



Regional Transit Authority

FINANCIAL STATEMENTS

DECEMBER 31, 2023 and 2022

**FINANCIAL SECTION**

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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, 2023 and 2022, 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, 2023 and 2022, 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.

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 49-52, 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 October 31, 2024, 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 & Ingram, L.L.C.

Metairie, Louisiana
October 31, 2024

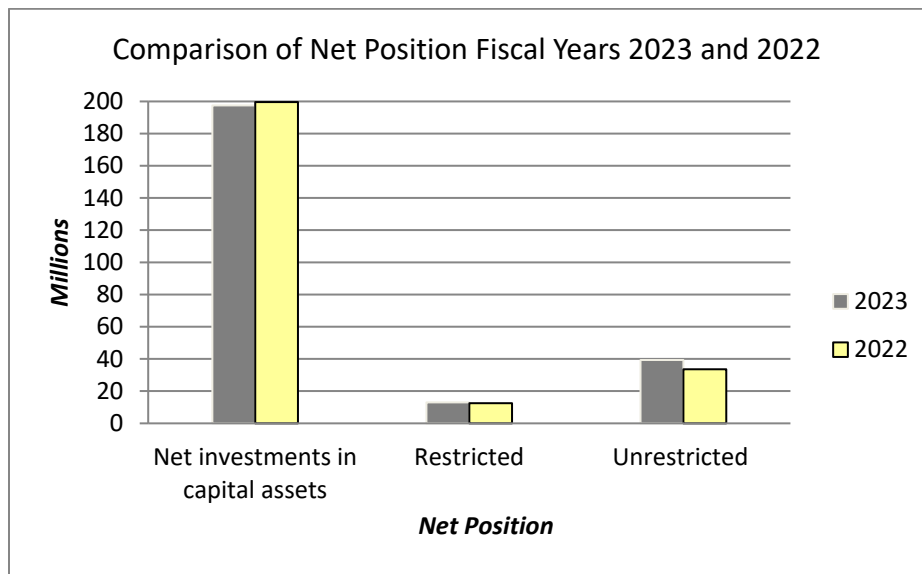
Regional Transit Authority Management’s Discussion and Analysis

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, 2023 and 2022. Please read it in conjunction with the RTA’s financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

2023

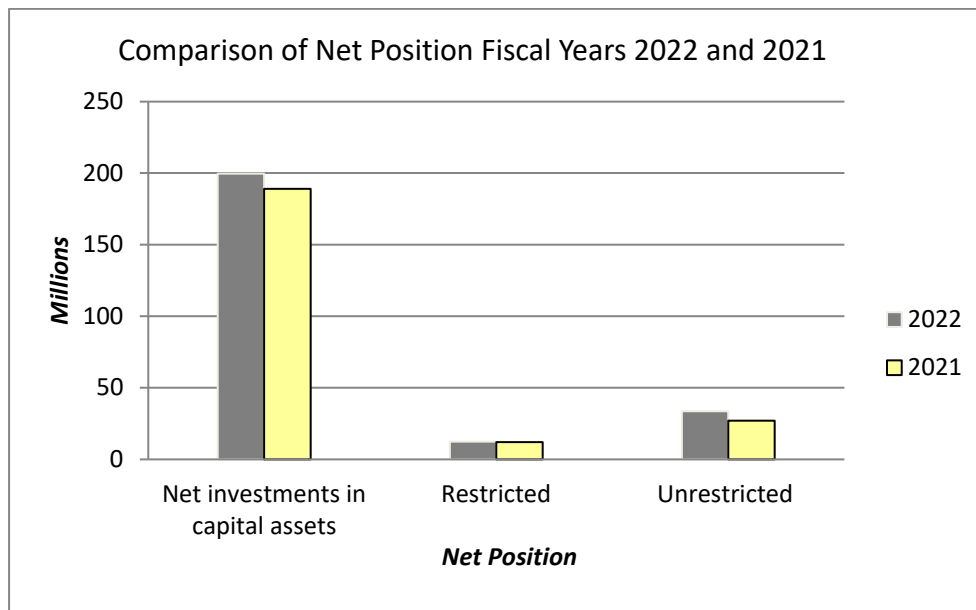
In 2023, the RTA experienced a moderate increase in passenger fare revenue as compared to 2022. We continue to experience the benefits of increased pass sales that began with our new fare structure adopted in 2022, coupled with an increase in mobile app users. The RTA continued its regular operations 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 \$157.5M inclusive of maritime operations, which is an increase of 8.6% 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 still showed that the City generated healthy returns, as we ended the year with \$102.7M in sales tax revenues and \$140.1M in total nonoperating revenues. The RTA saw the completion of the new Canal Street Ferry Terminal and 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.



Regional Transit Authority Management's Discussion and Analysis

2022

In 2022, the RTA passenger fare revenue increased approximately \$2.48 million for the calendar year as compared to 2021. For the first half of 2022, the RTA operated 100% of full peak service on existing routes. In September of 2022, The RTA implemented its system redesign with recommendations made from the New Links study. With the implementation of the expanded service, the RTA operated between 94-100% of its new peak service, to meet the public transit needs of customers for the second half of 2022. The city experienced record growth in general use and hotel/motel sales tax as we recovered from the COVID-19 Pandemic. As a result, the RTA experienced significant increases in sales tax revenue, ridership, and passenger revenues. The RTA continues to monitor and experience the benefits of increased pass sales and ridership due to pandemic recovery and the newly implemented temporary fare structure. During the first quarter of 2022, the RTA successfully garnered support from the Board of Commissioners, City Council, and passengers to permanently implement the new fare structure. While recovery was slow in 2021, 2022 told a different story, as ridership and sales tax revenue increased by 30% and 21.6 % respectively.



OVERVIEW OF THE FINANCIAL STATEMENTS

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

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.

Regional Transit Authority Management's Discussion and Analysis

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 2023, the RTA's Net Position increased by \$4.1 million. The increase in the RTA's net position during 2023 is primarily attributed to an increase in state ferry subsidy and funds from the City of New Orleans for the ferry pedestrian bridge but a large increase in post-retirement benefit expenses. The RTA's total liabilities in 2023 increased by approximately \$7.2 million compared to total liabilities for 2022. In 2023, the RTA received approximately \$93.9 million in sales tax revenues from the City of New Orleans.

2023 Net Position

The RTA's total net position at December 31, 2023 increased to approximately \$249.8 million, a 1.7 % increase from December 2022 (see Table A-1). Total assets decreased 6.5% to approximately \$405.1 million and total liabilities increased 4.4% to approximately \$170.4 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 \$5.7 million from approximately \$33.6 million at December 31, 2022 to approximately \$39.3 million at December 31, 2023.

