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# nnual Comprehensive Financial Report

FOR THE FISCAL YEAR ENDED JUNE 30, 2025



**RHODE ISLAND PUBLIC TRANSIT AUTHORITY**  
(A COMPONENT UNIT OF THE STATE OF RHODE ISLAND)

**RHODE ISLAND PUBLIC TRANSIT AUTHORITY  
(A COMPONENT UNIT OF THE STATE OF RHODE ISLAND)**

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## **INTRODUCTORY SECTION**





December 23, 2025

To the Chairman and the Members of the Board of Directors

Rhode Island Public Transit Authority:

We are pleased to submit the Annual Comprehensive Report for the RI Public Transit Authority (RIPTA) for the fiscal year ended June 30, 2025. The purpose of the report is to provide a broad financial picture of RIPTA to Board Members, the public, and other interested parties.

State law requires that every component unit of the State of Rhode Island publish a complete set of audited financial statements within three months of the close of each fiscal year. This report is published to fulfill that requirement for the fiscal year ended June 30, 2025.

RIPTA's Finance Department staff following guidelines set forth by the Governmental Accounting Standards Board (GASB) prepared the Annual Comprehensive Financial Report. Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal controls should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatement.

Our independent auditors CBIZ CPAs P.C. have issued an unmodified opinion and RIPTA's financial statements for the fiscal year ended June 30, 2025, are presented in conformity with Generally Accepted Accounting Principle (GAAP).

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the financial statements in the form of a Management Discussion and Analysis (MD&A). This letter of transmittal should be read in conjunction with the MD&A, which can be found immediately following the report of the independent auditors in the Financial Section of this Report.

### **Organization and Management**

RIPTA is a non-profit public corporation created by the State of Rhode Island in 1966. RIPTA continued to expand the number of bus miles traveled in the early 1980's which truly made it a statewide system.

The Rhode Island Public Transit Authority is a component unit of the State of Rhode Island as an enterprise fund. Accordingly, the financial statements of RIPTA will be included in the State of Rhode Island's financial statements.

A nine-member Board of Directors establishes RIPTA policy, providing strategic direction and exercising fiscal oversight. Eight members of the Board are appointed by the Governor of the State of Rhode Island with the Director of the RI Department of Transportation serving as Chairperson of the Board. The Board was expanded from eight members to nine in the 2023 legislative session. That same legislation changed the Director of the Department of Transportation from serving in an ex-officio role to serving as Chair of the board.

## **Economic Environment**

The State of Rhode Island holds two Revenue Estimating Conferences each year with one in November and a second in May. These conferences bring together the fiscal staff and budget staff of the General Assembly and the Executive Branch along with economists and other experts to develop economic forecasts and revenue assumptions for the purpose of developing financial projections for policy and budget purposes.

In the May 2025 conference Mr. Kumaal Bilgrami, Associate Economist for Moody's Analytics, provided an update that Rhode Island's labor market entered 2025 on solid footing, carrying a resilient labor market with economic growth in line with the Northeast regional states, but still below the national average.

Throughout 2026, Mr. Bilgrami indicated, "Rhode Island will lose jobs on net over the coming year, and the state's unemployment rate will rise through 2026. Conditions will subsequently improve thanks to an anticipated resolution to the trade war and less restrictive monetary policy." While job openings remain steady and above the pre-pandemic levels, household surveys of resident employment suggest job losses and a rise in the unemployment rate are on the horizon.

Households in Rhode Island are facing lower housing affordability and a higher cost of living, compared to much of New England, which Mr. Bilgrami attributed to the limited housing supply. While homebuilding remains steady, the federal tariff policy is expected to increase the cost of building materials, which dampens development. As a result, consumers will be forced to accept higher prices on essential goods but discretionary spending will likely be reduced.

The state's unemployment rate has been rising, with average twelve-month unemployment at 4.7 percent from April 2024 through March 2025, reflecting a 0.1 percentage point increase compared to the prior twelve-month period. Unemployment increased for all racial demographics, except for Black Rhode Islanders, where unemployment decreased from 3.5 percent to 2.1 percent for these same periods. As of March 2025, Rhode Island's unemployment rate of 4.8 percent is higher than the national rate of 4.2 percent. Overall, while Rhode Island's labor market has shown improvement, challenges remain, particularly in fully recovering all sectors from the pandemic's impact and managing changes in unemployment rates and labor force dynamics.

RIPTA is closely watching employment trends as it projects ridership recovery from pandemic era lows. Less people commuting to the office every day has impacted ridership, potentially permanently which would also impact passenger revenues and state transportation revenues that RIPTA receives shares of.

The Authority has recently increased wages to remain competitive with the labor market and continues to monitor the labor market to ensure we are positioned to resolve personnel shortages. Adequate staffing levels are crucial to providing quality service across the state and in turn continuing to improve ridership.

The Authority is also monitoring the housing and office supply markets to determine how to best position our service given the changing economic environment. The linkage between housing and transit has never been more important to address both supply shortfalls of housing and improved access via transit.

## **Long-Term Financial Planning**

RIPTA maintains and updates a long-term financial model each year in order to project current and future operating and capital requirements. The model is used to develop and support financing strategies.

## **Future Operating Budget**

In December of 2024, the RIPTA Board of Directors approved an operating budget with a balanced budget for FY 2025 and a long-term financial plan that contained a deficit as federal COVID-relief funding sources are exhausted. Similar to prior years the budget does not include funding for Other Post-Employment Benefits (OPEB) other than current retiree health costs (Pay-As-You-Go). As is the annual process, the 2026 budget is currently being revised to account for updated fuel costs, pension contributions, and service adjustments. Passenger revenue and gas tax saw steep declines at the height of the pandemic but have steadily been improving. With rising costs, management continues to review all estimated expenditure activity to ensure only the most critical expenses are approved. Part of the revision to the FY 2026 budget is to include \$15.0M in state support to ensure a balanced budget in 2026 while discussions regarding sustainable and predictable transportation funding continue.

## **Major Capital Initiatives**

RIPTA's FY 2025 Capital budget included \$99.6 million in capital expenditures. An inflow of capital funding from the recently passed Infrastructure Investment and Jobs Act, and the creation of a new project management department within RIPTA is enabling numerous projects to be accelerated. An updated capital budget will be presented to the Board of Directors in October 2025 as part of the annual Financial Plan.

RIPTA's capital program is rapidly expanding with the new Infrastructure bill and state funding to leverage those new funds. RIPTA will continue to replace fixed route buses and paratransit vans with deliveries of new paratransit vans scheduled for FY 2026. RIPTA began construction this year on a new passenger facility at the Pawtucket/Central Falls Transit Hub funded solely with state funds.

Finally, RIPTA continues to work with Next Wave partners to design, build, finance, operate, and maintain a new transit center in Providence. The project is intended to increase multi-modal connectivity, improve amenities for passengers, and help improve the supply and access to housing and transit.

## **Funding of the CIP**

In FY 2026, RIPTA plans to fund the capital program with \$63.5 million in Federal Transit Administration funds, of which \$25.9 million will be discretionary dollars. Match for these projects will come from \$2.3 million in various RIPTA sources, and \$24.1 million in state sources.

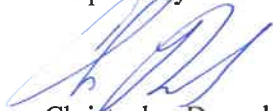
## **Awards**

The Government Finance Officers Association, awarded a Certificate of Achievement for the Excellence in Financial Reporting to RIPTA for its 2024 annual report. This was the twelfth consecutive year RIPTA has received this prestigious award. In order to be eligible for a Certificate of Achievement, RIPTA published an easily readable and efficiently organized comprehensive annual financial report. This report satisfied both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Programs requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

## Acknowledgements

The preparation of the comprehensive annual financial report on a timely basis was made possible by the dedicated services of the entire staff of the RIPTA's Finance Department. Credit must be given to the Chairman and the Board of Directors for their unfailing support for maintaining the highest standards of professionalism in the management of the RIPTA's finances.

