardless of the timing of related cash flows. The RTA has no governmental or fiduciary funds. The RTA uses fund accounting to report its financial position and results of operations. The RTA's accounts are organized into a single proprietary fund. The enterprise fund (a proprietary fund) is used to account for operations (a) that are operated in a manner similar to private businesses where the intent of the governing body is that the cost (expense, including depreciation) of providing goods and services to the general public is financed or recovered primarily through user charges or (b) where the governing body has decided that the periodic determination of revenues earned, expenses incurred and/or changes in net position is appropriate for capital maintenance. The RTA's principal operating revenues are the fares charged to passengers for service.

**Regional Transit Authority  
Notes to Financial Statements**

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

***Organization and Reporting Entity (Continued)***

***Budgetary Information***

***Budgets and budgetary accounting***

In accordance with Act 186 of the Louisiana Legislature and under authority granted to the Board of Commissioners of the RTA within the Regional Transit Authority Act (Act 439), an annual budget of revenue, expenses, and capital expenditures is prepared under the accrual basis of accounting, consistent with accounting principles generally accepted in the United States of America.

The budget is adopted by resolution of the Board of Commissioners after public hearings are conducted, and public input is received. The RTA, operating as an enterprise fund, utilizes the budget and related budgetary accounting to assure that (1) service objectives are attained, (2) expenditures are properly controlled, and (3) adequate resources will be available to finance current operations, repay long-term liabilities and meet capital outlay requirements. A budget presentation is not required and has not been included in the financial statements.

***Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position or Equity***

***Cash and cash equivalents***

The RTA'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.

***Prepaid Items***

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

***Restricted Assets***

Certain assets, principally consisting of cash and money market accounts, are segregated and classified as restricted assets, which may not be used except in accordance with state regulations or contractual terms.

***Property, Buildings, and Equipment, net***

Property, buildings, and equipment are recorded at cost. Depreciation is charged to expense over the estimated useful lives of the assets and is determined using the straight-line method. Expenditures for maintenance and repairs which do not exceed \$5,000 and materially extend the useful life of the asset are charged to expense as incurred.

**Regional Transit Authority**  
**Notes to Financial Statements**

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

***Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position or Equity (Continued)***

The estimated useful lives used in computing depreciation are:

Buildings	5-20 years
Buses and equipment	4-20 years
Streetcars, track system, and related equipment	20-30 years
Furniture and fixtures	3-10 years
Leasehold improvements	5 years

*Deferred Outflows and Inflows of Resources*

In addition to assets, the statement of net 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 position that applies to a future period and so will not be recognized as an expense until then. The RTA has several items that meet this criterion including deferred charges for prepaid bond insurance, and pension and OPEB related deferrals. In addition to liabilities, the statement of net 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 position that applies to a future period and so will not be recognized as revenue until then. The RTA has two items that meet the criterion for this category, pension and OPEB related deferrals.

*Advanced Collections*

Revenue collected more than one year in advance is recognized as a liability within the financial statements.

*Compensated Absences*

RTA recognizes a liability for compensated absences for leave time that (1) has been earned for services previously rendered by employees, (2) accumulates and is allowed to be carried over to subsequent years, and (3) is more likely than not to be used as time off or settled (for example paid in cash to the employee or payment to an employee flex spending account) during or upon separation from employment. Based on the criteria listed, two types of leave qualify for liability recognition for compensated absences – paid time off (PTO) and sick leave. The liability for compensated absences is reported as incurred in the financial statements. The liability for compensated absences includes salary-related benefits, where applicable. RTA has the following policies relating to PTO and sick leave:

**Regional Transit Authority  
Notes to Financial Statements**

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

***Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position or Equity (Continued)***

*Compensated Absences (Continued)*

Paid Time Off

PTO for all employees (except for executives) is accrued based on length of service and is pro-rated for part-time employees. For administrative employees, no non-executive employee shall accrue PTO more than two times the PTO hours eligible to accrue per years of service. No PTO will be added to an employee's PTO balance once the hour cap is reached. After an employee's PTO balance reaches the cap, the employee will cease to accrue PTO until the balance is reduced below the hour cap. Executives shall receive 25 front-loaded working days of PTO per calendar year, pro-rated according to their date of appointment. Employees are paid for the PTO they have accrued, up to their cap hours, upon termination or resignation of employment.

Vacation

For union employees, each employee who has completed one or more years of continuous service shall be eligible for a vacation in each calendar year and is accrued based on length of service. Employees who are entitled to more than three (3) weeks' vacation with pay in any year shall be permitted to accumulate all vacation in excess of three (3) weeks to which they may be entitled in any year. Any vacation week earned that is banked shall be paid to the employee upon termination of employment by retirement or otherwise at the regular operator's rate in effect at the time vacation was earned.

Sick Leave

All fixed, rail and lift operators shall accrue sick leave, as defined, but do not become eligible to use sick leave until completion of the probationary period. All operators shall accumulate sick leave at the rate of one (1) day per month (eight hours at straight time) per contract year for a total of twelve days per year. Operators employed on or prior to the 15th day of the month will accrue sick leave for the entire month. The sick leave accrual will commence the following month for persons employed after the 15th day of the month. Any unused portion of such twelve (12) days per year shall accumulate to the credit of the operator, and there shall be no limit to the amount of such accumulation. Employees who leave the employ of the Authority except for electing retirement that have 30 years of service with the agency within the bargaining unit or normal retirement, will not be paid accumulated sick leave. On voluntary retirement, the Authority will pay the employee seventy percent (70%) of their accumulated sick leave in a lump sum payment.

For all union classifications other than operators, employees will accumulate paid sick leave days at the rate of one (1) day per month per calendar year for a total of twelve (12) days per year with a maximum accumulation up to 130 days. All employees of other classifications hired prior to December 20, 2020, will have no maximum accumulation on their sick leave.

**Regional Transit Authority  
Notes to Financial Statements**

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

***Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position or Equity (Continued)***

*Compensated Absences (Continued)*

For administrative employees, when an employee reaches the annual maximum PTO balance in any given year, that employee will be credited sick leave at the same rates as PTO outlined above. When and if the employee reduces his/her PTO balance below the annual cap, then PTO will accrue, and sick leave crediting will cease until the cap is reached again. Employees who have an individual sick leave bank are eligible to request paid leave from their own sick leave bank when their PTO has been exhausted. Sick leave is a benefit provided at the discretion of RTA and only in the event of serious illness. Sick leave is not payable to the employee upon separation.

*Claims and Judgments*

The RTA accrues for losses resulting from claims and judgments, including anticipated incremental costs. A liability for such losses is reported when it is probable that a loss has occurred and the amount can be reasonably estimated. Actual losses may differ significantly from RTA's estimates. Incurred but not reported claims have been considered in determining the accrued liability. All accident and general liability claims and judgments for dates of loss from September 1, 2009 through July 31, 2012, are the responsibility of Transdev pursuant to the former delegated management contract in effect during these periods. For dates of loss subsequent to August 1, 2012 and prior to September 1, 2009, the RTA is responsible.

*Bonds Payable*

Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as an expense in the period incurred. Bond premiums and discounts are amortized over the life of the bonds using the effective interest method.

*Pensions*

The RTA participates in two defined benefit pension plans as described in Note 8. For purposes of measuring the net pension asset and/or liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of each of the plans, and additions to/deductions from each plan's fiduciary net position have been determined on the same basis as they are reported by each of the plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value within each plan.

**Regional Transit Authority  
Notes to Financial Statements**

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

***Net Position Classifications***

In accordance with GASB Codification, net position is classified into three components - net investment in capital assets, restricted, and unrestricted. These classifications are defined as follows.

- a. *Net Investment in Capital Assets* – This component of net position consists of the historical cost of capital assets, including any restricted capital assets, net of accumulated depreciation and reduced by retainage and construction costs payable, the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets, plus deferred outflows of resources, less deferred inflows of resources, related to those assets.
- b. *Restricted* – This component of net position consists of assets that have constraints that are externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.
- c. *Unrestricted* – This component of net position consists of all other net positions that do not meet the definition of “restricted” or “net investment in capital assets”, as described above

***Federal and State Grants***

Federal and state grants are made available to RTA for the acquisition of public transit facilities, planning studies, buses, and other transit equipment. Unrestricted operating grants and grants restricted as to purpose, but not contingent on the actual expenditures of funds, are recognized at that point in time when the right to the funds becomes irrevocable. Where the expenditure of funds is the prime factor for determining the eligibility for the grant proceeds, the grant is recognized at the time when the expense is incurred.

***Cash Flows***

For the purposes of the statement of cash flows, cash and cash equivalents include investments with an original maturity of three months or less from the date of acquisition and restricted cash.

**Regional Transit Authority  
Notes to Financial Statements**

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

***Use of Estimates***

Management of RTA has made a number of estimates and assumptions relating to the reporting of assets and liabilities to prepare these financial statements in conformity with accounting principles generally accepted in the United States of America. Actual results could differ from those estimates.

***Reclassification***

Certain amounts previously reported in the financial statements for the prior year have been reclassified to conform with the current year classifications.

***Subsequent Events***

Management has evaluated subsequent events through the date that the financial statements were available to be issued, September 29, 2025 and determined there were no events that occurred that required disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

***Recently Issued and Implemented Accounting Pronouncements***

**GASB Statement No. 100, *Accounting Changes and Error Corrections*** - This Statement establishes accounting and financial reporting requirements for (a) accounting changes and (b) the correction of an error in previously issued financial statements (error correction). This Statement defines accounting changes as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. This Statement prescribes the accounting and financial reporting for (1) each type of accounting change and (2) error corrections. This Statement requires that (a) changes in accounting principles and error corrections be reported retroactively by restating prior periods, (b) changes to or within the financial reporting entity be reported by adjusting beginning balances of the current period, and (c) changes in accounting estimates be reported prospectively by recognizing the change in the current period. This Statement requires disclosure in notes to financial statements of descriptive information about accounting changes and error corrections, such as their nature. In addition, information about the quantitative effects on beginning balances of each accounting change and error correction should be disclosed by reporting unit in a tabular format to reconcile beginning balances as previously reported to beginning balances as restated. Furthermore, this Statement addresses how information that is affected by a change in accounting principle or error correction should be presented in required supplementary information (RSI) and supplementary information (SI). RTA has implemented this Statement as of and for the year ended December 31, 2024. There were no significant impacts of implementing this Statement other than additional note disclosures at Note 2.

**Regional Transit Authority  
Notes to Financial Statements**

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

***Recently Issued and Implemented Accounting Pronouncements (Continued)***

**GASB Statement No. 101, *Compensated Absences*** - The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. RTA has implemented this Statement as of and for the year ended December 31, 2024. The implementation of this standard resulted in a cumulative effect of change in accounting principle of \$106,049 and \$525,146 to the December 31, 2023 and 2022 net position, respectively.

The Governmental Accounting Standards Board has issued statements that will become effective in future years. These statements are as follows:

**GASB Statement No. 102, *Certain Risk Disclosures*** - The objective of this Statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. This Statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter.

**GASB Statement No. 103, *Financial Reporting Model Improvements*** - The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement also addresses certain application issues. This Statement requires that the information presented in MD&A be limited to the related topics discussed in five sections: (1) Overview of the Financial Statements, (2) Financial Summary, (3) Detailed Analyses, (4) Significant Capital Asset and Long-Term Financing Activity, and (5) Currently Known Facts, Decisions, or Conditions. Furthermore, this Statement stresses that the detailed analyses should explain why balances and results of operations changed rather than simply presenting the amounts or percentages by which they changed. This Statement describes unusual or infrequent items as transactions and other events that are either unusual in nature or infrequent in occurrence.

**Regional Transit Authority  
Notes to Financial Statements**

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

***Recently Issued and Implemented Accounting Pronouncements (Continued)***

This Statement requires that the proprietary fund statement of revenues, expenses, and changes in fund net position continue to distinguish between operating and nonoperating revenues and expenses. In addition to the subtotals currently required in a proprietary fund statement of revenues, expenses, and changes in fund net position, this Statement requires that a subtotal for operating income (loss) and noncapital subsidies be presented before reporting other nonoperating revenues and expenses. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter.

**GASB Statement No. 104, Disclosure of Certain Capital Assets:** The objective of this Statement is to establish requirements for certain types of capital assets to be disclosed separately in the capital assets note disclosures required by Statement No. 34, Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments. It also establishes requirements for capital assets held for sale, including additional disclosures for those capital assets. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter.

The RTA is evaluating the requirements of the above statements and the impact on financial reporting.

**Note 2 – CHANGE IN ACCOUNTING PRINCIPLE AND ERROR CORRECTIONS**

RTA's 2024 financial statements incorporate a change in accounting principle and reflect the correction of errors in previously issued financial statements. GASB Statement No. 100, *Accounting Changes and Error Corrections*, requires disclosure of their nature and effect on amounts reported in the financial statements.