2022 Net Position

The RTA's total net position at December 31, 2023 increased to approximately \$245.6 million, a 7.7 % increase from December 2022 (see Table A-1). Total assets increased 4.3% to approximately \$433.2 million and total liabilities decreased 2.2% to approximately \$163.1 million. Restricted assets and capital assets increased from December 31, 2021 values to \$12.5 million and \$292.4 million respectively. The unrestricted net position balance increased approximately \$6.8 million from approximately \$26.7 million at December 31, 2021 to approximately \$33.6 million at December 31, 2022.

Regional Transit Authority Management's Discussion and Analysis

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

	2023	2022	Increase (Decrease)
Current assets	\$104,055	\$95,919	8.48%
Restricted assets	12,917	12,497	3.36%
Capital assets	288,103	292,364	-1.46%
Net pension asset	-	32,419	-100.00%
Total assets	405,075	433,199	-6.49%
Deferred outflow of resources	16,950	632	2582.03%
Total assets and deferred outflow of resources	\$422,025	\$433,831	-2.72%
Current liabilities	\$58,489	\$51,576	13.40%
Long-term liabilities	111,866	111,538	0.29%
Total liabilities	170,355	163,115	4.44%
Deferred inflow of resources	1,911	25,095	-92.39%
Net position:			
Investment in capital assets	197,553	199,640	-1.05%
Restricted	12,917	12,413	4.06%
Unrestricted	39,289	33,569	17.04%
Total net position	249,759	245,622	1.68%
Total liabilities, deferred inflow of resources, and net	\$422,025	\$433,831	-2.72%

2023 Changes in Net Position

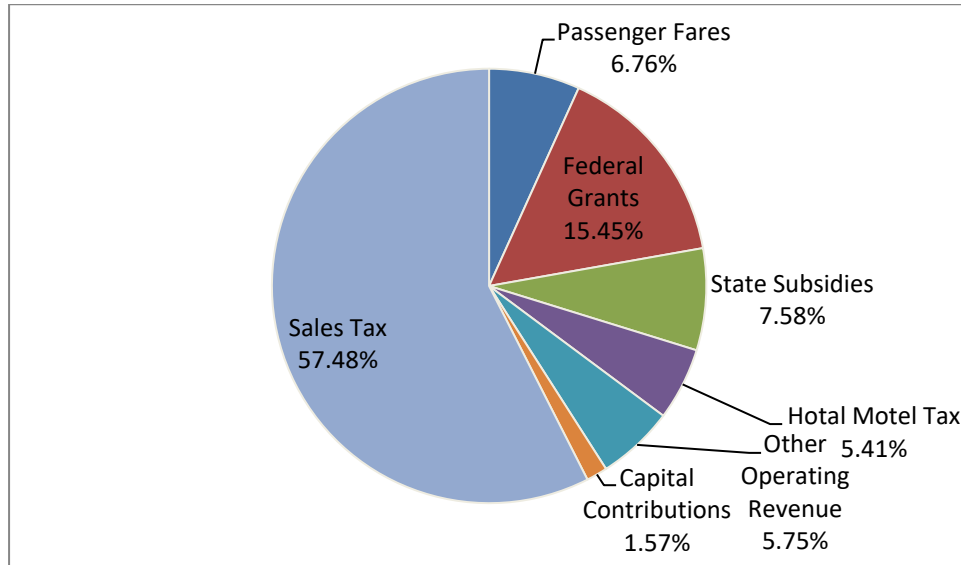
The change in net position for the year ended December 31, 2023 was approximately \$4.1 million or 76.4% less than the year ended December 31, 2022. The RTA's operating revenues increased 2.1% to approximately \$13.9 million, and total operating expenses increased 8.6% to approximately \$157 million. The changes in net position are detailed in Table A-2; operating expenses are detailed in Table A-3.

Passenger fare revenues increased 4.6% to approximately \$11.05 million compared to \$10.56 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

2023 Revenue Sources



2022 Changes in Net Position

The change in net position for the year ended December 31, 2022 was approximately \$17.5 million or 119.7% more than the year ended December 31, 2021. The RTA's operating revenues increased 37.0% to approximately \$13.6 million, and total operating expenses increased 12.4% to approximately \$145 million. The changes in net position are detailed in Table A-2; operating expenses are detailed in Table A-3.

Passenger fare revenues increased 30.6% to approximately \$10.56 million compared to \$8.08 million in 2021.

Non-operating revenues increased 28.9% to approximately \$134.4 million. Federal funding in 2022 was \$24.8 million as compared to \$24.8 million in 2021 and State funding increased to \$7.2 million in 2022 compared to \$(2.3) million in 2021.

Regional Transit Authority Management's Discussion and Analysis

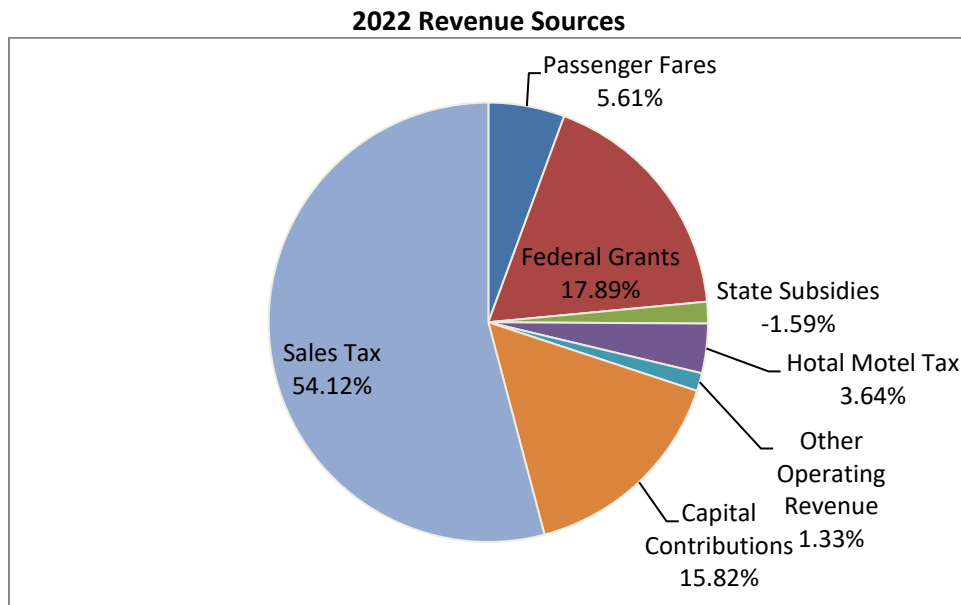


Table A-2
Regional Transit Authority's Changes in Net Position
(in thousands of dollars)