Respectfully Submitted,



Christopher Durand  
Chief Executive Officer



Nathan Watchous  
Interim Deputy Chief of Finance





Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Rhode Island Public Transit Authority**

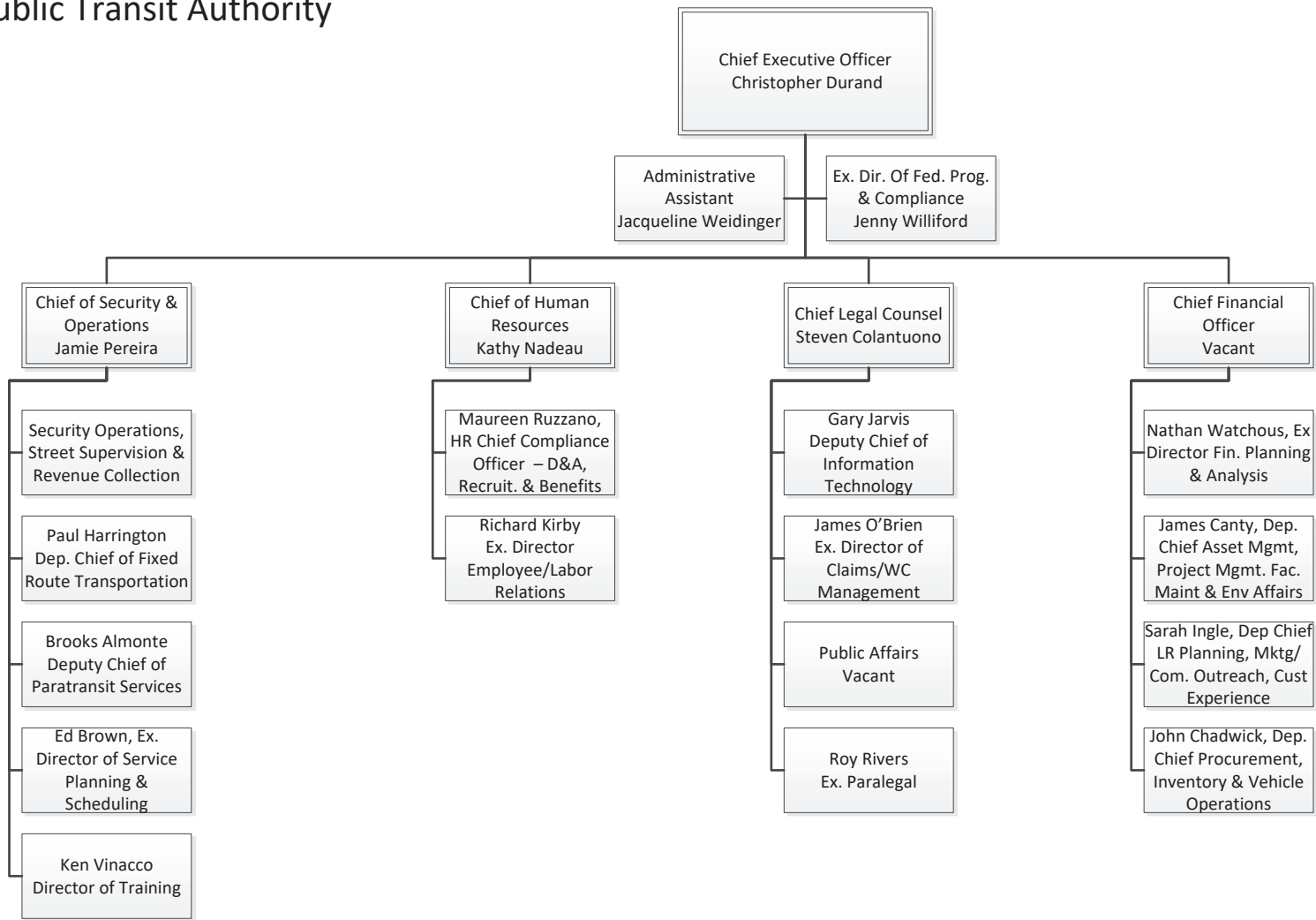
For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2024

*Christopher P. Morill*

Executive Director/CEO

# The Rhode Island Public Transit Authority



September 2024

**RHODE ISLAND PUBLIC TRANSIT AUTHORITY**  
**PRINCIPAL OFFICIALS**  
**JUNE 30, 2025**

***Chief Executive Officer***

Christopher Durand

***Finance Department***

Nathan Watchous, Interim Deputy Chief of Finance

***Board of Directors***

Peter Alviti Jr. P.E. – Chairman  
Normand Benoit  
Patrick Crowley  
Bernard Georges  
Heather Schey  
Marcy Reyes  
James Leach  
James Lombardi  
Vincent Masino

## **Independent Auditors' Report**

To the Board Members  
**Rhode Island Public Transit Authority**

### **Report on the Financial Statements**

#### ***Opinions***

We have audited the financial statements of the business-type activity and fiduciary activity of Rhode Island Public Transit Authority (a component unit of the State of Rhode Island) (the "Authority"), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activity and fiduciary activity of the Authority, as of June 30, 2025, 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### ***Responsibilities of Management for the Financial Statements***

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



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

### ***Auditors' 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 auditors' 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 Authority's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for a reasonable period of time.

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

## ***Other Matters***

### ***Required Supplementary Information***

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

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Rhode Island Public Transit Authority's basic financial statements. The State of Rhode Island required format attachments B, C and E, schedule of travel and entertainment expenses, schedule of tangible property, schedule of operating expenses, schedule of expenditures of federal awards and the combining schedule of revenues, expenses and changes in net position as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The State of Rhode Island required format attachments B, C and E, schedule of travel and entertainment expenses, schedule of tangible property, schedule of operating expenses, schedule of expenditures of federal awards and the combining schedule of revenues, expenses and changes in net position are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, The State of Rhode Island required format attachments B, C and E, schedule of travel and entertainment expenses, schedule of tangible property, schedule of operating expenses, schedule of expenditures of federal awards and the combining schedule of revenues, expenses and changes in net position are fairly stated in all material respects in relation to the basic financial statements as a whole.

The Introductory and Statistical Sections have not been subjected to the auditing procedures applied in the audit of the basic financial statement, and accordingly, we do not express an opinion or provide any assurance on them.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated December 23, 2025 on our consideration of Rhode Island Public Transit Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 Rhode Island Public Transit Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Rhode Island Public Transit Authority's internal control over financial reporting and compliance.

*CBIZ CPAs P.C.*

Providence, RI  
December 23, 2025

**RHODE ISLAND PUBLIC TRANSIT AUTHORITY**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2025**

Management of the Rhode Island Public Transit Authority (Authority) provides this *Management's Discussion and Analysis* of their financial performance for the readers of the Authority's financial statements. This narrative provides an overview of the Authority's financial activity for the fiscal year ended June 30, 2025. This analysis is to be considered in conjunction with the financial statements to provide an objective analysis of the Authority's financial activities based on facts, decisions, and conditions currently facing management.

**Understanding the Authority's Financial Statements**

The Authority is a component unit of the State of Rhode Island (State), accounted for as an enterprise fund, which reports all assets, deferred outflows of resources, liabilities, and deferred inflows of resources using the accrual basis of accounting much like a private business entity. In accordance with generally accepted accounting principles, this report consists of a series of financial statements, along with explanatory notes to the financial statements and supplementary schedules.

