



REGIONAL TRANSPORTATION COMMISSION OF SOUTHERN NEVADA
A COMPONENT UNIT OF CLARK COUNTY, NEVADA

COMPONENT UNIT FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2024



WE'RE GOING PLACES. LET'S GO TOGETHER.



**REGIONAL TRANSPORTATION
COMMISSION OF SOUTHERN NEVADA**

**A COMPONENT UNIT OF CLARK
COUNTY, NEVADA**

**COMPONENT UNIT FINANCIAL
STATEMENTS**

**FOR THE FISCAL YEAR ENDED
JUNE 30, 2024**



Prepared by the Department of Finance

Las Vegas, Nevada

**REGIONAL TRANSPORTATION COMMISSION OF SOUTHERN NEVADA
A COMPONENT UNIT OF CLARK COUNTY, NEVADA
JUNE 30, 2024**

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**REGIONAL TRANSPORTATION COMMISSION OF SOUTHERN NEVADA
A COMPONENT UNIT OF CLARK COUNTY, NEVADA
JUNE 30, 2024**

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**REGIONAL TRANSPORTATION
COMMISSION OF SOUTHERN NEVADA**

A COMPONENT UNIT OF CLARK COUNTY, NEVADA

**RTC BOARD
OF COMMISSIONERS**

**CHIEF EXECUTIVE
OFFICER**



MJ Maynard, Chief Executive Officer
REGIONAL TRANSPORTATION COMMISSION
OF SOUTHERN NEVADA



Justin Jones, Chairman
CLARK COUNTY COMMISSIONER



Issac Barron, Vice Chairman
NORTH LAS VEGAS COUNCILMAN



Mayor Carolyn Goodman
MAYOR OF LAS VEGAS



Tick Segerblom
CLARK COUNTY COMMISSIONER

**COUNTY
COMMISSIONERS**

James B. Gibson, Chairman
Tick Segerblom, Vice Chairman

Michael Naft
Marilyn Kirkpatrick
Ross Miller
William McCurdy II
Justin Jones



Brian Knudsen
LAS VEGAS COUNCILMAN



Dan Shaw
HENDERSON COUNCILMAN

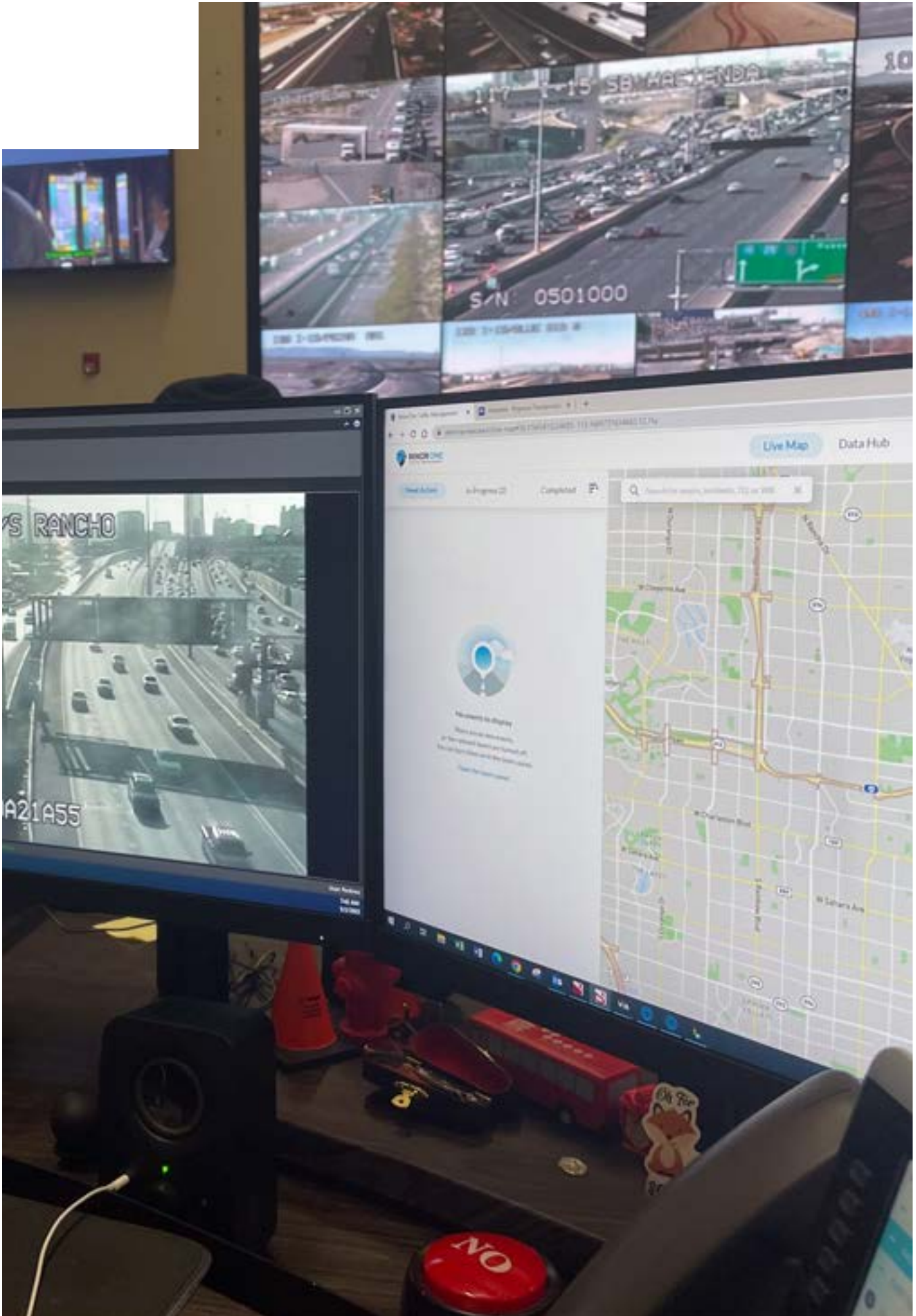


Paul Wanlass
MESQUITE COUNCILMAN

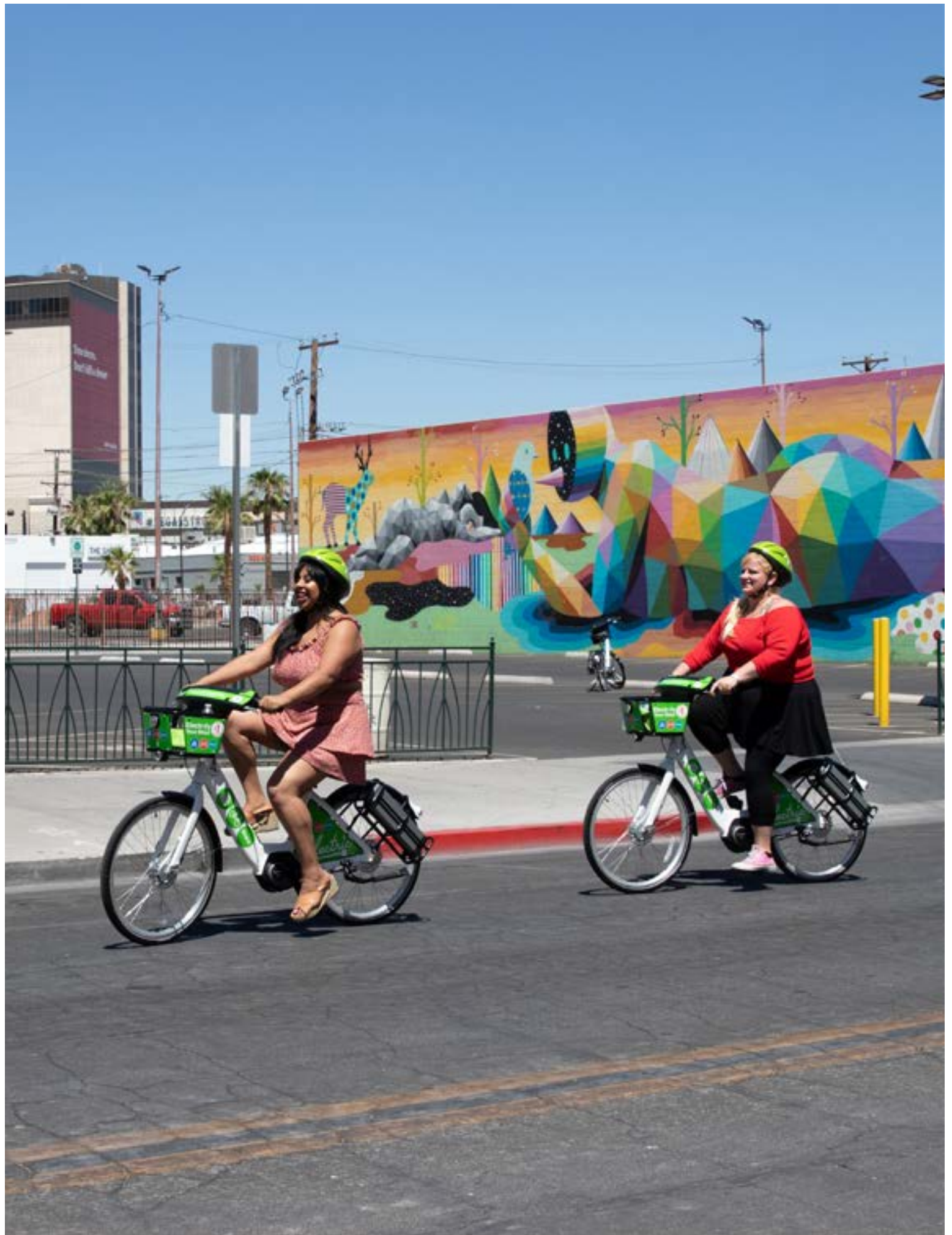


Joe Hardy
MAYOR OF BOULDER CITY





FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Regional Transportation Commission of Southern Nevada
Las Vegas, Nevada

Report on the Audit of the Financial Statements***Opinions***

We have audited the financial statements of the governmental activities, the business-type activities, and each major fund of the Regional Transportation Commission of Southern Nevada (RTC), a component unit of Clark County, Nevada, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the RTC's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, and each major fund of the RTC, as of June 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

(Continued)

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 RTC's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the RTC'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 RTC's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

(Continued)

Supplementary Information

Our audit for the year ended June 30, 2024 was conducted for the purpose of forming opinions on the financial statements that collectively comprise the RTC's basic financial statements. The budgetary comparison schedules on pages 87 through 92 for the year ended June 30, 2024 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 for the year ended June 30, 2024 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 budgetary comparison schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole for the year ended June 30, 2024.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of the RTC as of and for the year ended June 30, 2023 (not presented herein), and have issued our report thereon dated October 30, 2023 which contained unmodified opinions on the respective financial statements of the governmental activities, the business-type activities, and each major fund. The Actual columns within the budgetary comparison schedules on pages 87 through 92, as listed in the table of contents, for the year ended June 30, 2023 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 related directly to the underlying accounting and other records used to prepare the 2023 financial statements. The information was subjected to the audit procedures applied in the audit of the 2023 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Actual columns within the budgetary comparison schedules are fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended June 30, 2023.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the officials schedule, schedule of motor vehicle fuel taxes and indexed fuel taxes and schedule of sales tax collections, as listed in the table of contents, but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

(Continued)

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 30, 2024 on our consideration of the RTC'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 RTC's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the RTC's internal control over financial reporting and compliance.



Crowe LLP

Indianapolis, Indiana
October 30, 2024

MANAGEMENT'S DISCUSSION AND ANALYSIS
(Unaudited)
June 30, 2024

The Management's Discussion and Analysis (MD&A) of the Regional Transportation Commission of Southern Nevada's (RTC) financial performance provides an introduction and overview to the financial statements of the RTC for the fiscal year ended June 30, 2024. The information contained in this MD&A should be considered in conjunction with the information contained in the financial statements and accompanying notes in this report.

FINANCIAL STATEMENTS

The RTC's financial statements are prepared in accordance with accounting principles generally accepted in the United States as promulgated by the Governmental Accounting Standards Board (GASB). The RTC is structured with several governmental funds for administration, debt service, street and highway construction, and one proprietary fund for public transit operations. In the proprietary fund and government-wide financial statements, revenues are recognized when earned, not when received and expenses are recognized when incurred, not when paid. Capital assets, except land and construction in progress, are depreciated over their estimated useful lives. Right-to-use leased assets are amortized over the life of the related lease. Subscription-based information technology arrangements (SBITA) right to use assets are amortized over the subscription term and renewable option years. A portion of net position is restricted for debt service and for street and highway projects. See the financial statement notes for a summary of the RTC's significant accounting policies. The following is a brief discussion of the structure of the basic financial statements:

Government-wide Financial Statements

The government-wide financial statements are designed to provide a broad overview of the RTC's finances. These statements are structured around the primary government. They are further divided into governmental activities and business-type activities. Governmental activities are those generally supported through taxes and intergovernmental revenues, while business-type activities are those for which a fee is charged for goods or services received, and can be subsidized with taxes.

The statement of net position presents information on all of the RTC's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources, as net position. Net position is segregated into three components: net investment in capital assets, restricted, and unrestricted net position.

The statement of activities presents information showing how the RTC's net position changed during the fiscal year. All changes in net position are reported when the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, there are some revenues and expenses reported in this statement that will result in cash flows in future fiscal periods.

Fund Financial Statements

Fund financial statements provide detailed information about the RTC's funds. The RTC has two categories of funds.

Governmental Funds – Funds that are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements described above. However, unlike the government-wide financial statements, governmental fund financial statements use the modified accrual basis of accounting, which focuses on near-term inflows and outflows of available resources, as well as on balances of available resources at the end of the fiscal year. To provide a better understanding of the relationship between the governmental fund financial statements and government-wide financial statements, reconciliations are provided detailing the differences between the two financial statements' balances and results.

Proprietary Funds – Funds that focus on the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows are reported for proprietary funds. The RTC has one type of proprietary fund, an enterprise fund. Enterprise funds are used to report an activity where fees are charged to external users. The RTC's sole enterprise fund, the Public Transit Fund, is used to account for transit operations.

FINANCIAL HIGHLIGHTS

The governmental activities of the RTC consist of two highway improvement funds, two debt service funds, and two funds utilized to account for administration of the RTC and distribution of a portion of the sales and excise tax revenue. The RTC funds a portion of street and highway projects for Clark County, the City of Las Vegas, City of Henderson, City of North Las Vegas, City of Boulder City, City of Mesquite, Bunkerville, Indian Springs, Laughlin, Moapa, Moapa Valley, Mt. Charleston, and Searchlight, (collectively referred to as the Jurisdictions) through a nine cent motor vehicle fuel tax, an indexed fuel tax, and a portion of the sales and excise tax revenue allocated to the RTC Highway Improvement Fund. The business-type activities consist solely of the RTC Public Transit System, accounted for in an enterprise fund. The continued construction of streets and highways, public transit facilities, and the acquisition of public transit equipment accounts for the majority of the changes in the balances reported in the statement of net position.

General. Clark County continues to see an increase in migration from neighboring states due to the vast job opportunities in Southern Nevada created by new businesses and infrastructure investments. In the last twelve months, Clark County and the jurisdictions in Southern Nevada have experienced major infrastructure growth with the opening of several hospitality and entertainment venues, along with hosting several major sporting events. The City of Las Vegas has been capitalizing on becoming the premier global sports destination, as demonstrated by the 2023 Stanley Cup finals with the Vegas Golden Knights as the champions and the 2023 Women's National Basketball Association (WNBA) with the Las Vegas Aces winning. The City also hosted the first ever Formula 1 race on the Strip and the Allegiant Stadium became the venue of the National Football League's (NFL) 2024 Big Game. Las Vegas is positioned to add another sports team to its roster, with Major League Baseball's (MLB) Oakland A's pending move and the planned ballpark location already secured. As the population keeps growing, the cost of necessities has increased due to demand, coupled with the overall rising inflation experienced nationwide. The cost of home ownership in Clark County has also increased significantly, as there is not enough housing available for new and existing Las Vegas residents. The lack of inventory and high demand for homes have driven home prices as well as rent prices up. Salary costs have also increased drastically as the competitive job market has a high demand for employable and qualified workers.

Effect on RTC's Operations. Hosting the big sporting events throughout the fiscal year affected the RTC's transit service due to road closures, thus rerouting affected buses to alternate locations. The bus routes running the Strip were greatly affected by the Formula 1 event, as the construction of the race circuit took months of preparation. Construction involved lane closures which caused heavy traffic in the affected areas for a prolonged period. The RTC also provided game day service during hockey and football seasons. Residents and visitors preferred using the RTC's transit system during these special events because of reasonable fares and the convenience of getting to their destinations. The RTC chose a new security contractor during the fiscal year and added additional security officers, in alignment with the federal government's initiative to prevent assaults and enhance safety in the transit system. The RTC was also affected by increasing salary costs of contracted transit operators and mechanics, as the cost of retaining and recruiting transit workers has increased to remain competitive in the transit industry. Contract amendments were executed to reflect the rising costs of doing business.

Revenue Impacts to the RTC. This fiscal year, fuel tax, sales tax, grants and contributions constitute the RTC's primary sources of revenue. In comparing fiscal year 2024 with fiscal year 2023, Motor Vehicle Fuel Tax (MVFT) revenues remained flat, Indexed Fuel Tax 1 (IFT 1) revenues increased by 2.4% and Indexed Fuel Tax 2 (IFT 2) increased by 41.9%, primarily due to the statutorily scheduled rate increase. Sales tax revenues increased by 3.4%, which Management believes is because of the continuing rise of inflation. Operating and capital grants and contributions increased by 54.5%. The RTC requested approximately \$37.6 million of reimbursement from the federal government, to cover the rising costs of operating the transit system, through capital cost of contracting.

In April 2024, the RTC was awarded nearly \$150 million in Federal Transit Administration (FTA) funding for the construction of the Maryland Parkway bus rapid transit project. The grant funding will provide approximately half of the total project costs to acquire, install and build enhanced transit shelters, hydrogen fuel cell electric buses, new pavement, upgraded traffic signals, landscaping, shared bus-bike lanes, upgraded pedestrian crossings and wider sidewalks along one of the RTC's busiest corridors, Maryland Parkway. Of the total grant award, the RTC recognized approximately \$13.8 million of the grant as revenue in the current fiscal year.

Expense Impacts to the RTC. The RTC continuously collaborates with the transit contractors to ensure transit workforce retention in the Public Transit Fund. Public transit expenses increased by approximately \$64,000,000 due to the union-negotiated salary increases for the fixed route contracts, paratransit contracts and the previous security contract. Fixed route service costs increased by approximately \$28,600,000. Paratransit contractor costs increased by approximately \$14,900,000 from combined core, senior and microtransit rideshare paratransit services. Approximately \$3,300,000 was paid to the previous fixed route contractor as a final payment for the repair of vehicles that needed to be turned over to the new contractor, ready for revenue service. Security expenditure increased by approximately \$8,300,000, \$2,300,000 of which was paid to the new security contractor, in preparation for the July 1st contract turnover. Fuel costs increased by approximately \$8,900,000 compared to the prior year as fuel prices, particularly compressed natural gas (CNG), continue to rise. In fiscal year 2024, RTC received approximately \$5,000,000 in IRS CNG excise tax rebates and \$966,000 of Renewable Natural Gas (RNG) credits that help offset the cost of CNG paid to Southwest Gas.

Capital outlay in the Capital Projects Funds increased by \$99,500,000 due to the roadway infrastructure investments in the various jurisdictions that were approved to be funded by the RTC's Board of Commissioners. Majority of the roadway projects were in the construction phase in this fiscal year. Construction projects also got severely affected by inflation as construction costs have skyrocketed this fiscal year.

Condensed Statements of Net Position
June 30, 2024 and 2023

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES						
Current and other assets	\$ 836,869,550	\$ 811,232,792	\$ 496,976,387	\$ 480,205,585	\$ 1,333,845,937	\$ 1,291,438,377
Net capital assets	13,428,470	12,995,593	528,095,944	483,674,185	541,524,414	496,669,778
Total assets	850,298,020	824,228,385	1,025,072,331	963,879,770	1,875,370,351	1,788,108,155
Deferred outflows of resources	23,514,282	28,573,324	13,541,702	15,576,583	37,055,984	44,149,907
Total assets and deferred outflows of resources	<u>\$ 873,812,302</u>	<u>\$ 852,801,709</u>	<u>\$ 1,038,614,033</u>	<u>\$ 979,456,353</u>	<u>\$ 1,912,426,335</u>	<u>\$ 1,832,258,062</u>
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES						
Long-term liabilities	\$ 1,393,353,865	\$ 1,307,673,328	\$ 72,002,102	\$ 71,591,244	\$ 1,465,355,967	\$ 1,379,264,572
Other liabilities	103,318,173	92,617,301	48,480,743	26,041,302	151,798,916	118,658,603
Total liabilities	1,496,672,038	1,400,290,629	120,482,845	97,632,546	1,617,154,883	1,497,923,175
Deferred inflows of resources	11,412,799	8,035,520	6,212,693	6,667,381	17,625,492	14,702,901
Total liabilities and deferred inflows of resources	<u>1,508,084,837</u>	<u>1,408,326,149</u>	<u>126,695,538</u>	<u>104,299,927</u>	<u>1,634,780,375</u>	<u>1,512,626,076</u>
NET POSITION						
Net investment in capital assets	13,428,469	12,995,593	493,846,288	450,385,313	507,274,757	463,380,906
Restricted	719,739,723	704,939,194	-	-	719,739,723	704,939,194
Unrestricted (deficit)	<u>(1,367,440,727)</u>	<u>(1,273,459,227)</u>	<u>418,072,207</u>	<u>424,771,113</u>	<u>(949,368,520)</u>	<u>(848,688,114)</u>
TOTAL NET POSITION	<u>\$ (634,272,535)</u>	<u>\$ (555,524,440)</u>	<u>\$ 911,918,495</u>	<u>\$ 875,156,426</u>	<u>\$ 277,645,960</u>	<u>\$ 319,631,986</u>

Governmental Activities

In June of 2013, the Nevada State Legislature passed Assembly Bill No. 413 authorizing Clark County to impose additional taxes on fuels, gasoline, diesel, compressed natural gas, and liquefied petroleum gas, for motor vehicles referred to as Indexed Fuel Tax. Under Indexed Fuel Tax, fuel taxes are increased annually by the ten-year rolling average of the Producer Price Index for non-residential construction not to exceed 7.8%. On September 3, 2013, the Clark County Commission adopted Ordinance No. 4126, which imposed the IFT 1 commencing on January 1, 2014 and further increases were calculated and imposed on July 1, 2014, July 1, 2015, and July 1, 2016 to a maximum 10 cents per gallon of additional fuel tax. The RTC receives 8.8 cents and Clark County receives 1.2 cents of the 10 cents.

In November of 2016 the voters in Clark County approved additional indexing of fuel taxes that became effective July 1, 2017 and terminates after 2026 unless a proposal to continue the indexing is approved by a majority of voters in Clark County at the November 3, 2026 general election. On March 21, 2017, the Clark County Commission adopted Ordinance No. 4466, which continued the Indexed Fuel Taxes (IFT 2) commencing on July 1, 2017. In addition to the 7.8% limit on annual fuel tax rate increases, the Clark County Commission imposed an additional annual limit of 4 cents per gallon on fuel sold.

- The increase in net capital assets was mainly due to approximately \$1,100,000 in acquisition of Fortinet network security, four non-revenue vehicles for the traffic management department, multi-function printers and plotter, Catalyst network advantage systems and a pump replacement in the Administration building, with an offset of approximately \$1,100,000 in depreciation recorded.