	2023	2022	Increase (Decrease)
Operating Revenues:			
Passenger fares	\$ 11,046	\$ 10,559	4.6%
Other	2,864	3,060	(0.6)%
Total operating revenues	13,910	13,619	2.1%
Operating Expenses:			
Operating expenses	135,517	123,504	9.7%
Depreciation	21,968	21,511	2.1%
Total operating expenses	157,485	145,014	8.6%
Operating loss	(143,576)	(131,396)	9.3%
Non-operating revenues-net	140,150	134,403	4.3%
Capital contributions	7,564	14,496	(82.3)%
Change in net position	4,137	17,502	(76.4)%
Total net position, beginning of year	245,622	228,120	7.7%
Total net position, end of year	\$ 249,759	\$ 245,622	1.7%

Regional Transit Authority Management's Discussion and Analysis

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

	2023	2022	Increase (Decrease)
Labor and fringe benefits excluding post-retirement benefits	\$ 84,601	\$ 79,939	5.8%
Post-retirement benefits	(458)	(9,600)	(95.2)%
Depreciation	21,968	21,511	2.1%
Contract services	22,993	21,577	6.6%
Insurance and self-insured costs	12,352	11,135	10.9%
Materials, fuel, and supplies	13,503	11,893	13.5%
Utilities	1,570	1,739	(9.7)%
Taxes, other than payroll	275	397	(30.7)%
Leases	204	162	26.1%
Bad debt expense	-	5,278	(100)%
Miscellaneous	477	983	(51.6)%
Total operating expenses	\$ 157,485	\$ 145,014	8.6%

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, 2022 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.

2022 Capital Assets

As of December 31, 2022, the RTA had invested approximately \$716.2 million in capital assets. Net of accumulated depreciation, the RTA's capital assets at December 31, 2022 totaled approximately \$292.3 million. Capital additions for the year ended December 31, 2021 included approximately \$14.9 million in completed construction in progress, approximately \$3.1 million in furniture, bus shelters and rail equipment and \$695 thousand in building upgrades and approximately \$7.6 million in transportation vehicles.

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

Regional Transit Authority Management's Discussion and Analysis

July 2022. In September of 2022, S&P Global Ratings upgraded the RTA's bond rating from A+ Stable to A+ Positive.

2022 Debt Administration

During 2022, 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 2022 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.

ECONOMIC FACTORS

The City of New Orleans has seen the signs of flourishing tourism as events returned to the City of New Orleans in 2022. As the City continues to recover, the Regional Transit Authority anticipates that the return to full service with an increase in ridership will help to recover passenger fares. Additionally, in April 2021, the Regional Transit Authority was awarded \$59.5 million under the American Rescue Plan (ARP), for the purposes of supporting the struggling transit industry during COVID-19. The RTA has outlined a spending plan for these funds that began in 2023, with 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 and anticipates the reopening of the route in 2023.

In May of 2022, the ATU Local 1560 successfully negotiated a new four-year labor contract that expires June 30, 2025. As of June 2023, the RTA has successfully negotiated a four-year contract with IBEW Union that begins July 1, 2023, and ends June 30, 2027.

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 2024 the City of New Orleans, RTA and RIDE New Orleans entered into a Memorandum of Understanding (MOU) for a 1-year pilot program which introduced Zero Fares for Opportunity Youth ages 16-24. The city has allocated \$2.5M in ARPA funding for this pilot program. RTA and its partners will work to collect the necessary data during this one-year pilot that demonstrates the need, usage and increased ridership among opportunity youth that we are serving, as we look to find a sustainable funding source to continue this program into the future years.

Regional Transit Authority Management's Discussion and Analysis

Lastly, as the City of New Orleans is gearing up to host 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 revenue directly impacting Sales and Hotel Motel Taxes for the City, the Regional Transit Authority will undoubtedly see an increase in our tax payments from the City during the months of February and March of 2025. These tax projections are directly tied to our operating revenue budget for the 2025 year, resulting in positive General Use Sales Tax and Hotel Motel Tax projections for the agency.

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

<i>December 31,</i>	2023	2022
Assets		
Current assets		
Cash and cash equivalents	\$ 49,077,396	\$ 59,490,611
Accounts receivable, net	50,093,313	31,877,518
Inventories	223,059	776,950
Prepaid expenses and other assets	4,661,544	3,773,537
Total current assets	104,055,312	95,918,616
Restricted assets		
Cash		
2020A and 2020B series bond trustee accounts	11,057,720	10,682,476
2010 series bond trustee accounts	418,536	399,948
Self-insurance reserve	1,440,790	1,415,000
Total restricted assets	12,917,046	12,497,424
Noncurrent assets		
Property, buildings, and equipment, net	288,102,629	292,363,987
Net pension asset	-	32,418,809
Total noncurrent assets	288,102,629	324,782,796
Total Assets	405,074,987	433,198,836
Deferred Outflows of Resources		
Deferred charges - prepaid bond insurance	365,238	365,238
Pension deferrals	16,509,932	110,294
OPEB deferrals	75,241	156,422
Total deferred outflows of resources	16,950,411	631,954

(Continued)

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

Regional Transit Authority Statements of Net Position

<i>December 31,</i>	2023	2022
Liabilities		
Current liabilities (payable from current assets)		
Accounts payable, accrued expenses, and deferred credits	\$ 44,581,300	\$ 37,632,045
Current portion of legal and small claims	2,767,149	2,694,073
Current portion of OPEB liability	859,072	774,027
Total current liabilities (payable from current assets)	48,207,521	41,100,145
Current liabilities (payable from restricted assets)		
Current portion of accrued bond interest	1,617,309	1,637,666
Current portion of bonds payable, net	6,094,159	6,049,159
Advanced collection of ferry subsidy	2,570,000	2,570,000
Total current liabilities (payable from restricted assets)	10,281,468	10,256,825
Long-term Liabilities		
Legal and small claims less current portion	20,161,024	19,364,550
Bonds payable less current portion, net	80,581,025	86,675,183
Net pension liability	7,211,970	596,615
Total OPEB liability	3,912,457	5,121,240
Total long-term liabilities	111,866,476	111,757,588
Total Liabilities	170,355,465	163,114,558
Deferred Inflows of Resources		
Pension deferrals	16,812	22,956,147
Deferred refunding gain	1,894,084	2,138,482
Total deferred inflows of resources	1,910,896	25,094,629
Net Position		
Net investment in capital assets	197,552,817	199,639,645
Restricted	12,917,046	12,413,261
Unrestricted	39,289,174	33,568,697
Total Net Position	\$ 249,759,037	\$ 245,621,603

(Concluded)