The financial statements include Proprietary Funds and Fiduciary Funds. The proprietary funds include a Statement of Net Position; Statement of Revenues, Expenses, and Changes in Net Position; Statement of Cash Flows; and notes to the financial statements. The Fiduciary Funds include a Statement of Net Position and Statement of Changes in Fiduciary Net Position.

The Statement of Net Position presents the financial position of the Authority on the accrual basis of accounting for the current year. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Authority is improving or deteriorating.

All revenue and expenses are accounted for in the Statement of Revenues, Expenses and Changes in Net Position. This statement reports the current years' operating revenues and expenses and non-operating revenue and expenses for the Authority.

The Statement of Cash Flows provides information about the changes in cash and cash equivalents, resulting from operational, financing and, investing activities for the current year. This statement presents cash receipts and cash disbursement information, without consideration of the earning event, when an obligation arises, or depreciation of assets.

The financial statements immediately follow this discussion and analysis by management and are designed to highlight the Authority's net position and changes to net position resulting from Authority's operations.

The Authority's fiduciary activities represent the Pension Trust Fund.



**RHODE ISLAND PUBLIC TRANSIT AUTHORITY**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2025**

**Financial Highlights**

- The Authority's operating, non-operating and State of RI gas tax revenues increased by 5.3% or \$7.2 million during FY 2025 compared to FY 2024. This increase is in part a result of higher-than-expected gas tax yield for FY 2025.
- Operating and non-operating expenses decreased by less than 1% or \$1 million during FY 2025 as compared to FY 2024. With the majority of RIPTA's expenditures related to labor, and having contractual obligations for wage increases, we do expect an annual increase of approximately 3%.
- Capital contributions decreased \$16.1 million or 36.8% from the previous year. With additional funding as a result of the Infrastructure Investment and Jobs Act, we expect capital contributions to continue at this level, and likely to grow. However, we did not have a fixed route bus order in FY 2025, which explains the decrease from FY 2024, when we did take delivery of new fixed route buses.
- Capital assets increased by \$14.2 million or 7.15% from FY 2024, primarily as a result of the completion of East Side Bus Tunnel.
- The Authority's total net position increased by \$11.8 million or 23.7% from FY 2024. This increase is largely due to capital contributions significantly outpacing depreciation costs on existing assets.
- The Authority adopted GASB Statement No. 101 *Compensated Absences*, which resulted in an adjustment to opening net position on July 1, 2024 of \$5,805,141.

**RHODE ISLAND PUBLIC TRANSIT AUTHORITY**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2025**

**Net Position**

The following schedule presents the condensed Statement of Net Position for the fiscal years ended June 30, 2025 and 2024.

**Net Position**

	2025	2024	Dollar Change	Percentage Change
<b>Current and non-current assets</b>	\$ 38,260,692	\$ 66,792,444	\$ (28,531,752)	-42.72%
Capital assets	213,087,839	198,870,345	14,217,494	7.15%
<b>Total Assets</b>	<u>251,348,531</u>	<u>265,662,789</u>	<u>(14,314,258)</u>	-5.39%
<b>Deferred Outflows of Resources</b>	<u>22,694,628</u>	<u>30,313,407</u>	<u>(7,618,779)</u>	-25.13%
<b>Current liabilities</b>	21,397,090	50,368,250	(28,971,160)	-57.52%
Noncurrent liabilities	174,985,750	181,610,473	(6,624,723)	-3.65%
<b>Total Liabilities</b>	<u>196,382,840</u>	<u>231,978,723</u>	<u>(35,595,883)</u>	-15.34%
<b>Deferred Inflows of Resources</b>	<u>16,201,955</u>	<u>14,311,626</u>	<u>1,890,329</u>	13.21%
<b>Net Position</b>				
Net investment in capital assets	203,526,743	159,736,061	43,790,682	27.41%
Restricted for zero emission electric buses	298,870	290,626	8,244	2.84%
Unrestricted	<u>(142,367,249)</u>	<u>(110,340,840)</u>	<u>(32,026,409)</u>	29.02%
<b>Total Net Position</b>	<u>\$ 61,458,364</u>	<u>\$ 49,685,847</u>	<u>\$ 11,772,517</u>	23.69%

The majority of the Authority's assets (85%) reflect its investment in capital assets (land, building, revenue vehicles, and equipment). Other assets include cash (including amounts invested in cash equivalent type instruments), accounts receivables from federal and state governments, inventories, prepaid expenses and other receivables. Current liabilities consist of vendor, government, employee and benefit payments. Non-current liabilities included self-insured claims, liabilities associated with the implementation of GASB statements (68, 75, 87, 96 and 101), and a Due to Primary Government of \$7.4 million.

This liability reflects the amounts owed for long-term debt to the State of Rhode Island for bonds issued in the State of Rhode Island's name on behalf of the Authority. The long-term debt is reflected as such on the State of Rhode Island's Financial Statements. A more detailed account of long-term liability activity for fiscal year 2025 can be found in Note 7, Long-Term Liabilities.

**RHODE ISLAND PUBLIC TRANSIT AUTHORITY**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2025**

**Authority Operations**

The following schedule presents the condensed Statement of Revenues, Expenses and Changes in Net Position for the fiscal years ended June 30, 2025 and 2024.

	2025	2024	Dollar Change	Percentage Change
<b>Operating Revenues</b>				
Ritecare program revenue	\$ 1,146,110	\$ 1,381,240	\$ (235,130)	-17.02%
Passenger revenue	14,044,284	15,443,831	(1,399,547)	-9.06%
Ride program revenue	1,930,811	1,999,623	(68,812)	-3.44%
Other program revenue	6,279,509	4,776,098	1,503,411	31.48%
<b>Non-operating revenue</b>				
Grant revenue	60,149,418	64,564,097	(4,414,679)	-6.84%
State of RI - DEA gas tax	3,438,095	3,125,281	312,814	10.01%
Other non-operating revenue	599,325	668,313	(68,988)	-10.32%
<b>State of RI gas tax</b>	<u>55,409,077</u>	<u>43,884,283</u>	<u>11,524,794</u>	26.26%
<b>Total Revenues</b>	<u>142,996,629</u>	<u>135,842,766</u>	<u>7,153,863</u>	5.27%
<b>Operating Expenses</b>				
Management and general	(30,468,496)	(28,579,899)	(1,888,597)	6.61%
Operations and maintenance	(110,491,303)	(114,493,115)	4,001,812	-3.50%
Depreciation	(17,650,489)	(16,517,454)	(1,133,035)	6.86%
<b>Non-operating expenses</b>				
Debt service	<u>(275,526)</u>	<u>(311,933)</u>	<u>36,407</u>	-11.67%
<b>Total Expenses</b>	<u>(158,885,814)</u>	<u>(159,902,401)</u>	<u>1,016,587</u>	-0.64%
<b>Net Income (Loss) before Capital Contributions</b>	<u>(15,889,185)</u>	<u>(24,059,635)</u>	<u>8,170,450</u>	-33.96%
<b>Capital contributions</b>	<u>27,661,702</u>	<u>43,751,249</u>	<u>(16,089,547)</u>	-36.78%
<b>Changes in Net Position</b>	11,772,517	19,691,614	(7,919,097)	-40.22%
<b>Net Position - Beginning of Year, As Restated</b>	<u>49,685,847</u>	<u>29,994,233</u>	<u>19,691,614</u>	
<b>Net Position - End of Year</b>	<u>\$ 61,458,364</u>	<u>\$ 49,685,847</u>	<u>\$ 11,772,517</u>	23.69%

**RHODE ISLAND PUBLIC TRANSIT AUTHORITY**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2025**

**Authority Operations (Continued)**

The Authority's operating revenue, non-operating revenue, State of RI gas tax and capital contributions total \$170,658,331. The revenue reported as operating revenue, non-operating revenue, State of RI gas tax and capital contributions increased by 5.0% or \$8,935,684 over the prior year. This increase was the result of a decrease in capital contributions. The Authority's operating and non-operating expenses total \$158,885,814. This reflects a decrease of 0.70% \$1,016,587 over the prior year.