***Error Corrections***

RTA discovered that \$4,335 of revenue that should have been accrued to the prior fiscal year. As a result, revenues, accounts receivable, and net position were increased by \$4,335 in RTA's 2023 financial statements. Additionally, payroll liabilities as of December 31, 2023 were overstated by \$2,267,225. RTA has decreased its payroll liabilities and payroll expense and increased its net position by \$2,267,225 in its 2023 financial statements.

**Regional Transit Authority**  
**Notes to Financial Statements**

**Note 2 – CHANGE IN ACCOUNTING PRINCIPLE AND ERROR CORRECTIONS**

*Implementation of Statement 101*

In 2024, RTA implemented GASB Statement No. 101, *Compensated Absences*. The implementation of this Statement requires the restatement of the financial statements of the earliest year presented, which is the financial statements as of and for the year ended December 31, 2023. Therefore, the December 31, 2022 net position has been restated for the cumulative effect of the change in accounting principle. Accordingly, a liability for compensated absences has been recorded in RTA's financial statements totaling \$5,255,963 and \$5,189,396 for the years ended December 31, 2024 and 2023, respectively.

The following table summarizes the restatements and adjustments to RTA's beginning net position and fund balance as a result of the change in accounting principle, change within the financial reporting entity, and error corrections:

12/31/23 net position, as previously reported	\$ 249,759,037
Error corrections	2,271,560
Implementation of GASB 101	(631,196)
<hr/>	
12/31/23 net position, as restated	\$ 251,399,401
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12/31/22 net position, as previously reported	\$ 245,621,603
Implementation of GASB 101	(525,147)
12/31/22 net position, as restated	\$ 245,096,456

**Note 3: CASH**

The RTA's cash and cash equivalents consisted of the following as of December 31:

	2024		2023	
	Restricted	Unrestricted	Restricted	Unrestricted
Cash and cash equivalents	<b>\$13,367,423</b>	<b>\$42,699,594</b>	<b>\$12,917,046</b>	<b>\$49,077,396</b>

As of December 31, 2024 and 2023, \$1,461,917 and \$1,440,790, respectively, of restricted cash was pledged as collateral to the Louisiana Office of Workman's Compensation to maintain RTA/TMSEL's self-insurance certificate. This self-insurance certificate applies to all TMSEL employees receiving workers' compensation benefits through August 31, 2009 from the RTA and all RTA employees receiving workers' compensation benefits after December 19, 2020. Transdev was responsible for workers' compensation claims from September 1, 2009 until December 19, 2020.

**Regional Transit Authority**  
**Notes to Financial Statements**

**Note 3: CASH (CONTINUED)**

Custodial Credit Risk

Actual cash in banks and certificates of deposit as of December 31, 2024 and 2023, for restricted and unrestricted bank accounts, before outstanding checks and reconciling items, were \$59,713,755 and \$64,813,306, respectively. Of the total bank balances at December 31, 2024 and 2023, all amounts were covered by federal depository insurance (\$1,004,648 for 2024 and \$1,254,563 for 2023) or by collateral held in the RTA's name by its agent (\$50,611,964 for 2024 and \$55,932,358 for 2023). Actual cash in money market accounts was \$7,847,143 and \$7,626,309 as of December 31, 2024 and 2023, respectively, and is included in cash and cash equivalents above.

**Note 4: ACCOUNTS RECEIVABLE, NET**

Accounts receivable, net of allowance for uncollectible amounts, consisted of the following as of December 31:

	<b>2024</b>	<b>2023</b>
Sales tax	\$ 18,501,565	\$ 17,082,976
Hotel/motel tax	2,787,200	2,625,674
Federal capital grants	41,065,651	24,102,109
State parish transit	87,179	20,750
State ferry subsidy	7,570,000	14,381,423
Federal Emergency Management Agency	30,626	390,190
Passenger (transpass and visitor)	686,551	379,849
Kenner operating subsidy	-	238,715
Other	673,215	634,188
	<b>71,401,987</b>	59,855,874
Less: allowance for uncollectible amounts	(170,137)	(9,758,226)
	<b>\$ 71,231,850</b>	\$ 50,097,648

**Regional Transit Authority**  
**Notes to Financial Statements**

**Note 5: PROPERTY, BUILDINGS, AND EQUIPMENT**

A summary of changes in property, buildings, and equipment at December 31, 2024 is as follows:

	January 1, 2024	Additions/ Transfers	Deletions/ Transfers	December 31, 2024
Land	\$ 6,988,812	\$ -	\$ -	\$ 6,988,812
Buildings	287,222,301	41,497,066	132,020,984	196,698,383
Equipment, primarily transportation vehicles	325,944,965	163,014,478	-	488,959,443
Furniture and fixtures	67,674,194	1,358,402	-	69,032,596
Construction in progress	46,129,312	4,946,928	45,570,766	5,505,474
<b>Total</b>	<b>733,959,584</b>	<b>210,816,874</b>	<b>177,591,750</b>	<b>767,184,708</b>
Accumulated depreciation	(445,856,955)	(25,136,721)	-	(470,993,676)
	<b>\$ 288,102,629</b>	<b>\$ 185,680,153</b>	<b>\$ 177,591,750</b>	<b>\$ 296,191,032</b>

A summary of changes in property, buildings, and equipment at December 31, 2023 is as follows:

	January 1, 2023	Additions	Deletions	December 31, 2023
Land	\$ 6,988,812	\$ -	\$ -	\$ 6,988,812
Buildings	287,080,927	141,374	-	287,222,301
Equipment, primarily transportation vehicles	325,000,851	944,114	-	325,944,965
Furniture and fixtures	61,584,588	6,089,606	-	67,674,194
Construction in progress	35,597,347	10,531,965	-	46,129,312
<b>Total</b>	<b>733,959,584</b>	<b>17,707,059</b>	-	<b>733,959,584</b>
Accumulated depreciation	(423,888,538)	(21,968,417)	-	(445,856,955)
	<b>\$ 288,102,629</b>	<b>\$(4,261,358)</b>	<b>\$ -</b>	<b>\$ 288,102,629</b>

Depreciation expense for the years ended December 31, 2024 and 2023 totaled \$25,136,721 and \$21,968,417, respectively.

At December 31, 2024, construction in progress additions were primarily related to a ferry boat, facility restoration, and other construction projects. At December 31, 2023, construction in progress additions were primarily related to the ferry terminal upgrade project and various other construction projects.

**Regional Transit Authority**  
**Notes to Financial Statements**

**Note 6: COMPENSATED ABSENCES**

The following is a summary of changes in compensated absences at December 31, 2024:

	Balance December 31, 2023 (Restated)	Additions (net)	Reductions (net)	Balance December 31, 2024	Due within one year
Compensated absences	\$ 5,189,396	\$ 66,567	\$ -	\$ 5,255,963	\$ 2,988,517

The following is a summary of changes in compensated absences at December 31, 2023:

	Balance December 31, 2022 (Restated)	Additions (net)	Reductions (net)	Balance December 31, 2023 (Restated)	Due within one year
Compensated absences	\$ 4,317,508	\$ 871,888	\$ -	\$ 5,189,396	\$ 3,307,676

**Note 7: LONG-TERM DEBT**

Long-term debt consisted of the following as of December 31:

	2024	2023
2020A Sales Tax Revenue Refunding Bonds, interest rate of approximately 5% on current interest term bonds.	\$ 62,815,000	\$ 62,815,000
2020B Sales Tax Revenue Refunding Bonds, interest rates between .55% and 1.05% on current interest term bonds.	4,335,000	9,170,000
Total debt	67,150,000	71,985,000
Plus: bond premium	13,431,025	14,690,184
Less: current maturities of long-term debt	(6,139,159)	(6,094,159)
Long-term debt plus bond premium less current maturities	\$ 74,441,866	\$ 80,581,025

**Regional Transit Authority**  
**Notes to Financial Statements**

**Note 7: LONG-TERM DEBT (CONTINUED)**

2020 Bond Series

On September 9, 2020, the RTA issued \$62,815,000 of Sales Tax Revenue Refunding Bonds, Series 2020A (Tax-Exempt) and \$20,190,000 of Sales Tax Revenue Refunding Bonds, Series 2020B (Taxable). The RTA issued the bonds to refund \$89,569,627 of the outstanding Sales Tax Revenue Bonds, Series 1991, maturing December 1, 2021, LCDA Revenue Bonds, Series 2000 maturing February 1, 2025 and December 1, 2029, Sales Tax Revenue Bonds, Series 2010, maturing December 1, 2030 and a Debt Service Assistance Fund Loan, maturing July 15, 2026. The net proceeds of \$95.6 million (after payment of \$6.3 million in underwriting fees, insurance, and other issuance costs) were used to purchase U.S. government securities. These securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service on the refunded portion of the 1991, 2000, 2010 and Debt Service Assistance series bonds. As a result, that portion of the 1991, 2000, 2010 and Debt Service Assistance series bonds are considered defeased, and the RTA has removed the liability from its accounts.

The current interest and principal bonds were secured by a pledge and lien upon a portion of the RTA's sales tax revenue (one percent upon the items and services subject to the sales tax). For the 2020 A&B Series, the principal balance as of December 31, 2024 was \$67,150,000, of which \$4,880,000 is due in 2025.

Debt Service Requirements

The following represents the debt service requirements for the bond issues as of December 31, 2024:

<b>Year Ending December 31</b>	<b>Series 2020 A&amp;B Bond Principal</b>	<b>Series 2020 A&amp;B Bond Interest</b>
2025	\$ 4,880,000	\$ 3,149,884
2026	4,950,000	2,989,750
2027	5,200,000	2,736,000
2028	5,455,000	2,469,625
2029	5,730,000	2,190,000
2030-2034	33,255,000	6,238,625
2035	7,680,000	192,000
	<b>\$ 67,150,000</b>	<b>\$ 19,965,884</b>

**Regional Transit Authority**  
**Notes to Financial Statements**

**Note 7: LONG-TERM DEBT (CONTINUED)**

Balances of the defeased portion of bonds as of December 31, 2024 are as follows:

<b>Bond Issuance</b>	<b>Defeased Balance</b>
2000 Series Sales Tax Revenue Bonds	\$ 405,712
2000A Series Sales Tax Revenue Bonds	9,405,456
2010 Series Sales Tax Revenue Bonds	30,800,000
Debt Service Assistance Loan	6,302,071
	<b>\$ 46,913,239</b>

Changes in Long-term Debt

Long-term debt activity for the year ended December 31, 2024 was as follows:

	January 1, 2024	Additions	Deletions	December 31, 2024	Due Within One Year
2020 A&B Series Sales Tax					
Refunding Bonds	\$71,985,000	\$	-	\$(4,835,000)	\$67,150,000
Bond Premium	14,690,184		-	(1,259,159)	13,431,025
	<b>\$86,675,184</b>	<b>\$</b>	<b>-</b>	<b>\$(6,094,159)</b>	<b>\$80,581,025</b>
					<b>\$ 6,139,159</b>

Long-term debt activity for the year ended December 31, 2023 is as follows:

	January 1, 2023	Additions	Deletions	December 31, 2023	Due Within One Year
2020 A&B Series Sales Tax					
Refunding Bonds	\$76,775,000	\$	-	\$(4,790,000)	\$71,985,000
Bond Premium	15,949,342		-	(1,259,158)	14,690,184
	<b>\$92,724,342</b>	<b>\$</b>	<b>-</b>	<b>\$(6,049,158)</b>	<b>\$86,675,184</b>
					<b>\$ 6,094,159</b>

## Regional Transit Authority Notes to Financial Statements

### **Note 8: PENSION PLANS**

The RTA is a participating employer in the cost-sharing multiple-employer defined benefit plan administered by the Louisiana State Employees' Retirement System (LASERS). The RTA is also a non-employer contributing entity to the Transit Management of Southeast Louisiana (TMSEL) Retirement Income Plan, which funds employee and retiree benefits for former employees of TMSEL.

#### ***Plan Descriptions***

##### **Louisiana State Employees' Retirement System (LASERS)**

During the year ended December 31, 2024, no employees of RTA were active members of LASERS. During the year ended December 31, 2023, one employee of RTA was provided with a pension through a cost-sharing multiple-employer defined benefit plan administered by the Louisiana State Employees' Retirement System (LASERS). Section 401 of Title 11 of the Louisiana Revised Statutes (La. R.S. 11:401) grants to LASERS Board of Trustees and the Louisiana Legislature the authority to review administration, benefit terms, investments, and funding of the plan. LASERS issues a publicly available financial report that can be obtained at [www.lasersonline.org](http://www.lasersonline.org).