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

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

<i>For the years ended December 31,</i>	2023	2022
Operating revenues		
Passenger fares	\$ 11,046,038	\$ 10,558,530
Advertising	1,473,331	1,775,794
Other	1,390,329	1,283,811
Total operating revenues	13,909,698	13,618,135
Operating expenses		
Labor and fringe benefits excluding post-retirement benefits	84,601,023	79,968,884
Post-retirement benefits	(457,839)	(9,599,995)
Depreciation	21,968,417	21,510,823
Contract services	22,992,758	21,577,247
Insurance and self-insured costs	12,352,148	11,134,713
Materials, fuel, and supplies	13,502,635	11,893,466
Utilities	1,570,201	1,738,823
Taxes, other than payroll	275,012	397,039
Leases	204,190	161,986
Miscellaneous	476,915	6,231,497
Total operating expenses	157,485,460	145,014,483
Loss from operations	(143,575,762)	(131,396,348)
Nonoperating revenues (expenses)		
Tax revenues		
Sales tax	93,895,348	93,684,428
Hotel/motel tax	8,833,185	8,942,560
Government operating grants		
Federal subsidy	16,684,664	24,298,843
Federal Emergency Management Agency	1,322,512	837,627
State ferry subsidy	10,139,998	5,140,000
State Department of Transportation	2,242,146	2,029,917
Planning and technical study grants	7,229,291	848,188
Loss on sale of assets, net	-	(7,331)
Investment income	1,533,564	400,195
Interest expense, net	(1,731,061)	(1,771,775)
Total nonoperating revenues	140,149,647	134,402,652
Net profit before capital contributions	(3,426,115)	3,006,304
Capital Contributions		
Capital contributions - federal	2,563,549	14,495,558
Capital contributions - city	5,000,000	-
Total capital contributions	7,563,549	14,495,558
Increase in net position	4,137,434	17,501,862
Net Position, Beginning of Year	245,621,603	228,119,741
Net Position, End of Year	\$ 249,759,037	\$ 245,621,603

The accompanying notes are an integral part of these statements.

Regional Transit Authority Statements of Cash Flows

<i>For the years ended December 31,</i>	2023	2022
Cash Flows From Operating Activities		
Cash received from operations	\$ 11,003,509	\$ 11,351,924
Cash received from other sources	2,408,329	3,431,552
Cash paid to employees and for related expenses	(85,490,550)	(80,741,028)
Cash paid to suppliers	(32,043,337)	(39,824,259)
Cash paid for insurance, legal claims, and related costs	(11,482,598)	(9,924,423)
Net cash flows used in operating activities	(115,604,647)	(115,706,234)
Cash Flows from Noncapital Financing Activities		
Cash received from sales tax	93,898,279	100,453,194
Cash received from hotel/motel tax	8,823,470	8,391,257
Operating subsidies received from other governments	10,868,471	24,861,412
Net cash flows provided by noncapital financing activities	113,590,220	133,705,863
Cash Flows from Capital and Related Financing Activities		
Acquisition and construction of capital assets	(10,506,745)	(11,728,276)
Proceeds from sale of investments	-	1,415,000
Proceeds from sale of capital assets	-	70,849
Capital revenues from federal grants	9,038,989	14,818,582
Interest paid	(1,995,816)	(2,031,627)
Repayment of bonds	(6,049,158)	(6,014,159)
Net cash flows used in capital and related financing activities	(9,512,730)	(3,469,631)
Cash Flows from Investing Activities		
Interest payments received	1,533,564	400,195
Net cash flows provided by investing activities	1,533,564	400,195
Net Increase in Cash and Cash Equivalents	(9,993,593)	14,930,193
Cash and Cash Equivalents — Beginning of year	71,988,035	57,057,842
Cash and Cash Equivalents — End of year	\$ 61,994,442	\$ 71,988,035

(Continued)

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

Regional Transit Authority Statements of Cash Flows

<i>For the years ended December 31,</i>	2023	2022
Reconciliation of Loss from Operations to		
Net Cash Used in Operations		
Loss from operations	\$ (143,575,762)	\$ (131,396,348)
Depreciation	21,968,417	21,510,823
Adjustments to reconcile loss from operations to net cash used in operations:		
Change in Pension costs	(304,809)	(9,087,665)
Change in OPEB costs	(1,042,557)	(1,314,177)
Change in accounts receivable	(497,860)	1,165,341
Change in prepaid assets	(888,007)	(328,730)
Change in inventory	553,891	(57,958)
Change in accounts payable and accrued expenses	7,312,490	2,592,190
Change in the provision for legal and small claims liability	869,550	1,210,290
Net Cash Used in Operating Activities	\$ (115,604,647)	\$ (115,706,234)
Reconciliation to Statements of Net Position		
Cash and cash equivalents for cash flow statements include:		
Cash	\$ 49,077,396	\$ 59,490,611
Restricted assets		
Cash		
2020A and 2020B series bond trustee accounts	11,057,720	10,682,476
2010 series bond trustee accounts	418,536	399,948
Self-insurance reserve	1,440,790	1,415,000
Total Cash and Cash Equivalents	\$ 61,994,442	\$ 71,988,035

(Concluded)

The accompanying notes are an integral part of these 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.

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.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (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

The total liability for accrued vacation and sick leave at December 31, 2023 and 2022, included in current liabilities, was approximately \$4,558,200 and \$3,792,362, respectively.

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.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

Pensions

The RTA participates in two defined benefit pension plans as described in Note 6. 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.

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.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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, October 31, 2024. See Note 12 for relevant disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

Recently Issued and Implemented Accounting Pronouncements

The Governmental Accounting Standards Board has issued statements that will become effective for the RTA in a future year. These statements are as follows:

- Compensated absences,
- Financial reporting model improvements, and
- Disclosure of certain capital assets.

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

Regional Transit Authority
Notes to Financial Statements

Note 2: CASH

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

	2023		2022	
	Restricted	Unrestricted	Restricted	Unrestricted
Cash and cash equivalents	\$ 12,917,046	\$49,077,396	\$ 12,497,424	\$59,490,611

As of December 31, 2023 and 2022, approximately \$1,440,790 and \$1,415,000, 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.

Custodial Credit Risk

Actual cash in banks and certificates of deposit as of December 31, 2023 and 2022, for restricted and unrestricted bank accounts, before outstanding checks and reconciling items, were \$64,813,306 and \$72,980,079, respectively. Of the total bank balances at December 31, 2023 and 2022, all amounts were covered by federal depository insurance (\$1,254,639 for 2023 and \$1,254,563) or by collateral held in the RTA's name by its agent (\$55,932,358 for 2023 and \$64,297,914 for 2022). Actual cash in money market accounts was \$7,626,309 and \$7,427,602 as of December 31, 2023 and 2022, respectively, and is included in cash and cash equivalents above.