**Capital Assets**

The following schedule summarizes the Authority's capital assets and changes therein, for the years ended June 30, 2025 and 2024.

	2025	2024	Dollar Change	Percentage Change
Land and land rights	\$ 2,626,129	\$ 2,626,129	\$ --	0.00%
Shops, garages and buses	104,794,959	104,794,959	--	0.00%
Revenue equipment - buses	200,294,002	200,065,743	228,259	0.11%
Service cars and equipment	8,255,876	8,255,876	--	0.00%
Furniture and office equipment	10,512,182	10,512,877	(695)	-0.01%
Management information system	17,461,995	17,482,570	(20,575)	-0.12%
Security equipment	3,715,577	3,715,577	--	0.00%
Federal grant projects in process	91,295,013	63,104,493	28,190,520	44.67%
Right-to-use subscription assets	1,093,981	1,093,981	--	0.00%
	440,049,714	411,652,205	28,397,509	
Less accumulated depreciation and amortization	(226,961,875)	(212,781,860)	(14,180,015)	6.66%
Net capital assets	<u>\$ 213,087,839</u>	<u>\$ 198,870,345</u>	<u>\$ 14,217,494</u>	<u>7.15%</u>

At the end of fiscal year 2025, the Authority had net investment in capital assets of \$203,526,743. This amount represents an increase of 27.4% or \$43,790,682 from the prior year. A more detailed account of the capital asset activity for fiscal year 2025 can be found in Note 4, Property, Plant and Equipment.

Major capital asset events during the current fiscal year include the following:

- Completion of renovations to the East Side Bus Tunnel
- Completion of staff bathroom renovations at Kennedy Plaza
- Began construction on a passenger facility in Pawtucket/Central Falls
- Began replacement of trench drains on the Elmwood campus
- Continued installation of security fencing on all properties
- Continued rehabilitation and installation of bus shelters
- Continued replacement of overhead garage doors



**RHODE ISLAND PUBLIC TRANSIT AUTHORITY**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2025**

**Capital Assets (Continued)**

During FY 2026, RIPTA will complete construction of a new passenger facility at the Pawtucket/Central Falls Transit Hub, receive over 50 new paratransit vehicles, and continue efforts to bring the various maintenance facilities into a state of good repair.

**Economic Factors and Next Year's Budget**

The Authority's mission is to provide safe, reliable and cost effective transit service with a skilled team of professionals responsive to our customers, the environment, and committed to transit excellence. To accomplish this, the Authority must continuously assess its operational functions, financial capacity and products and services provided.

The following factors were considered in setting the Authority's FY 2025 budget:

- Levels of federal funds appropriated for operating and capital purposes. A new surface transportation authorization was signed into law on November 15, 2021. The new bill is known as the Infrastructure Investment and Jobs Act (IIJA). The FY 2025 budget includes funding for mobility management, preventive maintenance, Job Access/Reverse Commute, ADA reimbursement, and rural operating assistance. The expected reimbursement levels will not be impacted by the new federal authorization as revenues are based upon expenditure levels which have seen only modest increases in recent years.
- State gasoline tax revenue available for operating purposes. For FY 2025, the per-penny yield determined by the State of RI Department of Revenue for the gasoline tax is \$4,432,254, up by 2% from the prior year. In total, RIPTA receives 9.25 of the 37-cent gasoline tax and 50% of the 1 cent underground storage tank fee annually. Beginning in FY26, the per-penny yield RIPTA will receive 11.25 of the 40-cent gasoline tax.
- The FY 2020 Appropriations Act signed into law on July 5, 2019 made permanent the appropriations of Highway Maintenance Funds to support the no-fare program and to cover RIPTA's Debt Service. This funding covers a portion of the lost fare revenue as a result of the free fare trips and also provides permanent funding for RIPTA debt service payments.
- The FY 2025 Appropriations Act provides for \$15 million in funds to support operations for FY 2025 only. The FY 2026 Appropriations Act provided \$15 million in funds to support RIPTA operations on a permanent basis.
- Revenue from state agencies to subsidize policy driven transit travel programs. This program provides partial payment for free and reduced rides for senior citizens and the disabled population. In addition to the reduced fare program, the Authority provides the transportation benefit for the state's RIte Care program.

**RHODE ISLAND PUBLIC TRANSIT AUTHORITY**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2025**

**Economic Factors and Next Year's Budget Continued)**

- Since FY 2013, the State of Rhode Island has paid the debt service obligation of the Authority. For FY 2020 with the Appropriation Act that was signed into law, made permanent the State Highway Maintenance Account funds to cover the debt service payment of approximately \$1.5 million. This assistance was formerly provided via General Revenues. As debt payments diminish these funds are available to support general operations.
- The last of the COVID-19 relief funding for general operations was spent in FY25. In FY26, RIPTA will program IIJA funding for continued operations and capital projects, while also seeking out discretionary opportunities to advance capital improvements. To help with budget shortfalls, RIPTA plans to explore the possibility of federalizing additional employees and creating an indirect cost rate proposal.
- During the course of FY 2024 the Authority and the Amalgamated Transit Union (ATU) agreed to increase starting wages for paratransit operators and to increase wages for all other ATU employees by \$1 per hour. The contract in place with the ATU expires on 6/30/2025. The contract with LIUNA 808 is in place until 6/30/2026.
- The Authority consumes approximately 2.3 million gallons of diesel fuel annually. RIPTA executed a price lock in May 2025 that expires in April 2026. RIPTA does expect fuel consumption to decline as additional electric buses are deployed.
- Inclusion of expenses and offsetting reimbursement of the State of Rhode Island DOT and the Rhode Island Bridge and Turnpike Authority for vehicle maintenance and repair program contracted with the Authority.

**Contacting the Authority's Financial Management**

This financial report is designed to provide a general overview of the Authority's financial activity for all those interested in the Authority's operations. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Department, Rhode Island Public Transit Authority, 705 Elmwood Avenue, Providence, Rhode Island, 02907.