Governmental Activities (continued)

- The 17.7% decrease in deferred outflows of resources is primarily due to a decrease of approximately \$2,500,000 as a direct result of decreases in changes of assumptions, net difference between projected and actual earning on investments and changes in proportion and differences between actual contributions and proportionate share of contributions, in accordance with GASB Statement No. 68, *“Accounting and Financial Reporting for Pensions”* and an adjustment of approximately \$2,320,000 to the amortization of deferred outflow of resources related to bond refunding.
- The 6.6% increase in long-term liabilities is due to the issuance of Indexed Fuel Tax Revenue Improvement and Refunding bond Series 2024 amounting to \$206,405,000 with a total premium of approximately \$17,200,000, partial proceeds of which will be used to refund the outstanding Fuel Tax Revenue Improvement bond Series 2014A, regularly scheduled payment of principal for bonds amounting to \$57,085,000 and amortization of premiums of approximately \$14,800,000.
- The 8.1% increase in other liabilities is due to an increase in accounts payable of approximately \$3,000,000 from roadway construction invoices that were accrued at fiscal yearend and an increase in accrued interest of approximately \$4,200,000 related to higher outstanding bond balances.
- The 42.1% increase in deferred inflows of resources was directly attributable to the resulting deferred gain on bond refunding of approximately \$3,900,000 from the payment to refunding escrow to refund Fuel Tax Revenue Improvement bond Series 2014A.
- Restricted net position is mostly comprised of net resources for the Jurisdictions’ street and highway projects and debt service. Available resources for the Jurisdictions’ street and highway projects increased by approximately \$18,000,000 mainly due to the issuance of Indexed Fuel Tax Revenue Improvement and Refunding bond Series 2024, offset by the payment to refunding escrow to refund Fuel Tax Revenue Improvement bond Series 2014A, both as described above for long-term liabilities, and increased expenditures of approximately \$99,500,000 related to construction projects, as discussed in the expense impacts to the RTC under financial highlights.
- The RTC reimburses the Jurisdictions for approved expenditures on street and highway projects, and the Jurisdictions retain and maintain the improved assets. The RTC’s borrowing to help fund jurisdictional street and highway improvement projects contributes to the accumulated deficit in the RTC governmental funds as the resulting debt is retained and serviced by the RTC. The increase in the unrestricted deficit is due to the issuance of Indexed Fuel Tax Revenue Improvement and Refunding bond Series 2024 with an offset of scheduled principal payments as discussed above under long-term liabilities.

Business-Type Activities

- The 9.2% increase in net capital assets was mainly due to approximately \$44,400,000 net change from the capitalization of an enterprise asset management software of approximately \$5,200,000, approximately \$7,500,000 for the acquisition of two revenue service 40' hydrogen (H2) fuel cell buses and four revenue service 40' battery electric buses (BEBs), approximately \$6,200,000 for the fabrication and installation of one hundred twenty slimline bus shelters, approximately \$8,700,000 for the fabrication and installation of one thousand two hundred standalone solar lighting poles at poorly-lit bus stops, approximately \$49,800,000 for the purchase of seventy-nine revenue service paratransit vans and fifty-four revenue service 60' compressed natural gas (CNG) buses, approximately \$1,200,000 for the purchase of thirty-one non-revenue service vehicles, twenty-five of which are for the incoming transit security contractors, and approximately \$780,000 for miscellaneous transit and security equipment at the various transit facilities, with an offset of approximately \$52,400,000 in depreciation and \$1,600,000 amortization recorded.
- The 13.1% decrease in deferred outflows of resources is primarily due to a total decrease of approximately \$2,500,000 as a direct result of decreases in changes of assumptions, net difference between projected and actual earning on investments and changes in proportion and differences between actual contributions and proportionate share of contributions, in accordance with GASB Statement No. 68, *"Accounting and Financial Reporting for Pensions"* and a decrease in differences between expected and actual experience, in accordance with GASB Statement No. 75, *"Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions"*.
- The 86.2% increase in other liabilities is primarily due to an increase in accounts payable of approximately \$17,300,000, which represent accrued June billings of the large transit service contractors and transition costs of the new transit security contractor, combined with deferred revenue of \$5,000,000 from Nevada legislative special appropriations received under Senate Bill 341, to be used to stabilize transit operations.
- The 6.8% decrease in deferred inflows of resources was mainly due to an approximately \$455,000 decrease of deferred inflow of resources related to other postemployment benefits, as a direct result of differences between expected and actual experience and changes of assumptions, in accordance with GASB Statement No. 75, *"Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions"*.
- The net position amounts fluctuated in relation to net investment in capital assets as described previously.

Condensed Statements of Activities
For the years ended June 30, 2024 and 2023

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
PROGRAM REVENUES						
Charges for services	\$ -	\$ -	\$ 76,099,003	\$ 74,978,565	\$ 76,099,003	\$ 74,978,565
Operating grants and contributions	4,572,963	6,730,576	39,410,213	13,044,440	43,983,176	19,775,016
Capital grants and contributions	14,537,814	37,118	45,794,017	47,712,555	60,331,831	47,749,673
GENERAL REVENUES						
Fuel tax	225,205,894	204,709,669	-	-	225,205,894	204,709,669
Sales and excise tax	79,742,130	77,135,967	239,226,390	231,407,901	318,968,520	308,543,868
Interest income (loss)	29,206,677	4,236,668	19,343,211	4,927,521	48,549,888	9,164,189
Other	4,281,041	3,552,748	119,315	14,970	4,400,356	3,567,718
	<u>357,546,519</u>	<u>296,402,746</u>	<u>419,992,149</u>	<u>372,085,952</u>	<u>777,538,668</u>	<u>668,488,698</u>
EXPENSES						
Public works	414,521,969	309,258,677	-	-	414,521,969	309,258,677
Interest on long-term debt	36,272,645	28,518,455	-	-	36,272,645	28,518,455
Public transit	-	-	368,730,080	304,718,946	368,730,080	304,718,946
	<u>450,794,614</u>	<u>337,777,132</u>	<u>368,730,080</u>	<u>304,718,946</u>	<u>819,524,694</u>	<u>642,496,078</u>
Changes in net position before transfers	(93,248,095)	(41,374,386)	51,262,069	67,367,006	(41,986,026)	25,992,620
Net transfers	14,500,000	12,605,129	(14,500,000)	(12,605,129)	-	-
Change in net position	(78,748,095)	(28,769,257)	36,762,069	54,761,877	(41,986,026)	25,992,620
Net position - beginning	(555,524,440)	(526,755,183)	875,156,426	820,394,549	319,631,986	293,639,366
Net position - ending	<u>\$ (634,272,535)</u>	<u>\$ (555,524,440)</u>	<u>\$ 911,918,495</u>	<u>\$ 875,156,426</u>	<u>\$ 277,645,960</u>	<u>\$ 319,631,986</u>

Fluctuations in revenues and expenses for fiscal year 2024 compared to fiscal year 2023 are explained below.

Governmental Activities

- During fiscal year 2024, the Unified Planning Work Program (UPWP) grant reimbursement funded by the Federal Highway Administration (FHWA) decreased by approximately \$3,200,000 as the Metropolitan Planning Organization (MPO) focused planning efforts in the current fiscal year to the development of the five-year Regional Transportation Plan (RTP) as mandated by the federal agency regulations. The department continued to work on open planning studies from the prior fiscal year and did not take on additional planning studies outside the RTP project. Part of this decrease is attributed to approximately \$830,000 of fourth quarter UPWP grant revenue that was not received within ninety days of the end of the current fiscal year, thus being reclassified to deferred revenue. The decrease in operating grants and contributions is offset by approximately \$511,000 of new grant reimbursement from the Department of Defense (DoD) Office of Local Defense Community Cooperation economic adjustment assistance for compatible use and joint land use studies for the Nellis Air Force Base Study.
- The increase in capital grants and contributions was due to the reimbursement of approximately \$13,800,000 for associated Maryland Parkway preliminary costs, funded by the Capital Investment Grant (CIG) through the Federal Transit Administration (FTA). Details of the projects are discussed in the revenue impacts to the RTC under financial highlights.

Governmental Activities (continued)

- Fuel tax revenue increased by 10% due to approximately \$18,000,000 from the scheduled rate increase of Indexed Fuel Tax 2 (IFT2) from 0.038 cents per gallon in fiscal year 2023 to 0.053 cents per gallon in fiscal year 2024. Taxable gallons sold in Clark County increased slightly by 0.6% at approximately 826,500,000 gallons in the current year, compared to 821,500,000 gallons in the prior year. Another contributor to the increase is approximately \$11,800,000 in refunds not taken by distributors of special fuel subject to the IFT. The maximum amount of IFT for special fuels that is subject to refund is 20% per NRS 373.083,1(c). The Department of Motor Vehicles withholds the 20% throughout the year, and if the refunds are not applied for and given to the distributors, they are remitted to the RTC.
- The 589.4% increase in interest income at approximately \$25,000,000 was mainly due to GASB 31 adjustments by the Clark County Treasurer. The prior year adjustment once again resulted in a negative interest income, which contributed to the current year's significant increase. In compliance with GASB 31, investments are adjusted to fair value in this circumstance, and in accordance with RTC accounting policies summarized in the accompanying notes, the RTC accounts for market fluctuations in the interest income accounts.
- The increase in other income was mainly due to increased cost reimbursement from the Nevada Department of Transportation (NDOT) for the traffic management center's operations, as negotiated in the new two-year contract covering fiscal years 2024 and 2025. Current fiscal year's contracted reimbursement was approximately \$3,700,000, a \$1,000,000 increase from prior year's \$2,700,000. Of the contracted amount, approximately \$3,500,000 was spent by the RTC and reimbursed by NDOT.
- Spending on public works increased by approximately \$99,500,000 as previously discussed in the expense impacts to the RTC under financial highlights.
- The increase in interest on long-term debt of approximately \$7,800,000 was mainly attributable to interest payments on motor vehicle fuel tax bond Series 2023 and sales and excise tax bond Series 2023, both issued in fiscal year 2023.
- The 15% increase in net transfers was mainly attributable to management increasing funds needed to cover administrative fund expenses.

Business-Type Activities

- Operating grants revenue for business-type activities significantly increased by approximately \$26,400,000 or 202.1% due to requesting federal reimbursement to cover the increased fixed route transit service costs of the new contractor, through a federal operating assistance grant mechanism called capital cost of contracting, available to transit agencies located in urbanized areas (UZA) with over 200,000 population. This increase is offset by the prior year's reimbursement of the remaining \$12,900,000 of the American Rescue Plan (ARP) Act of 2021 funds from the Federal Transit Administration (FTA) as part of the pandemic stimulus package.
- Capital grants revenue for business-type activities fluctuates annually based on the volume of capital procurements and the timing of grant awards. The decrease in approximately \$2,000,000 of capital grants in fiscal year 2024 is primarily due to grant award and reimbursement for 13 paratransit replacement buses, 1 paratransit expansion bus, 6 40' fixed route compressed natural gas (CNG) replacement buses and 33 60' fixed route CNG replacement buses, for a total of 53 buses, compared to the grant award and reimbursement for 56 60' fixed route compressed natural gas (CNG) replacement buses and 6 40' fixed route CNG replacement buses in fiscal year 2023.

Business-Type Activities (continued)

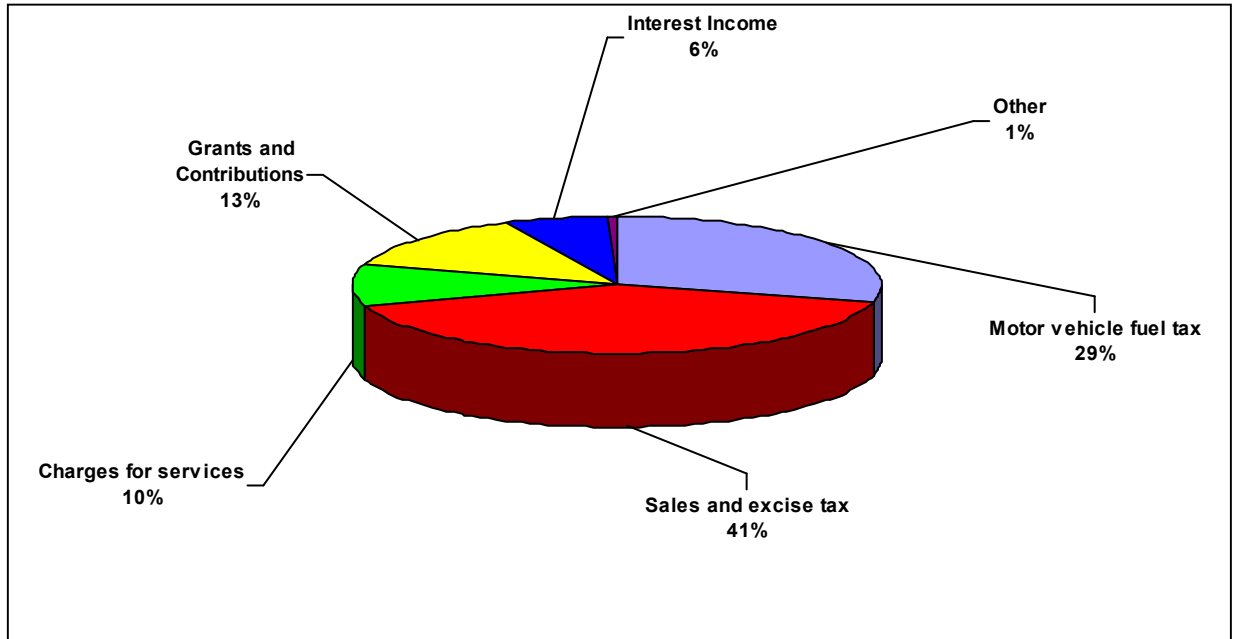
- The 292.6% increase in interest income at approximately \$14,400,000 was mainly due to GASB 31 adjustments by the Clark County Treasurer. Approximately \$4,900,000 of prior year adjustment reversal in the current year, contributed to the current year's significant increase. In compliance with GASB 31, investments are adjusted to fair value in this circumstance, and in accordance with RTC accounting policies summarized in the accompanying notes, the RTC accounts for market fluctuations in the interest income accounts.

- Public transit expenses increased by approximately \$64,000,000 due to the rising costs of operating public transit as all transit-related expenditures are affected by inflation. Union-negotiated salary increases for the fixed route contracts, paratransit contracts and the previous security contract are the contributing factors to the higher transit expenditures. Fixed route service costs increased by approximately \$28,600,000. Paratransit contractor costs increased by approximately \$14,900,000 from combined core, senior and UZURV rideshare paratransit services. Approximately \$3,300,000 of transit service payment was withheld from the previous fixed route contractor until the repairs of vehicles that needed to be turned over to the new contractor, ready for revenue service, were completed. Repairs were completed in the current year and the withheld payments were released. Security expenditure increased by approximately \$8,300,000, \$2,300,000 of which was paid to the new security contractor, in preparation for the July 1st contract turnover. Fuel costs increased by approximately \$8,900,000 compared to the prior year as fuel prices, particularly compressed natural gas (CNG), continue to rise. In fiscal year 2024, RTC received approximately \$5,000,000 in IRS CNG excise tax rebates and \$966,000 of Renewable Natural Gas (RNG) credits that help offset the cost of CNG paid to Southwest Gas.

- The 15% increase in net transfers was mainly attributable to management increasing funds needed to cover administrative fund expenses, as discussed in the governmental activities section.

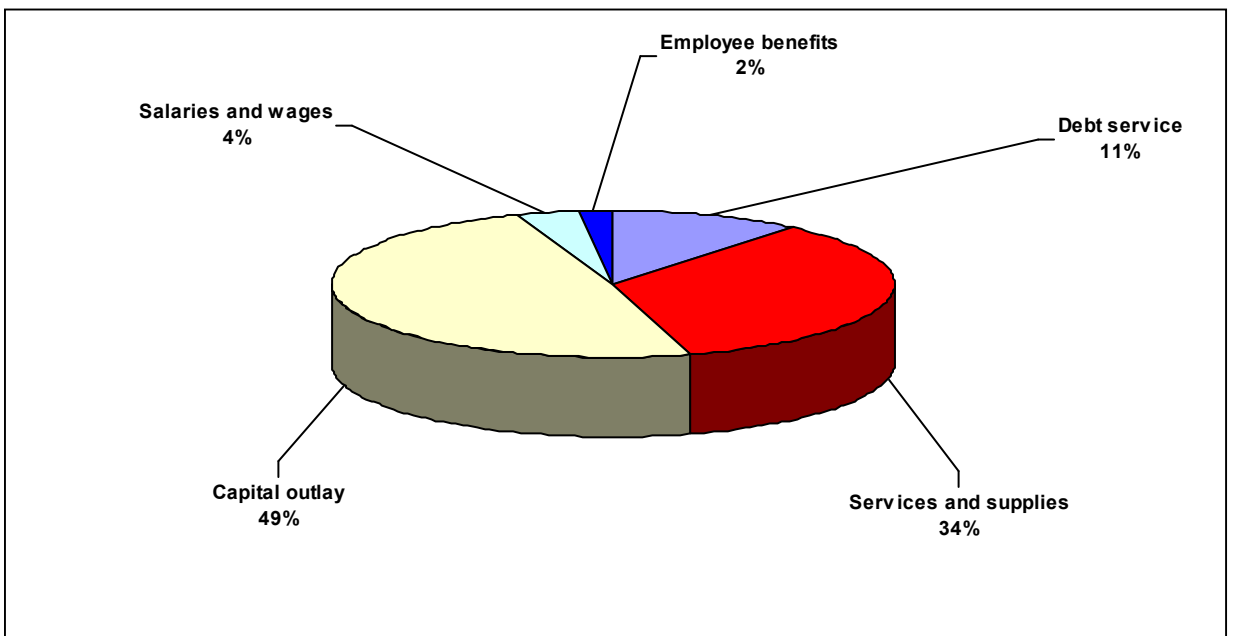
REVENUES

The following chart shows the components of revenues for the fiscal year ended June 30, 2024:



EXPENDITURES

The following chart shows the components of expenditures for the fiscal year ended June 30, 2024:



CAPITAL ACQUISITIONS AND CONSTRUCTION ACTIVITIES

During fiscal year 2024, the RTC expended \$451,942,058 on street and highway improvement projects for the Jurisdictions, RTC Transit capital asset projects, such as vehicle procurements and facilities construction and RTC equipment. The following identifies the street and highway capital improvement expenditures to the Jurisdictions and RTC capital expenditures:

Street and highway capital improvement	\$352,046,341
RTC Transit equipment, buildings, land, and improvements	98,383,207
RTC equipment and improvements	1,512,510

All RTC capital asset acquisitions and improvements exceeding \$5,000 are capitalized at cost. Acquisitions are funded from a variety of sources, including federal grants, state grants, debt issuance and local funds. Expenditures for the funding of street and highway capital improvement projects are not reported as assets on the RTC's financial statements, but are reported as capital outlay for others, and are required to be recorded as assets on the financial statements of the Jurisdictions that own and are responsible for maintenance and repair of the assets. Additional information on the RTC's capital assets and commitments can be found within the notes to the financial statements.

The RTC acquired the leased land, on which the Bonneville Transit Center is located, on September 20, 2024. See Note 16 – Subsequent Events on page 73.

LONG-TERM DEBT ADMINISTRATION

A comprehensive debt management policy is an important foundation of sound financial management. This policy sets forth the parameters for issuing debt, managing outstanding debt, defining RTC responsibilities, delineating the purposes for which debt may be issued, defining debt objectives, identifying the type and amount of permissible debt, defining the method of sale that may be used, and defining other structural features. The policy also includes a debt capacity analysis.

On July 11, 2024, an updated Debt Management Policy was adopted by the RTC. Nevada Revised Statutes 350.013 requires the Debt Management Policy be updated on an annual basis and transmitted to the State of Nevada, Department of Taxation and the Clark County Debt Management Commission.

LONG-TERM DEBT ADMINISTRATION (continued)

The following is a summary of bond transactions and balances for the year ended June 30, 2024:

	Beginning Balance	Additions	Deletions	Ending Balance
Revenue bonds	<u>\$ 1,253,274,142</u>	<u>\$ 223,559,173</u>	<u>\$ 138,771,613</u>	<u>\$ 1,338,061,702</u>

Bonds payable at June 30, 2024, are comprised of the following individual issues:

	Original Amount	Interest Rate	Balance June 30, 2024
Highway Improvement and Refunding Revenue Bonds			
Motor Vehicle Fuel Tax Revenue:			
Series 2016	107,350,000	5.00%	17,670,000
Series 2016B	43,495,000	5.00%	43,495,000
Series 2020C	91,590,000	5.00%	91,590,000
Series 2023	200,000,000	4.00-5.00%	200,000,000
Indexed Fuel Tax Revenue:			
Series 2014A	100,000,000	3.00-5.00%	4,675,000
Series 2015	85,000,000	5.00%	64,475,000
Series 2017	150,000,000	4.00-5.00%	119,030,000
Series 2019	60,000,000	5.00%	40,715,000
Series 2021	100,000,000	2.00-5.00%	93,915,000
Series 2022	200,000,000	3.00-5.00%	200,000,000
Series 2024	206,405,000	4.00-5.00%	206,405,000
Sales and Excise Tax Revenue:			
Series 2016	36,405,000	5.00%	24,020,000
Series 2023	100,000,000	4.00-5.00%	100,000,000
Plus unamortized premium			132,071,702
Total			<u>\$ 1,338,061,702</u>

Issuing highway improvement bonds allows the RTC to fund the construction of street and highway projects for the benefit of the Jurisdictions in a more expeditious manner than funding these projects on a “pay as you go” basis from available tax revenue. Funding street and highway projects with debt also spreads the payment for the assets over the useful life of the assets, and does not burden current tax payers with the full cost of assets that will serve the public and future tax payers for many years. Clark County has issued all outstanding bonds for the RTC in the County’s name. Repayment of the highway improvement bonds is pledged by twelve cents of motor vehicle fuel tax per gallon of fuel sold within Clark County, RTC and County share of Indexed Fuel Taxes collected in Clark County, and 0.25% sales and excise tax collected in Clark County.

The RTC debt management policy stipulates that the debt service coverage ratio must be greater than or equal to 150%, which is calculated by dividing net pledged revenue by the maximum annual debt service, with which Management believes that the RTC is in compliance. See note 7 to the financial statements for the calculations of the debt service coverage ratio for fiscal year 2024.

PUBLIC TRANSIT STATISTICS

The RTC coordinates transportation programs and services to provide for a safe, accessible, and efficient regional transportation network that enhances the quality of life for Southern Nevada’s residents and visitors. As part of this mission, the RTC operates a fixed route bus service and a paratransit service in Southern Nevada. The Americans with Disabilities Act of 1990 requires all fixed route bus service operators to provide a comparable paratransit service for the elderly and disabled.

	2024	2023	2022	2021	2020
Ridership - fixed route	52,203,687	49,590,971	40,953,167	35,005,016	56,009,390
% increase (decrease)	5.3%	21.1%	17.0%	(37.5%)	(13.0%)
Ridership - paratransit	1,898,501	1,605,299	1,363,277	1,011,265	1,371,428
% increase (decrease)	18.3%	17.8%	34.8%	(26.3%)	(16.8%)

The change to one new fixed route contractor compared to previous years’ two contractors covering each bus yard, has caused the slowing down of ridership year-over-year increase, post pandemic. Post-pandemic ridership has started to level off to a more stable ridership.

The increase in paratransit ridership can be attributed to the increase in Medicaid-eligible trips provided to the RTC’s paratransit customers during the fiscal year. Paratransit ridership is also starting to stabilize coming out of the pandemic.

BUDGET

In May 2024, the RTC Board of Commissioners approved the budget for fiscal year 2024.

The Regional Transportation Commission Fund (1) is the general operating fund of the RTC. Federal and state grant revenue and other revenues for this fund were under budget due to the lower planning grant reimbursement as the department focused on the five-year Regional Transportation Plan (RTP) development and lower capital cost reimbursement for the traffic management center as expenditures were below the contracted reimbursement for the year. Expenditures were under budget due to lower consulting fees spent by the Metropolitan Planning Organization (MPO) for planning studies.

The Regional Transportation Fund (2) is a special revenue fund for the purpose of accounting for half of the additional sales tax approved by voters in 2002. The services and supplies for this fund consist of statutory amounts paid to the Clark County Department of Environment and Sustainability – Division of Air Quality (CCDOAQ) at 8% of the sales tax approved by voters in 2002. Sales tax revenue exceeded the original budget by 3%, which is mainly due to the continued effects of higher inflation rates. The budget was augmented, anticipating that the resultant expenditure would exceed the original budget. Transfers out of this fund are sent to the Highway Improvement Fund (6) and are directly related to the amount of sales tax revenue collected, therefore budgeted transfers were also augmented in consideration of the increase in sales tax revenue.

The RTC Bonds Fund (3) is utilized to account for the accumulation and payment of semi-annual debt service payments. In compliance with GASB 31, investments are adjusted to fair value in this circumstance, and in accordance with RTC accounting policies summarized in the accompanying notes, the RTC accounts for market fluctuations in the interest income accounts. For the current fiscal year, interest income was approximately \$2,800,000.

BUDGET (continued)

The RTC Reserve Fund (4) is utilized to account for the debt service reserve funds required by all Clark County debt issued for the RTC. In compliance with GASB 31, investments are adjusted to fair value in this circumstance, and in accordance with RTC accounting policies summarized in the accompanying notes, the RTC accounts for market fluctuations in the interest income accounts. During the fiscal year, the reserve fund increased by approximately \$9,600,000 mainly due to the required reserves from the issuance of the Indexed Fuel Tax Revenue Improvement and Refunding bond Series 2024.