Note 3: ACCOUNTS RECEIVABLE, NET

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

	2023	2022
Sales tax	\$ 17,082,976	\$ 17,085,907
Hotel/motel tax	2,625,674	2,615,959
Federal capital grants	24,102,109	10,539,410
State parish transit	20,750	501,246
State ferry subsidy	14,381,423	9,752,475
Federal Emergency Management Agency	390,190	390,190
Passenger (transpass and visitor)	376,449	333,920
Kenner operating subsidy	238,715	238,715
Other	633,253	177,922
	59,851,539	41,635,744
Less: allowance for uncollectible amounts	(9,758,226)	(9,758,226)
	\$ 50,093,313	\$ 31,877,518

Regional Transit Authority
Notes to Financial Statements

Note 4: PROPERTY, BUILDINGS, AND EQUIPMENT

A summary of changes in property, buildings, and equipment 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
Total	716,252,525	17,707,059	-	733,959,584
Accumulated depreciation	(423,888,538)	(21,968,417)	-	(445,856,955)
	\$ 292,363,987	\$(4,261,358)	\$ -	\$288,102,629

Depreciation expense for the years ended December 31, 2023 and 2022 totaled \$21,968,417 and \$21,510,823, respectively.

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

Note 5: LONG-TERM DEBT

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

	2023	2022
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.	9,170,000	13,960,000
Total debt	71,985,000	76,775,000
Plus: bond premium	14,690,184	15,949,342
Less: current maturities of long-term debt	(6,094,159)	(6,049,159)
Long-term debt plus bond premium less current maturities	\$ 80,581,025	\$ 86,675,183

Note 5: 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. At December 30, 2023, the balance of the defeased portion of the refunded bonds is summarized below.

The advance refunding resulted in the recognition of an accounting gain of \$2.6 million for the year ended December 31, 2020, and the RTA in effect reduced its aggregate debt service payments by almost \$6.5 million over the next 15 years and obtained an economic gain (difference between the present values of the old and new debt service payments) of \$1.5 million.

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, 2023 was \$71,985,000, of which \$4,835,000 is due in 2024.

Debt Service Requirements

The following represents the debt service requirements for the bond issues as of December 31, 2023:

Year Ending December 31	Series 2020 A&B Bond Principal	Series 2020 A&B Bond Interest
2024	\$ 4,835,000	\$ 3,186,268
2025	4,880,000	3,113,500
2026	4,950,000	2,866,000
2027	5,200,000	2,606,000
2028	5,455,000	2,469,625
2029-2033	31,670,000	7,861,750
2034-2036	14,995,000	758,875
	\$ 71,985,000	\$ 22,862,018

**Regional Transit Authority
Notes to Financial Statements**

Note 5: LONG-TERM DEBT (CONTINUED)

Balances of the defeased portion of bonds as of December 31, 2023 are as follows:

Bond Issuance	Defeased Balance
2000 Series Sales Tax Revenue Bonds	\$ 2,821,412
2000A Series Sales Tax Revenue Bonds	11,037,656
2010 Series Sales Tax Revenue Bonds	35,135,000
Debt Service Assistance Loan	9,245,103
	\$ 58,239,171

Changes in Long-term Debt

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	\$ 4,835,000
Bond Premium	15,949,342	-	(1,259,159)	14,690,184	1,259,159
	\$92,724,345	\$ -	\$ (6,049,159)	\$86,675,184	\$ 6,094,159

Note 6: 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)

One employee of the RTA is provided with pensions 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.

Note 6: PENSION PLANS (CONTINUED)

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.

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

	2023	2022
Inactive employees or beneficiaries currently receiving benefits	1,290	1,280
Inactive employees entitled to but not yet receiving benefits	355	393
Active employees	-	-
	1,645	1,673

Note 6: PENSION PLANS (CONTINUED)

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 member's 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.

Note 6: PENSION PLANS (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 6: PENSION PLANS (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 age 60, 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.

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.

Note 6: PENSION PLANS (CONTINUED)

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.

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.

Note 6: PENSION PLANS (CONTINUED)

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 nonamender 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.

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, 2023 and 2022 for the various plans follow:

Plan	Plan Status	Employee Contribution Rate	Employer Contribution Rate 2023	Employer Contribution Rate 2022
Regular State Employee hired before 7/01/06	Closed	7.5%	41.3%	40.4%
Regular State Employee hired after 7/01/06	Open	8.0%	41.3%	40.4%

The RTA’s contractually required composite contribution rate for the period from January 1, 2023 to June 30, 2023 was 40.4%, and for the period from July 1, 2023 to December 31, 2023 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 \$61,913 and \$67,913 for the years ended December 31, 2023 and 2022, respectively.

Note 6: PENSION PLANS (CONTINUED)

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, 2021 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).

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, 2023 and 2022, the RTA reported a liability of \$495,120 and \$596,615, respectively, for its proportionate share of the net pension liability of LASERS. The net pension liability was measured as of June 30, 2023 and 2022, 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, 2023 and 2022, the RTA's proportion was 0.007397% and 0.007892%, respectively, which was an decrease of 0.000495% and increase of 0.000477% from its proportion measured as of June 30, 2022 and 2021, respectively.

For the years ended December 31, 2023 and 2022, the RTA recognized pension expense of \$74,539 and \$79,024, respectively, plus the RTA's amortization of the change in proportionate share and the difference between employer contributions and proportionate share of contributions of \$(69,484) and \$(46,451), respectively.

**Regional Transit Authority
Notes to Financial Statements**

Note 6: PENSION PLANS (CONTINUED)

TMSEL

The RTA's net pension (asset) liability was measured as of December 31, 2022 and 2021, respectively, and the total pension liability used to calculate the net pension (asset) liability was determined by an actuarial valuation as of that date.

The components of the net pension (asset) liability at December 31, 2023 and 2022 for TMSEL were as follows:

	2023	2022
Total pension liability	\$ 160,708,553	\$ 167,931,756
Fiduciary net position	153,991,703	200,350,565
Net pension (asset) liability	\$ 6,716,850	\$ (32,418,809)
Fiduciary net position as a percentage of the total pension liability	95.82%	119.30%

For the years ended December 31, 2023 and 2022, the RTA recognized pension (benefit) expense of \$(287,911) and \$(9,118,207), respectively.