# RHODE ISLAND PUBLIC TRANSIT AUTHORITY

## STATEMENT OF NET POSITION

JUNE 30, 2025

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### Assets

#### Current Assets

Cash and cash equivalents	
Operating fund	\$ 4,617,413
Paratransit capital fund	1,491,700
Accident and casualty fund	5,266,353
Capital replacement fund	<u>635,748</u>
<b>Total Cash and Cash Equivalents</b>	12,011,214

<b>Investments</b>	2,123,682
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Receivables	
Accounts	5,138,806
Grants	<u>3,686,368</u>
<b>Total Receivables</b>	8,825,174

Due from primary government	8,338,611
Materials and supplies	1,784,103
Current portion of lease receivable	76,793
Prepaid expenses	<u>259,856</u>

<b>Total Current Assets</b>	33,419,433
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#### Noncurrent Assets

Investments	2,601,771
Lease receivable, net of current portion	86,317
Capital assets, non-depreciable	93,921,142
Capital assets, depreciable - net of depreciation	118,795,838
Right-to-use subscription assets, net of amortization	370,859
Health insurance deposit	<u>2,153,171</u>

<b>Total Noncurrent Assets</b>	<u>217,929,098</u>
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<b>Total Assets</b>	<u>251,348,531</u>
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#### Deferred Outflows of Resources

Deferred pension amounts	18,126,038
Deferred other postemployment benefit amounts	<u>4,568,590</u>
<b>Total Deferred Outflows of Resources</b>	<u>22,694,628</u>

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

# RHODE ISLAND PUBLIC TRANSIT AUTHORITY

## STATEMENT OF NET POSITION (CONTINUED)

JUNE 30, 2025

### Liabilities

#### Current Liabilities

Accounts payable and accrued expenses	\$ 8,146,842
Due to primary government	1,876,276
Due to primary government debt service, current portion	835,011
Accrued salaries, wages and benefits	3,738,787
Accrued compensated absences	3,132,192
Accrued self insured health claims	567,615
Accrued self insured claims	500,000
Subscription liability, current portion	200,481
Other postemployment benefit liability, current portion	1,080,334
Unearned revenue	<u>1,319,552</u>

**Total Current Liabilities** 21,397,090

#### Noncurrent Liabilities

Due to primary government debt service, net of current portion	4,732,875
Accrued compensated absences	9,396,577
Accrued self insured claims	11,963,306
Subscription liability, net of current portion	216,851
Net pension liability	80,070,267
Other postemployment benefit liability, net of current portion	<u>68,605,874</u>

**Total Noncurrent Liabilities** 174,985,750

**Total Liabilities** 196,382,840

#### Deferred Inflows of Resources

Deferred lease amounts	136,731
Deferred pension amounts	336,420
Deferred other postemployment benefit amounts	<u>15,728,804</u>

**Total Deferred Inflows of Resources** 16,201,955

#### Net Position

Net investment in capital assets	203,526,743
Restricted for zero emission electric buses	298,870
Unrestricted (deficit)	<u>(142,367,249)</u>

**Total Net Position** \$ 61,458,364

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

# RHODE ISLAND PUBLIC TRANSIT AUTHORITY

## STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

FOR THE YEAR ENDED JUNE 30, 2025

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### Operating Revenues

Passenger	\$ 15,190,394
Paratransit	429,344
Rental	75,722
Advertising	1,419,263
RIDE	1,930,811
Other	<u>4,355,180</u>

**Total Operating Revenues** 23,400,714

### Operating Expenses

Administration	2,487,750
Finance	7,024,435
Operations	88,400,578
Marketing	1,508,940
Human resources	1,043,045
Administrative services	2,259,283
Risk management	4,574,521
Planning and scheduling	3,913,046
Specialized transportation	1,361,388
Paratransit operations	19,166,951
Purchasing	2,171,760
Information technology	4,124,328
Centralized maintenance	2,620,689
State of Rhode Island - DOT & RITBA	303,085
Depreciation and amortization	<u>17,650,489</u>

**Total Operating Expenses** 158,610,288

**Operating Loss** (135,209,574)

### Nonoperating Revenues (Expenses)

State of RI gas tax	55,409,077
State of RI - DEA gas tax	3,438,095
Operating grants	60,149,418
Investment income	599,325
Interest expense	<u>(275,526)</u>

**Total Nonoperating Revenues (Expenses)** 119,320,389

**Loss Before Capital Contributions** (15,889,185)

**Capital Contributions** 27,661,702

**Changes in Net Position** 11,772,517

**Net Position - Beginning of the Year, as restated** 49,685,847

**Net Position - End of the Year** \$ 61,458,364

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

# RHODE ISLAND PUBLIC TRANSIT AUTHORITY

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2025

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### Cash Flows from Operating Activities

Cash received from customers	\$ 21,975,906
Cash paid to suppliers for goods and services	(56,607,624)
Cash paid to employees for services	<u>(109,757,207)</u>

**Net Cash Used in Operating Activities** (144,388,925)

### Cash Flows from Noncapital Financing Activities

State gas tax and appropriations received	63,588,931
Operating grants received	<u>85,936,788</u>

**Net Cash Provided by Noncapital Financing Activities** 149,525,719

### Cash Flows from Capital and Related Financing Activities

Interest paid	(275,526)
Capital contributions	27,661,702
Acquisition and construction of capital assets	<u>(32,240,512)</u>

**Net Cash Used in Capital and Related Financing Activities** (4,854,336)

### Cash Flows from Investing Activities

Purchases/Maturity of investments	483,017
Interest and dividends on investments	<u>599,325</u>

**Net Cash Provided By Investing Activities** 1,082,342

**Net Increase in Cash and Cash Equivalents** 1,364,800

**Cash and Cash Equivalents - Beginning of Year** 10,646,414

**Cash and Cash Equivalents - End of Year** \$ 12,011,214

### Schedule of Noncash Capital and Related Financing Activities

Principal on due to primary government	<u>\$ 813,344</u>
Interest on due to primary government	<u>\$ 275,526</u>
Capital assets acquired with accounts payable	<u><u>\$ 2,748,429</u></u>

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

# **RHODE ISLAND PUBLIC TRANSIT AUTHORITY**

## **STATEMENT OF CASH FLOWS (CONTINUED)**

**FOR THE YEAR ENDED JUNE 30, 2025**

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### **Reconciliation of Operating Loss to Net Cash Used for Operating Activities**

<b>Operating Loss</b>	<u>\$ (135,209,574)</u>
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### **Adjustments to Reconcile Operating Loss to Net Cash Used for Operating Activities:**

Depreciation and amortization	17,650,489
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#### **Changes in assets and liabilities:**

Increase in accounts receivable	(1,424,808)
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Increase in materials and supplies	(15,578)
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Increase in prepaid expenses	(67,255)
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Decrease in health insurance deposit	89,204
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Decrease in accounts payable and accrued expenses	(32,841,535)
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Increase in due to primary government	706,504
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Increase in accrued compensated absences	<u>6,723,628</u>
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<b>Total Adjustments</b>	<u>(9,179,351)</u>
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<b>Net Cash Used in Operating Activities</b>	<u><u>\$ (144,388,925)</u></u>
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*The accompanying notes are an integral part of these financial statements.*

# RHODE ISLAND PUBLIC TRANSIT AUTHORITY

## STATEMENT OF FIDUCIARY NET POSITION

JUNE 30, 2025

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	<u>Pension Trust</u>
<b>Assets</b>	
Investments, at contract value	\$ 27,562,589
Investments, at fair value	
Pooled separate accounts at fair value	161,183,771
Mutual fund	<u>16,818,005</u>
<b>Total Investments</b>	<u>205,564,365</u>
 <b>Employer Contributions Receivable</b>	 <u>45,316</u>
 <b>Total Assets</b>	 <u>205,609,681</u>
 <b>Net Position Restricted for Pensions</b>	 <u><u>\$ 205,609,681</u></u>

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



**RHODE ISLAND PUBLIC TRANSIT AUTHORITY**  
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**FOR THE YEAR ENDED JUNE 30, 2025**

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	<u>Pension Trust</u>
<b>Additions</b>	
Contributions:	
Employer	\$ 11,015,092
Plan Member	<u>2,449,501</u>
<b>Total Contributions</b>	<u>13,464,593</u>
 Investment income:	
Net appreciation in fair value of investments	22,303,095
Interest and dividends	1,494,773
Management fee	<u>(1,148,520)</u>
<b>Net Investment Income</b>	<u>22,649,348</u>
 <b>Total Additions</b>	 <u>36,113,941</u>
 <b>Deductions</b>	
Benefits payments, including refunds of member contributions	15,665,902
Administrative expenses	<u>81,032</u>
 <b>Total Deductions</b>	 <u>15,746,934</u>
 <b>Net Increase in Fiduciary Net Position</b>	 20,367,007
 <b>Net Position Restricted for Pensions - Beginning of Year</b>	 <u>185,242,674</u>
 <b>Net Position Restricted for Pensions - End of Year</b>	 <u><u>\$ 205,609,681</u></u>

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

# **RHODE ISLAND PUBLIC TRANSIT AUTHORITY**

## **NOTES TO FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED JUNE 30, 2025**

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### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

#### ***BASIS OF PRESENTATION***

The financial statements of the Rhode Island Public Transit Authority (the Authority) have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The following notes to the financial statements are an integral part of the Authority's financial statements.