The Highway Improvement Acquisition Fund (5) is a special revenue fund used to account for the nine cent Clark County MVFT revenue and Indexed Fuel Tax (IFT) revenue. In fiscal year 2024, IFT came in over budget by 9.3%, due to the statutorily scheduled rate increase for IFT2. The RTC received approximately \$11,800,000 in refunds not taken by distributors of special fuel subject to the IFT in the current year. The maximum amount of IFT for special fuels that is subject to refund is 20% per NRS 373.083,1(c). The Department of Motor Vehicles withholds the 20% throughout the year, and if the refunds are not applied for and given to the distributors, they are remitted to the RTC. The increase in interest income was mainly due to GASB 31 adjustments by the Clark County Treasurer. In compliance with GASB 31, investments are adjusted to fair value in this circumstance, and in accordance with RTC accounting policies summarized in the accompanying notes, the RTC accounts for market fluctuations in the interest income accounts. Capital outlay on roadway projects was forecasted to exceed the original budget and was included in the budget augmentation process. Expenditures ended up in line with the original budget projections. The budget augmentation included the proceeds of the revenue and refunding bond issued, payment to refunding escrow and related bond issuance costs.

The Highway Improvement Fund (6) is a special revenue fund used to account for half of the additional sales tax approved by voters in 2001 after and payments to Clark County Department of Environment and Sustainability – Division of Air Quality. The increase in interest income was mainly due to GASB 31 adjustments by the Clark County Treasurer. Capital outlay was over budget by 45.1% due to the jurisdictions spending more on roadway projects using sales tax funds. Transfers in were over the original budget primarily due to a higher than budgeted sales tax revenue. The budget was augmented to reflect the increase in transfers in and the additional capital outlay costs incurred during to higher construction costs spent.

The Public Transit Fund (50) is an enterprise fund that contains all financial activity for all aspects of the RTC Transit System. System-wide transit fare revenue were in line with the budget. Services and supplies expenses exceeded the original budget by 5.9% and was included in the budget augmentation process. Actual services and supplies expenditure still came out \$1,000,000 higher than the augmented budget amount due to accrued expenses owed to the previous security contractors and the transition costs of the new security contractors. Federal and state grants revenue fluctuates annually based on the volume of capital procurements and the timing of grant awards. Federal operating assistance grants of approximately \$37,600,000 were not included as budgeted revenues. Details on this grant is explained under the business-type activities section. Capital grants and contributions are under budget by 70.7% due to budgeted capital projects not started in the current fiscal year. Delays in starting the transit construction projects due to various factors resulted in the grant revenues ending up below budget. The increase in interest income was mainly due to GASB 31 adjustments by the Clark County Treasurer. In compliance with GASB 31, investments are adjusted to fair value in this circumstance, and in accordance with RTC accounting policies summarized in the accompanying notes, the RTC accounts for market fluctuations in the interest income accounts.

Management continues its effort to manage resources in order to enhance efficiency in providing transit services and fund streets and highways projects.

CREDIT RATINGS

Through June 30, 2024, Clark County has issued all revenue bonds on behalf of the RTC. The bond rating at June 30, 2024, for the Clark County, Nevada Highway Revenue (Motor Vehicle Fuel Tax) Bonds from Moody's Investors Service, Inc. was Aa3, and the rating from Standard & Poor's Rating Service was AA-. The bond rating at June 30, 2024, for the Clark County, Nevada Highway Revenue (Indexed Fuel Tax) Bonds from Moody's Investors Service, Inc. was Aa3, and the rating from Standard & Poor's Rating Service was AA-. The bond rating at June 30, 2024, for the Clark County, Nevada Sales and Excise Tax Revenue (Street and Highway Projects) Refunding Bonds from Moody's Investors Service, Inc. was Aa2, and the rating from Standard & Poor's Rating Service was AA+.

On September 17, 2024, a Rule 15c2-12 Disclosure was submitted in Electronic Municipal Market Access (EMMA), notifying of a Moody's rating change for Clark County-issued bonds on behalf of the RTC. In order to align the RTC's bond rating to the issuer Clark County's bond rating, Moody's Investors Service, Inc. upgraded the following RTC revenue bonds:

- Motor vehicle fuel tax revenue bonds upgraded from Aa3 to Aa2
- Indexed fuel tax and subordinate motor vehicle fuel tax revenue bonds from Aa3 to Aa2
- Sales and excise tax revenue bonds from Aa2 to Aa1

ECONOMIC FACTORS AND FUTURE BUDGETS

In preparing revenue forecasts and future budgets the RTC mainly monitors sales tax and fuel tax revenues. In addition to tax revenues, local economic indicators are monitored. These economic indicators are considered in preparing revenue forecasts and future budgets for tax revenue and transit fare revenue. The unemployment rate for Clark County, Nevada in August 2024 was 6.1%, which was up from 5.7% in August 2023. The hotel/motel occupancy rate for the Las Vegas metropolitan area for August 2024 year-to-date was 83.7% which remained flat compared to August 2023 year-to-date occupancy rate. This indicator reflects the nearly consistent levels of local and tourist activities, year after year, post-pandemic, contributing to the Las Vegas economy. Please see financial highlights section for detailed discussion on the effects of infrastructure investment, rising inflation and higher costs of doing business on the local economy.

The RTC maintains healthy cash reserves in the fuel tax and sales tax streets and highways programs, and did not reduce expenditures for road construction in these programs in the fiscal year 2024 budget.

In the event fiscal year 2025 revenues fall below current estimates, the RTC may offset the revenue shortfall with the use of additional unrestricted reserves, implement cost containment measures, issue revenue bonds or a combination of these three measures. Management will continue to monitor the effects of economic activities in the Valley and assess the impact to the RTC's operations. Future budgets will be augmented accordingly, should there be a likelihood the expenditures will exceed the forecasts.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the RTC's finances for all those interested. Questions concerning any of the information provided in this report or requests for additional information should be addressed in writing to Marc Traasdahl, Chief Financial Officer, Regional Transportation Commission of Southern Nevada, 600 South Grand Central Parkway, Suite 350, Las Vegas, NV 89106-4512 or by e-mail to Traasdahlm@rtcsonv.com.



BASIC FINANCIAL STATEMENTS



REGIONAL TRANSPORTATION COMMISSION OF SOUTHERN NEVADA
A COMPONENT UNIT OF CLARK COUNTY, NEVADA
STATEMENT OF NET POSITION
JUNE 30, 2024

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES			
ASSETS:			
Cash and investments:			
In custody of the County Treasurer			
Unrestricted	\$ 8,694,924	\$ 371,486,751	\$ 380,181,675
Restricted	438,604,822	-	438,604,822
Cash in bank			
Unrestricted	3,433,854	4,237,248	7,671,102
Restricted	24,414,283	-	24,414,283
Cash on hand	500	14,700	15,200
In custody of the fiscal agent	275,860,236	-	275,860,236
Accounts receivable, net	8,874,923	53,493,456	62,368,379
Interest receivable	2,482,587	2,053,487	4,536,074
Internal balances	(438,037)	438,037	-
Due from other governmental units	74,806,939	65,250,273	140,057,212
Prepaid expenses	134,519	2,435	136,954
Capital assets, not being depreciated	1,250,879	55,588,716	56,839,595
Capital assets, net of accumulated depreciation/amortization	12,177,591	472,507,228	484,684,819
Total assets	<u>850,298,020</u>	<u>1,025,072,331</u>	<u>1,875,370,351</u>
DEFERRED OUTFLOWS OF RESOURCES:			
Deferred outflows related to pensions	14,892,074	10,326,987	25,219,061
Loss on bond refunding	5,205,088	-	5,205,088
Deferred outflows related to other post employment benefits	3,417,120	3,214,715	6,631,835
Total deferred outflows of resources	<u>23,514,282</u>	<u>13,541,702</u>	<u>37,055,984</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u><u>\$ 873,812,302</u></u>	<u><u>\$ 1,038,614,033</u></u>	<u><u>\$ 1,912,426,335</u></u>

See accompanying notes to financial statements.

REGIONAL TRANSPORTATION COMMISSION OF SOUTHERN NEVADA
A COMPONENT UNIT OF CLARK COUNTY, NEVADA
STATEMENT OF NET POSITION
JUNE 30, 2024

	Governmental Activities	Business-type Activities	Total
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES			
LIABILITIES:			
Accounts payable	\$ 79,352,279	\$ 42,805,655	\$ 122,157,934
Accrued payroll	499,552	421,043	920,595
Accrued interest	23,235,150	-	23,235,150
Accrued subscription interest	-	77,759	77,759
Other current liabilities	231,192	5,254,045	5,485,237
Long-term liabilities:			
Portion due or payable within one year:			
Bonds and notes payable	50,560,000	-	50,560,000
Subscription liability	-	523,284	523,284
Compensated absences	1,606,980	1,263,335	2,870,315
Total OPEB liability	181,270	166,730	348,000
Portion due or payable after one year:			
Bonds and notes payable	1,287,501,702	-	1,287,501,702
Accrued lease interest	-	1,385,213	1,385,213
Lease liability	-	27,305,719	27,305,719
Subscription liability	-	1,740,438	1,740,438
Compensated absences	1,761,340	996,673	2,758,013
Total OPEB liability	9,462,713	8,703,671	18,166,384
Net pension liability	42,279,860	29,839,280	72,119,140
Total liabilities	1,496,672,038	120,482,845	1,617,154,883
DEFERRED INFLOWS OF RESOURCES:			
Gain on bond refunding	3,877,281	-	3,877,281
Deferred inflows related to pensions	2,160,742	774,262	2,935,004
Deferred inflows related to other post employment benefits	5,374,776	5,438,431	10,813,207
Total deferred inflows of resources	11,412,799	6,212,693	17,625,492
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	1,508,084,837	126,695,538	1,634,780,375
NET POSITION			
Net investment in capital assets	13,428,469	493,846,288	507,274,757
Restricted for:			
Capital projects and intergovernmental capital grants	557,618,358	-	557,618,358
Debt service	162,121,365	-	162,121,365
Unrestricted (deficit)	(1,367,440,727)	418,072,207	(949,368,520)
TOTAL NET POSITION	\$ (634,272,535)	\$ 911,918,495	\$ 277,645,960

See accompanying notes to financial statements.

REGIONAL TRANSPORTATION COMMISSION OF SOUTHERN NEVADA
A COMPONENT UNIT OF CLARK COUNTY, NEVADA
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenue</u>			<u>Net (Expense) Revenues and Changes in Net Position</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
GOVERNMENTAL ACTIVITIES:							
Public works	\$ 414,521,969		\$ 4,572,963	\$ 14,537,814	\$ (395,411,192)		\$ (395,411,192)
Interest on long-term debt	36,272,645		-	-	(36,272,645)		(36,272,645)
TOTAL GOVERNMENTAL ACTIVITIES	450,794,614		4,572,963	14,537,814	(431,683,837)		(431,683,837)
BUSINESS-TYPE ACTIVITIES:							
Public transit	368,730,080	\$ 76,099,003	39,410,213	45,794,017		\$ (207,426,847)	(207,426,847)
Total	\$ 819,524,694	\$ 76,099,003	\$ 43,983,176	\$ 60,331,831	(431,683,837)	(207,426,847)	(639,110,684)
General Revenues:							
Fuel taxes					225,205,894	-	225,205,894
Sales and excise tax					79,742,130	239,226,390	318,968,520
Interest income (loss)					29,206,677	19,343,211	48,549,888
Other					4,281,041	119,315	4,400,356
Transfers					14,500,000	(14,500,000)	-
Total general revenues and transfers					352,935,742	244,188,916	597,124,658
Changes in net position					(78,748,095)	36,762,069	(41,986,026)
Net position - beginning					(555,524,440)	875,156,426	319,631,986
Net position - ending					\$ (634,272,535)	\$ 911,918,495	\$ 277,645,960

See accompanying notes to financial statements.

**REGIONAL TRANSPORTATION COMMISSION OF SOUTHERN NEVADA
A COMPONENT UNIT OF CLARK COUNTY, NEVADA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2024**

	Special Revenue Fund		Debt Service Funds		Capital Project Funds		Total Governmental Funds
	General Fund						
	Regional Transportation Commission	Regional Transportation	RTC Bonds	RTC Reserve	Highway Improvement Acquisition	RTC Highway Improvement	
ASSETS							
Cash and investments:							
In custody of the County Treasurer							
Unrestricted	\$ 8,694,924	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,694,924
Restricted	-	1,084,599	74,662,389	59,643,713	191,626,191	111,587,931	438,604,823
Cash in bank							
Unrestricted	3,433,854	-	-	-	-	-	3,433,854
Restricted	-	320,356	-	-	18,880,184	5,213,743	24,414,283
Cash on hand	500	-	-	-	-	-	500
In custody of the fiscal agent	-	-	-	57,346,409	199,270,555	19,243,272	275,860,236
Accounts receivable, net	5,781,323	-	-	-	3,063,386	30,214	8,874,923
Interest receivable	48,258	6,020	414,388	331,032	1,063,557	619,332	2,482,587
Due from other funds	-	-	-	-	4,778,896	18,900,429	23,679,325
Due from other governmental units	254,275	19,807,034	-	-	54,745,630	-	74,806,939
Prepaid expenses	9,520	-	-	-	125,000	-	134,520
TOTAL ASSETS	\$ 18,222,654	\$ 21,218,009	\$ 75,076,777	\$ 117,321,154	\$ 473,553,399	\$ 155,594,921	\$ 860,986,914
LIABILITIES AND FUND BALANCES							
LIABILITIES:							
Accounts payable	\$ 3,314,338	\$ 3,169,126	\$ -	\$ -	\$ 48,605,626	\$ 24,263,189	\$ 79,352,279
Accrued payroll	499,552	-	-	-	-	-	499,552
Due to other funds	438,037	16,637,909	7,041,416	-	-	-	24,117,362
Other liabilities	159,072	-	-	-	72,121	-	231,193
Total liabilities	4,410,999	19,807,035	7,041,416	-	48,677,747	24,263,189	104,200,386
DEFERRED INFLOWS OF RESOURCES:							
Deferred revenue	857,048	-	-	-	-	-	857,048
Total deferred inflows of resources	857,048	-	-	-	-	-	857,048
Total liabilities and deferred inflows of resources	5,268,047	19,807,035	7,041,416	-	48,677,747	24,263,189	105,057,434
FUND BALANCES:							
Nonspendable fund balance	9,520	-	-	-	125,000	-	134,520
Restricted fund balance	-	1,410,974	68,035,361	117,321,154	424,750,652	131,331,732	742,849,873
Unassigned fund balance	12,945,087	-	-	-	-	-	12,945,087
Total fund balances	12,954,607	1,410,974	68,035,361	117,321,154	424,875,652	131,331,732	755,929,480
TOTAL LIABILITIES AND FUND BALANCES	\$ 18,222,654	\$ 21,218,009	\$ 75,076,777	\$ 117,321,154	\$ 473,553,399	\$ 155,594,921	\$ 860,986,914

See accompanying notes to financial statements.

**REGIONAL TRANSPORTATION COMMISSION OF SOUTHERN NEVADA
A COMPONENT UNIT OF CLARK COUNTY, NEVADA
RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET POSITION
JUNE 30, 2024**

Amounts reported for governmental activities in the statement of net position are different because:

Fund balance - governmental funds \$ 755,929,480

Capital assets used in governmental activities are not current financial resources; and therefore, are not reported in the fund financial statements, but are reported in the statement of net position.

Capital assets	\$ 32,565,270	
Less accumulated depreciation	<u>(19,136,801)</u>	13,428,469

Deferred inflow of resources are reported in the funds related to revenues that were not available soon enough after year-end to pay current year's expenditures

Deferred revenue		857,048
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Long-term liabilities, including bonds and loans payable, are not due and payable in the current period; and therefore, are not reported in the fund financial statements.

Bonds and notes payable	(1,205,990,000)	
Unamortized issuance premiums	(132,071,702)	
Gain on bond refunding	(3,877,281)	
Loss on bond refunding	5,205,088	
Deferred outflows of resources - pension	14,892,074	
Deferred outflows of resources - other post employment benefit	3,417,120	
Accrued interest payable	(23,235,150)	
Compensated absences	(3,368,320)	
Total OPEB liability	(9,643,983)	
Net pension liability	(42,279,860)	
Deferred inflows of resources - pension	(2,160,742)	
Deferred inflows of resources - other post employment benefit	<u>(5,374,776)</u>	<u>(1,404,487,532)</u>

Total net position - governmental activities		\$ <u>(634,272,535)</u>
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See accompanying notes to financial statements.

**REGIONAL TRANSPORTATION COMMISSION OF SOUTHERN NEVADA
A COMPONENT UNIT OF CLARK COUNTY, NEVADA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	General Fund	Special Revenue Fund	Debt Service Funds		Capital Project Funds		Total Governmental Funds
	Regional Transportation Commission	Regional Transportation	RTC Bonds	RTC Reserve	Highway Improvement Acquisition	RTC Highway Improvement	
REVENUES							
Intergovernmental revenue:							
Federal and state grants	\$ 4,460,399	\$ -	\$ -	\$ -	\$ 13,823,330	\$ -	\$ 18,283,729
Fuel taxes	-	-	-	-	225,205,894	-	225,205,894
Sales and excise tax	-	79,742,130	-	-	-	-	79,742,130
Interest	329,944	315,854	2,773,403	5,087,767	14,000,253	6,699,456	29,206,677
Other	3,983,323	-	-	-	1,047	296,671	4,281,041
Total revenues	<u>8,773,666</u>	<u>80,057,984</u>	<u>2,773,403</u>	<u>5,087,767</u>	<u>253,030,524</u>	<u>6,996,127</u>	<u>356,719,471</u>
EXPENDITURES							
Current:							
Salaries and wages	19,829,237	-	-	-	-	-	19,829,237
Employee benefits	8,423,185	-	-	-	-	-	8,423,185
Services and supplies	15,126,463	12,758,741	2,750	-	562,390	150,852	28,601,196
Debt service:							
Principal	-	-	57,085,000	-	-	-	57,085,000
Interest	-	-	44,586,753	-	-	-	44,586,753
Bond issuance costs	-	-	-	-	1,360,013	-	1,360,013
Capital outlay							
Capital outlay	1,512,510	-	-	-	-	-	1,512,510
Capital outlay to others	-	-	-	-	240,346,086	111,700,255	352,046,342
Total expenditures	<u>44,891,395</u>	<u>12,758,741</u>	<u>101,674,503</u>	<u>-</u>	<u>242,268,489</u>	<u>111,851,107</u>	<u>513,444,235</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(36,117,729)</u>	<u>67,299,243</u>	<u>(98,901,100)</u>	<u>5,087,767</u>	<u>10,762,035</u>	<u>(104,854,980)</u>	<u>(156,724,764)</u>
OTHER FINANCING SOURCES (USES)							
Transfers in	35,426,039	-	101,647,000	-	-	66,983,389	204,056,428
Transfers out	-	(66,983,389)	-	-	(113,057,039)	(9,516,000)	(189,556,428)
Revenue bond issued	-	-	-	9,579,302	140,420,698	-	150,000,000
Refunding bond issued	-	-	-	-	56,405,000	-	56,405,000
Premium on bond issued	-	-	-	-	17,154,173	-	17,154,173
Payment to refunding escrow	-	-	(1,543,000)	-	(61,484,345)	-	(63,027,345)
Total other financing sources (uses)	<u>35,426,039</u>	<u>(66,983,389)</u>	<u>100,104,000</u>	<u>9,579,302</u>	<u>39,438,487</u>	<u>57,467,389</u>	<u>175,031,828</u>
CHANGES IN FUND BALANCES	(691,690)	315,854	1,202,900	14,667,069	50,200,522	(47,387,591)	18,307,064
Fund balances - beginning	<u>13,646,297</u>	<u>1,095,120</u>	<u>66,832,461</u>	<u>102,654,085</u>	<u>374,675,130</u>	<u>178,719,323</u>	<u>737,622,416</u>
Fund balances - ending	<u>\$ 12,954,607</u>	<u>\$ 1,410,974</u>	<u>\$ 68,035,361</u>	<u>\$ 117,321,154</u>	<u>\$ 424,875,652</u>	<u>\$ 131,331,732</u>	<u>\$ 755,929,480</u>

See accompanying notes to financial statements.

**REGIONAL TRANSPORTATION COMMISSION OF SOUTHERN NEVADA
A COMPONENT UNIT OF CLARK COUNTY, NEVADA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

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

Changes in fund balances - governmental funds \$ 18,307,064

Governmental funds report outlays for capital assets as expenditures because such outlays use current financial resources. In contrast such outlays are allocated over the assets' estimated useful lives as depreciation expense for the period in the statement of activities.

Capital outlay	\$ 353,558,851	
Less capital outlay to others	<u>(352,046,341)</u>	
Capital asset additions	1,512,510	
Less current year depreciation	<u>(1,079,633)</u>	432,877

Revenues in the statement of activities that do not provide current financial resources are not reported as revenue in the funds.

Change in deferred revenue	827,048
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The issuance of long-term debt (e.g. bonds and notes) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are amortized over the life of the related debt in the statement of activities.

Revenue bond issued	(150,000,000)	
Premium on revenue bond issued	(11,699,703)	
Refunding bond issued	(56,405,000)	
Premium on refunding bond issued	(5,454,470)	
Principal payments	57,085,000	
Payment to refund bond	63,027,345	
Amortization of loss on bond refunding	(2,269,654)	
Amortization of bond premiums	<u>14,781,987</u>	(90,934,495)

Some expenses reported in the statement of activities do not require the use of current financial resources and are not reported as expenditures in governmental fund financial statements.

Change in accrued interest payable	(4,198,225)	
Change in compensated absences	(43,986)	
Change in net pension liability and deferred inflows and outflows of resources related to pension	(2,889,075)	
Change in total OPEB liability and deferred inflows and outflows of resources related to OPEB	<u>(249,303)</u>	<u>(7,380,589)</u>

Change in net position - governmental activities \$ (78,748,095)

See accompanying notes to financial statements.

REGIONAL TRANSPORTATION COMMISSION OF SOUTHERN NEVADA
A COMPONENT UNIT OF CLARK COUNTY, NEVADA
STATEMENT OF NET POSITION
PROPRIETARY FUND
JUNE 30, 2024

	Public Transit
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	
Current assets:	
Cash and cash equivalents:	
In custody of the County Treasurer	\$ 371,486,751
Cash in bank	4,237,248
Cash on hand	14,700
Accounts receivable	53,493,456
Interest receivable	2,053,487
Due from other governmental units	65,250,273
Due from other funds	438,037
Prepaid expenses	2,435
Total current assets	496,976,387
Non-current assets:	
Capital assets:	
Land and construction in progress	55,588,716
Buildings and improvements	275,536,002
Equipment	574,635,219
Accumulated depreciation	(404,085,602)
Right-to-use leased land	27,305,719
Right-to-use software agreements	3,331,077
Accumulated amortization	(4,215,187)
Total non-current assets	528,095,944
Total assets	1,025,072,331
Deferred outflows of resources	
Deferred outflows related to pensions	10,326,987
Deferred outflows related to other post employment benefits	3,214,715
Total deferred outflows of resources	13,541,702
Total assets and deferred outflows of resources	\$ 1,038,614,033

See accompanying notes to financial statements.

REGIONAL TRANSPORTATION COMMISSION OF SOUTHERN NEVADA
A COMPONENT UNIT OF CLARK COUNTY, NEVADA
STATEMENT OF NET POSITION
PROPRIETARY FUND
JUNE 30, 2024

	Public Transit
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	
Current liabilities:	
Accounts payable	\$ 42,805,655
Accrued payroll	421,043
Accrued subscription interest	77,759
Subscription liability	523,284
Compensated absences	1,263,335
Total OPEB liability	166,730
Other current liabilities	5,254,045
Total current liabilities	50,511,851
Non-current liabilities:	
Accrued lease interest	1,385,213
Lease liability	27,305,719
Subscription liability	1,740,438
Compensated absences	996,673
Total OPEB liability	8,703,671
Net pension liability	29,839,280
Total non-current liabilities	69,970,994
Total liabilities	120,482,845
Deferred inflows of resources	
Deferred inflows related to pensions	774,262
Deferred inflows related to other post employment benefits	5,438,431
Total deferred inflows of resources	6,212,693
Total liabilities and deferred inflows of resources	126,695,538
NET POSITION	
Net investment in capital assets	493,846,288
Unrestricted	418,072,207
Total net position	\$ 911,918,495

See accompanying notes to financial statements.