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

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
LASERS		
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	-
Total LASERS	\$ 41,680	\$ 16,812

**Regional Transit Authority
Notes to Financial Statements**

Note 6: PENSION PLANS (CONTINUED)

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

At December 31, 2022, 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
LASERS		
Differences between expected and actual experience	\$ 1,627	\$ -
Net difference between projected and actual earnings on pension plan investments	48,055	-
Changes in assumptions	10,847	-
Changes in proportion and differences between employer contributions and proportion of shared contributions	15,853	829
Employer contributions subsequent to the measurement date	33,912	-
Total LASERS	\$ 110,294	\$ 829

TMSEL

Net difference between projected and actual earnings on pension plan investments	\$ -	\$ 22,955,318
Total TMSEL	\$ -	\$ 22,955,318

As of December 31, 2023, deferred outflows of resources of \$28,001 related to pensions resulting from the RTA's contributions subsequent to the measurement date will be recognized as a reduction of net pension liability in the year ending December 31, 2024. 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:	LASERS	TMSEL	Total
2024	\$ (3,148)	\$ (1,185,445)	\$ (1,188,445)
2025	(17,881)	3,211,481	3,193,600
2026	24,386	6,001,681	6,026,067
2027	(6,490)	8,440,535	8,434,045

Note 6: 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, 2023 and 2022 are as follows:

Valuation Date	June 30, 2023 and 2022
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Expected Remaining Service Lives	2 years
Investment Rate of Return	7.25% per annum, net of investment expenses.
Inflation Rate	2.3% per annum
Mortality	Non-disabled members - Mortality rates based on the RP-2014 Healthy Mortality Table with mortality improvement projected using the MP-2018 Scale. Disabled members – Mortality rates based on the RP-2000 Disabled Retiree Mortality Table, with no projection for mortality improvement.
Termination, Disability, and Retirement	Termination, disability, and retirement assumptions were projected based on a five-year (2014-2018) experience study of the System's members.
Salary Increases	Salary increases were projected based on a 2014-2018 experience study of the System's members. The salary increase ranges for specific types of members are:

<u>Member Type</u>	<u>Lower Range</u>	<u>Upper Range</u>
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%

**Regional Transit Authority
Notes to Financial Statements**

Note 6: PENSION PLANS (CONTINUED)

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.

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 weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation and an adjustment for the effect of rebalancing/diversification.

The target allocation and best estimates of geometric real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2023 and 2022 are summarized in the following table:

Asset Class	2023		2022	
	Target Allocation	Long-Term Expected Real Rate of Return	Target Allocation	Long-Term Expected Real Rate of Return
Cash	1%	0.80%	1%	0.39%
Domestic equity	31%	4.45%	31%	4.57%
International equity	23%	5.44%	23%	5.76%
Domestic fixed income	3%	2.04%	3%	1.48%
International fixed income	18%	5.33%	18%	5.04%
Alternative investments	24%	8.19%	24%	8.30%
Risk Parity	0%	0%	0%	0%
Totals	100%	5.75%	100%	5.91%

Note 6: PENSION PLANS (CONTINUED)

TMSEL

A summary of the actuarial methods and assumptions used in determining the total pension liability as of December 31, 2022 and 2021 are as follows:

Valuation date	December 31, 2022 and 2021
Valuation method	Entry age normal cost
Inflation	2.50% for 2022, 2.30% for 2021
Projected salary increases	Not applicable
Investment rate of return	7.00%
Mortality rates	RP-2014 separate employee and annuitant healthy tables (sex-specific) reflecting both blue and white collar data, adjusted backward to the base year (2006) using scale MP-2014. Mortality is projected forward using scale MP-2019 generationally for 2020 and MP-2018 generationally for 2019.
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 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 weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Regional Transit Authority
Notes to Financial Statements

Note 6: PENSION PLANS (CONTINUED)

Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of December 31, 2023 and 2022 are summarized in the following table:

Asset Class	2023		2022	
	Target Allocation	Long-Term Expected Real Rate of Return	Target Allocation	Long-Term Expected Real Rate of Return
Domestic equity	35.00%	7.50%	40.00%	6.40%
International equity	25.00%	8.50%	10.00%	6.80%
International equity			5.00%	8.50%
Global equity			7.50%	6.40%
Core fixed income			20.00%	0.40%
Real estate	10.00%	4.50%	10.50%	3.90%
Private equity	4.00%	6.24%	4.50%	10.40%
Domestic Bonds	24.0%	2.50%		
Cash	2.00%	0.00%	2.50%	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, 2023 and 2022. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rates and that employer contributions from participating employers will be made at contractually required rates, actuarially determined. 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, 2022 and 2021. 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 6: 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, 2023 is as follows:

Change in Net Pension Liability (Asset)	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
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	\$ 160,708,553	\$ 153,991,703	\$ 6,716,850

The change in net pension liability (asset) for the TMSEL plan for the year ended December 31, 2022 is as follows:

Change in Net Pension Liability (Asset)	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Service Cost	\$ -	\$ -	\$ -
Interest on total pension liability	11,608,326	-	11,608,326
Net investment income	-	25,082,227	(25,082,227)
Changes of assumptions	(848,840)	-	(848,840)
Difference between expected and actual experience	(767,533)	-	(767,533)
Benefit payments, including refunds	(15,786,841)	(15,786,841)	-
Administrative expense	-	(1,903,761)	1,903,761
Net Change	(5,794,888)	7,391,625	(13,186,513)
Net Pension Liability (Asset), Beginning	173,726,644	192,958,940	(19,232,296)
Net Pension Liability (Asset), Ending	\$ 167,931,756	\$ 200,350,565	\$ (32,418,809)

Note 6: PENSION PLANS (CONTINUED)

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

LASERS

The following presents the RTA's proportionate share of the Net Pension Liability of LASERS using the discount rate of 7.25%, as well as what the RTA's proportionate share of the Net Pension Liability 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:

	1.0% Decrease (6.25%)	Current Discount Rate (7.25%)	1.0% Increase (8.25%)
RTA's proportionate share of the net pension liability	\$ 648,319	\$ 495,120	\$ 365,328

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 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:

	1.0% Decrease (6.00%)	Current Discount Rate (7.00%)	1.0% Increase (8.00%)
Net pension liability (asset)	\$ 19,611,529	\$ 6,716,850	\$ (4,516,988)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position in LASERS is available in the separately issued LASERS 2023 Comprehensive Annual Financial Report at www.lasersonline.org.

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

Note 7: 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, 2023 and 2022 were \$1,600,165 and \$1,303,189, respectively.

Note 8: OTHER POST EMPLOYMENT RETIREMENT BENEFITS

Plan Description

The Regional Transit Authority provides certain continuing health care and life insurance benefits for certain retired former NOPSI employees. The Transit Management of Southeast Louisiana (TMSEL) Welfare Benefit 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 and dental benefits are provided through a comprehensive medical plan and are made available to employees upon actual retirement. Contract employees are eligible to retire at age 55 and completion of 5 years of service. Non-contract employees are eligible to retire at completion of 30 years of service. The Regional Transit Authority has several active members participating in the OPEB Plan which are former NOPSI and TMSEL members for whom the Regional Transit Authority is still responsible for retiree medical care benefit costs. The employer does not pay for retiree medical benefits after Medicare eligibility (normally age 65).