The Authority implemented Governmental Accounting Standards Board Statement No. 84, *Fiduciary Activities*, in fiscal year 2021. Through the application of GASB Statement No. 84, the RIPTA Employees' Pension Plan has been included as a fiduciary activity in the accompanying financial statements, although it is not a component unit of the Authority. The RIPTA Employees' Pension Plan has been reported as a Pension Trust Fund in the Fiduciary Fund financial statements.

#### ***REPORTING ENTITY***

The Rhode Island Public Transit Authority is a body corporate and politic of the State of Rhode Island created by Chapter 210, Public Laws of Rhode Island, 1964, as amended. Its purpose is to take over any mass motor bus transportation system if the system has previously filed a petition to discontinue its service with the State Public Utilities Administrator, and further, if the Authority determines it is in the public interest to continue such service. The Authority has no stockholders.

On July 1, 1966, the Authority, in accordance with its purpose as stated above, acquired the property and assets of the United Transit Company (owner and operator of the public transportation system in Providence-Pawtucket Metropolitan area of the State) through the issuance of \$3,200,000 of revenue bonds designated "Rhode Island Public Transit Authority Revenue Bonds, Series 1966".

The powers of the Authority permit it to pledge its assets to the Federal government or any of its agencies.

On July 18, 1972, the Authority acquired the operating rights over intricate routes in Woonsocket for \$3,500.

On May 2, 1974 the Authority acquired the operating assets of Transit Line, Inc., which serviced the Newport-Middletown urban area, for a total purchase price of \$76,931. Federal and State grants were received for this acquisition.

# **RHODE ISLAND PUBLIC TRANSIT AUTHORITY**

## **NOTES TO FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED JUNE 30, 2025**

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### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

#### ***REPORTING ENTITY (CONTINUED)***

Legislation in 1977 provided that the Authority "shall be deemed an instrumentality and political subdivision of the State".

On March 9, 1979, the Authority entered into an agreement with ABC Bus Lines, Inc. and acquired certain of the company's operating assets and rights to intrastate routes. The total purchase price of \$185,000 was financed by Federal and State capital grants.

On September 7, 1979, the Authority entered into an agreement with Bonanza Bus Lines, Inc. and acquired certain of the company's operating assets and rights to intrastate routes. The total purchase price of \$175,000 was financed by Federal and State capital grants.

The Authority is a component unit of the State of Rhode Island for financial reporting purposes and as such, the financial statements of the Authority will be included in the State of Rhode Island's Annual Financial Report.

#### ***MEASUREMENT FOCUS AND BASIS OF ACCOUNTING***

The basic financial statements of the Authority, which include the Business-Type Activity and the Fiduciary Activity financial statements, are accounted for using the "economic resources" measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

#### ***RECENTLY ISSUED ACCOUNTING STANDARDS***

The Authority has implemented the following new accounting pronouncement:

- GASB Statement 101 – *Compensated Absences* is effective for the Authority's fiscal year ended June 30, 2025. See the Adoption of Accounting Standards Note 1 on page 31 for additional information regarding the impact to net position as of June 30, 2024.
- GASB Statement 102 – *Certain Risk Disclosures* is effective for the Authority's fiscal year ended June 30, 2025. See Note 20 on page 63.

# RHODE ISLAND PUBLIC TRANSIT AUTHORITY

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

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### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### *RECENTLY ISSUED ACCOUNTING STANDARDS (CONTINUED)*

The Authority will adopt the following new accounting pronouncements in future years:

- GASB Statement 103 – *Financial Reporting Model Improvements* is effective for the Authority's fiscal year ending June 30, 2026.
- GASB Statement 104 – *Disclosure of Certain Capital Assets* is effective for the Authority's fiscal year ending June 30, 2026.

The impact of these pronouncements on the Authority's financial statements has not been determined.

#### *CASH AND CASH EQUIVALENTS*

For purposes of the statement of cash flows, the Authority considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

#### *INVESTMENTS*

Investments are valued at fair value, except for money market funds and investment pool accounts which are reported at net asset value per share (which approximates fair value).

#### *MATERIALS AND SUPPLIES*

Materials and supplies consist of spare parts, supplies and fuel and are valued at average cost, net of obsolescence.

#### *PROPERTY, PLANT AND EQUIPMENT*

Property, plant and equipment are stated at cost. Depreciation is computed on the straight-line basis using the half-year convention over the estimated useful lives of respective assets. Depreciation expense is not provided for assets under construction. Useful lives of assets are as follows:

Buildings and building improvements	15-30 years
Buses	10-12 years
Other equipment	4-20 years

Capital assets are defined by the Authority as assets with an initial individual cost of \$5,000 or more and an estimated useful life in excess of one year.

# **RHODE ISLAND PUBLIC TRANSIT AUTHORITY**

## **NOTES TO FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED JUNE 30, 2025**

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### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

#### ***DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES***

Deferred outflows of resources represent a consumption of net assets that applies to future periods and so will not be recognized as an outflow of resources (expense) until then. Deferred inflows of resources represent an acquisition of net assets that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The Authority's deferred outflows of resources and deferred inflows of resources relate to its pension plan, other post-employment benefit plan and leases and will be amortized as a component of pension and other post-employment benefit expense and as lease revenue in future years.

#### ***COMPENSATED ABSENCES***

Vacation benefits are accrued as a liability when earned by employees and reflect the current rate of pay. Sick leave is accrued based on negotiated contracts with the individual unions. Sick leave benefits are accrued based on the sick leave accumulated at June 30 by those employees who are currently eligible to receive termination payments and those employees for whom it is probable they will become eligible to receive termination benefits in the future. The liability reflects the current rate of pay and applicable taxes.

#### ***SELF-INSURANCE***

The Authority is self-insured for workers' compensation claims and auto liability claims. Management believes that the accrual for self-insurance claims is adequate to cover the ultimate liability arising from such claims. However, the recorded liability is based upon estimates of final settlement amounts, which may be more or less than the amount ultimately paid. The Authority has established a reserve cash account for self-insurance as more fully described in Note 6.

#### ***NET POSITION***

Net position comprises the various net earnings from operating and non-operating revenues, expenses and contributed capital. Net position is classified in the following three components: net investment in capital assets; restricted; and unrestricted net position. Net investment in capital assets consists of all capital assets, net of accumulated depreciation and reduced by outstanding debt that is attributable to the acquisition, construction and improvement of those assets; debt related to unspent proceeds or other restricted cash and investments is excluded from the determination. Restricted net position consists of net position for which constraints are placed thereon by external parties, such as lenders,

# **RHODE ISLAND PUBLIC TRANSIT AUTHORITY**

## **NOTES TO FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED JUNE 30, 2025**

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### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

#### ***NET POSITION (CONTINUED)***

grantors, contributors, laws, regulations and enabling legislation, including self-imposed legal mandates. Unrestricted net position is the residual amount not included in the above categories.