**REGIONAL TRANSPORTATION COMMISSION OF SOUTHERN NEVADA
A COMPONENT UNIT OF CLARK COUNTY, NEVADA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	Public Transit
OPERATING REVENUES	
Charges for services:	
Transit fees	\$ 70,939,125
Transit advertising	3,724,984
Other	1,434,894
Total operating revenues	76,099,003
OPERATING EXPENSES	
Salaries and wages	14,450,886
Employee benefits	8,341,157
Services and supplies	289,323,931
Depreciation and amortization	53,961,449
Total operating expenses	366,077,423
Operating loss	(289,978,420)
NON-OPERATING REVENUES (EXPENSES)	
Intergovernmental revenue:	
Sales and excise tax	239,226,390
Interest income	19,343,211
Federal operating assistance grants	37,597,810
Other federal and state grants and contributions	1,812,403
Lease-related interest expense	(2,566,163)
Software agreement interest expense	(86,494)
Gain on sale of capital assets	119,315
Total non-operating revenues	295,446,472
Income before capital contributions and transfers	5,468,052
CAPITAL CONTRIBUTIONS AND TRANSFERS:	
Federal and state capital grants and contributions	45,794,017
Transfers out	(14,500,000)
Total capital contributions and transfers	31,294,017
CHANGE IN NET POSITION	36,762,069
Net position - beginning	875,156,426
Net position - ending	\$ 911,918,495

See accompanying notes to financial statements.

REGIONAL TRANSPORTATION COMMISSION OF SOUTHERN NEVADA
A COMPONENT UNIT OF CLARK COUNTY, NEVADA
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Public Transit
Cash flows from operating activities:	
Cash received from customers	\$ 72,872,706
Cash paid for employees and benefits	(20,652,759)
Cash paid for services and supplies	(268,326,378)
Other operating receipts	1,434,894
Net cash used in operating activities	(214,671,537)
Cash flows from non-capital financing activities:	
Cash provided by sales and excise tax	238,155,849
Federal and state grants	1,814,825
Payments to other funds	(15,567,754)
Net cash provided by non-capital financing activities	224,402,920
Cash flows from capital and related financing activities:	
Acquisition, construction, or improvements of capital assets	(96,939,588)
Proceeds from sale of capital assets	119,315
Federal and state grants	40,115,086
Payments on software agreements	(585,912)
Interest paid on lease liability	(2,154,470)
Net cash used by capital and related financing activities	(59,445,569)
Cash flows from investing activities:	
Interest received	18,656,315
Increase in cash and cash equivalents	(31,057,871)
Cash and cash equivalents - beginning of year	406,796,570
Cash and cash equivalents - end of year	\$ 375,738,699
Reconciliation of operating loss to net cash flows used in operating activities:	
Operating loss	\$ (289,978,420)
Adjustments to reconcile operating loss to net cash used in operating activities:	
Depreciation and amortization	53,961,449
Increase in accounts receivable	(1,788,414)
Decrease in prepaid expenses	59,250
Decrease in accounts payable	15,892,417
Increase in accrued payroll	60,510
Increase in other current liabilities	5,042,897
Increase in compensated absences	(48,673)
Net decrease in total OPEB liability and related deferred inflows and deferred outflows	84,676
Net increase in net pension liability and related deferred inflows and deferred outflows	2,042,771
Net cash used in operating activities	\$ (214,671,537)
Non-cash investing, capital and related financing activities:	
Capital assets purchased included in accounts payable and retention payable	\$ 4,680,214

See accompanying notes to financial statements.

**REGIONAL TRANSPORTATION COMMISSION OF SOUTHERN NEVADA
A COMPONENT UNIT OF CLARK COUNTY, NEVADA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 1 – Summary of Significant Accounting Policies

The Reporting Entity

In accordance with Nevada Revised Statutes (NRS) 373, ordinance 226 was adopted by the Clark County Board of Commissioners on June 7, 1965, creating the Regional Streets and Highway Commission. On December 4, 1979, its name was changed to the Regional Transportation Commission. On September 21, 2000, the name was changed to the Regional Transportation Commission of Southern Nevada (the “RTC”). The RTC is governed by an 8 member Board of Commissioners (the “Board”), comprised of elected officials, as follows:

1. Two representatives appointed from the Clark County Board of Commissioners
2. Two representatives appointed from the governing board of the City of Las Vegas
3. One representative appointed from each of the governing boards of the Cities of Boulder City, Henderson, North Las Vegas and Mesquite

When initially adopted, the creating ordinance provided for a one cent per gallon tax on motor vehicle fuel sold (gasoline) in Clark County (the “County”). On September 1, 1969, the tax was increased to two cents per gallon and remained in effect until April 1, 1983, at which time the tax was increased to four cents per gallon and remained at that rate until January 1, 1992. On November 6, 1990, Clark County voters approved an advisory ballot question increasing the motor vehicle fuel tax levy along with five other taxes. In 1991, the State of Nevada Legislature responded to this voter mandate and passed Senate Bill 112 in March 1991. On April 16, 1991, the County passed an ordinance increasing the tax on motor vehicle fuel. The effective dates and tax rates per gallon for this tax were: January 1, 1992, five cents; January 1, 1993, seven cents; January 1, 1994, eight cents, and January 1, 1995, nine cents.

In June of 2013, the Nevada State Legislature passed Assembly Bill No. 413, authorizing Clark County to impose additional taxes on fuels (gasoline, diesel, compressed natural gas, and liquefied petroleum gas) for motor vehicles referred to as Indexed Fuel Tax (IFT 1). Under IFT 1, Motor Vehicle Fuel Taxes are increased annually by the ten year average of a Producer Price Index (PPI) for nonresidential construction not to exceed 7.8%. The IFT 1 consists of index based excise taxes imposed on the rates of 12 existing base fuel taxes, seven of which are imposed by the State, four of which are imposed by the United States, and one of which is imposed by the County. Some of the taxes imposed by the State are for the benefit of the County. On September 3, 2013, the Clark County Commission adopted Ordinance No. 4126, which imposed the IFT 1 commencing on January 1, 2014 and further increases were calculated and imposed on July 1, 2014, July 1, 2015, and July 1, 2016 to a maximum 10 cent per gallon additional fuel tax (8.8 cents paid to the RTC and 1.2 cents paid to Clark County). As of July 1, 2016, the 10 cents per gallon tax rate was attained and will remain in effect until all outstanding bonds that have a lien against this revenue have been paid.

**REGIONAL TRANSPORTATION COMMISSION OF SOUTHERN NEVADA
A COMPONENT UNIT OF CLARK COUNTY, NEVADA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(CONTINUED)**

NOTE 1 – Summary of Significant Accounting Policies (continued)

The Reporting Entity (continued)

On November 8, 2016, the voters in Clark County, Nevada approved additional indexing of fuel taxes that became effective July 1, 2017 and terminates after 2026 unless a proposal to continue indexing is approved by a majority of the registered voters of the County at the November 3, 2026 general election. As a result of the additional indexing the rates imposed on fuel taxes, as adjusted to account for prior indexing, will be further increased in each year for inflation based on PPI for nonresidential construction not to exceed 7.8% or 4 cents per gallon. On March 21, 2017, the Clark County Commission adopted Ordinance No. 4466, which continued the Indexed Fuel Taxes (IFT 2) commencing on July 1, 2017, and placed the additional annual limit on increases to 4 cents per gallon. Revenue from additional indexing of State based fuel taxes generated in Clark County is required to be sent to the State Highway Fund and must be spent on roadway projects in Clark County.

In accordance with NRS 377A, an ordinance was adopted by the County on April 16, 1991, levying a one quarter of one percent sales tax for public mass transit.

In November 2002, Clark County voters approved an advisory ballot question providing for a variety of new taxes to fund public transit, transportation infrastructure, air quality and traffic management. The 2003 Nevada Legislature passed enabling legislation allowing the County to increase aviation fuel tax, sales tax, and residential development tax for these purposes. These tax increases were enacted by the Board of County Commissioners on July 1, 2003, with the tax increases taking effect on October 1, 2003. In fiscal year 2021, the Federal Aviation Administration (FAA) determined that jet-aviation fuel tax revenue is not statutorily allowed to be used for public transit agencies.

The RTC is a discretely presented component unit of the Clark County, Nevada financial reporting entity because the County issues debt on behalf of the RTC. The accounting policies of the RTC conform to accounting principles generally accepted in the United States as applicable to governmental entities.

Government-Wide and Fund Financial Statements

The government-wide financial statements (*i.e.*, the statement of net position and the statement of activities) report information on all of the activities of the RTC. The effects of interfund activity have been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental activities, are reported separately from business-type activities that rely to a significant extent on user fees and charges for services.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function, or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not included among program revenues are reported as general revenues.

**REGIONAL TRANSPORTATION COMMISSION OF SOUTHERN NEVADA
A COMPONENT UNIT OF CLARK COUNTY, NEVADA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(CONTINUED)**

NOTE 1 – Summary of Significant Accounting Policies (continued)

Government-Wide and Fund Financial Statements (continued)

Separate financial statements are provided for governmental and proprietary funds. All governmental funds are considered to be major funds and they are reported in separate columns in the governmental fund financial statements.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

Government-Wide Financial Statements

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental Fund Financial Statements

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current year or soon enough thereafter to pay liabilities of the current year. For this purpose, the RTC considers revenues to be available if they are collected within 90 days after the end of the current fiscal year. Expenditures generally are recorded when a liability is incurred, as under accrual accounting; however, debt service, lease, compensated absences, pension and other post employment benefits expenditures are recorded only when payment is due. General capital asset acquisitions, including entering into contracts giving the RTC the right to use leased assets, are reported as expenditures in governmental funds. Issuance of long-term debt and financing through leases are reported as other financing sources.

Fuel taxes, sales and excise taxes, interest revenue, and charges for services associated with the current fiscal year are considered subject to accrual and have been recognized as revenues in the current year.

The RTC reports the following major governmental funds:

Regional Transportation Commission Fund (1) – this is the general operating fund of the RTC. It is used to account for all resources and cost of operations traditionally associated with governments, which are not required to be accounted for in other funds.

Regional Transportation Fund (2) – this fund serves as a pass-through account for revenues received from the November 2002, voter-approved Question 10 tax, which are used to pay for transportation infrastructure enhancements.

**REGIONAL TRANSPORTATION COMMISSION OF SOUTHERN NEVADA
A COMPONENT UNIT OF CLARK COUNTY, NEVADA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(CONTINUED)**

NOTE 1 – Summary of Significant Accounting Policies (continued)

Measurement Focus, Basis of Accounting and Financial Statement Presentation (continued)

Governmental Fund Financial Statements (continued)

RTC Bonds Fund (3) – this fund is used to account for the payment of principal and interest, and the cost of operations associated with the debt service for the RTC’s outstanding debt.

RTC Reserve Fund (4) – this fund is used to accumulate a continuing reserve only to be used to prevent deficiencies in the payment of principal and interest associated with the RTC’s outstanding debt.

Highway Improvement Acquisition Fund (5) – this fund is used to account for the funding of construction of roads and streets paid for from motor vehicle fuel taxes, indexed fuel taxes and proceeds of revenue bonds.

RTC Highway Improvement Fund (6) – this fund is used to account for the funding of construction of roads and streets paid for from the November 2002, Question 10 voter approved Jet-Aviation fuel tax and sales tax increase in 2003 and proceeds of revenue bonds. In fiscal year 2021, the Federal Aviation Administration (FAA) determined that jet-aviation fuel tax revenue is not statutorily allowed to be used for public transit agencies.

The RTC reports the following major proprietary fund:

Public Transit Fund (50) – this fund is used to account for the operations of the RTC public transit system.

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

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund’s principal ongoing operations. The principal operating revenues of the RTC’s enterprise fund are charges to customers for public transit and services. Operating expenses for the enterprise fund include the cost of public transit services, administrative expenses, depreciation on capital assets and amortization of leased assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

When both restricted and unrestricted/unassigned resources are available for use, it is the RTC’s policy to use restricted resources first, then to use unrestricted/unassigned resources as they are needed.

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NOTE 1 – Summary of Significant Accounting Policies (continued)

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Fund Balance

Cash and Investments

The majority of cash and investment transactions of the RTC are handled by the County Treasurer's office. Cash balances are combined and invested as permitted by law in combination with County funds. Investments are reported at fair value on the balance sheet and statement of net position. Fair value is the amount at which a financial instrument could be exchanged in a current transaction. Cash and cash equivalents include cash in bank, cash on hand, cash in custody of Clark County Treasurer or fiscal agent, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

At June 30, 2024, a significant portion of the RTC's cash and cash equivalents were in the custody of the County Treasurer, in a manner similar to an external investment pool. These amounts are sufficiently liquid to permit withdrawals in the form of cash at any time without prior notice or penalty; and therefore, they are deemed to be cash equivalents.

Receivables and Payables

Activities between funds that are representative of lending/borrowing arrangements outstanding or transfers to be recorded upon receipt of revenue at the end of the fiscal year are reported to as due to/from other funds.

Prepaid Expenses

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid expenses in both government-wide and fund financial statements and are reported as expenses/expenditures when incurred.

Capital Assets

Capital assets, which include land, construction in progress, buildings, equipment, furniture, right-to-use leased land and right-to-use software agreements, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the RTC as assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost (except for intangible right-to-use lease assets, the measurement of which is discussed on pages 37 and 38). Intangible right-to-use software agreements are recorded at present value, the measurement of which is discussed in Note 10. Donated capital assets are recorded at acquisition cost on the date of donation.

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NOTE 1 – Summary of Significant Accounting Policies (continued)

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Fund Balance (continued)

Capital Assets (continued)

The costs of normal maintenance and repairs that do not significantly add to the functionality of the asset or materially extend the asset life are not capitalized.

Major outlays for capital assets and improvements that are part of a construction project are capitalized and depreciated once the projects are placed in service. Prior to that time, they are reported as construction in progress.

Capital assets are depreciated, or amortized for right-to-use lease assets and software agreements, using the straight line method over the following estimated useful lives:

<u>Capital Assets</u>	<u>Years</u>
Buildings and improvements	7 - 50
Equipment	5 - 12
Transit vehicles and equipment	5 - 12
Right-to-use leased land	25
Right-to-use software agreements	4 - 5

For federally funded assets, the RTC follows the federal guidelines for depreciation.

Leases

The RTC is a lessee for a lease of land. The RTC recognized a lease liability and an intangible right-to-use lease land (lease asset) in the government-wide financial statements and proprietary fund financial statements. The RTC recognizes lease liabilities based on the determination criteria set by GASB Statement No. 87, “Leases”.

At the commencement of a lease, the RTC initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over the shorter of the lease term or its useful life.

Key estimates and judgements related to leases include how the RTC determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term and (3) lease payments. The RTC uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the RTC generally uses its estimated incremental borrowing rate as the discount rate for leases.

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(CONTINUED)

NOTE 1 – Summary of Significant Accounting Policies (continued)

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Fund Balance (continued)

Leases (continued)

The RTC monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported separately as lease liabilities on the statement of net position.

The RTC acquired the leased land on September 20, 2024. See Note 16 – Subsequent Events on page 73.

Subscription-Based Information Technology Arrangements (SBITAs)

The RTC enters into software arrangements that require recognition under GASB Statement No. 96, “*Subscription-Based Information Technology Arrangements*”. The RTC recognized a subscription liability and an intangible right-to-use software agreement asset in the government-wide financial statements and proprietary fund financial statements.

At the commencement of a subscription term, the RTC initially measures the subscription liability at the present value of subscription payments expected to be made during the subscription term. Subsequently, the subscription liability is reduced by the principal portion of subscription payments made. The software agreement asset is initially measured as the initial amount of the subscription liability. Subsequently, the software agreement asset is amortized on a straight-line basis over the subscription term.

Key estimates and judgements related to subscription-based information technology arrangements include how the RTC determines (1) the discount rate it uses to discount the expected subscription payments to present value, (2) subscription term and (3) subscription payments. The RTC uses the interest rate charged by the software provider as the discount rate. When the interest rate charged by the software provider is not provided, the RTC generally uses its estimated incremental borrowing rate as the discount rate for subscription-based information technology arrangements.

The RTC monitors changes in circumstances that would require a remeasurement of its subscription-based information technology arrangements and will remeasure the subscription asset and liability if certain changes, individually or in the aggregate, occur that are expected to significantly affect the amount of the subscription liability since the previous measurement.

Right-to-use software agreement assets are reported with other capital assets and subscription liabilities are reported separately as subscription liabilities on the statement of net position.

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(CONTINUED)

NOTE 1 – Summary of Significant Accounting Policies (continued)

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Fund Balance (continued)

Compensated Absences

It is the RTC's policy to permit employees to accumulate earned, but unused vacation and sick leave benefits. Such benefits are accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of accrued benefits for employees that resign or retire prior to year end, but are paid for these benefits subsequent to year end.

Long-Term Liabilities

In the government-wide financial statements and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund type statements of net position. Bond premiums, discounts, and deferred refunding charges are amortized over the life of the bonds using the straight line method, which approximates the effective interest method. Bonds payable are reported net of applicable bond premiums or discounts.

In the governmental fund financial statements, bond premiums and discounts, as well as issuance costs, are recognized during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources whereas discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenditures.

Other Postemployment Benefits (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the OPEB plan's fiduciary net position and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the pension plan's fiduciary net position and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by the plan. 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.

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NOTE 1 – Summary of Significant Accounting Policies (continued)

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Fund Balance (continued)

Deferred outflows and inflows of resources

The statement of net position and balance sheet include separate sections for deferred outflows of resources and deferred inflows of resources. Deferred outflows of resources represent a consumption of net position that applies to future periods that will be recognized as an expense or expenditure in future periods. Deferred inflows of resources represent an acquisition of net position or fund balance that applies to future periods and will be recognized as revenue in future periods.

Fund Balance

Governmental funds for the RTC report nonspendable fund balance, restricted fund balance and unassigned fund balance.

Nonspendable fund balance is for assets that never will be converted to cash. All RTC nonspendable fund balance pertains to prepaid expenses.

Restricted fund balance is legally restricted by outside parties or enabling legislation for a specific purpose. Restricted fund balance for the Regional Transportation fund is restricted for transportation infrastructure. Restricted fund balances for the RTC Bonds fund and the RTC Reserve fund are restricted for servicing the RTC's debt. Restricted fund balances for the Highway Improvement Acquisition fund and the RTC Highway Improvement fund are restricted for the funding of street construction.

Unassigned fund balance in the Regional Transportation Commission fund is the excess of nonspendable fund balance.

When both restricted resources and other resources (*i.e.*, committed, assigned and unassigned) can be used for the same purposes, it is the RTC's policy to use restricted resources first. Furthermore, when committed, assigned and unassigned resources can be used for the same purpose, it is the RTC's policy to use committed resources first, assigned second, and unassigned last.

Net Position

Net investment in capital assets consists of capital assets, net of accumulated depreciation and capital-related borrowings.

Restricted for capital projects and intergovernmental capital grants has constraints placed on use by external parties such as creditors, grants, laws or regulations.

Restricted for debt service has constraints placed on use by external parties such as creditors, laws or regulations.

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NOTE 1 – Summary of Significant Accounting Policies (continued)

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Fund Balance (continued)

Net Position (continued)

Unrestricted/(deficit) consist of any portion of net position not already classified as either net investment in capital assets or restricted. It also consists of borrowings used to finance capital outlay to others.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from these estimates.

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(CONTINUED)**

NOTE 2 – Stewardship, Compliance and Accountability

The RTC adopts annual budgets for the general fund and all special revenue, debt service, capital project and enterprise funds. All budgets, aside from the enterprise fund which is prepared on a budgetary basis, are adopted on a basis consistent with applicable accounting principles generally accepted in the United States and used by the RTC for financial reporting.

The RTC uses the following procedures to establish, modify, and control the budgetary data presented in the financial statements:

- a. Prior to April 15, the RTC submits to the Nevada State Department of Taxation the tentative budget for the next fiscal year, commencing on July 1. The tentative budget as submitted contains the proposed expenditures and means of funding and financing them.
- b. The Nevada State Department of Taxation notifies the RTC of its acceptance of the tentative budget.
- c. Public hearings are conducted not sooner than the third Thursday in May, and not later than the last day of May.
- d. After all the changes have been noted and hearings closed, the RTC Board of Commissioners adopts the final budget on or before June 1.
- e. The NRS require budget controls to be exercised at the function level. The Chief Executive Officer or designee is authorized to transfer budgeted amounts within functions or funds, but the RTC Board of Commissioners must approve any transfers between funds or increases to a fund's original appropriated level.
- f. Increases to a fund's budget (augmentations) other than by transfers are accomplished through formal RTC Board of Commissioners action.
- g. All appropriations lapse at the end of the fiscal year. Encumbrances are re-appropriated in the ensuing fiscal year.

Compliance with Nevada Revised Statutes

Per NRS 354.626, the RTC is required to report and explain expenditures that exceeded budgeted appropriations at the legal level for each of its funds. For the fiscal year ended June 30, 2024, the RTC had no funds or functions with expenditures in excess of appropriations.

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(CONTINUED)

NOTE 2 – Stewardship, Compliance and Accountability (continued)

New Accounting Pronouncements Implemented

In April 2022, GASB issued Statement No. 99, “*Omnibus 2022*”. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The requirements of this Statement are effective as follows: (1) the requirements related to extension of the use of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in Statement 34, as amended, and terminology updates related to Statements 53 and 63 are effective upon issuance; (2) the requirement related to leases, PPPs and SBITAs are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter; and (3) the requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter. Adoption of this statement had no effect on the RTC’s net position or changes therein.

In June 2022, GASB issued Statement No. 100, “*Accounting Changes and Error Corrections – an amendment of GASB Statement No. 62*”. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent and comparable information for making decisions or assessing accountability. The requirements of this Statement are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023, and all reporting periods thereafter. Adoption of this statement had no effect on the RTC’s net position or changes therein.

New Accounting Pronouncements to be Implemented in Future Years

In June 2022, GASB issued Statement No. 101, “*Compensated Absences*”. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter.

In December 2023, GASB issued Statement No. 102, “*Certain Risk Disclosures*”. The objective of this Statement is to provide users of government financial statements with information about risks related to a government’s vulnerabilities due to certain concentrations or constraints that is essential to their analyses for making decisions or assessing accountability. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter.

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(CONTINUED)**

NOTE 2 – Stewardship, Compliance and Accountability (continued)

New Accounting Pronouncements to be Implemented in Future Years (continued)

In April 2024, GASB issued Statement No. 103, “*Financial Reporting Model Improvements*”. The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government’s accountability. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter.

In September 2024, GASB issued Statement No. 104, “*Disclosure of Certain Capital Assets*”. The objective of this Statement is provide users of government financial statements with essential information about certain types of capital assets. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter.

Management has not yet completed its assessment of these statements, and therefore, the effect of adopting these statements, if any, is not subject to estimation at this time.

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NOTE 3 – Cash and Investments

The majority of all cash and investments of RTC are included in the investment pool of the County Treasurer or are in the custody of a fiscal agent. As of June 30, 2024, cash and investments are summarized as follows:

Clark County Investment Pool	\$	818,786,497
Cash and Investments with fiscal agent		275,860,236
Cash in bank		32,085,385
Cash on hand		15,200
 Total cash and investments	 \$	 <u>1,126,747,318</u>

The RTC participates in Clark County’s investment pool for deposits held in custody of the County Treasurer. The total bank balance of the investment pool was \$7,911,698,501 and the carrying amount of the RTC’s share was \$818,786,497. The County utilizes zero balance sweep accounts and there are money market funds and other short-term investments available to cover amounts presented for payment to the RTC. The bank balance of deposits held in the bank was \$33,597,635 and the carrying value was \$32,085,385. The bank balance and the carrying value of deposits with fiscal agent was \$275,860,236.

The RTC’s cash and cash equivalents on deposit with financial institutions, including cash and cash equivalents in the custody of the County Treasurer or a fiscal agent, are often in excess of federally-insured limits, and the risk of losses related to such concentrations may be increasing as a result of current economic conditions including, but not limited to, weakness in the commercial and investment banking systems. The extent of a future loss, if any, to be sustained as a result of uninsured deposits in the event of a future failure of a financial institution; however, is not subject to estimation at this time.