##### **Transit Management of Southeast Louisiana (TMSEL) Retirement Income Plan**

In 1983, the RTA completed the purchase of the transit system from NOPSI. On that date, the RTA, TMSEL, the City of New Orleans and NOPSI entered into a benefit agreement to fund employee and retiree benefits. At the time this agreement was reached, the RTA was a public entity and TMSEL was a privately owned corporation always fully funded by the RTA. In 2004, TMSEL was designated as a political subdivision by the State of Louisiana; and in 2009, TMSEL ceased operations and the management agreement between TMSEL and RTA was terminated. In January 2012, the RTA became a 100% owner in the stock of TMSEL.

On August 31, 2009, the management contract between RTA and TMSEL expired and was replaced beginning September 1, 2009 with a new delegated management contract with Transdev Services, Inc. (formally Veolia Transportation Services, Inc). Effective September 1, 2009, all active TMSEL employees became employees of Veolia Transportation Services causing a partial termination of the Plan. As a result, TMSEL employees ceased to accrue future benefits in the TMSEL Retirement Income Plan.

The RTA contends that the TMSEL Retirement Plan is a governmental plan not subject to the provisions of ERISA. Although an official ruling is still pending from the Department of Labor as to whether the TMSEL Retirement Plan is an ERISA-governed plan or a governmental plan; the PBGC has not asserted any actions against the RTA or required the RTA to make any minimum quarterly pension funding contributions that would be required by an ERISA-governed plan. In 2014, the RTA entered into a settlement agreement which provided payments to the TMSEL Retirement plan totaling \$18 million (see contributions section below and Note 9 for additional information). This agreement does not render a position on the TMSEL plan's status as a governmental plan.

**Regional Transit Authority  
Notes to Financial Statements**

**Note 8: PENSION PLANS (CONTINUED)**

**Transit Management of Southeast Louisiana (TMSEL) Retirement Income Plan (Continued)**

At December 31, the pension plan membership consisted of the following:

	<b>2024</b>	<b>2023</b>
Inactive employees or beneficiaries currently receiving benefits	1,280	1,290
Inactive employees entitled to but not yet receiving benefits	337	355
Active employees	-	-
	<b>1,617</b>	<b>1,645</b>

***Benefits Provided***

The following is a description of the plans and their benefits and is provided for general information purposes only. Participants should refer to the appropriate statutes for more complete information.

**LASERS**

Retirement - The age and years of creditable service required in order for a member to retire with full benefits are established by statute, and vary depending on the members hire date, employer, and job classification. Rank and file members hired prior to July 1, 2006, may either retire with full benefits at any age upon completing 30 years of creditable service and at age 60 upon completing ten years of creditable service depending on their plan. Those members hired between July 1, 2006 and June 30, 2015, may retire at age 60 upon completing five years of creditable service and those hired on or after July 1, 2015 may retire at age 62 upon completing five years of creditable service. The basic annual retirement benefit for members is equal to 2.5% to 3.5% of average compensation multiplied by the number of years of creditable service. Additionally, members may choose to retire with 20 years of service at any age, with an actuarially reduced benefit.

Average compensation is defined as the member's average annual earned compensation for the highest 36 consecutive months of employment for members employed prior to July 1, 2006. For members hired July 1, 2006 or later, average compensation is based on the member's average annual earned compensation for the highest 60 consecutive months of employment. The maximum annual retirement benefit cannot exceed the lesser of 100% of average compensation or a certain specified dollar amount of actuarially determined monetary limits, which vary depending upon the member's age at retirement. Judges, court officers, and certain elected officials receive an additional annual retirement benefit equal to 1.0% of average compensation multiplied by the number of years of creditable service in their respective capacity. As an alternative to the basic retirement benefits, a member may elect to receive their retirement benefits under any one of six different options providing for reduced retirement benefits payable throughout their life, with certain benefits being paid to their designated beneficiary after their death.

**Regional Transit Authority  
Notes to Financial Statements**

**Note 8: PENSION PLANS (CONTINUED)**

*Benefits Provided (Continued)*

**LASERS (Continued)**

Act 992 of the 2010 Louisiana Regular Legislative Session changed the benefit structure for LASERS members hired on or after January 1, 2011. This resulted in three new plans: regular, hazardous duty, and judges. The new regular plan includes regular members and those members who were formerly eligible to participate in specialty plans, excluding hazardous duty and judges. Regular members and judges are eligible to retire at age 60 after five years of creditable service and, may also retire at any age, with a reduced benefit, after 20 years of creditable service. Hazardous duty members are eligible to retire with twelve years of creditable service at age 55, 25 years of creditable service at any age or with a reduced benefit after 20 years of creditable service. Average compensation will be based on the member's average annual earned compensation for the highest 60 consecutive months of employment for all three new plans. Members in the regular plan will receive a 2.5% accrual rate, hazardous duty plan a 3.33% accrual rate and judges a 3.5% accrual rate. The extra 1.0% accrual rate for each year of service for court officers, the governor, lieutenant governor, legislators, House clerk, sergeants at arms, or Senate secretary, employed after January 1, 2011, was eliminated by Act 992. Specialty plan and regular members, hired prior to January 1, 2011, who are hazardous duty employees have the option to transition to the new hazardous duty plan.

Act 226 of the 2014 Louisiana Regular Legislative Session established new retirement eligibility for members of LASERS hired on or after July 1, 2015, excluding hazardous duty plan members. Regular members and judges under the new plan are eligible to retire at age 62 after five years of creditable service and, may also retire at any age, with a reduced benefit, after 20 years of creditable service.

Average compensation will be based on the member's average annual earned compensation for the highest 60 consecutive months of employment. Members in the regular plan will receive a 2.5% accrual rate, and judges a 3.5% accrual rate, with the extra 1.0% accrual rate based on all years of service as a judge.

A member leaving employment before attaining minimum retirement age, but after completing certain minimum service requirements, becomes eligible for a benefit provided the member lives to the minimum service retirement age, and does not withdraw their accumulated contributions. The minimum service requirement for benefits varies depending upon the member's employer and service classification.

**Note 8: PENSION PLANS (CONTINUED)**

***Benefits Provided (Continued)***

**LASERS (Continued)**

Deferred Retirement Benefits - The State Legislature authorized LASERS to establish a Deferred Retirement Option Plan (DROP). When a member enters DROP, their status changes from active member to retiree even though they continue to work and draw their salary for a period of up to three years. The election is irrevocable once participation begins. During DROP participation, accumulated retirement benefits that would have been paid to each retiree are separately tracked. For members who entered DROP prior to January 1, 2004, interest at a rate of one-half percent less than the System's realized return on its portfolio (not to be less than zero) will be credited to the retiree after participation ends. At that time, the member must choose among available alternatives for the distribution of benefits that have accumulated in the DROP account. Members who enter DROP on or after January 1, 2004, are required to participate in LASERS Self-Directed Plan (SDP) which is administered by a third-party provider. The SDP allows DROP participants to choose from a menu of investment options for the allocation of their DROP balances. Participants may diversify their investments by choosing from an approved list of mutual funds with different holdings, management styles, and risk factors.

Disability Benefits - Generally, active members with ten or more years of credited service who become disabled may receive a maximum disability retirement benefit equivalent to the regular retirement formula without reduction by reason of age. Upon reaching retirement age, the disability retiree may receive a regular retirement benefit by making application to the Board of Trustees. For injuries sustained in the line of duty, hazardous duty personnel in the Hazardous Duty Services Plan will receive a disability benefit equal to 75% of final average compensation.

Survivor's Benefits - Certain eligible surviving dependents receive benefits based on the deceased member's compensation and their relationship to the deceased. The deceased member hired before January 1, 2011 who was in state service at the time of death must have a minimum of five years of service credit, at least two of which were earned immediately prior to death, or who had a minimum of twenty years of service credit regardless of when earned in order for a benefit to be paid to a minor or handicapped child. Benefits are payable to an unmarried child until age 18, or age 23 if the child remains a full-time student. The aforementioned minimum service credit requirement is ten years for a surviving spouse with no minor children, and benefits are to be paid for life to the spouse or qualified handicapped child.

The deceased regular member hired on or after January 1, 2011, must have a minimum of five years of service credit regardless of when earned in order for a benefit to be paid to a minor child. The aforementioned minimum service credit requirements for a surviving spouse are 10 years, 2 years being earned immediately prior to death, and active state service at the time of death, or a minimum of 20 years of service credit regardless of when earned. A deceased member's spouse must have been married for at least one year before death.

**Regional Transit Authority  
Notes to Financial Statements**

**Note 8: PENSION PLANS (CONTINUED)**

*Benefits Provided (Continued)*

**LASERS (Continued)**

Permanent Benefit Increases/Cost-of-Living Adjustments - As fully described in Title 11 of the Louisiana Revised Statutes, the System allows for the payment of permanent benefit increases, also known as cost-of-living adjustments (COLAs), that are funded through investment earnings when recommended by the Board of Trustees and approved by the State Legislature.

**TMSEL**

Retirement

All TMSEL and former NOPSI administrative employees and members of the former ATU Division 1611 over the age of 21 (age 25, if hired prior to January 1, 1985) were eligible to participate in the Plan. Effective January 1, 1998, all members of ATU Division 1560 over the age of 21 were eligible to participate in the Plan. Effective July 1, 1998, all members of IBEW Local 1700-4 over the age of 21 were eligible to participate in the Plan. Lift operators and sedan drivers were not participants of the Plan. The Plan was officially closed to new participants effective August 31, 2009. Participants are fully vested in their retirement benefits after completing five years of service (with a minimum 1,000 hours worked per year).

The normal retirement age is sixty-five. Those members who retire at age 65 are entitled to annual retirement benefits for life in an amount equal to 2.1% (multiplier) (unless otherwise specified in the Plan) of their five year average compensation times years of benefit services. The normal retirement benefit is receivable as of the first day of the subsequent month following the date a participant reaches age sixty-five (normal retirement age) and is based on the participant's compensation and years of credited service. The Plan permits early retirement at age fifty-five through sixty-four with five years of vesting service with the pension benefit amount being reduced by 3% for each year of age less than sixty-five. Members of ATU Division 1560 and IBEW Local 1700-4 can retire after 30 years of benefit service pursuant to collective bargaining agreement. Participants may elect to receive their pension benefits in the form of a single election, 50% joint and survivor, 75% joint and survivor, 100% joint and survivor and 10 year certain annuities. The Plan also provides for postponed retirement. Participants severing employment prior to full vesting forfeit their benefits after incurring a permanent break in service.

**Regional Transit Authority  
Notes to Financial Statements**

**Note 8: PENSION PLANS (CONTINUED)**

***Benefits Provided (Continued)***

**TMSEL (Continued)**

If a covered active employee dies before completing the five-year vesting period, a refund of the employee's contributions with interest is made to the beneficiary. If a covered active employee dies before age fifty-five and is fully vested on that date, a survivorship pension is payable to the employee's spouse. The survivorship pension is determined as if the employee had retired on early retirement with 50% joint and survivor benefits and died after the benefits were to commence. The survivorship pension is equal to 50% of the amount the employee would have received and is payable until the death of the participant's spouse. If a covered active employee dies before age fifty-five and is fully vested on that date, but does not have a spouse, no survivorship pension is paid out. Instead, the employee's contributions are paid out to the employee's beneficiary.

On March 13, 2003, the Internal Revenue Service issued a favorable determination letter for the Plan granting approval of a new optional form of payment. The Reduced Annuity Lump Sum (RAWLS) provides a portion of the retirement benefit in a lump sum, plus a reduced monthly benefit. Members of ATU Division 1560 and IBEW 1700-4 are eligible for this form of benefit which is effective retroactively to January 1, 2002.

On May 7, 2008, the Internal Revenue Service issued a favorable determination letter for the Plan granting approval of the amendments proposed on May 15, 2003, May 18, 2006, and January 27, 2007.

Effective March 19, 2015, the Plan was amended to provide unreduced benefits to participants retiring from Transdev, whose combined TMSEL and Transdev service equals 30 or more years of service and who had not previously received any benefits.

On May 16, 2016, the Plan received a signed compliance statement from the Internal Revenue Service agreeing that corrective methods and revised administrative procedures implemented by the Plan as submitted in the Voluntary Correction Program (VCP) are acceptable. In conjunction with the VCP submission, the Plan Sponsor adopted amendments effective retroactive to the effective dates of the specific provisions contained in the amendments to correct all of its nonamended failures. On August 2, 2017 the Internal Revenue Service issued a favorable determination letter for the Plan granting approval for the 2015 and 2016 amendments.

**Regional Transit Authority  
Notes to Financial Statements**

**Note 8: PENSION PLANS (CONTINUED)**

***Contributions***

**LASERS**

Contribution requirements of active employees are governed by Title 11 of the Louisiana Revised Statutes and may be amended by the Louisiana Legislature. Employee contributions are deducted from a member's salary and remitted to LASERS by participating employers along with employer portion of the contribution.