The Authority considers restricted resources to have been spent when an expense is incurred for which both restricted and unrestricted net position are available.

#### ***OPERATING REVENUES AND EXPENSES***

In the Business-Type Activity financial statements, the Authority's operating revenues and expenses consist of revenues earned and expenses incurred relating to the operation of the Authority. All other revenues and expenses are reported as non-operating revenues and expenses.

#### ***FEDERAL AND STATE GRANTS***

The Federal and State governments have made various capital grants available to the Authority for the acquisition of public transit facilities, vehicles and equipment. These capital grants are reported as capital contributions in the financial statements.

Federal operating assistance grants received under Federal transportation programs are reported as operating grants in the financial statements.

#### ***CONTRIBUTIONS***

Plan member contributions in the Pension Trust Fund are recognized in the period in which wages, subject to required contributions, are earned. Authority contributions to the Pension Trust Fund are recognized when due and the Authority has made a formal commitment to provide the contributions.

#### ***PAYMENT OF BENEFITS***

In the Pension Trust Fund, benefit payments to participants and refunds of contributions are recorded upon distribution in accordance with the terms of the Plan.

#### ***INCOME TAXES***

Rhode Island Public Transit Authority as a component unit of the State of Rhode Island is exempt from Federal and State income taxes.

# RHODE ISLAND PUBLIC TRANSIT AUTHORITY

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

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### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### *ADVERTISING COSTS*

It is the Authority's policy to expense advertising costs as incurred. Advertising expense for fiscal year ended June 30, 2025 was \$454,805.

#### *ESTIMATES*

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

#### *ADOPTION OF ACCOUNTING STANDARD*

Effective for the fiscal year ended June 30, 2025, the Authority adopted Governmental Accounting Standard Board (GASB) Statement No. 101, *Compensated Absences*. GASB 101 established recognition and measurement guidance for liabilities related to compensated absences, including vacation, sick leave, and other paid time off. The standard is designed to provide greater consistency and transparency in reporting these liabilities, ensuring that financial statements accurately reflect the government's obligations related to employee leave benefits.

In accordance with GASB Statement No. 100, net position as of June 30, 2024 was restated to reflect the implementation of GASB Statement No. 101. The effects of this adjustment are presented in the table below.

	Net Position
June 30, 2024, as previously reported	\$ 55,490,988
Adjustment	(5,805,141)
June 30, 2024, as restated	<u>\$ 49,685,847</u>

# RHODE ISLAND PUBLIC TRANSIT AUTHORITY

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

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### NOTE 2 - CASH DEPOSITS

The carrying amount of the Authority's deposits, except for petty cash of \$1,100 at June 30, 2025, was \$5,903,902 and the bank balance was \$10,753,852. Of the bank balance, \$500,000 was insured by federal depository insurance, \$10,253,852 was collateralized with securities held by the pledging financial institution or its agent in the Authority's name, and \$0 was uncollateralized.

Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the Authority will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The Authority does not have a formal deposit policy for custodial credit risk, but is governed by State Laws as described below.

In accordance with General Laws, Chapter 35-10.1, Rhode Island depository institutions holding deposits of the State, its agencies or governmental subdivisions of the State, shall at a minimum, insure or pledge eligible collateral equal to one hundred percent (100%) of the deposits which are time deposits with maturities greater than sixty (60) days. Any of these institutions, which do not meet minimum capital standards prescribed by federal regulators, shall insure or pledge eligible collateral equal to one hundred percent (100%) of the deposits, regardless of maturity. None of the cash deposits of the Authority were required to be collateralized at June 30, 2025 pursuant to Chapter 35-10.1 of the General Laws.

The carrying value of deposits for June 30, 2025 is \$5,903,902. Investments of \$6,106,212 and \$1,100 of petty cash, relate to the statement of net position totals for June 30, 2025 as follows:

	<u>June 30,</u> <u>2025</u>
Cash deposits	\$ 5,903,902
Add: Petty cash	1,100
Add: Investments classified as cash equivalents for financial statement purposes	<u>6,106,212</u>
<b>Cash and Cash Equivalents Per Statement of Net Position</b>	<u><u>\$ 12,011,214</u></u>



# RHODE ISLAND PUBLIC TRANSIT AUTHORITY

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

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### NOTE 3 - INVESTMENTS

#### *INVESTMENTS – BUSINESS-TYPE ACTIVITY*

Investments are governed by Title 35, Chapter 10, Section 11 of the Rhode Island General Laws. This law generally allows for short-term investments, such as certificates of deposit, money market funds, obligations guaranteed by the U.S. government, etc. with the goal of seeking reasonable income while preserving capital.

At June 30, 2025, the Authority had the following treasury bills, money market and pooled investments classified as cash equivalents:

Investments	Average Maturity in Days	Standards & Poor's Rating	Fair Value
Federated Government Obligations Fund	28	AAAm	\$ 27,763
Ocean State Investment Pool	24	Not rated	3,941,551
			<u>\$ 3,969,314</u>

The Ocean State Investment Pool was established by the General Treasurer of the State of Rhode Island under a declaration of trust and Title 35, Chapter 10, Section 2 of the Rhode Island General Laws for the purpose of investing funds of the State, its agencies, or governmental subdivisions of the State. The Ocean State Investment Pool is not registered with the Securities and Exchange Commission as an investment company, but maintains a policy to operate in a manner consistent with GASB Statement No. 79 - *Certain External Investment Pools and Pool Participants*.

The money market and Ocean State Investment Pool investments have a maturity of less than one year. The fair value of the money market fund and investment pool reflects the net asset value reported by the fund or pool administrator which is a stable \$1 per unit. The underlying investments, which are short-term cash equivalent type investments, are generally carried at amortized cost which approximates fair value. There are no participant withdrawal limitations.

# RHODE ISLAND PUBLIC TRANSIT AUTHORITY

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

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### NOTE 3 - INVESTMENTS (CONTINUED)

#### *INVESTMENTS – BUSINESS-TYPE ACTIVITY (CONTINUED)*

At June 30, 2025, the Authority had the following investments in its Business-Type Activity:

Investments	Maturity	Standards & Poor's Rating	Fair Value
U.S. Treasury Notes	7/15/2025-01/15/2028	Not applicable	<u>\$ 4,725,453</u>

***Custodial Credit Risk*** - Custodial credit risk for investments is the risk that in the failure of the counterparty, the Authority will not be able to recover the value of investments or collateral securities that are in the possession of an outside party. The Authority does not have a formal policy for custodial credit risk.

***Interest Rate Risk*** - It is the policy of the Authority to limit the length of its investment maturities in order to manage the exposure to fair value losses arising from increasing interest rates. The Authority does not have a formal policy relative to interest rate risk.

***Credit Risk*** - As of June 30, 2025, the Authority's investment in Federated Government Obligations Fund was rated AAmmf by Standard & Poor's. The Authority does not have formal policy relative to credit risk.

***Concentration of Credit Risk*** - The Authority does not have a formal policy that limits the amount that may be invested in any one issuer.

***Fair Value Measurements*** - The Authority categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

The Authority has the following recurring fair value measurements as of June 30, 2025:

- U.S. Treasury notes of \$4,725,453 are valued using a market approach that considers benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers, and reference data including market research publications (Level 2 inputs).