According to the NRS, County monies must be deposited with federally insured banks, credit unions, or savings and loan associations within the County. The County is authorized to use demand accounts, time accounts, and certificates of deposit. The County’s deposits are fully covered by federal depository insurance or securities collateralized in the State of Nevada Collateral Pool. Securities used as such collateral must total 102 percent of the deposits with each financial institution.

The NRS specifically requires collateral for demand deposits and specifies that collateral for time deposits may be of the same type as those described for permissible investments. Permissible investments are similar to allowable County investments described below, except the NRS permits a longer term and includes securities issued by municipalities within Nevada. The County’s, and therefore, the RTC’s deposits are fully covered by federal depository insurance or collateral held by the County’s agent in the County’s name. The County monitors the Nevada Collateral Pool to ensure full collateralization.

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NOTE 3 – Cash and Investments (continued)

When investing monies, the County is required to be in conformance with NRS and written policies adopted by the Board of County Commissioners designating allowable investments and the safeguarding of those investments. The County invests monies both by individual fund and through a pooling of monies. The pooled monies, referred to as the investment pool, are theoretically invested as a combination of monies from each fund belonging to the pool. In this manner, the County Treasurer is able to invest the monies at a higher interest rate for a longer period of time. Interest is apportioned monthly to each fund in the pool based on the average daily cash balances of the funds for the month in which the investment matures. Cash and investments in the custody of the County Treasurer comprise the investment pool. Securities purchased by the County are delivered against payments and held in a custodial safekeeping account with the trust department of a bank designated by the County.

Due to the nature of the investment pool, it is not possible to separately identify any specific investment as being that of the RTC. Instead, the RTC owns a proportionate share of each investment, based on the RTC's participation percentage in the investment pool.

Interest Rate Risk

Interest rate risk is defined as the risk that changes in interest rates will adversely affect the fair value of an investment. Duration is a measure of the present value of a fixed income's cash flows and is used to estimate the sensitivity of a security's price to interest rate changes.

As of June 30, 2024, the \$275,860,236 of RTC investments with fiscal agent are categorized as follows:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities (in years)</u>		
		<u>Less Than 1</u>	<u>1 to 3</u>	<u>3 to 5</u>
Debt Securities:				
U.S. Treasuries	\$ 151,709,537	\$ 148,902,077	\$ 2,807,460	\$ -
U.S. Agencies	61,102,297	61,102,297	-	-
Money Market Funds	63,048,402	63,048,402	-	-
	<u>\$ 275,860,236</u>	<u>\$ 273,052,776</u>	<u>\$ 2,807,460</u>	<u>\$ -</u>

Fair Value Measurements

In accordance with GASB 72, investments are valued at fair value. Securities classified at Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities or offer same day liquidity at a price of par. Securities classified at Level 2 of the fair value hierarchy are generally valued using a matrix pricing technique. Matrix pricing is the process of estimating the market price of a bond based on the quoted prices of more frequently traded comparable bonds.

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(CONTINUED)**

NOTE 3 – Cash and Investments (continued)

Fair Value Measurements (continued)

As of June 30, 2024, the \$275,860,236 of RTC investments with fiscal agent are measured at fair value as follows:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Quoted Prices in Active Markets for Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>
Debt Securities:			
U.S. Treasuries	\$ 151,709,537	\$ 151,709,537	\$ -
U.S. Agencies	61,102,297	61,102,297	-
Money Market Funds	63,048,402	63,048,402	-
	<u>\$ 275,860,236</u>	<u>\$ 275,860,236</u>	<u>\$ -</u>

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of the failure of the counterparty to a transaction, the RTC will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. As of June 30, 2024, the RTC had no investment securities exposed to custodial credit risk.

Credit Risk

Credit risk is defined as the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Credit quality is evaluated by one of the independent bond rating agencies, for example Moody's Investors Services (Moody's). The lower the rating, the greater the chance, in the rating agency's opinion, that the bond issuer will default, or fail to meet its payment obligations. Generally, the lower a bond's credit rating, the higher its yield should be to compensate for the additional risk.

As of June 30, 2024, the \$275,860,236 of RTC investment with fiscal agent were categorized by credit quality rating as follows:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Quality Ratings by Moody's Investors Service</u>	
		<u>Aaa</u>	<u>P-1</u>
Debt Securities:			
U.S. Treasuries	\$ 151,709,537	\$ 5,768,940	\$ 145,940,597
U.S. Agencies	61,102,297	-	61,102,297
Money Market Funds	63,048,402	63,048,402	-
	<u>\$ 275,860,236</u>	<u>\$ 68,817,342</u>	<u>\$ 207,042,894</u>

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NOTES TO FINANCIAL STATEMENTS
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(CONTINUED)**

NOTE 3 – Cash and Investments (continued)

Concentration of Credit Risk

Concentration of credit risk is defined as the risk of loss attributed to the magnitude of a government's investment in a single issuer. The County's investment policy limits the amount that may be invested in obligations of any one issuer, except direct obligations of the U.S. government or federal agencies, to no more than five percent of the investment pool. GASB Statement No. 40 requires disclosure of all investments in any one issuer that represent five percent or more of total investments. At June 30, 2024, the following investments exceeded five percent of investments with fiscal agent:

Federal Home Loan Banks Discount Notes	22.15%
Morgan Stanley Liquid Government Instruments	22.86%

GASB 31

GASB Statement No. 31 requires the County to adjust the carrying amount of its investment portfolio to reflect the change in fair value. Interest revenue is increased or decreased in relation to this adjustment of unrealized gain or loss. Net interest income (loss) in the funds reflects this positive or negative fair value adjustment.

NOTE 4 – Accounts Receivable and Due from Other Governmental Units

Accounts receivable and due from other governmental units as of June 30, 2024, were as follows:

	Governmental Activities					Business-type Activities
	General Fund	Special Revenue Fund	Capital Project Funds		Total	
	Regional Transportation Commission	Regional Transportation	Highway Improvement Acquisition	RTC Highway Improvement		
Accounts receivable	\$ 5,781,323	\$ -	\$ 3,499,766	\$ 30,214	\$ 9,311,303	\$ 53,493,456
Less allowance for uncollectible receivables	-	-	(436,380)	-	(436,380)	-
Accounts receivable, net	\$ 5,781,323	\$ -	\$ 3,063,386	\$ 30,214	\$ 8,874,923	\$ 53,493,456
Due from other governmental units	\$ 254,275	\$ 19,807,034	\$ 54,745,630	\$ -	\$ 74,806,939	\$ 65,250,273

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NOTE 5 – Capital Assets

Capital asset activity for the year ended June 30, 2024, consisted of the following:

	Balance July 1, 2023	Increases	Decreases	Balance June 30, 2024
Governmental activities:				
Capital assets not being depreciated:				
Construction in progress	\$ 836,644	\$ 1,512,510	\$ 1,098,275	\$ 1,250,879
Capital assets being depreciated:				
Buildings	18,891,976	-	-	18,891,976
Equipment	11,369,892	1,098,275	45,752	12,422,415
Total capital assets being depreciated	30,261,868	1,098,275	45,752	31,314,391
Less accumulated depreciation for:				
Buildings	8,582,161	328,527	-	8,910,688
Equipment	9,520,758	751,106	45,752	10,226,112
Total accumulated depreciation	18,102,919	1,079,633	45,752	19,136,800
Total capital assets being depreciated, net	12,158,949	18,642	-	12,177,591
Governmental activities capital assets, net	<u>\$ 12,995,593</u>	<u>\$ 1,531,152</u>	<u>\$ 1,098,275</u>	<u>\$ 13,428,470</u>
Business-type activities:				
Capital assets not being depreciated:				
Land	\$ 38,041,117	\$ -	\$ -	\$ 38,041,117
Construction in progress	27,566,832	98,383,207	108,402,440	17,547,599
Total capital assets not being depreciated	65,607,949	98,383,207	108,402,440	55,588,716
Capital assets being depreciated/amortized:				
Buildings and improvements	269,310,758	6,225,244	-	275,536,002
Transit vehicles and equipment	514,768,302	102,177,197	42,310,280	574,635,219
Right-to-use leased land	27,305,719	-	-	27,305,719
Right-to-use software agreements	3,331,077	-	-	3,331,077
Total capital assets being depreciated/amortized	814,715,856	108,402,441	42,310,280	880,808,017
Less accumulated depreciation and amortization for:				
Buildings and improvements	111,747,357	8,788,398	-	120,535,755
Transit vehicles and equipment	282,281,083	43,579,044	42,310,280	283,549,847
Right-to-use leased land	2,054,348	1,027,175	-	3,081,523
Right-to-use software agreements	566,832	566,832	-	1,133,664
Total accumulated depreciation/amortization	396,649,620	53,961,449	42,310,280	408,300,789
Total capital assets being depreciated/amortized, net	418,066,236	54,440,992	-	472,507,228
Business-type activities capital assets, net	<u>\$ 483,674,185</u>	<u>\$ 152,824,199</u>	<u>\$ 108,402,440</u>	<u>\$ 528,095,944</u>
	<u>Governmental activities</u>		<u>Business-type activities</u>	
FY 2024 depreciation and amortization expense	<u>\$1,079,633</u>	<u>\$53,961,449</u>		

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NOTE 6 – Interfund Balances and Transfers

Interfund balances as of June 30, 2024, consisted of the following:

Receivable Fund	Payable Fund			Total
	Regional Transportation Commission	Regional Transportation	RTC Bonds	
Highway Improvement Acquisition	\$ -	\$ -	\$ 4,778,896	\$ 4,778,896
RTC Highway Improvement	-	16,637,909	2,262,520	18,900,429
Public Transit	438,037	-	-	438,037
Totals	\$ 438,037	\$ 16,637,909	\$ 7,041,416	\$ 24,117,362

These balances result from the time lag between the dates that: (1) revenue is recognized, (2) receipt from the other fund, and (3) payments between funds are made.

Interfund transfers for the year ended June 30, 2024, consisted of the following:

Transfers Out	Transfers In			Total
	Regional Transportation Commission	RTC Bonds	RTC Highway Improvement	
Regional Transportation Highway Improvement Acquisition	\$ -	\$ -	\$ 66,983,389	\$ 66,983,389
RTC Highway Improvement	20,926,039	92,131,000	-	113,057,039
Public Transit	-	9,516,000	-	9,516,000
	14,500,000	-	-	14,500,000
Total	\$ 35,426,039	\$ 101,647,000	\$ 66,983,389	\$ 204,056,428

Transfers are used to: (1) move revenues from the fund that statute or budget requires collecting them to the fund that statute or budget requires to expend them, and (2) move receipts restricted for debt service from the funds collecting the receipts to the debt service fund to provide adequate cash when debt service payments become due.

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NOTE 7 – Long-Term Debt

Revenue and Refunding Bonds

Clark County on behalf of the RTC issues revenue bonds, refunding bonds and pledges revenue derived from fuel tax and the sales and excise tax to pay debt service. Highway Improvement Revenue and Refunding bonds outstanding at June 30, 2024, were as follows:

	<u>Original Amount</u>	<u>Maturity Dates</u>	<u>Interest Rate</u>	<u>Balance June 30, 2024</u>
Motor vehicle fuel tax bonds:				
Series 2016	107,350,000	July 1, 2024	5.00%	\$ 17,670,000
Series 2016B	43,495,000	July 1, 2028	5.00%	43,495,000
Series 2020C	91,590,000	July 1, 2030	5.00%	91,590,000
Series 2023	200,000,000	July 1, 2043	4.00-5.00%	200,000,000
Fuel tax indexing bonds:				
Series 2014A	100,000,000	July 1, 2034	3.00-5.00%	4,675,000
Series 2015	85,000,000	July 1, 2035	5.00%	64,475,000
Series 2017	150,000,000	July 1, 2037	4.00-5.00%	119,030,000
Series 2019	60,000,000	July 1, 2029	5.00%	40,715,000
Series 2021	100,000,000	July 1, 2041	2.00-5.00%	93,915,000
Series 2022	200,000,000	July 1, 2042	3.00-5.00%	200,000,000
Series 2024	206,405,000	July 1, 2044	4.00-5.00%	206,405,000
Sales and excise tax bonds:				
Series 2016	36,405,000	July 1, 2029	5.00%	24,020,000
Series 2023	100,000,000	July 1, 2043	4.00-5.00%	100,000,000
Total highway improvement revenue and refunding bonds				<u>\$ 1,205,990,000</u>

At June 30, 2024, the debt service requirements to maturity were as follows:

<u>Year ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 50,560,000	\$ 50,677,142	\$ 101,237,142
2026	53,160,000	52,510,300	105,670,300
2027	56,085,000	49,779,175	105,864,175
2028	58,620,000	46,911,550	105,531,550
2029	66,590,000	43,781,300	110,371,300
2030-2034	314,860,000	170,893,075	485,753,075
2035-2039	320,525,000	92,421,950	412,946,950
2040-2044	274,380,000	28,061,200	302,441,200
2045	11,210,000	224,200	11,434,200
Total debt service requirements	<u>\$ 1,205,990,000</u>	<u>\$ 535,259,892</u>	<u>\$ 1,741,249,892</u>

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NOTE 7 – Long-Term Debt (continued)

Revenue and Refunding Bonds (continued)

On June 12, 2024, Clark County on behalf of the RTC issued \$206,405,000 in tax exempt highway revenue and refunding bonds, Series 2024. The revenue and refunding bonds had a premium of \$17,154,173. Principal payments will begin in July 2025. All debt service payments will be funded with Indexed Fuel Tax revenue. \$150,000,000 with a premium of \$11,699,703 of the bond proceeds will be used to fund Streets and Highways construction and improvement projects.

The remaining \$56,405,000 of the bond proceeds was paid to an escrow to refund Series 2014A fuel tax indexing bond. The refunding portion of the bonds had premiums of \$5,454,470. This refunding resulted in a net present value savings of \$5,705,482.

The net cash flow savings that resulted from the refunding are as follows:

Refunding Debt	Prior Net Cash Flows	Refunded Debt Service	Net Cash Flow Savings	Net Present Value of Net Cash Flow Savings
FTI Series 2014A	\$ 79,931,750	\$ 73,232,347	\$ 6,699,403	\$ 5,705,482

The advance refunding resulted in a difference between the reacquisition price of the new debt and the carrying amount of the old debt in the amount of \$3,877,281, recognized as Deferred Inflows of Resources.

Arbitrage Rebate and Debt Covenant Requirements

The federal Tax Reform Act of 1986 imposes a rebate requirement with respect to some bonds issued by the County for the RTC. Under this Act, an amount may be required to be rebated to the United States Treasury (called “arbitrage”) for interest on the bonds to qualify for exclusion from gross income for federal income tax purposes. Rebatable arbitrage is computed as of each installment computation date and as of the most recent such date the RTC’s management believes that there is no significant rebatable arbitrage amount due. Future calculations might result in adjustments to this determination.

Long-term debt obligations are subject to restrictive debt covenants, including certain revenue levels, debt service coverage ratios and maintenance of a debt reserve account, for which management believes the RTC, is in compliance.

Pledged Revenues

Motor vehicle fuel tax revenue bonds issued for RTC purposes are collateralized by a maximum of twelve cents per gallon of motor vehicle fuel tax and all Indexed Fuel Tax levied by the County, except that portion required to be allocated as direct distributions for those political subdivisions not included in the “Las Vegas Valley Area Major Street and Highway Plan.”

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NOTE 7 – Long-Term Debt (continued)

Pledged Revenues (continued)

The collateralized twelve cents includes the County’s share of three cents per gallon tax levied by the State pursuant to NRS 365.180 and 365.190 and accounted for in other County funds, and the County’s share of the Indexed Fuel Taxes.

The net pledged revenues related to motor vehicle fuel taxes for the year ended June 30, 2024, were as follows:

Pledged revenues (net of administrative expenditures):	
County share motor vehicle fuel tax (\$.03)	\$ 21,340,183
RTC share motor vehicle fuel tax (\$.09)	72,748,378
	94,088,561
Direct distributions allocated for certain political subdivisions not included in the Las Vegas Valley Area Major Street and Highway Plan	
	(1,084,710)
Net pledged revenues	\$ 93,003,851

Indexed Fuel Tax includes taxes calculated and imposed on motor vehicle fuel tax, and special fuels taxes that consist of taxes on diesel fuel, taxes on compressed natural gas, and taxes on liquefied petroleum gas.

The net pledged revenues related to indexed fuel taxes for the year ended June 30, 2024, were as follows:

Pledged revenues (net of administrative expenditures):	
County share Indexed Fuel Taxes	\$ 16,754,574
RTC share Indexed Fuel Taxes	152,457,516
Subordinate Motor Vehicle Fuel Tax Revenue	
Net pledge Motor Vehicle Fuel Tax Revenue	\$ 93,003,851
Principal and interest payment	(44,937,952)
	48,065,899
	217,277,989
Direct distributions allocated for certain political subdivisions not included in the Las Vegas Valley Area Major Street and Highway Plan	
	(2,145,998)
Net pledged revenues	\$ 215,131,991

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NOTE 7 – Long-Term Debt (continued)

Pledged Revenues (continued)

Sales and excise tax revenue bonds issued for RTC purposes are collateralized by 1/4% sales and excise tax in Clark County.

The net pledged revenues related to sales and excise tax for the year ended June 30, 2024, were as follows:

Pledged revenues:	
Sales and excise tax	<u>\$ 159,484,260</u>
Total net pledged revenues	<u><u>\$ 159,484,260</u></u>

The debt coverage ratios for net pledged revenues for the year ended June 30, 2024, were as follows:

	<u>Motor Vehicle Fuel Tax</u>	<u>Indexed Fuel Tax</u>	<u>Sales and Excise Tax</u>
Net pledged revenues	\$ 93,003,851	\$ 215,131,991	\$ 159,484,260
Total principal and interest payment based on Maximum Annual Debt Service	<u>39,072,900</u>	<u>62,316,275</u>	<u>9,713,975</u>
Debt coverage ratio	<u>2.38</u>	<u>3.45</u>	<u>16.42</u>
Required debt coverage ratio	<u>1.50</u>	<u>1.50</u>	<u>1.50</u>
Principal	\$ 352,755,000	\$ 729,215,000	\$ 124,020,000
Interest	<u>161,840,350</u>	<u>305,837,717</u>	<u>67,581,824</u>
Total Remaining Principal and Interest	<u><u>\$ 514,595,350</u></u>	<u><u>\$ 1,035,052,717</u></u>	<u><u>\$ 191,601,824</u></u>

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NOTE 8 - Changes in Long-Term Liabilities

Long-term liability activity for the year ended June 30, 2024, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Bonds payable:					
Revenue and refunding bonds	\$ 1,118,390,000	\$ 206,405,000	\$ 118,805,000	\$ 1,205,990,000	\$ 50,560,000
Unamortized issuance premium	134,884,142	17,154,173	19,966,613	132,071,702	-
Total bonds payable	<u>1,253,274,142</u>	<u>223,559,173</u>	<u>138,771,613</u>	<u>1,338,061,702</u>	<u>50,560,000</u>
Compensated absences	3,324,334	1,650,966	1,606,980	3,368,320	1,606,980
Total OPEB liability	9,213,405	9,643,983	9,213,405	9,643,983	181,270
Net pension liability	41,861,447	2,873,696	2,455,283	42,279,860	-
Governmental activities Long-term liabilities	<u>\$ 1,307,673,328</u>	<u>\$ 237,727,818</u>	<u>\$ 152,047,281</u>	<u>\$ 1,393,353,865</u>	<u>\$ 52,348,250</u>
Business-type activities:					
Accrued lease interest	\$ 973,520	\$ 411,693	\$ -	\$ 1,385,213	\$ -
Lease liability	27,305,719	-	-	27,305,719	-
Subscription liability	2,746,554	-	482,832	2,263,722	523,284
Compensated absences	2,308,681	1,214,662	1,263,335	2,260,008	1,263,335
Total OPEB liability	8,618,992	8,870,401	8,618,992	8,870,401	166,730
Net pension liability	29,543,434	2,031,896	1,736,050	29,839,280	-
Business-type activities Long-term liabilities	<u>\$ 71,496,900</u>	<u>\$ 12,528,652</u>	<u>\$ 12,101,209</u>	<u>\$ 71,924,343</u>	<u>\$ 1,953,349</u>

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NOTE 9 – Leases – GASB 87

The RTC entered into a 40-year land lease with LiveWork, LLC on April 2, 2007, as amended by First Amendment of Lease dated September 17, 2007 to lease land. Commencement date for the lease was January 5, 2008. The base lease payment is \$1,250,000 per annum with a 3% annual escalation beginning in January 2009, and an additional 3% escalation in the 5th, 10th, 15th, 20th, 30th, and 35th years. As a condition of the lease agreement, the RTC provided the lessor with a \$5,000,000 letter of credit as a security deposit. The security deposit shall be reduced by an amount equal to \$1,250,000 until the balance reaches the base security amount. Base security amount shall mean an amount equal to 1 year's then base lease payment. The reduction starts on the first day of the lease year immediately following the lease year in which the RTC commences operation of the terminal and on the first day of each subsequent lease year until the security deposit reaches the base security amount. As of June 30, 2024, a \$2,186,309 letter of credit was issued and unused.

The RTC was party to one lease. At June 30, 2024, total lease payments were \$2,154,470, which represents partial payment of the \$2,566,163 lease interest expense. The remaining \$411,693 was recorded as accrued interest.

The following is a schedule of future minimum lease payments for the lease as of June 30, 2024:

Year ending June 30:	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ -	\$ 2,219,104	\$ 2,219,104
2026	-	2,285,677	2,285,677
2027	-	2,354,247	2,354,247
2028	-	2,460,710	2,460,710
2029	-	2,570,367	2,570,367
2030-2034	-	14,185,362	14,185,362
2035-2039	2,308,630	14,615,066	16,923,696
2040-2044	11,047,940	9,142,693	20,190,633
2045-2048	13,949,149	2,418,614	16,367,763
Total future minimum lease payments	<u>\$ 27,305,719</u>	<u>\$ 52,251,840</u>	<u>\$ 79,557,559</u>

As of June 30, 2024, the related right-to-use leased land is valued at \$27,305,719, with an accumulated amortization of \$3,081,523.

Details on beginning balances, additions, decreases and ending balances can be found in Note 5 for the right-to-use leased land and Note 8 for the lease liability.

The RTC acquired the leased land on September 20, 2024. See Note 16 – Subsequent Events on page 73.

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NOTE 10 – Subscription-Based Information Technology Arrangements (SBITAS) – GASB 96

In fiscal year 2023, the RTC implemented GASB Statement No. 96, “*Subscription-Based Information Technology Arrangements*”. The RTC has two (2) software arrangements that require recognition under GASB No. 96. The software amortization expense is included on the Statement of Revenues, Expenses and Changes in Fund Net Position related to the RTC’s intangible asset of two (2) software systems, which is included in the Note 5 as Intangible Right-to-Use Software Agreements. The RTC now recognizes a subscription liability and an intangible right-to-use asset for the following:

- Transit data platform subscription requiring annual payment of \$517,712 for the current fiscal year, \$425,426 of which was applied to principal and the remainder to interest. Software agreement interest expense of \$77,673 was recorded, \$69,852 of which was accrued. A rate escalation of 3% for future payments was agreed upon at the commencement of the subscription term and was used in determining the liability and right-to-use asset. Subscription term is from July 2022 through July 2025 with three-year renewal option.
- Scheduling software for transit department requiring annual payment of \$68,200 for the current fiscal year, \$57,407 of which was applied to principal and the remainder to interest. Software agreement interest expense of \$8,821 was recorded, \$7,907 of which was accrued. A rate escalation of 10% for future payments was agreed upon at the commencement of the subscription term and was used in determining the liability and right-to-use asset. Subscription term is from July 2022 through June 2025 with two-year renewal option.

The RTC used its incremental borrowing rate of 3.69% to determine the present value of the intangible right-to-use assets and subscription liability for the above arrangements.

The RTC was party to two software agreements. At June 30, 2024, total subscription payments were \$585,912, \$482,833 of which were applied to principal and the remainder to interest. Total software agreement interest expense of \$86,494 was recorded, \$77,759 of which was accrued.

The future subscription payments under SBITA agreements are as follows:

Year ending June 30:	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 523,284	\$ 84,959	\$ 608,243
2026	566,420	65,320	631,740
2027	612,406	44,061	656,467
2028	561,612	21,078	582,690
Total future subscription payments	<u>\$ 2,263,722</u>	<u>\$ 215,418</u>	<u>\$ 2,479,140</u>

As of June 30, 2024, the related right-to-use software agreements is valued at \$3,331,077, with an accumulated amortization of \$1,133,664.