The rates in effect during the years ending June 30, 2024 and 2023 for the various plans follow:

Plan	Plan Status	Employee Contribution Rate	Employer Contribution Rate 2024	Employer Contribution Rate 2023
Regular State Employee hired before 7/01/06	Closed	7.5%	41.3%	41.3%
Regular State Employee hired on or after 7/01/06	Closed	8.0%	41.3%	41.3%

The RTA's contractually required composite contribution rate for the period from January 1, 2024 to June 30, 2024 was 41.3%, and for the period from July 1, 2024 to December 31, 2024 was 41.3%, of annual payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any Unfunded Actuarial Accrued Liability. Contributions to the pension plan from the RTA were \$0 and \$61,913 for the years ended December 31, 2024 and 2023 respectively.

If a member leaves covered employment or dies before any benefits become payable on their behalf, the accumulated contributions may be refunded to the member or their designated beneficiary. Similarly, accumulated contributions in excess of any benefits paid to members or their survivors are refunded to the member's beneficiaries or their estates upon cessation of any survivor's benefits.

**TMSEL**

TMSEL contributes such amounts as are necessary to provide assets sufficient to meet the benefits to be paid to Plan participants. The contributions of TMSEL are made in amounts, determined by an enrolled actuary, sufficient to fund the Plan's current service costs plus amortization of any unfunded amounts over 25 years. However, the Plan did not make the ERISA minimum required funding contributions for the quarters ended September 30, 2013 through December 31, 2024 due to its assertion that the TMSEL Retirement Plan is a governmental plan not subject to the provisions of ERISA (see Plan Descriptions section above).

**Regional Transit Authority**  
**Notes to Financial Statements**

**Note 8: PENSION PLANS (CONTINUED)**

***Contributions***

**TMSEL (Continued)**

In 2014, the RTA entered into an \$18 million settlement to fund the TMSEL Retirement plan, and, accordingly, recorded \$18 million in pension benefits expense, of which \$10 million was funded in 2014, and the remaining \$8 million was scheduled to be paid to the plan in equal installments of \$1.6 million over the next five years. The RTA paid the last installment of \$1.6 million during the year ended December 31, 2019. The agreement also states that this agreement does not limit the RTA's obligations to further fund the TMSEL Plan in the future.

**Pension (Asset) Liability and Pension Expense**

**LASERS**

At December 31, 2024, there was no net pension liability related to LASERS as there were no active employees participating in the plan. At December 31, 2023, the RTA reported a liability of \$495,120 for its proportionate share of the net pension liability of LASERS. The net pension liability was measured as of June 30, 2024 and 2023, respectively, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of those dates. The RTA's proportion of the net pension liability was based on a projection of the RTA's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2024 and 2023, the RTA's proportion was 0.000000% and 0.007397%, respectively, which was an decrease of 0.007397% and decrease of 0.007892% from its proportion measured as of June 30, 2023 and 2022, respectively.

For the years ended December 31, 2024 and 2023, the RTA recognized pension expense of \$13,548 and \$74,539, respectively, plus the RTA's amortization of the change in proportionate share and the difference between employer contributions and proportionate share of contributions of \$(511,801) and \$(69,484), respectively.

**TMSEL**

The RTA's net pension (asset) liability was measured as of December 31, 2023 and 2022, respectively, and the total pension liability used to calculate the net pension (asset) liability was determined by an actuarial valuation as of that date.

**Regional Transit Authority**  
**Notes to Financial Statements**

**Note 8: PENSION PLANS (CONTINUED)**

**Pension (Asset) Liability and Pension Expense (Continued)**

**TMSEL (Continued)**

The components of the net pension (asset) liability at December 31, 2024 and 2023 for TMSEL were as follows:

	<b>2024</b>	<b>2023</b>
Total pension liability	<b>\$ 152,450,381</b>	\$ 160,708,553
Fiduciary net position	<b>155,052,844</b>	153,991,703
Net pension (asset) liability	<b>\$ (2,602,463)</b>	\$ 6,716,850

Fiduciary net position as a percentage of the total pension liability **101.71%** 95.82%

For the years ended December 31, 2024 and 2023, the RTA recognized pension (benefit) expense of \$(3,926,659) and \$(287,911), respectively.

**Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

At December 31, 2024, the RTA reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
<b>TMSEL</b>		
Net difference between projected and actual earnings on pension plan investments	\$ 11,075,345	\$ -
Total TMSEL	<b>\$ 11,075,345</b>	<b>\$ -</b>

**Regional Transit Authority**  
**Notes to Financial Statements**

**Note 8: PENSION PLANS (CONTINUED)**

**Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions  
(Continued)**

At December 31, 2023, the RTA reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
<b>LASERS</b>		
Differences between expected and actual experience	\$ 10,718	\$ -
Net difference between projected and actual earnings on pension plan investments	2,831	-
Changes in proportion and differences between employer contributions and proportion of shared contributions	130	16,812
Employer contributions subsequent to the measurement date	28,001	-
<b>Total LASERS</b>	<b>\$ 41,680</b>	<b>\$ 16,812</b>

	Deferred Outflows of Resources	Deferred Inflows of Resources
<b>TMSEL</b>		
Net difference between projected and actual earnings on pension plan investments	\$ 16,468,252	\$ -
<b>Total TMSEL</b>	<b>\$ 16,468,252</b>	<b>\$ -</b>

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending December 31:	<b>TMSEL</b>
2025	\$ 1,566,893
2026	4,357,093
2027	6,795,947
2028	(1,644,588)

**Regional Transit Authority  
Notes to Financial Statements**

**Note 8: PENSION PLANS (CONTINUED)**

***Actuarial Assumptions***

**LASERS**

A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2024 and 2023 are as follows:

Valuation Date	June 30, 2024 and 2023
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Expected Remaining Service Lives	2 years
Investment Rate of Return	7.25% per annum for 2024 and 2023
Inflation Rate	2.40% and 2.30% per annum for 2024 and 2023.
Mortality	Non-disabled members – The PubG-2010 Healthy Retiree on a fully generational basis by Mortality Improvement Scale MP-2021 for 2024. The RP-2014 Blue Collar (males/females) and White Collar (females) Healthy Annuitant Tables projected on a fully generational basis by Mortality Improvement Scale MP-2018 for 2023.
Termination, Disability, and Retirement	Disabled Members – Mortality rates based on the RP-2000 Disabled Retiree Mortality Table with no projection for mortality improvement for 2024 and 2023.
Termination, Disability, and Retirement	Termination, disability, and retirement assumptions were projected based on a five-year (2019-2023 and 2014-2018 for 2024 and 2023, respectively) experience study of the System's members.

**Regional Transit Authority  
Notes to Financial Statements**

**Note 8: PENSION PLANS (CONTINUED)**

*Actuarial Assumptions (Continued)*

LASERS (Continued)

Salary Increases

For 2024, salary increases were projected based on a 2019-2023 experience study of the System's members. The salary increase ranges for 2024 specific types of members were:

<b>Member Type</b>	<b>Lower Range</b>	<b>Upper Range</b>
Regular	3.3%	14.0%
Judges	2.4%	4.8%
Corrections	4.4%	15.3%
Hazardous Duty	4.4%	15.3%
Wildlife	4.4%	15.3%

For 2023, salary increases were projected based on a 2014-2018 experience study of the System's members. The salary increase ranges for 2023 specific types of members were:

<b>Member Type</b>	<b>Lower Range</b>	<b>Upper Range</b>
Regular	3.0%	12.8%
Judges	2.6%	5.1%
Corrections	3.6%	13.8%
Hazardous Duty	3.6%	13.8%
Wildlife	3.6%	13.8%

Cost of Living Adjustments

The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The projected benefit payments do not include provisions for potential future increases not yet authorized by the Board of Trustees as they were deemed not to be substantively automatic.

**Regional Transit Authority**  
**Notes to Financial Statements**

**Note 8: PENSION PLANS (CONTINUED)**

***Actuarial Assumptions (Continued)***

**LASERS (Continued)**

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adjusting for expected inflation and an adjustment for the effect of rebalancing/diversification. The expected rate of inflation was 2.40% and 2.30% for 2024 and 2023, respectively. The resulting expected long-term nominal rates of return are 8.15% for 2024 and 8.19% for 2023. Best estimates of geometric real rates of return for each major asset class included in the System's target asset allocation as of June 30, 2024, and 2023 are summarized in the following table:

Asset Class	2024		2023	
	Target Allocation	Long-Term Expected Real Rate of Return	Target Allocation	Target Allocation
Cash	0%	0.76%	1%	0.80%
Domestic equity	34%	4.29%	31%	4.45%
International equity	17%	5.22%	23%	5.44%
Domestic fixed income	3%	2.04%	3%	2.04%
International fixed income	19%	5.24%	18%	5.33%
Alternative investments	27%	8.19%	24%	8.19%
<b>Totals</b>	<b>100%</b>	<b>5.61%</b>	<b>100%</b>	<b>5.75%</b>

**Regional Transit Authority  
Notes to Financial Statements**

**Note 8: PENSION PLANS (CONTINUED)**

***Actuarial Assumptions (Continued)***

**TMSEL**

A summary of the actuarial methods and assumptions used in determining the total pension liability as of December 31, 2023 and 2022 are as follows:

Valuation date	December 31, 2023, and 2022
Valuation method	Entry age normal actuarial cost method
Inflation	2.50% for 2023 and 2022
Projected salary increases	Not applicable
Investment rate of return	7.00%
Mortality rates	For 2023, PRI-2012 Mortality Tables (sex-specific, annuitant and non-annuitant) with fully generational future mortality improvements projected using the Adjusted Scale MP-2021. For 2022, RP-2014 tables (sex-specific, annuitant and non-annuitant) reflecting both blue- and white-collar data, adjusted backward to the base year (2006) using scale MP-2014. Mortality improvement is projected on a static basis using scale MP-2021.
Expected remaining service lives	0 years
Cost of Living Adjustments	The present value of future retirement benefits is based on benefits currently being paid by the Fund and includes previously granted cost of living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees as they were deemed not to be substantively automatic.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of inflation) are developed for each major asset class. These returns are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adding expected inflation and subtracting expected investment expenses and a risk margin.

**Regional Transit Authority**  
**Notes to Financial Statements**

**Note 8: PENSION PLANS (CONTINUED)**

***Actuarial Assumptions (Continued)***

**TMSEL (Continued)**

The target allocation and projected arithmetic real rates of return for each major asset class, after deducting inflation, but before investment expenses, used in the derivation of the long-term expected investment rate of return assumption are summarized in the following table:

Asset Class	2024		2023	
	Target Allocation	Long-Term Expected Real Rate of Return	Target Allocation	Long-Term Expected Real Rate of Return
Domestic equity	35.00%	7.50%	35.00%	7.50%
International equity	25.00%	8.50%	25.00%	8.50%
Domestic Bonds	24.00%	2.50%	24.00%	2.50%
Real estate	10.00%	4.50%	10.00%	4.50%
Alternative Assets	4.00%	6.24%	4.00%	6.24%
Cash	2.00%	0.00%	2.00%	0.00%
Totals	100.0%		100.0%	

***Discount Rate***

**LASERS**

The discount rate used to measure the total pension liability was 7.25% for the years ended June 30, 2024 and 2023. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at actuarially determined rates approved by PRSAC, taking into consideration the recommendation of the System's actuary. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**TMSEL**

The discount rate used to measure the total pension liability was 7.00% for the years ended December 31, 2023 and 2022. The projection of cash flows used to determine the discount rate assumed no contributions. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

**Regional Transit Authority**  
**Notes to Financial Statements**

**Note 8: PENSION PLANS (CONTINUED)**

***Changes in Net Pension Liability (Asset)***

The change in net pension liability (asset) for the TMSEL plan for the year ended December 31, 2024 is as follows:

<b>Change in Net Pension Liability (Asset)</b>	<b>Total Pension Liability</b>	<b>Plan Fiduciary Net Position</b>	<b>Net Pension Liability (Asset)</b>
Service Cost	\$ -	\$ -	\$ -
Interest on total pension liability	10,708,664	-	10,708,664
Net investment income	-	18,395,652	(18,395,652)
Changes of assumptions	(2,386,838)	-	(2,386,838)
Difference between expected and actual experience	(1,124,721)	-	(1,124,721)
Benefit payments, including refunds	(15,455,277)	(15,455,277)	-
Administrative expense	-	(1,879,234)	1,879,234
Net Change	(8,258,172)	1,061,141	(9,319,313)
Net Pension Liability (Asset), Beginning	160,708,553	153,991,703	6,716,850
Net Pension Liability (Asset), Ending	<b>\$ 152,450,381</b>	<b>\$ 155,052,844</b>	<b>\$ (2,602,463)</b>

The change in net pension liability (asset) for the TMSEL plan for the year ended December 31, 2023 is as follows:

<b>Change in Net Pension Liability (Asset)</b>	<b>Total Pension Liability</b>	<b>Plan Fiduciary Net Position</b>	<b>Net Pension Liability (Asset)</b>
Service Cost	\$ -	\$ -	\$ -
Interest on total pension liability	11,209,443	-	11,209,443
Net investment income	-	(28,792,942)	28,792,942
Changes of assumptions	614,356	-	614,356
Difference between expected and actual experience	(3,453,281)	-	(3,453,281)
Benefit payments, including refunds	(15,593,721)	(15,593,721)	-
Administrative expense	-	(1,972,199)	1,972,199
Net Change	(7,223,203)	(46,358,862)	39,135,659
Net Pension Liability (Asset), Beginning	167,931,756	200,350,565	(32,418,809)
Net Pension Liability (Asset), Ending	<b>\$ 160,708,553</b>	<b>\$ 153,991,703</b>	<b>\$ 6,716,850</b>

**Regional Transit Authority  
Notes to Financial Statements**

**Note 8: PENSION PLANS (CONTINUED)**

***Sensitivity of the RTA's Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate***

**TMSEL**

The following presents the RTA's Net Pension Liability (Asset) for TMSEL calculated using the discount rate of 7.00%, as well as what the Net Pension Liability (Asset) would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current rate:

	<b>1.0% Decrease (6.00%)</b>	<b>Current Discount Rate (7.00%)</b>	<b>1.0% Increase (8.00%)</b>
Net pension liability (asset)	\$ 9,312,134	\$ (2,602,463)	\$ (13,000,700)

***Pension Plan Fiduciary Net Position***

Detailed information about the pension plan's fiduciary net position in LASERS is available in the separately issued LASERS 2024 Comprehensive Annual Financial Report at [www.lasersonline.org](http://www.lasersonline.org).