Life insurance coverage is provided to a closed group of 466 retirees (no future retirees will be eligible) and paid by the employer. The employer pays 100% of the cost of the retiree benefit payments as they become due.

**Regional Transit Authority
Notes to Financial Statements**

Note 8: OTHER POST EMPLOYMENT RETIREMENT BENEFITS (CONTINUED)

Employees covered by benefit terms – At January 1, 2023, the following employees were covered by the medical benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	393
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	21
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Total	414
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Total OPEB Liability

The Regional Transit Authority’s total OPEB liability of \$4,771,529 was measured as of December 31, 2023 and was determined by an actuarial valuation as of January 1, 2023.

Actuarial Assumptions and other inputs – The total OPEB liability in the January 1, 2023 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.0%
Salary increases	3.0% annually
Discount rate	3.26% annually (as of end of year measurement date)
Healthcare cost trend rates	Getzen model, initial trend of 6.0%
Mortality rates	SOA RP-2014 Combined Mortality 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, 2023 valuation were based on the results of ongoing evaluations of the assumptions from January 1, 2008 to December 31, 2023.

Regional Transit Authority
Notes to Financial Statements

Note 8: OTHER POST EMPLOYMENT RETIREMENT BENEFITS (CONTINUED)

Changes in the Total OPEB Liability

Balance at December 31, 2022	\$ 5,895,267
Changes for the year:	
Service cost	245
Interest	204,306
Differences between expected and actual experience	(701,802)
Change in assumptions	187,799
Benefit payments and administrative expenses	(814,286)
Net changes	(1,123,738)
Balance at December 31, 2023	\$ 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 or 1-percentage-point higher than the current discount rate:

	1.0% Decrease (2.26%)	Current Discount Rate (3.26%)	1.0% Increase (4.26%)
Total OPEB liability	\$ 5,261,608	\$ 4,771,529	\$ 4,387,765

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 or 1-percentage-point higher than the current healthcare trend rates:

	1.0% Decrease (4.5%)	Current Discount Rate (5.5%)	1.0% Increase (6.5%)
Total OPEB liability	\$ 4,498,453	\$ 4,771,529	\$ 5,119,792

**Regional Transit Authority
Notes to Financial Statements**

Note 8: OTHER POST EMPLOYMENT RETIREMENT BENEFITS (CONTINUED)

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

For the year ended December 31, 2023, the Regional Transit Authority recognized OPEB expense of \$153,032. At December 31, 2023, there were no deferred outflows of resources and deferred inflows of resources related to OPEB. At December 31, 2022, the Regional Transit Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 53,904	\$ -
Change in assumptions and other inputs	102,518	-
Total	\$ 156,422	\$ -

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB were recognized in OPEB expense as follows:

Year ending December 31:	
2023	156,422

Note 9: 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 6). The TMSEL Retirement Plan Board of Trustees is responsible for the administration, management, and proper operation of the TMSEL Retirement Plan. The RTA was in litigation with the Board of Trustees of the TMSEL Retirement Plan, certain of the individual board members, and former counsel for the TMSEL Retirement Plan in Orleans Parish relating to the composition of the TMSEL Retirement Plan Board of Trustees as it relates to control over the TMSEL Retirement Plan. A settlement agreement between the parties was reached on December 23, 2014 and is described in Note 6. This agreement does not render a position on the TMSEL plan’s status as a governmental plan. Per the agreement, 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.

Note 9: COMMITMENTS AND CONTINGENCIES (CONTINUED)

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.

Grant Commitments – As of December 31, 2023, 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, 2023 and 2022 totals \$12,229,144 and \$10,429,265, 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, 2023 and 2022, RTA received cash reimbursements from FEMA totaling \$1,322,512 and \$837,627, respectively. Included in accounts receivable at December 31, 2023 and 2022 are \$390,190 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 10: 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.

Note 10: SELF INSURANCE AND LEGAL CLAIMS (CONTINUED)

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.

At December 31, 2023 and 2022, \$23,436,408 and \$22,058,623 of accrued general liability and small claim estimates were recorded to cover such claims. The long-term portion of this accrual at December 31, 2023 and 2022 was \$20,158,783 and \$19,364,550, 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, 2023. 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 \$9,919,000.

Changes in legal and small claims liability during the years ended December 31, 2023 and 2022 were as follows:

	Beginning of year liability	Current year claims and changes in estimates	Claim payments	Balance at year end
2023	\$ 22,058,523	\$ 4,373,288	\$ (3,503,738)	\$ 22,928,173
2022	\$ 20,848,333	\$ 5,364,787	\$ (4,154,497)	\$ 22,058,523

Note 11: 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 2023 and 2022.

The members of the Board of Commissioners who were paid a per diem for the attendance at board and committee meetings in calendar years 2023 and 2022 are listed below. Some commissioners elect not to receive a per diem.

**Regional Transit Authority
Notes to Financial Statements**

Note 11: RELATED PARTIES (CONTINUED)

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

2023	Per Diem	Expense Reimbursement	Total
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
	\$ 9,300	\$ 2,960	\$ 12,260

The amounts paid to each commissioner for the years ended December 31, 2022 were as follows:

2022	Per Diem	Expense Reimbursement	Total
Flozell Daniels, Jr.	\$ 450	\$ 237	\$ 687
Mark Raymond, Jr.	1,650	316	1,966
Arthur Walton	1,350	1,241	2,591
Fred Neal, Jr.	1,725	1,763	3,488
Laura Bryan	750	1,472	2,222
Walter Tillery	1,125	-	1,125
Mostofa Sarwar	-	1,997	1,997
Sharon Wegner	1,125	-	1,125
	\$ 8,175	\$ 7,026	\$ 15,201

Note 12: SUBSEQUENT EVENTS

Management has evaluated all events or transactions that occurred after December 31, 2023 through October 31, 2024, the date that the current year's financial statements were available to be issued. The following events occurred:

In September of 2024, Jefferson Parish formally withdrew from the Regional Transit Authority. Jefferson Parish and the RTA will continue to operate routes that cross parish lines through the administration of Cooperative Endeavor Agreements (CEAs) adopted in 2024. Passengers will continue to experience seamless regional rides and shared Le Pass mobile app functionality as we continue our mission of promoting regionalism and world class ridership to all within our service area.

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.