Details on beginning balances, additions, decreases and ending balances can be found in Note 5 for the right-to-use software agreements and Note 8 for the subscription liability.

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NOTE 11 - Net Position and Fund Balances

Net Position

At June 30, 2024, the RTC's government-wide statement of net position deficit is mainly attributable to borrowings to fund jurisdictional street and highway improvement projects. The resultant debt is retained and serviced by the RTC while the improved assets are owned and maintained by the Jurisdictions. Net position restricted for debt service totaled \$162,121,365. This amount is made up of restricted funds exclusively for debt service of \$185,356,515 less accrued interest payable of \$23,235,150. Net position for capital projects and intergovernmental capital grants totaled \$560,865,682.

Fund Balances

Included in the amounts restricted for capital projects and intergovernmental capital grants on the Governmental Funds Balance Sheet are direct distributions representing that portion of the County motor vehicle fuel tax and Indexed Fuel Tax required to be allocated for use by those political entities not included wholly or in part in the "Las Vegas Valley Area Major Street and Highway Plan." The allocation to these entities is made based on the ratio of their assessed valuation to the total County assessed valuation.

The following is a schedule of changes in the reserve for direct distributions in the Highway Improvement Acquisition Fund (5) for the year ended June 30, 2024:

	<u>Balance July 1, 2023</u>	<u>Current Year Increases</u>	<u>Current Year Decreases</u>	<u>Balance June 30, 2024</u>
Bunkerville	\$ 494,313	\$ 125,755	\$ 477,887	\$ 142,181
Indian Springs	292,963	359,681	-	652,644
Laughlin	1,022,463	4,386,247	8,177,297	(2,768,587)
Moapa Town	2,364,529	220,114	1,468,062	1,116,581
Moapa Valley	(3,270,239)	3,409,907	-	139,668
Mt. Charleston	1,195,065	149,636	1,809,529	(464,828)
Searchlight	348,290	165,451	992,010	(478,269)
	<u>\$ 2,447,384</u>	<u>\$ 8,816,791</u>	<u>\$ 12,924,785</u>	<u>\$ (1,660,610)</u>
Total	<u>\$ 2,447,384</u>	<u>\$ 8,816,791</u>	<u>\$ 12,924,785</u>	<u>\$ (1,660,610)</u>

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NOTE 12 - Defined Benefit Pension Plan

Plan Description

RTC employees are covered by the State of Nevada Public Employees' Retirement System (the "System"). The System was established on July 1, 1948, by the State Legislature and is governed by the Public Employees' Retirement Board whose seven members are appointed by the Governor. All public employees who meet certain eligibility requirements participate in the System, which is a cost-sharing multiple-employer defined benefit plan.

The RTC does not exercise any control over the System. Nevada Revised Statute 286.110 states that: "Respective participating public employers are not liable for any obligation of the System."

Benefits provided

Benefits, as required by the NRS, are determined by the number of years of accredited service at the time of retirement and the member's highest average compensation in any 36 consecutive months with special provisions for members entering the System on or after January 1, 2010, and July 1, 2015. Benefit payments to which participants may be entitled under the System include pension, disability, and survivor benefits. Benefits may only be amended through legislation.

Monthly benefit allowances for regular members are computed at 2.5% for service credits earned prior to July 1, 2001, and 2.67% for service credits earned after July 1, 2001, of average compensation (36 consecutive months of highest compensation) for each accredited year of service prior to retirement up to a maximum of 90% of the average compensation for employees who entered the system prior to July 1, 1985, and 75% for those entering after that date. The System offers several alternatives to the unmodified service retirement allowance which, in general, allows the retired employee to accept a reduced service retirement allowance, payable monthly during the employee's life and various optional monthly payments to a named beneficiary after the employee's death. Employees are eligible for retirement benefits at age 65 with 5 years of service, at age 60 with 10 years of service and at any age with 30 years of service. Post-retirement increases are provided by authority of NRS 286.575-579.

The 2009 Legislature made changes to the System. The benefit allowances for members enrolled on or after January 1, 2010, are computed at 2.5% for service credits of average compensation (36 consecutive months of highest compensation, however; salary subject to 10% cap if it has increased more than 10% from the prior year) for each accredited year of service prior to retirement up to a maximum of 75% of the average compensation. Early retirement benefit reduction based on years, months and days increased from 4% to 6% for each full year. Employees are eligible for retirement benefits at age 65 with 5 years of service, at age 62 with 10 years of service and at any age with 30 years of service.

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NOTE 12 - Defined Benefit Pension Plan (continued)

Benefits provided (continued)

The 2015 Legislature made additional changes to the System. A member who has an effective date of membership on or after July 1, 2015, is eligible to retire at age 65 if the member has at least 5 years of service, at age 62 if the member has at least 10 years of service, at age 55 if the member has at least 30 years of service and at any age if the member has at least 33 1/3 years of service. For a regular member who has an effective date of membership on or after July 1, 2015, a monthly service retirement allowance must be determined by multiplying the member's average compensation by 2.25% for each year of service earned. A regular member who has an effective date of membership on or after July 1, 2015, is entitled to a benefit of not more than 75% of the member's average compensation with the member's eligibility for service credit ceasing at 33 1/3 years of service.

Contributions

Contribution rates are established by NRS 286.410, which provides for yearly increases until such time as the actuarially determined unfunded liability of the System is reduced to zero. The RTC is obligated to contribute all amounts due under the System. The contribution rate for eligible employees and the RTC's required contributions are as follows:

	FISCAL YEAR ENDING JUNE 30, 2024	
	Employer	Employee
Contribution rates	16.750%	16.750%
Contractually required contribution - statutorily determined	\$ 4,790,628	\$ 4,824,845

On December 2, 2022, the System informed participating public employers, via memorandum, regarding retirement contribution rate changes taking effect beginning July 1, 2023. The contribution rates for regular members under the employer-pay plan increased from 29.75% to 33.5% and the contribution rate for regular members under the employee/employer plan increased from 15.5% to 17.5%.

Basis of accounting

Employers participating in the System's cost sharing multiple-employer defined benefit plans are required to report pension information in their financial statements for fiscal periods beginning on or after June 15, 2014, in accordance with Governmental Accounting Standards Board (GASB) Statement No. 68, "Accounting and Financial Reporting for Pensions".

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NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(CONTINUED)**

NOTE 12 - Defined Benefit Pension Plan (continued)

Basis of accounting (continued)

The underlying financial information used to prepare the pension allocation schedules is based on the System's financial statements. The System's financial statements are prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) that apply to governmental accounting for fiduciary funds.

Contributions for employer pay dates that fall within the System's fiscal year ending June 30, 2023, are used as the basis for determining each employer's proportionate share of the collective pension amounts.

Investment Policy

The System's policies which determine the investment portfolio target asset allocation are established by the Board. The asset allocation is reviewed annually and is designed to meet the future risk and return needs of the System.

The following was the Board adopted policy target asset allocation as of June 30, 2023:

Asset Class	Target Allocation	Long-Term Expected Arithmetic Real Rate of Return*
Large Cap U.S. Equity	42%	6.65%
Developed International Equity	18%	7.18%
U.S. Fixed Income	28%	0.91%
Real Estate	6%	5.25%
Private Equity	6%	12.40%

* As of June 30, 2023, PERS' long-term inflation assumption was 2.50%

Pension Liability

Net Pension Liability

The employer allocation percentage of the net pension liability was based on the employer contributions due on wages paid during the measurement period. Each employer's proportion of the net pension liability is based on their employer contributions relative to the total combined employer contributions for all employers for the period ended June 30, 2023.

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(CONTINUED)**

NOTE 12 - Defined Benefit Pension Plan (continued)

Pension Liability (continued)

Net Pension Liability (continued)

The following is the percentage of the RTC to the Total Plan and any changes from the previous measurement date to June 30, 2023:

	Net Pension Liability as of June 30, 2022	Net Pension Liability as of June 30, 2023	Change from previous measurement date
RTC	\$ 71,404,881	\$ 72,119,140	\$ 714,259
Total Plan	\$ 18,054,894,699	\$ 18,252,905,291	\$ 198,010,592
RTC's % to the Total Plan	0.39549%	0.39511%	-0.00038%

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the System's Annual Comprehensive Financial Report, available on the System's website.

Pension Liability Discount Rate Sensitivity

The following presents the net pension liability of the RTC as of June 30, 2023, calculated using the discount rate of 7.25%, as well as what the RTC's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25%) or 1- percentage-point higher (8.25%) than the current discount rate:

	1% Decrease in Discount Rate (6.25%)	Discount Rate (7.25%)	1% Increase in Discount Rate (8.25%)
Net Pension Liability	<u>\$ 112,227,837</u>	<u>\$ 72,119,140</u>	<u>\$ 39,017,532</u>

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NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(CONTINUED)**

NOTE 12 - Defined Benefit Pension Plan (continued)

Actuarial Assumptions

The System's net pension liability was measured as of June 30, 2023. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of this date. The total pension liability was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation rate	2.50%
Investment Rate of Return	7.25%
Productivity pay increase	0.50%
Projected salary increases	4.20% to 9.10%, depending on service Rates include inflation and productivity increases
Other assumptions	Same as those used in the June 30, 2023 funding actuarial valuation
Actual mortality assumption used:	
<i>Pre-Retirement:</i>	Pub-2010 General Employee Amount-Weighted Above-Median Mortality Table (separate tables for males and females), projected generationally with the two-dimensional monthly improvement scale MP-2020.
<i>Healthy:</i>	Pub-2010 General Healthy Retiree Amount-Weighted Above-Median Mortality Table (separate tables for males and females) with rates increased by 30% for males and 15% for females, projected generationally with the two-dimensional monthly improvement scale MP-2020. This assumption only provides rates for ages 50 and older.
<i>Disabled:</i>	Pub-2010 Non-Safety Disabled Retiree Amount-Weighted Mortality Table (separate tables for males and females) with rates increased by 20% for males and 15% for females, projected generationally with the two-dimensional monthly improvement scale MP-2020.
<i>Beneficiaries:</i>	Pub-2010 Contingent Survivor Amount-Weighted Above-Median Mortality Table (separate tables for males and females) with rates increased by 15% for males and 30% for females, projected generationally with the two-dimensional mortality improvement scale MP-2020. This assumption only provides rates for ages 45 and older.

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NOTES TO FINANCIAL STATEMENTS
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(CONTINUED)**

NOTE 12 - Defined Benefit Pension Plan (continued)

Actuarial Assumptions (continued)

The actuarial assumptions used in the June 30, 2023 valuation were based on the results of the experience study covering the period July 1, 2016 through June 30, 2020.

The discount rate used to measure the total pension liability was 7.25% as of June 30, 2023. The projection of cash flows used to determine the discount rate assumed that plan contributions will be made in amounts consistent with statutory provisions and recognizing the plan's current funding policy and cost-sharing mechanism between employers and members. For this purpose, only contributions that are intended to fund benefits for current plan members and their beneficiaries are included, and projected employer contributions that are intended to fund the service costs for future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included.

Based on those assumptions, the pension Plan Fiduciary Net Position was projected to be available to make all projected future benefit payments for current plan members. Therefore, the long-term expected rate of return on pension plan investments of 7.25% was applied to all periods of projected benefit payments to determine the Total Pension Liability as of June 30, 2023.

Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

As of June 30, 2024, the total employer pension expense is \$10,105,138. At June 30, 2023, the measurement date, the RTC's 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
Differences between expected and actual experience	\$ 9,400,290	\$ -
Changes of assumptions	6,758,936	-
Net difference between projected and actual earnings on investments	-	675,037
Changes in proportion and differences between actual contributions and proportionate share of contributions	4,269,207	2,259,967
Contributions subsequent to the measurement date	4,790,628	-
	\$ 25,219,061	\$ 2,935,004

Average expected remaining service lives 5.63 years

**REGIONAL TRANSPORTATION COMMISSION OF SOUTHERN NEVADA
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NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(CONTINUED)**

NOTE 12 - Defined Benefit Pension Plan (continued)

Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources
Related to Pensions (continued)

Deferred outflows of resources resulting from contributions made subsequent to the measurement date will be recognized as a reduction of the net pension liability in the reporting year ending June 30, 2025. Deferred outflows/(inflows) of resources related to pension will be recognized as follows:

Reporting period ended June 30:

2025	\$ 3,218,543
2026	2,647,880
2027	9,676,574
2028	1,614,603
2029	335,829
	<u>\$ 17,493,429</u>

There were no changes to the plan between the measurement date of the net pension liability and the employer’s reporting date that are expected to have a significant effect on the net pension liability.

Additional Information

The total pension liability is calculated by the System’s actuary. The plan’s fiduciary net position is reported in the System’s financial statements and the net pension liability is disclosed in the System’s notes to the financial statements. Additional information supporting the Schedule of Employer Allocations and the Schedule of Pension Amounts by Employer is located in the PERS Annual Comprehensive Financial Report (ACFR) available on the System’s website: www.nvpers.org under Quick Links – Publications. An annual report containing financial statements and required information may be obtained by writing to State of Nevada Public Employees’ Retirement System, 693 W. Nye Lane, Carson City, Nevada 89703-1599, or by calling (775) 687-4200.

**REGIONAL TRANSPORTATION COMMISSION OF SOUTHERN NEVADA
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NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(CONTINUED)**

NOTE 13 - Other Post-Employment Benefits (OPEB)

Plan description

The RTC participates in Clark County's Retiree Health Program Plan (RHPP), a non-trust, single-employer defined benefit postemployment healthcare plan, as well as the State of Nevada's Public Employee Benefit Plan (PEBP), a non-trust, agent multiple-employer defined benefit postemployment healthcare plan.

In accordance with NRS, retirees of RTC may continue insurance through existing plans of insurance, if enrolled as an active employee at the time of retirement. Retirees are offered medical, dental, prescription drugs, and life insurance benefits for themselves and their dependents. Retirees may choose RHPP between the Clark County Self-Funded Group Medical and Dental Benefits Plan (Self-Funded Plan) and a health maintenance organization (HMO) plan. On January 1, 2022, the RTC in conjunction with Clark County and other component units, switched to an exclusive provider organization plan (EPO) from the health maintenance organization (HMO) plan. The EPO has the same characteristics and benefits as the HMO.

PEBP is administered by a nine member governing board. PEBP provides medical, prescription, dental and vision benefits to retirees. Eligibility and subsidy requirements are governed by NRS and can only be established or amended through legislation. In 2008, NRS was amended. As a result of this amendment, the number of retirees for whom the RTC is obligated to provide PEBP postemployment benefits is limited to eligible employees who retired from RTC service prior to September 1, 2008. PEBP is a closed plan, and therefore, no current employees are covered by the Plan.

RHPP benefit provisions are established and amended through negotiations between Clark County and the SEIU employee union. The RTC has an interlocal agreement with Clark County which allows Clark County to negotiate with the SEIU on RTC's behalf for RHPP benefits.

There are no assets accumulated in a trust to pay related benefits to either RHPP and PEBP.

The RHPP is included in the financial statements of Clark County as an internal service fund (the Self-Funded Group Insurance fund). The RHPP is not administered as a qualifying trust or equivalent arrangement. The RHPP and PEBP reports may be obtained by writing or calling the plans at the following addresses or numbers:

Clark County, Nevada
PO Box 551210
500 S. Grand Central Parkway
Las Vegas, NV 89155-1210
(702) 455-3895

Public Employee Benefit Plan
901 South Stewart Street, Suite 1001
Carson City, NV 89701
(800) 326-5496

**REGIONAL TRANSPORTATION COMMISSION OF SOUTHERN NEVADA
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NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(CONTINUED)**

NOTE 13 - Other Post-Employment Benefits (OPEB) (continued)

Funding Policy

Retirees in the RHPP receive no direct subsidy from the RTC. Under State law, retiree loss experience is pooled with active loss experience for the purpose of setting rates. The difference between the true claims cost and the blended premium is an implicit rate subsidy that creates an OPEB cost for the RTC.

The RTC is required to pay the PEBP an explicit subsidy, based on years of service, for retirees who are enrolled in this plan. The subsidy is set by the State Legislature.

Benefits Provided

PEBP plan provides medical, dental, prescription drug, Medicare Part B, and life insurance coverage to eligible retirees and their spouses. Benefits are provided through a third-party insurer.

RHPP provides medical, dental, prescription drug, and life insurance coverage to eligible active and retired employees and beneficiaries. Benefit provisions are established and amended through negotiations between the respective unions and the Health District.

Plan membership*

At July 1, 2022 rolled forward to 2023, OPEB plan membership consisted of the following:

	<u>PEBP</u>	<u>RHPP</u>	<u>TOTAL ALL PLANS</u>
Retired members currently receiving benefits	19	45	64
Married spouses of retired members currently receiving benefits	-	18	18
Active members	-	326	326
Total	19	389	408

As of November 1, 2008, PEBP was closed to any new participants.

* All participating Clark County employer entities reflected in the PEBP and RHPP OPEB Valuation Report.

**REGIONAL TRANSPORTATION COMMISSION OF SOUTHERN NEVADA
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NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(CONTINUED)**

NOTE 13 - Other Post-Employment Benefits (OPEB) (continued)

Actuarial assumptions and methods

The Total OPEB Liability (TOL) as of June 30, 2024 was determined by an actuarial valuation as of June 30, 2022, rolled forward to 2023. Update procedures were used to roll forward the total OPEB liability to the measurement date.

In particular, the following assumptions were applied to all periods included in the June 30, 2023 measurement:

Reporting Date	June 30, 2024
Valuation Date & Census Data	Valuation date as of June 30, 2022 rolled forward to 2023, based on the census provided by the County as of June 30, 2022.
Discount Rate	3.54% per annum (BOY) 3.65% per annum (EOY) <i>Source: Bond Buyer 20-Bond GO index</i>
Salary Increase Rate	3.0% per annum
Marriage Rate	30% of future retirees are assumed married with a spouse at retirement, eligible for plan benefits. This is based on the current retiree population.
Spouse Age	Male spouses are assumed to be three years older than female spouses.
Medicare Eligibility	All future retirees are assumed to be eligible for Medicare at age 65, unless specified in the census data provided by the County. Indicators were provided for retirees not eligible for Medicare.
Actuarial Cost Method	Entry Age Normal based on level percentage of projected salary.
Amortization Method	<i>Experience/Assumptions</i> gains and losses are amortized over a closed period of 13.9 years starting the current fiscal year, equal to the average remaining service of active and inactive plan members (who have no future service).
Mortality Rates	Pub-2010 headcount weighted base mortality table, projected generationally using Scale MP-2021, applied on a gender-specific and job class basis (teacher, safety, or general, as applicable).
Age Based Morbidity	The assumed per capita health claim costs are adjusted to reflect expected increases related to age and gender.

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NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(CONTINUED)**

NOTE 13 - Other Post-Employment Benefits (OPEB) (continued)

Actuarial assumptions and methods (continued)

Health Care Cost Trend Rate	The health care cost trend assumptions are used to project the cost of health care in future years. The following annual trends are based on the current HCA Consulting trend study, and are applied on a select and ultimate basis. Select trends are reduced 0.25% each year until reaching the ultimate trend rate.		
	<u>Expense Type</u>	<u>Select</u>	<u>Ultimate</u>
	Pre-Medicare Medical and Rx Benefits	6.50%	4.00%
	Medicare Benefits	5.50%	4.00%
	Administrative Fees	4.00%	4.00%
	Dental	4.00%	4.00%

Changes in the Total OPEB liability

	<u>PEBP</u>	<u>RHPP</u>	<u>Total</u>
Total OPEB liability			
Service cost	\$ -	\$ 797,747	\$ 797,747
Interest	21,915	630,954	652,869
Differences between expected and actual experience	-	-	-
Changes of assumptions	(1,767)	(391,792)	(393,559)
Benefit payments	(39,494)	(335,576)	(375,070)
Net change in total OPEB liability	(19,346)	701,333	681,987
Total OPEB liability, beginning	638,806	17,193,591	17,832,397
Total OPEB liability, ending	<u>\$ 619,460</u>	<u>\$ 17,894,924</u>	<u>\$ 18,514,384</u>

Sensitivity of the Total OPEB Liability to changes in the discount rate

The following presents the Total OPEB Liability (TOL) of the RTC as of June 30, 2023, calculated using the municipal bond rate of 3.65%, as well as what the RTC's TOL would be if it were calculated using a discount rate that is 1-percentage-point lower (2.65% municipal bond rate) or 1- percentage-point higher (4.65% municipal bond rate) than the current rate:

	<u>1% Decrease (2.65%)</u>	<u>Current (3.65%)</u>	<u>1% Increase (4.65%)</u>
PEBP	\$ 695,000	\$ 619,460	\$ 556,000
RHPP	21,535,000	17,894,924	15,051,000
Total OPEB liability	<u>\$ 22,230,000</u>	<u>\$ 18,514,384</u>	<u>\$ 15,607,000</u>

**REGIONAL TRANSPORTATION COMMISSION OF SOUTHERN NEVADA
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FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(CONTINUED)**

NOTE 13 - Other Post-Employment Benefits (OPEB) (continued)

Sensitivity of the Total OPEB Liability to changes in the healthcare cost trend rate

The following presents the Total OPEB Liability of the RTC as of June 30, 2023, as well as what the RTC's Total OPEB Liability would be if it were calculated using a trend rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate.

	1% Decrease Ultimate	Current Trend Ultimate	1% Increase Ultimate
PEBP	\$ 558,000	\$ 619,460	\$ 680,000
RHPP	14,855,000	17,894,924	21,870,000
Total OPEB liability	\$ 15,413,000	\$ 18,514,384	\$ 22,550,000

OPEB Expense and Deferred Outflows/Inflows of Resources related to OPEB

For the year ended June 30, 2024, RTC recognized OPEB expense of \$717,830. At June 30, 2024, RTC 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	\$ 4,642,255	\$ 3,967,271
Changes in assumptions	1,641,580	6,845,938
Benefits paid after the measurement date	348,000	-
Total	\$ 6,631,835	\$ 10,813,209

Deferred outflows of resources resulting from benefits paid subsequent to the measurement date will be recognized as a reduction to the total OPEB liability in the reporting year ending June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in the OPEB expense as follows:

Year ended June:	
2025	\$ (731,020)
2026	(731,020)
2027	(705,234)
2028	(485,891)
2029	(481,638)
Thereafter	(1,394,571)
Total	\$ (4,529,374)

REGIONAL TRANSPORTATION COMMISSION OF SOUTHERN NEVADA
A COMPONENT UNIT OF CLARK COUNTY, NEVADA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(CONTINUED)

NOTE 14 - Risk Management

The RTC's operating activities are comprised primarily of providing both public transit services and transportation-planning services in southern Nevada; and therefore, realization of the RTC's receivables and its future operations could be affected by an adverse change in the economic conditions in the area.

In the ordinary course of its operations, claims are filed against the RTC. It is the opinion of management that these claims will not have a material adverse effect on the RTC's financial position, results of operation, or cash flows.

The RTC does not accrue for estimated future legal and defense costs, if any, to be incurred in connection with outstanding or threatened litigation and other disputed matters but rather, records such as period costs when services are rendered.

The RTC is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

The RTC maintains insurance policies for Workers' Compensation, Commercial Property, Commercial General Liability, Commercial Auto Liability, Cyber Liability, Excess Liability, Employment Practices Liability, Employed Lawyers, Public Officials Directors and Officers coverage and Employee Benefits Liability.

Under the insurance policies with various insurance carriers, the RTC is only responsible to pay the deductibles and co-insurance amounts stipulated in the policies.

The RTC entered into an interlocal agreement with the County for the provision of employee health insurance benefits.

Workers' Compensation

The RTC has placed insurance coverage with a licensed and rated carrier which includes Coverage A – Workers' Compensation Benefits with Statutory Limits and Coverage B Employer's Liability – Bodily Injury Each Accident \$1,000,000, Bodily Injury by Disease (Policy Limit) \$1,000,000, and Bodily Injury by Disease (Each Employee) \$1,000,000. No deductible applies to this coverage. Claims are reported by the RTC directly to the insurance carrier.

Commercial Property

The RTC has placed insurance coverage with a licensed and rated carrier for all RTC facilities. Building, Business Personal Property/Contents, and Equipment (including Mechanical Breakdown) are insured for Replacement Cost on a Blanket basis not to exceed \$275,000,000 with a \$100,000 retention. Builder's Risk/Course of Construction policies are purchased by the RTC for any project constructed on RTC property with limits and deductible levels varying by project size and type. (For projects not constructed on RTC property, the General Contractor or Construction Manager is responsible for placement of Builder's Risk/Course of Construction policies). Claims are reported to the RTC's insurance carrier by the RTC's insurance broker.