Detailed information about the TMSEL plan's fiduciary net position is available in the separately issued TMSEL financial Report.

**Note 9: DEFERRED COMPENSATION PLAN**

The RTA established the New Orleans Regional Transit Authority 457 Plan (the 457 Plan) effective September 25, 2019 in accordance with Internal Revenue Code Section 457.

The Plan, available to all full-time government employees at their option, permits participants to defer a portion of their salaries until future years. The deferred compensation is not available to participants until termination, retirement, death or unforeseeable emergency. In accordance with generally accepted accounting principles, no assets or liabilities of the 457 Plan are included in the RTA's financial statements.

Employees can contribute up to \$22,500 annually plus additional catch-up contributions for employees age 50 or older. The RTA matches the employee voluntary contributions, limited to 50% of the employees' contributions up to 5% of employees' annual gross wages. The RTA's contributions to the plan for the year ended December 31, 2024 and 2023 were \$8,797,562 and \$3,971,321, respectively.

## Regional Transit Authority Notes to Financial Statements

### **Note 10: OTHER POST EMPLOYMENT RETIREMENT BENEFITS**

#### ***Plan Description***

The Regional Transit Authority provides certain continuing health care and life insurance benefits for its retired employees. The Regional Transit Authority's OPEB Plan (the OPEB Plan) is a single-employer defined benefit OPEB plan administered by the Regional Transit Authority. The authority to establish and/or amend the obligation of the employer, employees and retirees rests with the Regional Transit Authority. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Governmental Accounting Standards Board (GASB) Statement No. 75.

#### ***Benefits Provided***

Medical dental benefits are provided through a comprehensive medical plan and are made available to employees upon actual retirement. This is a closed group of grandfathered participants. Eligibility for retirement when the participant is aged 55 with five years of service, or any age with 30 years of service.

Life insurance coverage is provided to a closed group of retirees (no future retirees will be eligible) and paid by the employer. The employer pays 100% of the cost of the retiree life insurance based on a blended rate for all retirees. All of the assumptions used for the valuation of the medical benefits have been used except for the trend assumption; zero trend was used for life insurance. In-force life insurance amounts are reduced to 65% of the initial value at age 65, 40% at age 70, 30% at age 75, and 20% of the initial value at age 80.

*Employees covered by benefit terms* – At January 1, 2024, the following employees were covered by the medical benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	396
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	21
<hr/>	
Total	417

#### **Total OPEB Liability**

The Regional Transit Authority's total OPEB liability is \$3,729,967 as of the measurement date December 31, 2024, the end of the fiscal year.

**Regional Transit Authority  
Notes to Financial Statements**

**Note 10: OTHER POST EMPLOYMENT RETIREMENT BENEFITS (CONTINUED)**

*Actuarial Assumptions and other inputs* – The total OPEB liability in the January 1, 2024 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.00%
Salary increases	3.00% annually
Discount rate	3.26% annually (December 31, 2023)
	4.08%, annually (December 31, 2024)
Healthcare cost trend rates	Getzen model, initial trend of 6.0%
Mortality rates	RPH-2014 Table

The discount rate was based on the Bond Buyers' 20 Year General Obligation municipal bond index over the 52 weeks immediately preceding the applicable measurement dates.

The actuarial assumptions used in the January 1, 2024 valuation were based on the results of ongoing evaluations of the assumptions from January 1, 2008 to December 31, 2024.

**Changes in the Total OPEB Liability**

	2024	2023
Balance at January 1,	\$ 4,771,529	\$ 5,895,267
Changes for the year:		
Service cost	270	245
Interest	144,139	204,306
Differences between expected and actual experience	-	(701,802)
Change in assumptions	(479,568)	187,799
Benefit payments and administrative expenses	(706,403)	(814,286)
Net changes	(1,041,562)	(1,123,738)
Balance at December 31,	\$ 3,729,967	\$ 4,771,529

*Sensitivity of the total OPEB liability to changes in the discount rate* – The following presents the total OPEB liability of the Regional Transit Authority, as well as what the Regional Transit Authority's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.08% for 2024 and 2.26% for 2023) or 1-percentage-point higher (5.08% for 2024 and 4.26% for 2023) than the current discount rate:

	1.0% Decrease	Current Discount	1.0% Increase
		Rate	
2024 Total OPEB liability	\$ 4,134,002	\$ 3,729,967	\$ 3,408,386
2023 Total OPEB liability	\$ 5,261,608	\$ 4,771,529	\$ 4,387,765

**Regional Transit Authority  
Notes to Financial Statements**

**Note 10: OTHER POST EMPLOYMENT RETIREMENT BENEFITS (CONTINUED)**

*Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates* – The following presents the total OPEB liability of the Regional Transit Authority, as well as what the Regional Transit Authority's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (5.0% for 2024 and 4.5% for 2023) or 1-percentage-point higher (7.0% for 2024 and 6.5% for 2023) than the current healthcare trend rates:

	<b>1.0% Decrease</b>	<b>Current Rate</b>	<b>1.0% Increase</b>
2024 Total OPEB liability	\$ 3,507,098	\$ 3,729,967	\$ 4,010,932
2023 Total OPEB liability	\$ 4,498,453	\$ 4,771,529	\$ 5,119,792

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

For the years ended December 31, 2024 and 2023, the Regional Transit Authority recognized OPEB expense of \$335,159 and \$153,032, respectively. At December 31, 2024 and 2023, there were no deferred outflows of resources and deferred inflows of resources related to OPEB.

**Note 11: COMMITMENTS AND CONTINGENCIES**

*Commitments*

**TMSEL Retirement Plan** – To prevent the termination of the TMSEL Retirement Plan, which was partially terminated in 2009, the RTA entered into discussions with the PBGC for the continued funding of the plan. The ability of the RTA to control the Board of Trustees of the TMSEL Retirement Plan was a condition precedent to the negotiation of this funding agreement (See Note 8). The TMSEL Retirement Plan Board of Trustees is responsible for the administration, management, and proper operation of the TMSEL Retirement Plan. The TMSEL Plan Board consists of six administrative trustees, of which four will be appointed by RTA and two will be appointed by the TMSEL Board of Directors.

**TMSEL Retirees Medical and Dental Benefits** – The RTA was also a defendant in on-going litigation with former employees of NOPSI and retirees of TMSEL with respect to retiree medical and dental benefits. The RTA has asserted that the TMSEL health and welfare benefit plan is a governmental plan; and therefore, is exempt from the ERISA framework which is the basis for subject matter jurisdiction of this case. The RTA's motion to dismiss this case was granted by the trial court, specifically, the United States District Court, Eastern District of Louisiana. The trial court agreed with the RTA's assertion that the plan is exempt from ERISA and granted the RTA's motion to dismiss. The United States Court of Appeals for the Fifth Circuit affirmed that ruling upon appeal as of June 28, 2016.

**Regional Transit Authority  
Notes to Financial Statements**

**Note 11: COMMITMENTS AND CONTINGENCIES (CONTINUED)**

**Grant Commitments** – As of December 31, 2024, the RTA is committed to funding local matching requirements under grants for which a contractual obligation existed at the end of each year. As of December 25, 2010, the RTA is required to match 20% of all new funding. The outstanding federal share of grants at December 31, 2024 and 2023 totals \$10,431,998 and \$12,229,144 respectively.

On August 29, 2005, the New Orleans region suffered significant damage to property and lives when Hurricane Katrina struck the Gulf Coast area. The RTA sustained significant damage to RTA owned facilities, buses, streetcars, other revenue vehicles, and inventory, which were flooded and/or wind damaged. The RTA recovered damages from Katrina from the Federal Emergency Management Agency (FEMA). The audits of these funds and claims recovered from FEMA are still subject to final audit and close out of the respective projects. Any costs that would be disallowed would be recognized in the period agreed upon by the grantor agency and the RTA. During the years ended December 31, 2024 and 2023, RTA received cash reimbursements from FEMA totaling \$16,441 and \$1,322,512, respectively. Included in accounts receivable at December 31, 2024 and 2023 are \$263,266 and \$390,190, respectively of reimbursements due from FEMA.

***Contingencies***

**Regulatory** – The RTA receives financial assistance directly from Federal agencies, which is subject to audit and final acceptance by these agencies. In the opinion of management, amounts that may be subject to disallowance upon final audit, if any, would not have a material effect on the RTA's financial position.

**Note 12: SELF INSURANCE AND LEGAL CLAIMS**

The RTA is from time to time involved in lawsuits arising in the ordinary course of its business. Management provides for a provision for claims when such amounts are known or can be estimated. The RTA is also exposed to various risks of loss related to torts, damage to and destruction of assets, errors and omissions, and injuries to employees. The RTA is self-insured for general liability claims up to between \$500,000 and \$2,000,000 depending on the date of occurrence of the claim. Commercial insurance covers annual claims in excess of up to between \$5,000,000 and \$25,000,000 depending on the date of occurrence of the claim.

All accident and general liability claims and judgments for dates of loss from September 1, 2009, through July 31, 2012, are the responsibility of Transdev pursuant to the delegated management contract in effect during these periods. For dates of loss subsequent to August 1, 2012, and prior to September 1, 2009, the RTA is responsible. Claim expenses and liabilities are reported when it is probable that the loss has occurred and the amount of the loss can be reasonably estimated. These losses include an estimate of claims that have been incurred but not reported.

**Regional Transit Authority**  
**Notes to Financial Statements**

**Note 12: SELF INSURANCE AND LEGAL CLAIMS (CONTINUED)**

At December 31, 2024 and 2023, \$20,326,207 and \$22,928,173 of accrued general liability and small claim estimates were recorded to cover such claims. The long-term portion of this accrual at December 31, 2024 and 2023 was \$17,420,748 and \$20,161,024, respectively. The accruals, which are based upon experience with previous claims, the advice of counsel, and actuarial evaluation, are, in the opinion of management, sufficient to provide for all probable and reasonably estimable claim liabilities at December 31, 2024. It is the opinion of management, after conferring with legal counsel for the RTA, that several potential claims against the RTA have the reasonable possibility of an unfavorable outcome, with an estimated maximum possible liability to the RTA of \$13,086,000.

Changes in legal and small claims liability during the years ended December 31, 2024 and 2023 were as follows:

	<b>Beginning of year liability</b>	<b>Current year claims and changes in estimates</b>	<b>Claim payments</b>	<b>Balance at year end</b>
2024	\$ 22,928,173	\$ 1,020,937	\$ (3,622,903)	\$ 20,326,207
2023	\$ 22,058,523	\$ 4,373,288	\$ (3,503,738)	\$ 22,928,173

**Note 13: RELATED PARTIES**

The RTA has a standing agreement with the City of New Orleans to provide mutually beneficial services (interagency agreement). The RTA offset \$1,200,000 in police and other services provided by the City against state parish transportation fund proceeds appropriated by the State of Louisiana in 2024 and 2023.

The members of the Board of Commissioners who were paid a per diem for the attendance at board and committee meetings in calendar years 2024 and 2023 are listed below. Some commissioners elect not to receive a per diem.