REQUIRED SUPPLEMENTARY INFORMATION

Regional Transit Authority
Schedule of Changes in Net Pension (Asset) Liability and Related Ratios
Last Nine 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>	2023*	2022*	2021*	2020*	2019*	2018*	2017*	2016*	2015*
TOTAL PENSION LIABILITY									
Service cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest	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	(3,453,281)	(767,533)	(1,205,928)	(703,776)	(729,745)	193,679	(26,948)	(648,029)	(2,886,065)
Change of assumptions	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	(15,593,721)	(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	(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	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)	\$ 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
PLAN FIDUCIARY NET POSITION									
Contributions - employer	-	-	-	-	-	-	-	-	18,000,000
Contributions - employee	-	-	-	-	-	-	-	-	-
Net investment income	(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	(15,593,721)	(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	(1,972,199)	(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	(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	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)	\$ 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
NET PENSION (ASSET) LIABILITY - ENDING (a)-(b)	\$ 6,716,850	\$ (32,418,809)	\$ (19,232,296)	\$ (8,144,429)	\$ 31,405,374	\$ (7,378,788)	\$ (15,068)	\$ 3,589,268	\$ (20,043,549)
Fiduciary net position as a percentage of the total pension liability	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
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

Notes to Schedule: 2015 change of assumptions reflects increase in projected mortality improvement in statutory funding mortality tables. 2016 change of assumptions reflects change in discount rate from 7.50% to 6.87% and increase in projected mortality improvement in statutory funding mortality tables. 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. 2018 change of assumptions reflects increase in investment rate of return from 7.11% blended rate to 7.25%. The 2019 change of assumption reflects the change in discount rate from 7.25% to 6.06% and a change in the statutory funding mortality projection scale. 2020 change of assumptions reflects the change in discount rate from 6.06% to 7.25% and a change in the statutory funding mortality projection scale. The 2021 change of assumptions reflects the change in discount rate from 7.25% to 7.00%, a change in inflation assumption from 2.00% to 2.10%, and a change in the statutory funding mortality projection scale. The 2022 change of assumptions reflects the change in inflation assumption from 2.10% to 2.30%.

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

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

**Regional Transit Authority
Schedule of Proportionate Share of
Net Pension Liability for Retirement Systems
Last Nine 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
Louisiana State Emoloyees' Retirement System					
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	358.00%	62.70%

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

Schedule is intended to show information for 10 years. Additional years will be presented as they become available.

See accompanying independent auditor's report.

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
Louisiana State Employees' Retirement System					
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%
2014	\$ 37,730	\$ 37,730	\$ -	\$ 101,973	37.0%
Transit Management of Southeast Louisiana, Inc.					
2023	\$ 2,905,479	\$ -	\$ 3,905,479	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.

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

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: January 1, 2021

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 Assets are determined by averaging the market value as of the valuation date and the adjusted market values as of the preceding two years. The resulting value is limited to between 90% and 110% of market value of assets. Legislation provides that the averaging method is to be adjusted for expected earnings. The expected earnings are based on an assumed rate of return of 7.25%, not to exceed the applicable PPA third segment rate of 6.11% in 2019 and 5.94% in 2020.

Investment rate of return 7.25%, used only for developing the actuarial value of assets, Effective interest rate of 5.50% for liabilities.

Inflation 2.10% used for review of investment rate of return

Salary increases N/A

Cost of living adjustments N/A

See accompanying independent auditor's report.

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

<i>For the year ended December 31,</i>	2023	2022	2021	2020	2019	2018	2017
TOTAL OPEB LIABILITY							
Service cost	\$ 245	\$ 11,673	\$ 9,964	\$ 11,083	\$ 8,670	\$ 21,186	\$ 21,186
Interest	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	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	(758,529)	(733,675)	(941,594)	(1,074,906)	(1,080,202)	(1,011,517)	(1,434,417)
Net Change in Total OPEB Liability	(1,123,738)	(1,580,435)	485,325	(322,931)	(423,883)	(2,427,935)	(99,098)
Total OPEB Liability - Beginning	5,895,267	7,475,702	6,990,377	7,313,308	7,737,191	10,165,126	10,264,224
Total OPEB Liability - Ending (a)	\$ 4,771,529	\$ 5,895,267	\$ 7,475,702	\$ 6,990,377	\$ 7,313,308	\$ 7,737,191	\$ 10,165,126
Covered-employee payroll	\$ 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	306%	276%	361%	190%	206%	N/A	N/A

Notes to Schedule:

Changes of Assumptions and Other Inputs. The mortality table used for December 31, 2021 was changed from the RP-2000 table to the RP-2014 table.

Discount rate:	3.26%	3.72%	2.06%	2.12%	2.74%	4.10%	3.50%
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This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

See accompanying independent auditor's report.

Regional Transit Authority
Schedule of Changes in Restricted Asset Bond Accounts
For the Year Ended December 31, 2023

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

	Revenue	Cost of Issuance	Reserve	Debt Service	Total
Beginning Balance - January 1, 2023	\$ -	\$ 70	\$ 4,076,537	\$ 6,605,869	\$ 10,682,476
Cash receipts					
Bond Sale		-	-	-	-
Other payments from CNO	10,844,524	-	-	-	10,844,524
Sales Tax Receipts	103,093,589	-	-	-	103,093,589
Interaccount Transfers	-	(70)	-	70	-
Transfer for principal and interest	(8,069,618)	-	-	8,069,618	-
Investment income	6,685	-	189,351	157,481	353,517
Total cash receipts	105,875,180	(70)	189,351	8,227,169	114,291,630
Cash disbursements					
Sales Tax disbursements	97,166,329	-	-	-	97,166,329
Transfers of other payments	8,705,082	-	-	-	8,705,082
Expense payments	-	-	-	8,044,975	8,044,975
Total disbursements	105,871,411	-	-	8,044,975	113,916,386
Ending Balance - December 31, 2023	\$ 3,769	\$ -	\$ 4,265,888	\$ 6,788,063	\$ 11,057,720

Regional Transit Authority
Schedule of Changes in Restricted Asset Bond Accounts
For the Year Ended December 31, 2023

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

	Sales Tax Capital	Debt Service	Total
Beginning Balance - January 1, 2023	\$ (3,198,476)	\$ 3,598,424	\$ 399,948
Cash receipts			
Investment income	-	18,588	18,588
Total cash receipts	-	18,588	18,588
Ending Balance - December 31, 2023	\$ (3,198,476)	\$ 3,617,012	\$ 418,536

Regional Transit Authority
Schedule of Compensation, Benefits, and Other Payments to Agency Head
For the Year Ended December 31, 2023

Agency Head Name: Lona Hankins, Chief Executive Officer

PURPOSE	AMOUNT
Salary	\$ 322,478
Benefits-health insurance	33,683
Benefits-retirement	86,356
Deferred compensation	-
Workers comp	-
Benefits-life insurance	1,071
Benefits-long term disability	-
Benefits-Fica & Medicare	14,563
Car allowance	-
Vehicle provided by government	-
Cell phone	540
Dues	-
Vehicle rental	-
Per diem	3,591
Reimbursements	-
Travel	-
Registration fees	-
Conference travel	5,385
Unvouchered expenses	-
Meetings & conventions	-
Other	-
	\$ 467,667