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A COMPONENT UNIT OF CLARK COUNTY, NEVADA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(CONTINUED)**

NOTE 14 - Risk Management (continued)

Commercial General Liability

The RTC has placed insurance coverage with a licensed and rated carrier which includes \$5,000,000 limits for Bodily Injury/Property Damage (Each Occurrence) and Personal and Advertising Injury, \$5,000,000 limit for Products/Completed Operations Aggregate, and \$5,000,000 limit for General Aggregate. A \$150,000 Self Insured Retention applies. Employee Benefits Liability is also included on a Claims Made Basis (which is common for this type of insurance) with the limit included in the General Liability limit. A \$150,000 Self Insured Retention applies. Claims are reported by the RTC to the Third Party Administrator (TPA).

Commercial Auto Liability

The RTC has placed insurance coverage with a licensed and rated carrier which includes \$5,000,000 limits for Owned Automobile Bodily Injury and Property Damage and \$500,000 Uninsured/Underinsured Motorist. Comprehensive and Collision Physical Damage Coverage is maintained on most vehicles but is not maintained on older vehicles with low value. Also included is Hired and Non Owned Auto Liability with limits of \$5,000,000 for Bodily Injury and Property Damage. A \$100,000 Self Insured Retention applies. Auto Physical Damage with a limit of \$500,000 each occurrence and \$1,000,000 aggregate with a \$25,000 each accident deductible applies based on Actual Cash Value except Stated Amount on vehicles over \$100,000. Hired Auto Physical Damage coverage is also in place based on Actual Cash Value. A \$25,000 deductible applies. Claims are reported by the RTC to the Third Party Administrator (TPA).

Commercial auto insurance for the RTC's revenue service vehicles is covered by the contractors operating and maintaining transit services.

Cyber Liability

The RTC has placed insurance coverage with a non-admitted and rated insurance carrier, which includes a \$2,000,000 aggregate for most modules of coverage with a \$100,000 deductible.

Excess Liability

The RTC has placed insurance coverage with a licensed and rated carrier which includes \$5,000,000 in limits for Combined Bodily Injury and Property Damage Each Occurrence and General Aggregate. The Excess Liability policy provides additional liability limits over and above the Commercial General Liability, Auto Liability, Employers Liability and Employee Benefit Liability. Claims are reported to the RTC's insurance carrier by the RTC's insurance broker.

Employment Practices Liability

The RTC has placed insurance coverage with a licensed and rated insurance carrier, which includes \$2,000,000 in coverage for each claim and in the Aggregate. A \$100,000 retention/deductible applies for each claim. Coverage is written on a Claims Made basis (which is common for this type of insurance). Claims are reported to the RTC's insurance carrier by the RTC's insurance broker.

**REGIONAL TRANSPORTATION COMMISSION OF SOUTHERN NEVADA
A COMPONENT UNIT OF CLARK COUNTY, NEVADA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(CONTINUED)**

NOTE 14 - Risk Management (continued)

Employed Lawyers

The RTC has placed insurance coverage with a licensed and rated insurance carrier, which includes \$1,000,000 coverage for each claim and in the Aggregate. A \$0 retention/deductible applies for Insurance Clause (A) and a \$10,000 retention/deductible applies for Insuring Clause (B). Coverage is written on a Claims Made basis (which is common for this type of insurance). Claims are reported to the RTC's insurance carrier by the RTC's insurance broker.

Public Officials Directors and Officers Liability

The RTC has placed insurance coverage with a licensed and rated carrier, which includes \$2,000,000 for each claim and in the Aggregate. A \$0 retention/deductible applies for Insuring Clause (A) and a \$50,000 retention/deductible applies for Insuring Clause (B) and Insuring Clause (C). Coverage is written on a Claims Made basis (which is common for this type of insurance). Claims are reported to the RTC's insurance carrier by the RTC's insurance broker.

Over the past three years, no settlements have exceeded any of the above insurance coverages.

NOTE 15 - Commitments

Construction commitments include roadway projects with various local entities for \$656,355,582.

NOTE 16 - Subsequent Events

On September 12, 2024, the RTC Board of Commissioners approved the acquisition of Assessor's Parcel Number (APN) 139-34-301-008, the land where the Bonneville Transit Center (BTC) is located. In consideration for the property purchased, the RTC paid \$20,000,000 to the owners, assumed and satisfied the existing loan in the amount of \$36,822,920, for a total settlement amount of \$56,957,958, including \$135,038 of closing fees. The transaction was completed on September 20, 2024. Acquiring the land and satisfying the existing loan saved the RTC \$27,953,139 on future rent payments.





**REGIONAL TRANSPORTATION COMMISSION OF SOUTHERN NEVADA
A COMPONENT UNIT OF CLARK COUNTY, NEVADA
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
LAST TEN YEARS⁽¹⁾**

Changes in the Total OPEB liability

	PEBP ⁽²⁾						
	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024
Total OPEB liability							
Service Cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest	37,523	48,382	43,206	40,293	34,786	33,721	21,915
Changes of benefit terms	-	-	-	-	-	-	-
Difference between expected and actual experience	27,873	(99)	-	190,532	-	(819,744)	-
Changes of assumptions	(107,325)	(61,506)	61,411	255,955	8,940	(108,717)	(1,767)
Benefit payments	<u>(85,082)</u>	<u>(66,783)</u>	<u>(69,525)</u>	<u>(70,112)</u>	<u>(57,867)</u>	<u>(55,267)</u>	<u>(39,494)</u>
Net change in OPEB liability	(127,011)	(80,006)	35,092	416,668	(14,141)	(950,007)	(19,346)
Total OPEB liability, beginning	<u>1,358,211</u>	<u>1,231,200</u>	<u>1,151,194</u>	<u>1,186,286</u>	<u>1,602,954</u>	<u>1,588,813</u>	<u>638,806</u>
Total OPEB liability, ending	<u>\$ 1,231,200</u>	<u>\$ 1,151,194</u>	<u>\$ 1,186,286</u>	<u>\$ 1,602,954</u>	<u>\$ 1,588,813</u>	<u>\$ 638,806</u>	<u>\$ 619,460</u>
Covered-employee payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total OPEB Liability as a percentage of covered-employee payroll ⁽³⁾	N/A	N/A	N/A	N/A	N/A	N/A	N/A

⁽¹⁾This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, RTC will only present information for available years.

⁽²⁾PEBP is a closed plan; and therefore, no current employees are covered by the PEBP.

⁽³⁾Covered-employee payroll represents the employees that are provided with OPEB through the OPEB plan.

The amounts presented for each fiscal year were determined as of the year-end that occurred one year prior.

**REGIONAL TRANSPORTATION COMMISSION OF SOUTHERN NEVADA
A COMPONENT UNIT OF CLARK COUNTY, NEVADA
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
LAST TEN YEARS⁽¹⁾**

Changes in the Total OPEB liability

	RHPP						
	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024
Total OPEB liability							
Service Cost	\$ 1,548,246	\$ 1,507,770	\$ 642,438	\$ 768,438	\$ 946,338	\$ 923,752	\$ 797,747
Interest	534,440	653,038	426,942	452,737	371,605	391,990	630,954
Changes of benefit terms	-	-	-	-	-	-	-
Difference between expected and actual experience	(82,457)	(6,975,593)	-	1,065,293	-	4,535,997	-
Changes of assumptions	(2,389,821)	(1,445,416)	761,168	1,453,626	154,152	(5,797,172)	(391,792)
Benefit payments	<u>(60,628)</u>	<u>(74,873)</u>	<u>(92,495)</u>	<u>(14,091)</u>	<u>(63,185)</u>	<u>(169,832)</u>	<u>(335,576)</u>
Net change in OPEB liability	(450,220)	(6,335,074)	1,738,053	3,726,003	1,408,910	(115,265)	701,333
Total OPEB liability, beginning	<u>17,221,184</u>	<u>16,770,964</u>	<u>10,435,890</u>	<u>12,173,943</u>	<u>15,899,946</u>	<u>17,308,856</u>	<u>17,193,591</u>
Total OPEB liability, ending	<u><u>\$ 16,770,964</u></u>	<u><u>\$ 10,435,890</u></u>	<u><u>\$ 12,173,943</u></u>	<u><u>\$ 15,899,946</u></u>	<u><u>\$ 17,308,856</u></u>	<u><u>\$ 17,193,591</u></u>	<u><u>\$ 17,894,924</u></u>
Covered-employee payroll	24,154,050	25,829,219	25,682,156	27,467,067	28,905,085	26,373,601	30,782,221
Total OPEB Liability as a percentage of covered-employee payroll ⁽³⁾	69.43%	40.40%	47.40%	57.89%	59.88%	65.19%	58.13%

⁽¹⁾This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, RTC will only present information for available years.

⁽²⁾PEBP is a closed plan; and therefore, no current employees are covered by the PEBP.

⁽³⁾Covered-employee payroll represents the employees that are provided with OPEB through the OPEB plan.

The amounts presented for each fiscal year were determined as of the year-end that occurred one year prior.

**REGIONAL TRANSPORTATION COMMISSION OF SOUTHERN NEVADA
A COMPONENT UNIT OF CLARK COUNTY, NEVADA
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
LAST TEN YEARS⁽¹⁾**

Changes in the Total OPEB liability (continued)

	TOTAL						
	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024
Total OPEB liability							
Service Cost	\$ 1,548,246	\$ 1,507,770	\$ 642,438	\$ 768,438	\$ 946,338	\$ 923,752	\$ 797,747
Interest	571,963	701,420	470,148	493,030	406,391	425,711	652,869
Changes of benefit terms	-	-	-	-	-	-	-
Difference between expected and actual experience	(54,584)	(6,975,692)	-	1,255,825	-	3,716,253	-
Changes of assumptions	(2,497,146)	(1,506,922)	822,579	1,709,581	163,092	(5,905,889)	(393,559)
Benefit payments	<u>(145,710)</u>	<u>(141,656)</u>	<u>(162,020)</u>	<u>(84,203)</u>	<u>(121,052)</u>	<u>(225,099)</u>	<u>(375,070)</u>
Net change in OPEB liability	(577,231)	(6,415,080)	1,773,145	4,142,671	1,394,769	(1,065,272)	681,987
Total OPEB liability, beginning	<u>18,579,395</u>	<u>18,002,164</u>	<u>11,587,084</u>	<u>13,360,229</u>	<u>17,502,900</u>	<u>18,897,669</u>	<u>17,832,397</u>
Total OPEB liability, ending	<u>\$ 18,002,164</u>	<u>\$ 11,587,084</u>	<u>\$ 13,360,229</u>	<u>\$ 17,502,900</u>	<u>\$ 18,897,669</u>	<u>\$ 17,832,397</u>	<u>\$18,514,384</u>
Covered-employee payroll	24,154,050	25,829,219	25,682,156	27,467,067	28,905,085	26,373,601	30,782,221
Total OPEB Liability as a percentage of covered-employee payroll ⁽³⁾	74.53%	44.86%	52.02%	63.72%	65.38%	67.61%	60.15%

⁽¹⁾This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, RTC will only present information for available years.

⁽²⁾PEBP is a closed plan; and therefore, no current employees are covered by the PEBP.

⁽³⁾Covered-employee payroll represents the employees that are provided with OPEB through the OPEB plan.

The amounts presented for each fiscal year were determined as of the year-end that occurred one year prior.

**REGIONAL TRANSPORTATION COMMISSION OF SOUTHERN NEVADA
A COMPONENT UNIT OF CLARK COUNTY, NEVADA
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
SCHEDULE OF EMPLOYER CONTRIBUTIONS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
LAST TEN YEARS ⁽¹⁾**

	PEBP						
	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024
Contractually required contributions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions in relation to the contractually required contributions	<u>60,753</u>	<u>69,525</u>	<u>61,610</u>	<u>57,867</u>	<u>71,063</u>	<u>39,630</u>	<u>40,000</u>
Contribution deficiency (excess)	<u><u>\$ (60,753)</u></u>	<u><u>\$ (69,525)</u></u>	<u><u>\$ (61,610)</u></u>	<u><u>\$ (57,867)</u></u>	<u><u>\$ (71,063)</u></u>	<u><u>\$ (39,630)</u></u>	<u><u>\$ (40,000)</u></u>
Covered-employee payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Contributions as a percentage of covered-employee payroll ⁽²⁾	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	RHPP						
	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024
Contractually required contributions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions in relation to the contractually required contributions	<u>145,977</u>	<u>92,495</u>	<u>273,486</u>	<u>63,185</u>	<u>184,238</u>	<u>299,588</u>	<u>308,000</u>
Contribution deficiency (excess)	<u><u>\$ (145,977)</u></u>	<u><u>\$ (92,495)</u></u>	<u><u>\$ (273,486)</u></u>	<u><u>\$ (63,185)</u></u>	<u><u>\$ (184,238)</u></u>	<u><u>\$ (299,588)</u></u>	<u><u>\$ (308,000)</u></u>
Covered-employee payroll	\$ 25,829,219	\$ 25,682,156	\$ 27,467,067	\$ 28,905,085	\$ 26,373,601	\$ 30,782,221	\$ 32,863,819
Contributions as a percentage of covered-employee payroll ⁽²⁾	0.57%	0.36%	1.00%	0.22%	0.70%	0.97%	0.94%

⁽¹⁾This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, RTC will only present information for available years.

⁽²⁾Covered-employee payroll represents the employees that are provided with OPEB through the OPEB plan.

**REGIONAL TRANSPORTATION COMMISSION OF SOUTHERN NEVADA
A COMPONENT UNIT OF CLARK COUNTY, NEVADA
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
SCHEDULE OF EMPLOYER CONTRIBUTIONS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
LAST TEN YEARS ⁽¹⁾**

Employee Contributions (continued)

	TOTAL						
	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024
Contractually required contributions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions in relation to the contractually required contributions	<u>206,730</u>	<u>162,020</u>	<u>335,096</u>	<u>121,052</u>	<u>255,301</u>	<u>339,218</u>	<u>348,000</u>
Contribution deficiency (excess)	<u>\$ (206,730)</u>	<u>\$ (162,020)</u>	<u>\$ (335,096)</u>	<u>\$ (121,052)</u>	<u>\$ (255,301)</u>	<u>\$ (339,218)</u>	<u>\$ (348,000)</u>
Covered-employee payroll	\$ 25,829,219	\$ 25,682,156	\$ 27,467,067	\$ 28,905,085	\$ 26,373,601	\$ 30,782,221	\$ 32,863,819
Contributions as a percentage of covered-employee payroll ⁽²⁾	0.80%	0.63%	1.22%	0.42%	0.97%	1.10%	1.06%

⁽¹⁾This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, RTC will only present information for available years.

⁽²⁾Covered-employee payroll represents the employees that are provided with OPEB through the OPEB plan.

**REGIONAL TRANSPORTATION COMMISSION OF SOUTHERN NEVADA
A COMPONENT UNIT OF CLARK COUNTY, NEVADA
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
REGIONAL TRANSPORTATION COMMISSION FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2023)**

	2024				2023
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Actual</u>
REVENUES					
Intergovernmental revenue:					
Federal and state grants	\$ 9,295,068	\$ 9,295,068	\$ 4,460,399	\$ (4,834,669)	\$ 7,816,460
Interest	-	-	329,944	329,944	88,776
Other	3,893,495	3,893,495	3,983,323	89,828	3,240,787
Total revenues	<u>13,188,563</u>	<u>13,188,563</u>	<u>8,773,666</u>	<u>(4,414,897)</u>	<u>11,146,023</u>
EXPENDITURES					
Current:					
Salaries and wages	21,330,229	21,330,229	19,829,237	1,500,992	18,916,276
Employee benefits	9,318,213	9,318,213	8,423,185	895,028	7,434,982
Services and supplies	21,265,133	21,265,133	15,126,463	6,138,670	16,169,445
Capital outlay	3,171,954	3,171,954	1,512,510	1,659,444	1,119,646
Total expenditures	<u>55,085,529</u>	<u>55,085,529</u>	<u>44,891,395</u>	<u>10,194,134</u>	<u>43,640,349</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES	(41,896,966)	(41,896,966)	(36,117,729)	5,779,237	(32,494,326)
OTHER FINANCING SOURCES					
Transfers in	35,426,039	35,426,039	35,426,039	-	30,535,597
CHANGES IN FUND BALANCE	(6,470,927)	(6,470,927)	(691,690)	5,779,237	(1,958,729)
Fund balance - beginning	10,964,022	10,964,022	13,646,297	2,682,275	15,605,026
Fund balance - ending	<u>\$ 4,493,095</u>	<u>\$ 4,493,095</u>	<u>\$ 12,954,607</u>	<u>\$ 8,461,512</u>	<u>\$ 13,646,297</u>

**REGIONAL TRANSPORTATION COMMISSION OF SOUTHERN NEVADA
A COMPONENT UNIT OF CLARK COUNTY, NEVADA
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
REGIONAL TRANSPORTATION FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2023)**

	2024				2023
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Actual</u>
REVENUES					
Intergovernmental revenue:					
Sales and excise tax	\$ 77,433,417	\$ 82,139,739	\$ 79,742,130	\$ (2,397,609)	\$ 77,135,967
Interest	-	-	315,854	315,854	83,001
Total revenues	<u>77,433,417</u>	<u>82,139,739</u>	<u>80,057,984</u>	<u>(2,081,755)</u>	<u>77,218,968</u>
EXPENDITURES					
Current:					
Services and supplies	<u>12,389,347</u>	<u>13,142,358</u>	<u>12,758,741</u>	<u>383,617</u>	<u>12,341,756</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES	65,044,070	68,997,381	67,299,243	(1,698,138)	64,877,212
OTHER FINANCING (USES)					
Transfers out	<u>(65,044,070)</u>	<u>(68,997,381)</u>	<u>(66,983,389)</u>	<u>2,013,992</u>	<u>(64,794,212)</u>
CHANGES IN FUND BALANCE	-	-	315,854	315,854	83,000
Fund balance - beginning	<u>1,012,120</u>	<u>1,012,120</u>	<u>1,095,120</u>	<u>83,000</u>	<u>1,012,120</u>
Fund balance - ending	<u>\$ 1,012,120</u>	<u>\$ 1,012,120</u>	<u>\$ 1,410,974</u>	<u>\$ 398,854</u>	<u>\$ 1,095,120</u>

**REGIONAL TRANSPORTATION COMMISSION OF SOUTHERN NEVADA
A COMPONENT UNIT OF CLARK COUNTY, NEVADA
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
LAST TEN FISCAL YEARS**

	<u>2015⁽¹⁾</u>	<u>2016⁽¹⁾</u>	<u>2017⁽¹⁾</u>	<u>2018⁽¹⁾</u>	<u>2019⁽¹⁾</u>
Proportion of the net pension liability	0.30%	0.32%	0.34%	0.35%	0.36%
Proportionate share of the net pension liability	\$ 31,745,509	\$ 36,390,157	\$ 45,585,275	\$ 46,940,485	\$ 49,753,570
Covered payroll	\$ 17,820,279	\$ 19,031,511	\$ 20,196,986	\$ 21,701,021	\$ 23,042,664
Proportionate share of the net pension liability as a percentage of the covered payroll	178%	191%	226%	216%	216%
Plan's fiduciary net position	\$ 33,575,081,157	\$ 34,610,720,184	\$ 35,002,028,906	\$ 38,686,253,408	\$ 41,431,686,852
Plan fiduciary net position as a percentage of the total pension liability	76.30%	75.10%	72.20%	74.40%	75.24%

⁽¹⁾The amounts presented for each fiscal year were determined as the year-end that occurred one year prior.

**REGIONAL TRANSPORTATION COMMISSION OF SOUTHERN NEVADA
A COMPONENT UNIT OF CLARK COUNTY, NEVADA
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
LAST TEN FISCAL YEARS**

Net Pension Liability (continued)

	<u>2020⁽¹⁾</u>	<u>2021⁽¹⁾</u>	<u>2022⁽¹⁾</u>	<u>2023⁽¹⁾</u>	<u>2024⁽¹⁾</u>
Proportion of the net pension liability	0.38%	0.38%	0.35%	0.40%	0.40%
Proportionate share of the net pension liability	\$ 51,424,608	\$ 53,190,946	\$ 31,960,452	\$ 71,404,881	\$ 72,119,140
Covered payroll	\$ 24,454,614	\$ 25,246,920	\$ 23,403,733	\$ 27,189,338	\$ 28,177,029
Proportionate share of the net pension liability as a percentage of the covered payroll	210%	211%	137%	263%	256%
Plan's fiduciary net position	\$ 44,284,252,583	\$ 46,735,117,356	\$ 58,458,484,355	\$ 54,514,012,008	\$ 58,315,106,777
Plan fiduciary net position as a percentage of the total pension liability	76.46%	77.04%	86.51%	75.12%	76.16%

⁽¹⁾The amounts presented for each fiscal year were determined as the year-end that occurred one year prior.

**REGIONAL TRANSPORTATION COMMISSION OF SOUTHERN NEVADA
A COMPONENT UNIT OF CLARK COUNTY, NEVADA
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
SCHEDULE OF DEFINED BENEFIT PLAN CONTRIBUTIONS
LAST TEN FISCAL YEARS**

Fiscal Plan Year Ending June 30	Contractually required contribution (statutorily determined)	Contributions in relation to the statutorily determined contributions	Contribution deficiency (excess)	Covered payroll	Contributions as a percentage of the covered payroll
2015	\$ 2,450,307	\$ 2,450,307	\$ -	\$ 19,031,511	12.875%
2016	\$ 2,827,578	\$ 2,827,578	\$ -	\$ 20,196,986	14.000%
2017	\$ 3,038,143	\$ 3,038,143	\$ -	\$ 21,701,021	14.000%
2018	\$ 3,225,973	\$ 3,225,973	\$ -	\$ 23,042,664	14.000%
2019	\$ 3,423,646	\$ 3,423,646	\$ -	\$ 24,454,614	14.000%
2020	\$ 3,692,362	\$ 3,692,362	\$ -	\$ 25,246,920	14.625%
2021	\$ 3,422,796	\$ 3,422,796	\$ -	\$ 23,403,733	14.625%
2022	\$ 4,044,414	\$ 4,044,414	\$ -	\$ 27,189,338	14.875%
2023	\$ 4,191,333	\$ 4,191,333	\$ -	\$ 28,177,029	14.875%
2024	\$ 4,790,628	\$ 4,790,628	\$ -	\$ 28,600,764	16.750%

**REGIONAL TRANSPORTATION COMMISSION OF SOUTHERN NEVADA
A COMPONENT UNIT OF CLARK COUNTY, NEVADA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2024
(CONTINUED)**

NOTE 1 - Postemployment Benefits Other Than Pensions

There are no assets accumulated in a trust to pay related benefits.

Changes of Assumptions for PEBP and RHPP Plans

The increase in the total liability from June 30, 2023 to June 30, 2024 is primarily due to the increase in the assumed discount rate from 3.54% as of June 30, 2023 to 3.65% as of June 30, 2024.

The decrease in the total liability from June 30, 2022 to June 30, 2023 is primarily due to the increase in the assumed discount rate from 2.16% as of June 30, 2023 to 3.54% as of June 30, 2023.

The increase in the total liability from June 30, 2022 to June 30, 2023 is primarily due to changes in significant assumptions. Select pre-Medicare trend rate decreased from 7.00% as of June 30, 2020 to 6.75% as of June 30, 2021. Select post-Medicare trend rate decreased from 6.00% as of June 30, 2020 to 5.75% as of June 30, 2021. The assumed discount rate decreased from 2.21% as of June 30, 2020 to 2.16% as of June 30, 2021.

The increase in the total liability from June 30, 2020 to June 30, 2021 is primarily due to the decrease in the assumed discount rate from 3.5% as of June 30, 2019 to 2.21% as of June 30, 2020. Select pre-Medicare medical and Rx benefits trend rate increased from 6.50% as of June 30, 2019 to 7.00% as of June 30, 2020. Select Medicare benefits trend rate increased from 5.75% as of June 30, 2019 to 6.00% as of June 30, 2020.

The increase in the total liability from June 30, 2020 to June 30, 2021 is primarily due to the decrease in the assumed discount rate from 3.87% as of June 30, 2018 to 3.5% as of June 30, 2019. Select pre-Medicare medical and Rx benefits trend rate decreased from 7.00% as of June 30, 2018 to 6.50% as of June 30, 2019. Select Medicare benefits trend rate decreased from 6.00% as of June 30, 2018 to 5.75% as of June 30, 2019.