The amounts paid to each commissioner for the year ended December 31, 2024 were as follows:

<b>2024</b>	<b>Per Diem</b>	<b>Expense Reimbursement</b>	<b>Total</b>
Mark Raymond, Jr.	\$ 75	\$ -	\$ 75
Timolynn Sams	150	-	150
Timothy Coulon	150	-	150
Fred Neal, Jr.	150	333	483
Joseph Ewell Jr.	75	-	75
	<b>\$ 600</b>	<b>\$ 333</b>	<b>\$ 933</b>

**Regional Transit Authority**  
**Notes to Financial Statements**

**Note 13: RELATED PARTIES (CONTINUED)**

The amounts paid to each commissioner for the years ended December 31, 2023 were as follows:

<b>2023</b>	<b>Expense</b>		<b>Total</b>
	<b>Per Diem</b>	<b>Reimbursement</b>	
Mark Raymond, Jr.	\$ 1,425	\$ 316	\$ 1,741
Timolynn Sams	900	-	900
Timothy Coulon	2,250	-	2,250
Fred Neal, Jr.	2,550	893	3,443
Joseph Ewell Jr.	2,175	1,035	3,210
Arthur Walton	-	716	716
	<b>\$ 9,300</b>	<b>\$ 2,960</b>	<b>\$ 12,260</b>

**REQUIRED SUPPLEMENTARY INFORMATION**

**Regional Transit Authority**  
**Schedule of Changes in Net Pension (Asset) Liability and Related Ratios**  
**Last Ten Fiscal Years**

**SCHEDULE OF CHANGES IN NET PENSION (ASSET) LIABILITY FOR TRANSIT MANAGEMENT OF SOUTHEAST LOUISIANA RETIREMENT INCOME PLAN**

<i>For the years ended December 31,*</i>	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
<b>TOTAL PENSION LIABILITY</b>										
Service cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest	10,708,664	11,209,443	11,608,326	12,165,651	11,610,357	12,871,234	12,663,909	12,756,532	13,457,817	13,417,600
Change of benefit term										5,066,266
Differences between expected and actual experience	(1,124,721)	(3,453,281)	(767,533)	(1,205,928)	(703,776)	(729,745)	193,679	(26,948)	(648,029)	(2,886,065)
Change of assumptions	(2,386,838)	614,356	(848,840)	2,836,488	(18,735,380)	18,221,638	3,249,732	(3,454,577)	10,254,242	285,567
Benefit payments, including refunds of member contributions	(15,455,277)	(15,593,721)	(15,786,841)	(15,743,306)	(16,175,028)	(16,439,659)	(16,934,533)	(16,756,577)	(16,877,431)	(13,816,843)
Net Change in Total Pension Liability	(8,258,172)	(7,223,203)	(5,794,888)	(1,947,095)	(24,003,827)	13,923,468	(827,213)	(7,481,570)	6,186,599	2,066,525
Total Pension Liability - Beginning	160,708,553	167,931,756	173,726,644	175,673,739	199,677,566	185,754,098	186,581,311	194,062,881	187,876,282	185,809,757
Total Pension Liability - Ending (a)	\$ 152,450,381	\$ 160,708,553	\$ 167,931,756	\$ 173,726,644	\$ 175,673,739	\$ 199,677,566	\$ 185,754,098	\$ 186,581,311	\$ 194,062,881	\$ 187,876,282
<b>PLAN FIDUCIARY NET POSITION</b>										
Contributions - employer	-	-	-	-	-	-	-	-	-	18,000,000
Contributions - employee	-	-	-	-	-	-	-	-	-	-
Net investment income	18,395,652	(28,792,942)	25,082,227	26,643,349	33,453,063	(6,677,907)	25,289,174	14,589,683	1,257,989	17,955,244
Benefit payments, including refunds of member contributions	(15,455,277)	(15,593,721)	(15,786,841)	(15,743,306)	(16,175,028)	(16,439,659)	(16,934,533)	(16,756,577)	(16,877,431)	(13,816,843)
Administrative expense	(1,879,234)	(1,972,199)	(1,903,761)	(1,759,271)	(1,732,059)	(1,743,128)	(1,818,134)	(1,710,340)	(1,826,776)	(1,481,038)
Net Change in Plan Fiduciary Net Position	1,061,141	(46,358,862)	7,391,625	9,140,772	15,545,976	(24,860,694)	6,536,507	(3,877,234)	(17,446,218)	20,657,363
Plan Fiduciary Net Position - Beginning	153,991,703	200,350,565	192,958,940	183,818,168	168,272,192	193,132,886	186,596,379	190,473,613	207,919,831	187,262,468
Plan Fiduciary Net Position - Ending (b)	\$ 155,052,844	\$ 153,991,703	\$ 200,350,565	\$ 192,958,940	\$ 183,818,168	\$ 168,272,192	\$ 193,132,886	\$ 186,596,379	\$ 190,473,613	\$ 207,919,831
<b>NET PENSION (ASSET) LIABILITY - ENDING (a)-(b)</b>	<b>\$ (2,602,463)</b>	<b>\$ 6,716,850</b>	<b>\$ (32,418,809)</b>	<b>\$ (19,232,296)</b>	<b>\$ (8,144,429)</b>	<b>\$ 31,405,374</b>	<b>\$ (7,378,788)</b>	<b>\$ (15,068)</b>	<b>\$ 3,589,268</b>	<b>\$ (20,043,549)</b>
Fiduciary net position as a percentage of the total pension liability	101.71%	95.82%	119.30%	111.07%	104.64%	84.27%	103.97%	100.01%	98.15%	110.67%
Covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Net pension liability as a percentage of covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

**Notes to Schedule:**

*Changes in Benefits:* 2015 plan change reflects plan amendment to extend availability of unreduced service pension to participants with 30 years of combined service with TMSEL and Transdev.

<i>Changes in Assumptions:</i>	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
Discount Rate										
Inflation										
	2.50%	2.30%	2.10%							
	PRI-2012	MP-2021	MP-2020	MP-2019	MP-2018	MP-2017				
Mortality Tables	statutory funding									
with Adjusted	mortality	mortality	mortality	mortality	mortality	mortality				
Scale MP-2021	projection scale									
							RP-2000 with	RP-2000 with		
							static projection	static projection		
Mortality Tables							to 2023 and 2031	to 2022 and 2030		

\* The amounts presented were determined as of the measurement date (prior year)

**Regional Transit Authority**  
**Schedule of Proportionate Share of**  
**Net Pension Liability for Retirement Systems**  
**Last Ten Fiscal Years**

For the Year Ended June 30,*	RTA's proportion of the net pension liability (asset)	RTA's proportionate share of the net pension liability (asset)	RTA's covered payroll	RTA's Proportionate share of the net pension liability (asset) as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total pension liability
<b>Louisiana State Employees' Retirement System</b>					
2024	0.000000%	\$ -	\$ 151,739	0.0%	74.6%
2023	0.007397%	\$ 495,120	\$ 167,633	295.00%	68.40%
2022	0.007892%	\$ 596,615	\$ 166,755	358.00%	63.70%
2021	0.007415%	\$ 408,120	\$ 155,400	262.63%	72.78%
2020	0.007290%	\$ 602,932	\$ 200,117	301.00%	58.00%
2019	0.015384%	\$ 1,114,557	\$ 291,333	383.00%	62.90%
2018	0.014990%	\$ 1,021,966	\$ 137,950	741.00%	64.30%
2017	0.006160%	\$ 433,592	\$ 114,855	378.00%	62.50%
2016	0.006109%	\$ 479,712	\$ 109,987	436.00%	57.70%
2015	0.005539%	\$ 376,736	\$ 105,119	358.39%	62.70%

\* The amounts presented were determined as of the measurement date (year ended June 30 for LASERS).

**Regional Transit Authority  
Schedule of Contributions  
Last Ten Fiscal Years**

For the Year Ended December 31,	(a) Contractually or Actuarially Required Contribution	(b) Contributions in relation to the contractually or actuarially required contribution	(a-b) Contribution Deficiency (Excess)	RTA's covered payroll	Contributions as a percentage of covered payroll
<b>Louisiana State Employees' Retirement System</b>					
2024	\$ -	\$ -	\$ -	\$ -	0.0%
2023	\$ 67,824	\$ 67,824	\$ -	\$ 151,739	44.7%
2022	\$ 67,913	\$ 67,913	\$ -	\$ 167,633	40.5%
2021	\$ 63,369	\$ 63,369	\$ -	\$ 159,415	39.8%
2020	\$ 62,813	\$ 62,813	\$ -	\$ 155,498	40.4%
2019	\$ 105,793	\$ 105,793	\$ -	\$ 270,000	39.2%
2018	\$ 85,425	\$ 85,425	\$ -	\$ 225,522	37.9%
2017	\$ 42,324	\$ 42,324	\$ -	\$ 114,855	36.9%
2016	\$ 41,922	\$ 41,922	\$ -	\$ 114,885	36.5%
2015	\$ 38,999	\$ 38,999	\$ -	\$ 105,403	37.0%
<b>Transit Management of Southeast Louisiana, Inc.</b>					
2024	\$ 4,431,191	\$ -	\$ 4,430,191	N/A	N/A
2023	\$ 2,905,479	\$ -	\$ 2,905,479	N/A	N/A
2022	\$ 3,191,869	\$ -	\$ 3,191,969	N/A	N/A
2021	\$ 6,182,019	\$ -	\$ 6,182,019	N/A	N/A
2020	\$ 9,955,481	\$ -	\$ 9,955,481	N/A	N/A
2019	\$ 12,552,446	\$ -	\$ 12,552,446	N/A	N/A
2018	\$ 11,229,807	\$ -	\$ 11,229,807	N/A	N/A
2017	\$ 9,250,439 *	\$ -	\$ 9,250,439	N/A	N/A
2016	\$ 5,799,714 *	\$ -	\$ 5,799,714	N/A	N/A
2015	\$ 8,349,665 *	\$ -	\$ 8,349,665	N/A	N/A

*\*Related to multiple plan years; includes adjustments for actual contribution timing required by ERISA for meeting the minimum funding requirements; does not include additional interest for late payment*

*\*\*Contributions of \$1.6 million paid in fiscal year 2015, 2016, 2017, 2018 and 2019 were applied to actuarially determined contributions for the 2013 fiscal year.*

**Notes to Schedule - LASERS**

**Changes of Benefit Terms**

For LASERS, a 1.5% COLA, effective July 1, 2016, provided by Acts 93 and 512 of the 2016 Louisiana Regular Legislative Session, and, added benefits for members of the Harbor Police Retirement System which was merged with LASERS effective July 1, 2015 by Act 648 of 2014.

**Changes of Assumptions**

For LASERS, the investment rate of return was decreased from 7.75% to 7.70% and the inflation rate was decreased from 3.00% to 2.75% for the valuation dated June 30, 2017.

The investment rate of return was decreased from 7.50% to 7.65% for the valuation dated June 30, 2018.

The investment rate of return was decreased from 7.65% to 7.60% and mortality table for non-disabled members was changed to the RP-2014 Healthy Mortality Table with an MP-2018 Improvement Scale for the valuation dated June 30, 2019.

The investment rate of return was decreased from 7.60% to 7.55%, the inflation rate was decreased from 2.50% to 2.30%, the salary increases changed for the lower range from 2.8%-3.8% to 2.6%-3.6% and the upper range from 5.3% - 14.0% to 5.1% to 13.8% for the valuation dated June 30, 2020.

The investment rate of return was decreased from 7.55% to 7.40% for valuation dated June 30, 2021.

The investment rate of return was decreased from 7.40% to 7.25% for valuation dated June 30, 2022.