The decrease in the total liability from June 30, 2018 to June 30, 2019 is primarily due to the increase in the assumed discount rate from 3.58% as of June 30, 2017 to 3.87% as of June 30, 2018.

The decrease in the total liability from June 30, 2017 to June 30, 2018 is primarily due to the increase in the assumed discount rate from 2.85% as of June 30, 2016 to 3.58% as of June 30, 2017.

NOTE 2 - Budgetary Information

The accompanying required supplementary general fund schedule of revenues, expenditures and changes in fund balances presents the original adopted budget, the final amended budget and actual fund data. The original budget was adopted on a basis consistent with the RTC's financial accounting policies and with accounting principles generally accepted in the United States. All amendments made to the original budget were as prescribed by law and similarly consistent.

**REGIONAL TRANSPORTATION COMMISSION OF SOUTHERN NEVADA
A COMPONENT UNIT OF CLARK COUNTY, NEVADA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2024
(CONTINUED)**

NOTE 2 - Budgetary Information (continued)

The RTC uses the following procedures to establish, modify and control the budgetary data presented in the financial statements:

- a. Prior to April 15, the RTC Chief Executive Officer submits to the Nevada State Department of Taxation the tentative budget for the next fiscal year, commencing on July 1. The budget as submitted contains the proposed expenditures and means of financing them.
- b. The Nevada State Department of Taxation notifies the RTC of its acceptance of the budget.
- c. Public hearings are conducted on the third Thursday in May.
- d. After all changes have been noted and hearings closed, the RTC governing board adopts the budget on or before June 1.
- e. The RTC's Chief Executive Officer is authorized to transfer budgeted amounts within functions or funds, but any other transfers must be approved by the RTC governing board.
- f. Increases to a fund's budget (augmentations) other than by transfers are accomplished through formal board action.
- g. Formal budgetary control is employed for all RTC funds.
- h. Statutory regulations require budget control to be exercised at the function level within the Regional Transportation commission fund, which serves as the RTC's general fund. Budget control is exercised at the fund level for all funds.
- i. All unencumbered appropriations lapse at the end of the fiscal year. Encumbrances are re-appropriated in the ensuing fiscal year.
- j. Budgets are adopted on a basis consistent with the method used to report on governmental funds, which are prepared in accordance with accounting principles generally accepted in the United States of America.

Additional budgetary information can be found in Note 2 to the RTC's financial statements on page 42 of this report.

**REGIONAL TRANSPORTATION COMMISSION OF SOUTHERN NEVADA
A COMPONENT UNIT OF CLARK COUNTY, NEVADA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2024
(CONTINUED)**

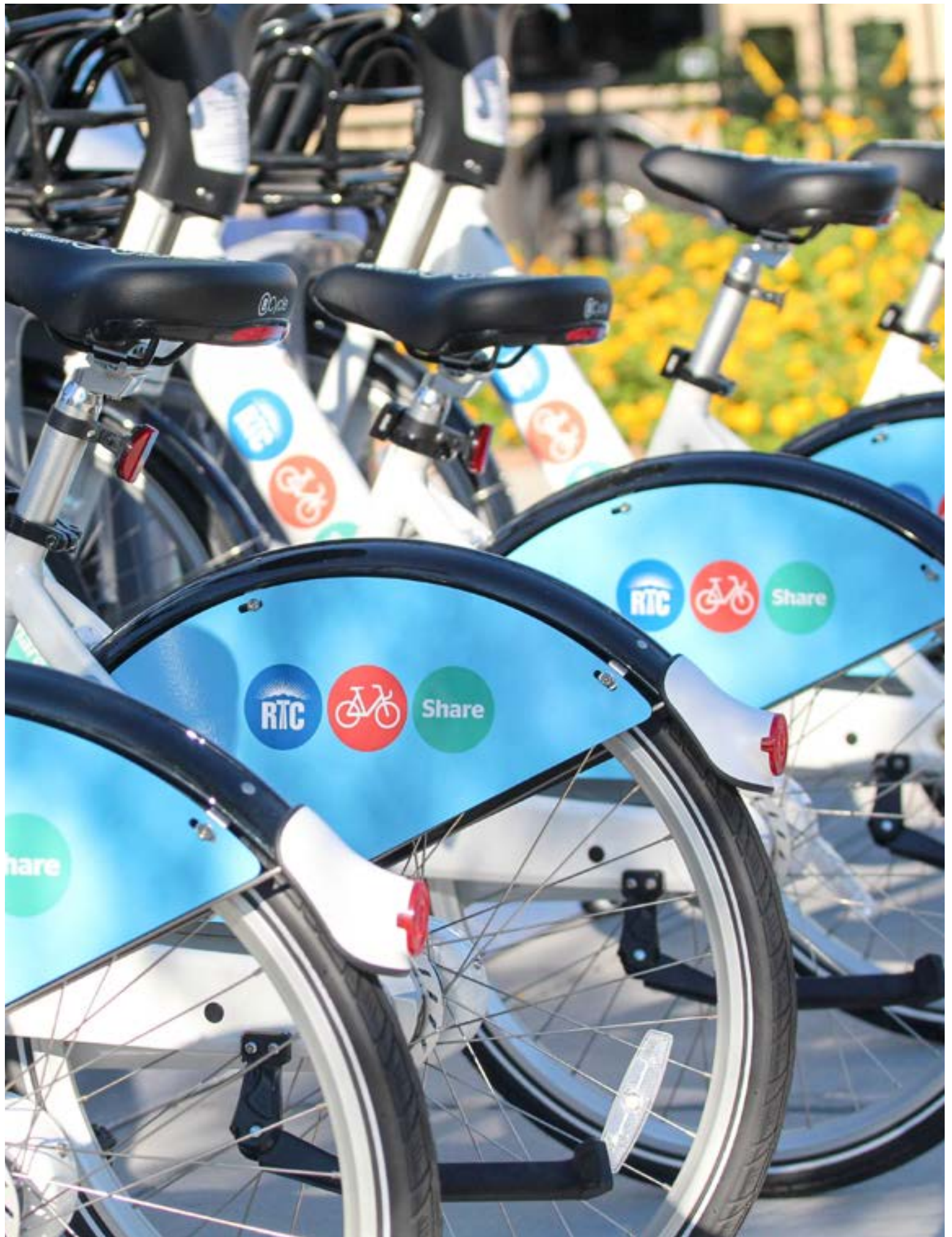
NOTE 3 – Changes in Pension Benefits

The 2015 Legislature made additional changes to the System. A member who has an effective date of membership on or after July 1, 2015, is eligible to retire at age 65 if the member has at least 5 years of service, at age 62 if the member has at least 10 years of service, at age 55 if the member has at least 30 years of service and at any age if the member has at least 33 1/3 years of service. For a regular member who has an effective date of membership on or after July 1, 2015, a monthly service retirement allowance must be determined by multiplying the member's average compensation by 2.25 percent for each year of service earned. A regular member who has an effective date of membership on or after July 1, 2015, is entitled to a benefit of not more than 75 percent of the member's average compensation with the member's eligibility for service credit ceasing at 33 1/3 years of service.

No significant changes in assumption happened as of June 30, 2024. Inflation continues to be estimated at 2.5%, salary increases continue to be estimated at 4.20% to 9.10% for regular members and investment rate of return continues to be estimated at 7.25%. The actuarial assumptions used in the June 30, 2023 and June 30, 2022 valuations were based on the results of an Experience Study covering the period from July 1, 2016 to June 30, 2020. New mortality assumptions using Pub-10 Tables were used as of June 30, 2023.



OTHER SUPPLEMENTARY INFORMATION



**REGIONAL TRANSPORTATION COMMISSION OF SOUTHERN NEVADA
A COMPONENT UNIT OF CLARK COUNTY, NEVADA
RTC BONDS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2023)**

	2024				2023
	Original Budget	Final Budget	Actual	Variance	Actual
REVENUES					
Interest	\$ -	\$ -	\$ 2,773,403	\$ 2,773,403	\$ 170,820
Total revenues	<u>-</u>	<u>-</u>	<u>2,773,403</u>	<u>2,773,403</u>	<u>170,820</u>
EXPENDITURES					
Current:					
Services and supplies	10,000	10,000	2,750	7,250	3,275
Debt Service:					
Principal	57,085,000	57,085,000	57,085,000	-	53,925,000
Interest	44,982,158	44,982,158	44,586,753	395,405	36,333,340
Total expenditures	<u>102,077,158</u>	<u>102,077,158</u>	<u>101,674,503</u>	<u>402,655</u>	<u>90,261,615</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES	(102,077,158)	(102,077,158)	(98,901,100)	3,176,058	(90,090,795)
OTHER FINANCING SOURCES (USES)					
Transfers in	106,832,317	106,832,317	101,647,000	(5,185,317)	96,138,690
Payment to refunding escrow	<u>-</u>	<u>-</u>	<u>(1,543,000)</u>	<u>(1,543,000)</u>	<u>-</u>
Total other financing sources	<u>106,832,317</u>	<u>106,832,317</u>	<u>100,104,000</u>	<u>(6,728,317)</u>	<u>96,138,690</u>
CHANGES IN FUND BALANCE	4,755,159	4,755,159	1,202,900	(3,552,259)	6,047,895
Fund balance - beginning	<u>71,646,875</u>	<u>71,646,875</u>	<u>66,832,461</u>	<u>(4,814,414)</u>	<u>60,784,566</u>
Fund balance - ending	<u><u>\$ 76,402,034</u></u>	<u><u>\$ 76,402,034</u></u>	<u><u>\$ 68,035,361</u></u>	<u><u>\$ (8,366,673)</u></u>	<u><u>\$ 66,832,461</u></u>

**REGIONAL TRANSPORTATION COMMISSION OF SOUTHERN NEVADA
A COMPONENT UNIT OF CLARK COUNTY, NEVADA
RTC RESERVE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2023)**

	2024				2023
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Actual</u>
REVENUES					
Interest	\$ -	\$ -	\$ 5,087,767	\$ 5,087,767	\$ 2,054,547
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES	-	-	5,087,767	5,087,767	2,054,547
OTHER FINANCING SOURCES (USES)					
Proceeds from revenue bond issued	-	-	9,579,302	9,579,302	4,864,470
Total other financing sources (uses)	-	-	9,579,302	9,579,302	4,864,470
CHANGES IN FUND BALANCE	-	-	14,667,069	14,667,069	6,919,017
Fund balance - beginning	119,807,844	119,807,844	102,654,085	(17,153,759)	95,735,068
Fund balance - ending	<u>\$ 119,807,844</u>	<u>\$ 119,807,844</u>	<u>\$ 117,321,154</u>	<u>\$ (2,486,690)</u>	<u>\$ 102,654,085</u>

REGIONAL TRANSPORTATION COMMISSION OF SOUTHERN NEVADA
A COMPONENT UNIT OF CLARK COUNTY, NEVADA
HIGHWAY IMPROVEMENT ACQUISITION FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2023)

	2024				2023
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Actual</u>
REVENUES					
Intergovernmental revenue:					
Federal and state grants	\$ -	\$ 26,443,800	\$ 13,823,330	\$ (12,620,470)	\$ -
Motor vehicle fuel taxes	71,490,343	71,490,343	72,748,378	1,258,035	72,379,042
Fuel tax indexing	139,439,096	139,439,096	152,457,516	13,018,420	(139,439,096)
Interest	-	-	14,000,253	14,000,253	128,045
Other	-	-	1,047	1,047	-
Total revenues	<u>210,929,439</u>	<u>237,373,239</u>	<u>253,030,524</u>	<u>15,657,285</u>	<u>204,837,714</u>
EXPENDITURES					
Current:					
Services and supplies	873,350	873,350	562,390	310,960	399,873
Debt Service:					
Bond issuance costs	-	1,400,000	1,360,013	39,987	1,266,164
Capital outlay	<u>251,327,883</u>	<u>271,327,883</u>	<u>240,346,086</u>	<u>30,981,797</u>	<u>208,236,262</u>
Total expenditures	<u>252,201,233</u>	<u>273,601,233</u>	<u>242,268,488</u>	<u>31,332,745</u>	<u>209,902,299</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES	(41,271,794)	(36,227,994)	10,762,036	46,990,030	(5,064,585)
OTHER FINANCING SOURCES (USES)					
Transfers in		-	-	-	57,061,126
Transfers out	(118,052,356)	(118,052,356)	(113,057,039)	4,995,317	(109,389,158)
Proceeds from revenue bond issued	-	150,000,000	140,420,698	(9,579,302)	200,000,000
Refunding bond issued	-	56,895,000	56,405,000	(490,000)	-
Premium on bond issued	-	16,293,544	17,154,173	860,629	25,639,531
Payment to refunding escrow	-	-	(61,484,345)	(61,484,345)	-
Total other financing sources (uses)	<u>(118,052,356)</u>	<u>105,136,188</u>	<u>39,438,487</u>	<u>(65,697,701)</u>	<u>173,311,499</u>
CHANGES IN FUND BALANCE	(159,324,150)	68,908,194	50,200,522	(18,707,672)	168,246,914
Fund balance - beginning	<u>296,980,046</u>	<u>296,980,046</u>	<u>374,675,130</u>	<u>77,695,084</u>	<u>206,428,216</u>
Fund balance - ending	<u>\$ 137,655,896</u>	<u>\$ 365,888,240</u>	<u>\$ 424,875,653</u>	<u>\$ 58,987,413</u>	<u>\$ 374,675,130</u>

REGIONAL TRANSPORTATION COMMISSION OF SOUTHERN NEVADA
A COMPONENT UNIT OF CLARK COUNTY, NEVADA
RTC HIGHWAY IMPROVEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2023)

	2024				2023
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Actual</u>
REVENUES					
Interest	\$ -	\$ -	\$ 6,699,456	\$ 6,699,456	\$ -
Other	466,696	466,696	296,671	(170,025)	311,961
Total revenues	<u>466,696</u>	<u>466,696</u>	<u>6,996,127</u>	<u>6,529,431</u>	<u>2,023,440</u>
EXPENDITURES					
Current:					
Services and supplies	489,812	489,812	150,852	338,960	408,601
Debt Service:					
Bond issuance costs	-	-	-	-	703,005
Capital outlay	<u>75,000,000</u>	<u>120,000,000</u>	<u>111,700,255</u>	<u>8,299,745</u>	<u>41,019,612</u>
Total expenditures	<u>75,489,812</u>	<u>120,489,812</u>	<u>111,851,107</u>	<u>8,638,705</u>	<u>42,131,218</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES	(75,023,116)	(120,023,116)	(104,854,980)	15,168,136	(40,107,778)
OTHER FINANCING SOURCES (USES)					
Transfers in	65,044,070	68,997,381	66,983,389	(2,013,992)	64,794,212
Transfers out	(9,706,000)	(9,706,000)	(9,516,000)	190,000	(61,741,126)
Proceeds from revenue bond issued	-	-	-	-	95,135,530
Premium on bond issued	-	-	-	-	11,250,950
Total other financing sources (uses)	<u>55,338,070</u>	<u>59,291,381</u>	<u>57,467,389</u>	<u>(1,823,992)</u>	<u>109,439,566</u>
CHANGES IN FUND BALANCE	(19,685,046)	(60,731,735)	(47,387,591)	13,344,144	69,331,788
Fund balance - beginning	<u>95,971,171</u>	<u>95,971,171</u>	<u>178,719,323</u>	<u>82,748,152</u>	<u>109,387,535</u>
Fund balance - ending	<u>\$ 76,286,125</u>	<u>\$ 35,239,436</u>	<u>\$ 131,331,732</u>	<u>\$ 96,092,296</u>	<u>\$ 178,719,323</u>

REGIONAL TRANSPORTATION COMMISSION OF SOUTHERN NEVADA
A COMPONENT UNIT OF CLARK COUNTY, NEVADA
PUBLIC TRANSIT FUND
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL (BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2023)

	2024				2023
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Actual</u>
OPERATING REVENUES					
Charges for services:					
Transit fees	\$ 70,777,677	\$ 70,777,677	\$ 70,939,125	\$ 161,448	\$ 67,347,644
Transit Advertising	4,000,000	4,000,000	3,724,984	(275,016)	4,255,660
Other	1,000,000	1,000,000	1,434,894	434,894	3,375,261
Total operating revenues	<u>75,777,677</u>	<u>75,777,677</u>	<u>76,099,003</u>	<u>321,326</u>	<u>74,978,565</u>
OPERATING EXPENSES					
Salaries and wages	15,417,268	15,417,268	14,450,886	966,382	13,947,543
Employee benefits	10,566,065	10,566,065	8,341,157	2,224,908	7,045,900
Services and supplies	273,249,297	288,249,297	289,323,931	(1,074,634)	232,993,647
Depreciation and amortization	60,000,000	60,000,000	53,961,449	6,038,551	48,110,434
Total operating expenses	<u>359,232,630</u>	<u>374,232,630</u>	<u>366,077,423</u>	<u>8,155,207</u>	<u>302,097,524</u>
Operating loss	<u>(283,454,953)</u>	<u>(298,454,953)</u>	<u>(289,978,420)</u>	<u>8,476,533</u>	<u>(227,018,459)</u>
NONOPERATING REVENUES (EXPENSES)					
Intergovernmental revenue:					
Sales and excise tax	232,300,250	246,419,218	239,226,390	(7,192,828)	231,407,901
Federal and state capital grants and contributions	156,514,151	156,514,151	45,794,017	(110,720,134)	47,712,555
FTA CRRSAA and ARP grant revenues	-	-	-	-	12,943,940
Federal operating assistance grants	-	-	37,597,810	37,597,810	-
Other federal and state grants and contributions	-	-	1,812,403	1,812,403	100,500
Interest income	-	-	19,343,211	19,343,211	4,927,521
Lease-related interest (expense)	(2,566,163)	(2,566,163)	(2,566,163)	-	(2,527,078)
Software agreement interest (expense)	-	-	(86,494)	(86,494)	(94,344)
Gain on sale of capital assets	-	-	119,315	119,315	14,970
Total nonoperating revenues	<u>386,248,238</u>	<u>400,367,206</u>	<u>341,240,489</u>	<u>(59,126,717)</u>	<u>294,385,465</u>
Income before transfers	102,793,285	101,912,253	51,262,069	(50,650,184)	67,367,006
Transfers out	<u>(14,500,000)</u>	<u>(14,500,000)</u>	<u>(14,500,000)</u>	<u>-</u>	<u>(12,605,129)</u>
CHANGES IN NET POSITION	<u>\$ 88,293,285</u>	<u>\$ 87,412,253</u>	<u>\$ 36,762,069</u>	<u>\$ (50,650,184)</u>	<u>\$ 54,761,877</u>

REGIONAL TRANSPORTATION COMMISSION OF SOUTHERN NEVADA
A COMPONENT UNIT OF CLARK COUNTY, NEVADA
PUBLIC TRANSIT FUND
SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2023)

	2024				2023
	Original Budget	Final Budget	Actual	Variance	Actual
Cash flows from operating activities:					
Cash received from customers	\$ 74,777,677	\$ 74,777,677	\$ 72,872,706	\$ (1,904,971)	\$ 67,216,376
Cash paid for employees and benefits	(19,709,023)	(19,709,023)	(20,652,759)	(943,736)	(19,538,810)
Cash paid for services and supplies	(273,249,297)	(288,249,297)	(268,326,378)	19,922,919	(233,343,481)
Other operating receipts	1,000,000	1,000,000	1,434,894	434,894	3,375,261
Net cash used in operating activities	<u>(217,180,643)</u>	<u>(232,180,643)</u>	<u>(214,671,537)</u>	<u>17,509,106</u>	<u>(182,290,654)</u>
Cash flows from noncapital financing activities:					
Cash provided by sales and excise tax	232,300,250	246,419,218	238,155,849	(8,263,369)	230,914,294
Federal and state grants	45,593,055	45,593,055	1,814,825	(43,778,230)	36,903,244
Transfers to other funds	(12,605,129)	(12,605,129)	(15,567,754)	(2,962,625)	(15,034,909)
Net cash provided by non-capital financing activities	<u>265,288,176</u>	<u>279,407,144</u>	<u>224,402,920</u>	<u>(55,004,224)</u>	<u>252,782,629</u>
Cash flows from capital and related financing activities:					
Acquisition, construction, or improvement of capital assets	(117,466,974)	(117,466,974)	(96,939,588)	20,527,386	(86,415,869)
Proceeds from the sale of capital assets	-	-	119,315	119,315	689,797
Federal and state grants	110,921,096	110,921,096	40,115,086	(70,806,010)	47,814,344
Payments on software agreements	-	-	(585,912)	(585,912)	(584,523)
Interest paid on lease liability	-	-	(2,154,470)	(2,154,470)	(2,062,556)
Net cash provided by (used in) capital and related financing activities	<u>(6,545,878)</u>	<u>(6,545,878)</u>	<u>(59,445,569)</u>	<u>(52,899,691)</u>	<u>(40,558,807)</u>
Cash flows from investing activities:					
Interest received	-	-	18,656,315	18,656,315	4,200,996
Net cash provided by investing activities	<u>-</u>	<u>-</u>	<u>18,656,315</u>	<u>18,656,315</u>	<u>4,200,996</u>
Net change in cash and cash equivalents	41,561,655	40,680,623	(31,057,871)	(71,738,494)	34,134,164
Cash and cash equivalents - beginning of year	440,366,071	440,366,071	406,796,570	(33,569,501)	372,662,406
Cash and cash equivalents - end of year	<u>\$ 481,927,726</u>	<u>\$ 481,046,694</u>	<u>\$ 375,738,699</u>	<u>\$ (105,307,995)</u>	<u>\$ 406,796,570</u>



OTHER INFORMATION



**REGIONAL TRANSPORTATION COMMISSION OF SOUTHERN NEVADA
A COMPONENT UNIT OF CLARK COUNTY, NEVADA
SCHEDULE OF MOTOR VEHICLE FUEL TAXES AND INDEXED FUEL TAXES
(UNAUDITED)
LAST TEN FISCAL YEARS**

Fiscal Year Ending June 30	Motor Vehicle Fuel Taxes	Indexed Fuel Taxes 1	Indexed Fuel Taxes 2 *	Total
2015	\$ 68,248,969	\$ 53,320,277	\$ -	\$ 121,569,246
2016	\$ 70,708,934	\$ 80,615,282	\$ -	\$ 151,324,216
2017	\$ 72,691,642	\$ 86,083,024	\$ -	\$ 158,774,666
2018	\$ 74,018,287	\$ 89,575,222	\$ 6,897,622	\$ 170,491,131
2019	\$ 74,801,402	\$ 92,039,435	\$ 13,691,110	\$ 180,531,947
2020	\$ 68,443,992	\$ 83,815,100	\$ 16,473,229	\$ 168,732,321
2021	\$ 68,014,551	\$ 89,690,817	\$ 24,480,224	\$ 182,185,592
2022	\$ 73,139,951	\$ 87,494,069	\$ 32,962,428	\$ 193,596,448
2023	\$ 72,379,042	\$ 89,395,252	\$ 42,935,375	\$ 204,709,669
2024	\$ 72,748,378	\$ 91,548,385	\$ 60,909,131	\$ 225,205,894

* Fiscal year 2018 was the first year of implementation, therefore only seven years are shown.

**REGIONAL TRANSPORTATION COMMISSION OF SOUTHERN NEVADA
A COMPONENT UNIT OF CLARK COUNTY, NEVADA
SCHEDULE OF SALES TAX COLLECTIONS (UNAUDITED)
LAST TEN FISCAL YEARS**

Fiscal Year Ending June 30	Streets and Highways, Freeway and Arterial System of Transportation, Clark County Department of Air Quality	Transit	Total
2015	\$ 45,517,495	\$ 136,552,487	\$ 182,069,982
2016	\$ 47,231,023	\$ 141,693,070	\$ 188,924,093
2017	\$ 49,522,194	\$ 148,566,583	\$ 198,088,777
2018	\$ 51,712,622	\$ 155,137,865	\$ 206,850,487
2019	\$ 55,460,145	\$ 166,380,438	\$ 221,840,583
2020	\$ 53,127,502	\$ 159,382,503	\$ 212,510,005
2021	\$ 57,644,108	\$ 172,932,325	\$ 230,576,433
2022	\$ 72,300,109	\$ 216,900,326	\$ 289,200,435
2023	\$ 77,135,967	\$ 231,407,901	\$ 308,543,868
2024	\$ 79,742,130	\$ 239,226,390	\$ 318,968,520





Regional Transportation
Commission of Southern Nevada
600 S. Grand Central Parkway,
Suite 350, Las Vegas, NV 89106