**Notes to Schedule - TMSEL**

Valuation date: December 31, 2023

Methods and assumptions used to determine contribution rates:

Actuarial cost method      Unit Credit, for actuarially determined contributions

Amortization method      Level dollar

Remaining amortization period. All new bases are amortized over 15 years

Effective period of 15 years remaining as of January 1, 2021

Asset valuation method      Market value of assets

Investment rate of return      7.00%

Inflation      2.50%

Salary increases      N/A

Cost of living adjustments      N/A

**Regional Transit Authority**  
**Schedule of Changes in OPEB Liability and Related Ratios**  
**Last Eight Fiscal Years**

<i>For the year ended December 31,</i>	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
<b>TOTAL OPEB LIABILITY</b>								
Service cost	\$ 270	\$ 245	\$ 11,673	\$ 9,964	\$ 11,083	\$ 8,670	\$ 21,186	\$ 21,186
Interest	144,139	204,306	154,120	148,302	184,706	293,338	313,400	359,248
Change of benefit term	-	-	-	-	-	-	-	-
Differences between expected and actual experience	-	(701,802)	20,029	1,725,501	215,614	(372,845)	(1,667,222)	1,019,469
Change of assumptions	(479,568)	187,799	(964,410)	(390,104)	410,075	812,187	-	-
Administrative expense	-	(55,757)	(68,172)	(66,744)	(69,503)	(85,031)	(83,782)	(64,584)
Benefit payments, including refunds of member contributions	(706,403)	(758,529)	(733,675)	(941,594)	(1,074,906)	(1,080,202)	(1,011,517)	(1,434,417)
Net Change in Total OPEB Liability	(1,041,562)	(1,123,738)	(1,580,435)	485,325	(322,931)	(423,883)	(2,427,935)	(99,098)
<b>Total OPEB Liability - Beginning</b>	<b>4,771,529</b>	<b>5,895,267</b>	<b>7,475,702</b>	<b>6,990,377</b>	<b>7,313,308</b>	<b>7,737,191</b>	<b>10,165,126</b>	<b>10,264,224</b>
<b>Total OPEB Liability - Ending (a)</b>	<b>\$ 3,729,967</b>	<b>\$ 4,771,529</b>	<b>\$ 5,895,267</b>	<b>\$ 7,475,702</b>	<b>\$ 6,990,377</b>	<b>\$ 7,313,308</b>	<b>\$ 7,737,191</b>	<b>\$ 10,165,126</b>

Covered-employee payroll	\$ 1,608,722	\$ 1,561,866	\$ 2,133,426	\$ 2,071,287	\$ 3,683,463	\$ 3,541,791	N/A	N/A
Total OPEB liability as a percentage of covered-employee payroll	232%	306%	276%	361%	190%	206%	N/A	N/A

**Notes to Schedule:**

<i>Benefit Changes:</i>	None	None	None	None	None	None	None
<i>Changes of Assumptions:</i>							
Discount rate	4.08%	3.26%	3.72%	2.06%	2.12%	2.74%	4.10%
Mortality				RP-2014			RP-2000
Trend		Getzen model		4.5% to 5.5%			(94GAR) table 5.5%

This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

**Regional Transit Authority**  
**Schedule of Changes in Restricted Asset Bond Accounts**  
**For the Year Ended December 31, 2024**

The following summarizes the activity in the 2020A and 2020B Series trustee accounts:

	<b>Revenue</b>	<b>Cost of Issuance</b>	<b>Reserve</b>	<b>Debt Service</b>	<b>Total</b>
Beginning Balance - January 1, 2024	\$ 3,769	\$ -	\$ 4,265,888	\$ 6,788,063	\$ 11,057,720
 Cash receipts					
Bond Sale		- - -			
Other payments from CNO	5,846,246	- - -			5,846,246
Sales Tax Receipts	102,481,778	- - -			102,481,778
Interaccount Transfers		- - -			
Transfer for principal and interest	(8,066,268)	- - -		8,066,268	
Investment income	7,886	- 211,513	211,513	168,035	387,434
 Total cash receipts	100,269,642	- 211,513	211,513	8,234,303	108,715,458
 Cash disbursements					
Sales Tax disbursements	94,415,509	- - -			94,415,509
Transfers of other payments	5,846,247				5,846,247
Expense payments	- - -	- - -		8,045,443	8,045,443
 Total disbursements	100,261,756	- - -		8,045,443	108,307,199
 Ending Balance - December 31, 2024	\$ 11,655	\$ - 4,477,401	\$ 4,477,401	\$ 6,976,923	\$ 11,465,979

**Regional Transit Authority**  
**Schedule of Changes in Restricted Asset Bond Accounts**  
**For the Year Ended December 31, 2024**

The following summarizes the activity in the 2010 Series trustee accounts:

	<b>Sales Tax Capital</b>	<b>Debt Service</b>	<b>Total</b>
Beginning Balance - January 1, 2024	\$ (3,198,476)	\$ 3,617,012	\$ 418,536
Cash receipts			
Investment income	-	20,991	20,991
Total cash receipts	-	20,991	20,991
Ending Balance - December 31, 2024	\$ (3,198,476)	\$ 3,638,003	\$ 439,527

**Regional Transit Authority**  
**Schedule of Compensation, Benefits, and Other Payments to Agency Head**  
**For the Year Ended December 31, 2024**

**Agency Head Name:** Lona Hankins, Chief Executive Officer

<b>PURPOSE</b>	<b>AMOUNT</b>
Salary	\$ 314,995
Benefits-health insurance	42,361
Benefits-retirement	84,177
Deferred compensation	-
Workers comp	-
Benefits-life insurance	2,514
Benefits-long term disability	-
Benefits-Fica & Medicare	16,332
Car allowance	15,600
Vehicle provided by government	-
Cell phone	540
Dues	-
Vehicle rental	-
Per diem	1,167
Reimbursements	-
Travel	624
Registration fees	-
Conference travel	-
Unvouchedered expenses	-
Meetings & conventions	-
Other	15,911
<b>Total</b>	<b>\$ 494,221</b>



**REGIONAL TRANSIT AUTHORITY**

**SINGLE AUDIT REPORTS**

**DECEMBER 31, 2024**



**REPORT**

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	1
Independent Auditor's Report on Compliance for Each Major Program on Internal Control Over Compliance, and on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance	3
Schedule of Expenditures of Federal Awards	6
Notes to Schedule of Expenditures of Federal Awards	8
Schedule of Findings and Questioned Costs	9
Summary Schedule of Prior Audit Findings	11



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

To the Board of Commissioners of  
Regional Transit Authority  
New Orleans, Louisiana

We have audited, in accordance with the 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, the financial statements of the Regional Transit Authority (the "RTA"), as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the RTA's basic financial statements and have issued our report thereon dated September 29, 2025.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the RTA'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 RTA's internal control. Accordingly, we do not express an opinion on the effectiveness of the RTA's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. We consider the deficiency described in the accompany schedule of findings and questions costs as item **2024-001** to be a material weakness.

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. We consider the deficiency described in the accompanying schedule of findings and questioned costs as item **2024-002** to be a significant deficiency.

#### **Report on Compliance and Other Matters**

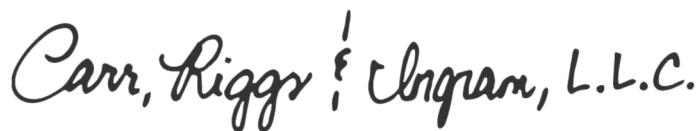
As part of obtaining reasonable assurance about whether the RTA's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect 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 an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and questioned costs as item **2024-003**.

#### **The Regional Transit Authority's Response to Findings**

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

#### **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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

A handwritten signature in black ink that reads "Carr, Riggs & Ingram, L.L.C." The signature is cursive and fluid, with a small vertical mark above the letter "i" in "Ingram".

September 29, 2025

Metairie, Louisiana



CARR, RIGGS & INGRAM, L.L.C.

**Carr, Riggs & Ingram, L.L.C.**  
3850 North Causeway Boulevard  
Suite 1400  
Two Lakeway Center  
Metairie, LA 70002

504.837.9116  
504.837.0123 (fax)  
CRIadv.com

**Independent Auditor's Report on Compliance for Each  
Major Program on Internal Control over Compliance and on the  
Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

To the Board of Commissioners of  
Regional Transit Authority  
New Orleans, Louisiana

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited Regional Transit Authority's (the "RTA") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the RTA's major federal programs for the year ended December 31, 2024. The RTA'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 RTA 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 December 31, 2024.

***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; 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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the RTA and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the RTA'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 RTA'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 RTA'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*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the RTA'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*, and the Uniform Guidance, we:

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

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

### ***Report on Internal Control over Compliance***

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

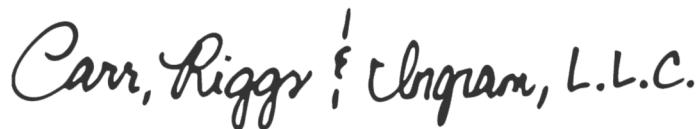
Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

#### **Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

We have audited the financial statements of the RTA, as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the RTA's basic financial statements. We issued our report thereon dated September 29, 2025, which contained unmodified opinions on those financial statements. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is 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 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 schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

A handwritten signature in black ink that reads "Carr, Riggs & Ingram, L.L.C." The signature is written in a cursive, flowing style with a vertical line separating "Carr, Riggs" from "Ingram, L.L.C." The "C" in "Carr" and the "I" in "Ingram" are capitalized and have decorative loops.

September 29, 2025  
Metairie, Louisiana

**Regional Transit Authority**  
**Schedule of Expenditures of Federal Awards**  
**For the Year Ended December 31, 2024**

<b>Federal Grantor/Program or Cluster Title</b>	<b>Assistance Listing Number</b>	<b>Pass-Through Identification Number</b>	<b>Pass-Through to Sub-Recipients</b>	<b>Expenditures</b>
U.S. Department of Housing and Urban Development Passed through the State of Louisiana, Division of Administration, Office of Community Development Community Development Block Grant/State's Program and Non-Entitlement Grants in Hawaii	14.228	B-06-DG-22- 00001	\$ -	\$ 5,000,000
Total U.S. Department of Housing and Urban Development			-	5,000,000
U.S. Department of Transportation Direct Awards - Federal Transit Administration Federal Transit Cluster: Federal Transit - Capital Investment Grants Federal Transit - Formula Grants COVID-19 – Federal Transit - Formula Grants State of Good Repair Grants Program Bus and Bus Facilities Formula & Discretionary Programs (Bus Program)	20.500 20.507 20.507 20.525 20.526		- - - - -	203,055 14,124,853 41,498,639 8,430,868 3,063,839
Total Federal Transit Cluster			-	67,321,254
Metropolitan Transportation Planning and State and Non-Metropolitan Planning and Research Transit Services Programs Cluster Enhanced Mobility of Seniors and Individuals with Disabilities	20.505 20.513		- -	11,085 29,042
Total U.S. Department of Transportation			-	67,361,388

The accompanying notes are an integral part of this statement.

**Regional Transit Authority**  
**Schedule of Expenditures of Federal Awards**  
**For the Year Ended December 31, 2024**

<b>Federal Grantor/Program or Cluster Title</b>	<b>Assistance Listing Number</b>	<b>Pass-Through Identification Number</b>	<b>Pass-Through to Sub-Recipients</b>	<b>Expenditures</b>
U.S. Department of Homeland Security Federal Emergency Management Agency, passed through the State of Louisiana, Governor's Office of Homeland Security and Emergency Preparedness Disaster Grants – Public Assistance (Presidentially Declared Disasters)	97.036	DR-1603-LA	-	13,543
<b>Total U.S. Department of Homeland Security</b>			-	<b>13,543</b>
<b>Total Expenditures of Federal Awards</b>			\$ -	<b>\$ 72,374,924</b>

The accompanying notes are an integral part of this statement.

**Regional Transit Authority**  
**Notes to Schedule of Expenditures of Federal Awards**  
**For the Year Ended December 31, 2024**

**Note 1: GENERAL**

The accompanying Schedule of Expenditures of Federal Awards presents the activity of the federal awards of the Regional Transit Authority (RTA) and is presented on the accrual basis of accounting. The RTA's reporting entity is defined in Note A to the RTA's financial statements for the year ended December 31, 2024. All federal awards received from federal agencies are included on the schedule.

**Note 2: BASIS OF ACCOUNTING**

The accompanying Schedule of Expenditures of Federal Awards is presented using the accrual basis of accounting, which is described in Note A to the RTA's financial statements for the year ended December 31, 2024. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements. RTA did not elect to use the de minimis indirect cost rate.

**Note 3: LOANS**

The RTA did not expend federal awards related to loans or loan guarantees during the year.

**Note 4: FEDERALLY FUNDED INSURANCE**

The RTA has no federally funded insurance.

**Note 5: NONCASH ASSISTANCE**

The RTA did not receive any federal noncash assistance for the year ended December 31, 2024.

**Regional Transit Authority  
Schedule of Findings and Questioned Costs  
For the Year Ended December 31, 2024**

**A. SUMMARY OF AUDITOR'S RESULTS**

*Financial Statements*

- |   |            |
|---|------------|
| 1. Type of auditor's report issued  | Unmodified |
| 2. Internal control over financial reporting:                                       |            |
| a. Material weaknesses identified?  | Yes        |
| b. Significant deficiencies identified not considered<br>to be material weaknesses? | Yes        |
| c. Noncompliance material to the financial statements noted?                        | No         |

*Federal Awards*

- |  |            |
|--|------------|
| 1. Type of auditor's report issued on compliance for major programs                                    | Unmodified |
| 2. Internal control over major programs:   |            |
| a. Material weaknesses identified?   | No         |
| d. Significant deficiencies identified not considered<br>to be material weaknesses?                    | None Noted |
| 3. Any audit findings that are required to be reported in<br>accordance with 2 CFR Section 200.516(a)? | No         |
| 4. The major programs tested for the year ended December 31, 2024 were:                                |            |

Federal Transit Cluster:

Capital Investment Grants	20.500
Formula Grants	20.507
State of Good Repair Grants	20.525
Bus and Bus Facilities Formula & Discretionary Programs (Bus Program)	20.526

Community Development Block Grant/State's Program and Non- Entitlement Grants in Hawaii	14.228
--	--------

- |   |             |
|---|-------------|
| 5. Dollar threshold used to distinguish between type A and type B programs: | \$2,171,248 |
| 6. Auditee qualified as a low-risk auditee?                                 | No          |

**Regional Transit Authority  
Schedule of Findings and Questioned Costs  
For the Year Ended December 31, 2024**

**B. FINDINGS AND QUESTIONED COSTS – FINANCIAL STATEMENTS**

**2024-001 Material Weakness: Material Adjustments**

*Criteria:* Controls should be in place to ensure all significant balances are properly analyzed and accurately reported prior to the completion of the year-end closing process.

*Condition:* During the audit of the RTA's financial statements, several material adjustments were identified and recorded including a prior period adjustment identified by the Director of Accounting to reduce payroll liabilities and current year adjustments increasing inventory and related expenses and decreasing grant receivables and related grant revenues. There were also a significant number of adjustments provided by the RTA after the books were closed.

*Cause:* A formalized timeline for adequate review and reconciliation of account balances is not in place to ensure completeness of accounting records before audit commencement.

*Effect:* Various account balances required adjustments prior to the completion of the audited financial statements.

*Recommendation:* We recommend the RTA implement enhanced pre-close review procedures to ensure all significant balances are accurately recorded before the completion of the year-end closing process.

*View of Responsible Official:* See corrective action plan.

**2024-002 Significant Deficiency: Internal Control Over Self-Insurance Case Reserves and Structured Settlements**

*Criteria:* The RTA should maintain internal controls that ensure timely and accurate updates of case reserves, facilitated through effective communication among all parties involved in claims management. This is crucial for accurately reflecting the RTA's financial obligations and ensuring compliance with generally accepted accounting standards and external reporting requirements.

*Condition:* During the audit, we noted that despite new oversight procedures and controls being put in place, some external attorneys do not regularly communicate updates to the RTA and their third-party administrator (TPA) for claims.

*Cause:* Some of the external attorneys are not adhering to the new oversight procedures put in place to improve communication between the external attorneys, the TPA for claims and RTA management for cases under litigation.

*Effect:* As a result, some case reserves are not being adjusted timely, leading to potential misstatements in the reporting of reserve balances.

**Regional Transit Authority  
Schedule of Findings and Questioned Costs  
For the Year Ended December 31, 2024**

**B. FINDINGS AND QUESTIONED COSTS – FINANCIAL STATEMENTS (CONTINUED)**

**2024-002 Significant Deficiency: Internal Control Over Self-Insurance Case Reserves and Structured Settlements (Continued)**

*Recommendation:* We recommend that RTA management enforce oversight procedures and controls that were implemented in 2024 and 2025 to ensure timely updates from all attorneys and that the information flows between all parties involved in claims management.

*View of Responsible Official:* See corrective action plan.

**C. FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAM**

There were no findings related to major federal award programs reported for the year ended December 31, 2024.

**D. FINDINGS RELATED TO COMPLIANCE AND OTHER MATTERS**

**Finding 2024-003 Noncompliance – Timely Submission of Audit Report to Legislative Auditor**

*Criteria:* In accordance with R.S. 24:513, any local auditee that receives public assistance of \$500,000 or more in revenues and other sources in any one fiscal year must be audited annually and the annual audit reporting package must be submitted to the Louisiana Legislative Auditor. The due date for the audit reporting package is six months after the organization's fiscal year end.

*Condition:* The RTA did not meet the June 30, 2025 deadline for reporting to the Legislative Auditor. The RTA requested and received an extension of time until September 30, 2025 from the Legislative Auditor to file its financial statements.

*Cause:* Due to continued challenges resulting from the implementation of a new financial reporting and general ledger software system in 2023, the RTA required additional time to close the 2024 books and record the final adjustments to their accounting records.

*Effect:* The delay in closing the 2024 books resulted in the 2024 audit completion date being delayed.

*Recommendation:* The RTA should implement a plan to ensure that year-end close out procedures are completed on a timely basis to allow sufficient time for the auditor to complete their procedures and meet future deadlines.

*View of Responsible Official:* See corrective action plan.

**Regional Transit Authority  
Summary Schedule of Prior Audit Findings  
For the Year Ended December 31, 2024**

**A. FINDINGS AND QUESTIONED COSTS – FINANCIAL STATEMENTS**

**2023-001 Material Weakness: Preparation of Schedule of Expenditures of Federal Awards and Reconciliation of Grant Revenue**

*Condition:* The SEFA provided for the audit did not contain the correct amounts of federal expenditures supported by the accounting system. Additionally, the grant revenue did not include all amounts due from the awarding agency for expenditures incurred during the fiscal year.

*Recommendation:* We recommend the RTA review its policies and procedures for identifying, recording and tracking federal expenses and implement tools within the accounting system to properly identify federal expenses in order to prepare an accurate SEFA. The policies and procedures should include capturing all grant revenue for eligible expenses incurred during the fiscal year.

*Current status:* Partially Resolved. See finding **2024-001** as it relates to adjustments for grant receivables and revenue.

**2023-002 Significant Deficiency: Internal Control Over Accrual Process for Accounts Payable**

*Condition:* During our audit of accounts payable, we identified an invoice totaling \$1,238,818 that was not properly accrued as of the end of the year. This omission resulted in the understatement of both liabilities and capital assets in the financial statements.

*Recommendation:* The RTA should perform a review of payments made after year-end to ensure that all expenses and capital expenditures incurred during the year but not paid are properly accrued and recognized as of the end of the year.

*Current status:* Resolved.

**2023-003 Significant Deficiency: Internal Control Over Self-Insurance Case Reserves and Structured Settlements**

*Condition:* During the audit, we noted that some external attorneys do not regularly communicate updates to the RTA and their third-party administrator (TPA) for claims. In addition, we noted that cases under structured settlement agreements are not receiving the necessary reserve updates as the settlements occur and as payments are being made.

*Recommendation:* We recommend that RTA management implement a monitoring system to track communication between external attorneys and the TPA, along with regular reporting to management on the status of case reserves and establish oversight responsibilities to ensure timely updates from all attorneys and that the information flows between all parties involved in claims management.

*Current Status:* Partially Resolved. See finding **2024-002** as it relates to communication with external attorneys.

**Regional Transit Authority  
Summary Schedule of Prior Audit Findings  
For the Year Ended December 31, 2024**

**B. FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAM**

There were no findings related to the major federal award program reported for the year ended December 31, 2023.

**C. FINDINGS RELATED TO COMPLIANCE AND OTHER MATTERS**

**2023-004 Timely Submission of Audit Report to Legislative Auditor (Compliance)**

*Condition:* The RTA did not meet the June 30, 2024 deadline for reporting to the Legislative Auditor. The RTA requested and received an extension of time until October 31, 2024 from the Legislative Auditor to file its financial statements.

*Recommendation:* The RTA should implement a plan to assure that the financial reporting is completed timely to ensure future reports are issued by June 30th of each year.

*Current Status:* Not Resolved. See repeat finding **2024-003**.



*Regional Transit Authority*

September 29, 2025

Louisiana Legislative Auditor  
1600 North 3<sup>rd</sup> Street  
P.O. Box 94397  
Baton Rouge, LA 70804-9397

And

Carr, Riggs & Ingram, LLC  
3850 N. Causeway Blvd.  
Suite 1400, Two Lakeway Center  
Metairie, LA 70002

#### Correction Action Plan

Dear Sirs and Madams:

Please find the corrective action plan for **Findings to the Financial Statements:**

#### **2024-001- Material Weakness: Material Adjustments**

##### **Corrective Action:**

The ERP system conversion in 2023 resulted in numerous transactions that required detailed and time-consuming account analysis. As a result, the timeliness of our normal monthly and year-end procedures was affected and led to needed adjustments at year end. The post implementation trouble shooting performed in 2024 and early 2025, along with the delay in audit submission in 2024, caused a delay in the required research, analysis and cleanup of old legacy balances on our books. The account analysis and subsequent cleanup work that was completed this year has since corrected those balances so that the same level of cleanup will not be required in 2025. Additionally, our Grants Director that was hired late 2024 has helped to provide for adequate review and reconciliation of grant revenues and receivables. As a result of these efforts, along with improvements in pre-close review procedures, we expect that this issue will be resolved going forward.

#### **2024-002 -Significant Deficiency: Internal Control Over Self-Insurance, Case Reserves and Structured Settlements**



*Regional Transit Authority*

**Corrective Action:**

Under the leadership of our Chief Legal Officer, the RTA has implemented processes to effectively improve communications between our third-party administrator, attorneys and internal staff. We have implemented structured settlement reporting and a regular review of case reserves. Management will continue to review outstanding claims reports and matters in litigation on a quarterly basis to ensure reserves are as needed and that these matters are being fiscally resolved. As 2025 is our first full year of implementation of these new processes, we feel confident that this matter will be resolved in the upcoming year.

**Findings Related to Compliance and Other Matters**

**2024-003- Timely submission of Audit Report to Legislative Auditor**

**Corrective Action:**

RTA's Oracle ERP system implementation concluded in late 2023. Although the staff has become more familiar with the system and is not conducting accounting functions in two different systems in 2024 and have resumed our normal monthly and year-end accounting close processes; there was a significant amount of cleanup work that was done as a result. Now that the system has been fully implemented, and we have engaged in post implementation troubleshooting, cleanup and improvements in accounting processes because of this change, we fully expect that this issue will be resolved for the 2025 audit.

Sincerely,

A handwritten signature in blue ink, appearing to read "Ain &amp; for" followed by a name.

Gizelle Johnson Banks  
Chief Financial Officer

**REGIONAL TRANSIT AUTHORITY**

**PUBLIC NOTICE**

**RFP 2025-033 Audit & Financial Oversight Services**

**Addendum V**

Acknowledge receipt of this addendum in the bid submission. This addendum is a part of the Contract Documents and shall be included in the Contract Documents. Changes made by the addenda take precedence over information published at an earlier date.

**This addendum serves to amend and clarify certain responses previously issued in Addendum IV.**

**Question/Clarification Responses:**

- In response to Question 28 of Addendum IV, it was previously indicated that the Evaluation Criteria were amended. This notice serves to clarify that the Evaluation Criteria were formally amended in Addendum II to incorporate the updated pricing structure.
- In response to Question 31 of Addendum IV, vendors were directed to refer to a previous question. To clarify, the correct response to the question, *“Can you please clarify if a Price Proposal (page 22) is to be submitted? If so, is it to be uploaded as a separate document?”* is as follows:

*Yes, a Price Proposal is required with submission. The Pricing Guide can be found as an attachment to Addendum II. All components of the proposal must be uploaded as a single file; however, the Cost Proposal should be included as a separate section within that file to allow for independent evaluation.*

**Lona Hankins  
Chief Executive Officer  
Regional Transit Authority**

## REGIONAL TRANSIT AUTHORITY

### PUBLIC NOTICE

#### RFP 2025-033 Audit & Financial Oversight Services

##### Addendum VI

Acknowledge receipt of this addendum in the bid submission. This addendum is a part of the Contract Documents and shall be included in the Contract Documents. Changes made by the addenda take precedence over information published at an earlier date.

**This addendum serves to extend the proposal submission deadline and to revise the Small Business and Disadvantaged Business Enterprise (DBE) participation requirements for this solicitation.**

The submission deadline has been extended to Wednesday, October 22, 2025, at 1:00 p.m.

##### Revisions:

- There is no longer a DBE goal for this solicitation:

*RTA in accordance with 49 Code of Federal Regulations (CFR) Part 26 has an obligation to ensure nondiscrimination of Disadvantaged Business Enterprises (DBEs) and to comply with all federal, state and local regulations relative to utilization of DBEs on publicly funded projects. The RTA is committed to utilization of DBEs on all federally funded projects toward attainment of the agency's established overall goal of 32%. No DBE goal has been established for this project as there are no subcontracting opportunities on this project.*

*Notice to all offerors is hereby provided that in accordance with all applicable federal, state and local laws the RTA will ensure that DBEs are afforded full opportunity to submit offers and responses to this solicitation and to participate in any contract consummated pursuant to this advertisement. Additionally, no offeror will be discriminated against on the basis of age, sex, race, color, religion, national origin, ethnicity or disability.*

- The Supplier Submission Checklist has been updated to remove DBE Forms 1, 2, 3, and 4. Submission of DBE forms is no longer required for a proposal to be considered responsive.
- Section 2.36 *Disadvantaged Business Enterprise (DBE)* is hereby removed from this solicitation.

Lona Hankins  
Chief Executive Officer  
Regional Transit Authority