# RHODE ISLAND PUBLIC TRANSIT AUTHORITY

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

### NOTE 3 - INVESTMENTS (CONTINUED)

#### *INVESTMENTS – FIDUCIARY ACTIVITY - PENSION TRUST FUND*

The Pension Trust Fund's policy in regard to the allocation of invested assets is established and may be amended by the Joint Pension Board. It is the policy of the Joint Pension Board to pursue an investment strategy that reduces risk through prudent diversification of the portfolio across a broad selection of distinct asset classes. The Pension Trust Fund's investment policy discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short time spans. The following was the Joint Pension Board's adopted asset allocation policy as of June 30, 2025 and 2024:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic equity	40%	7.56%
International equity	15%	7.45%
Fixed income	40%	3.83%
Real estate/other	<u>5%</u>	<u>7.50%</u>
	<u>100%</u>	<u>26.34%</u>

At June 30, 2025, the Pension Trust Fund had the following investments:

<u>Description</u>	<u>Fair Value</u>
Investment contract with insurance	\$ 27,562,589
Company - Guaranteed Deposit Fund	
Pooled separate accounts:	
Domestic equity	71,864,957
International equity	32,999,312
Fixed income	46,043,126
Real estate	10,276,376
Index fund - domestic equity	<u>16,818,005</u>
	<u>\$ 205,564,365</u>

**Custodial Credit Risk** - Custodial credit risk is the risk that in the event of the failure of the counterparty, the Pension Trust Fund will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Pension Trust Fund does not have a formal investment policy related to custodial credit risk. The Pension Trust Fund has no investments subject to custodial credit risk as of June 30, 2025.

# RHODE ISLAND PUBLIC TRANSIT AUTHORITY

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

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### NOTE 3 - INVESTMENTS (CONTINUED)

#### *INVESTMENTS – FIDUCIARY ACTIVITY - PENSION TRUST FUND (CONTINUED)*

**Interest Rate Risk** - The Pension Trust Fund limits its exposure to realized losses arising from changes in interest rates by structuring the investment portfolio so that securities mature to meet cash requirements for benefit payments, thereby avoiding the need to sell securities on the open market prior to maturity.

The interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates.

**Credit Risk** - The Pension Trust Fund has no investments subject to credit risk as of June 30, 2025.

**Concentration of Credit Risk** - Concentration of credit risk is defined as the risk of loss attributed to the magnitude of an investment in a single issuer. The Pension Trust Fund utilized limitations on securities of a single issuer to manage this risk.

**Fair Value Measurements** - The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. That hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets and liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are described as follows:

Level 1 – Inputs to the valuation technique are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2 – Inputs to the valuation technique include:

- quoted prices for similar assets and liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 – Inputs to the valuation technique are unobservable and significant to the fair value measurement.

# RHODE ISLAND PUBLIC TRANSIT AUTHORITY

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

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### NOTE 3 - INVESTMENTS (CONTINUED)

#### *INVESTMENTS – FIDUCIARY ACTIVITY - PENSION TRUST FUND (CONTINUED)*

Following is a description of the valuation techniques used for assets at fair value. There have been no changes in techniques used as of June 30, 2025:

- *Mutual fund:* Valued at the daily closing prices as reported by the fund. The mutual fund held by the Plan is an open-ended mutual fund that is registered with the U.S. Securities and Exchange Commission. This fund is required to publish their daily net asset value (“NAV”) and to transact at that price. The mutual fund held by the Plan is deemed to be actively traded.
- *Investment contract with insurance company:* Guaranteed Deposit Fund is valued at contract value which is what GASB 53 requires of fully benefit responsive investment contract. The contract specific market value factor is then multiplied by the contract value to determine estimated fair value. The market value factor is based on the market value to book value relationship of the underlying securities using actuarial models.
- *Investments measured at net asset value:* Consisting of pooled separate accounts, valued at the NAV of units of the separate account. The NAV, as provided by the custodian, is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying investments held by the account, less its liabilities. This practical expedient is not used when it is determined to be probable that the fund will sell the investment for an amount different than the reported NAV. Participant transactions (purchases and sales) may occur daily. Were the Plan to initiate a full redemption of the collective trust, the investment adviser reserves the right to temporarily delay withdrawal from the trust in order to ensure that securities liquidations will be carried out in an orderly business manner.

# RHODE ISLAND PUBLIC TRANSIT AUTHORITY

## NOTES TO FINANCIAL STATEMENTS

### FOR THE YEAR ENDED JUNE 30, 2025

#### NOTE 4 - PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment consist of the following at June 30, 2025:

	Balance July 1, 2024	Additions & Transfers	Removals & Transfers	Balance June 30, 2025
<b>Capital Assets, Not Being Depreciated:</b>				
Land and land rights	\$ 2,626,129	\$ --	\$ --	\$ 2,626,129
Federal grant projects in process	63,104,493	28,190,520	--	91,295,013
<b>Total Capital Assets, Not Being Depreciated</b>	<u>65,730,622</u>	<u>28,190,520</u>	<u>--</u>	<u>93,921,142</u>
<b>Capital Assets, Being Depreciated/Amortized:</b>				
Shop, garages and buildings	104,794,959	--	--	104,794,959
Revenue equipment	200,065,743	3,667,928	3,439,669	200,294,002
Service vehicles and garage equipment	8,255,876	--	--	8,255,876
Furniture and office and other equipment	10,512,877	--	695	10,512,182
Security equipment	3,715,577	--	--	3,715,577
Management information system	17,482,570	45,759	66,334	17,461,995
Right-to-use subscription assets	1,093,981	--	--	1,093,981
<b>Total Capital Assets Being Depreciated/Amortized</b>	<u>345,921,583</u>	<u>3,713,687</u>	<u>3,506,698</u>	<u>346,128,572</u>
<b>Total Capital Assets</b>	<u>411,652,205</u>	<u>31,904,207</u>	<u>3,506,698</u>	<u>440,049,714</u>
<b>Less Accumulated Depreciation/Amortization for:</b>				
Shop, garages and buildings	70,456,292	2,983,868	--	73,440,160
Revenue equipment	106,187,305	13,017,003	3,403,444	115,800,864
Service vehicles and garage equipment	7,291,826	280,873	--	7,572,699
Furniture and office and other equipment	9,126,826	468,337	695	9,594,468
Security equipment	3,235,689	130,079	--	3,365,768
Management information system	16,046,276	484,853	66,335	16,464,794
Right-to-use subscription assets	437,646	285,476	--	723,122
<b>Total Accumulated Depreciation/Amortization</b>	<u>212,781,860</u>	<u>17,650,489</u>	<u>3,470,474</u>	<u>226,961,875</u>
<b>Total Capital Assets Being Depreciated/Amortized, Net</b>	<u>133,139,723</u>	<u>(13,936,802)</u>	<u>36,224</u>	<u>119,166,697</u>
<b>Capital Assets, Net</b>	<u>\$ 198,870,345</u>	<u>\$ 14,253,718</u>	<u>\$ 36,224</u>	<u>\$213,087,839</u>

Depreciation and amortization expense for the fiscal year ended June 30, 2025 was \$17,650,489.

# RHODE ISLAND PUBLIC TRANSIT AUTHORITY

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

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### NOTE 5 - CAPITAL REPLACEMENT FUNDS

The Authority established a capital replacement account for the purpose of meeting capital match requirements of its capital program.

The activity in the capital replacement account for fiscal year ended June 30, 2025 was as follows:

<b>Balance - Beginning of Year</b>	\$ 4,812,619
Investment income	<u>212,490</u>
<b>Balance - End of Year</b>	<u><u>\$ 5,025,109</u></u>
Classified as cash and cash equivalents	\$ 635,748
Classified as investments	<u>4,389,361</u>
<b>Total Cash, Cash Equivalents and Investments</b>	<u><u>\$ 5,025,109</u></u>

### NOTE 6 - SELF-INSURANCE

#### *AUTOMOBILE LIABILITY AND WORKERS' COMPENSATION*

The Authority established an accident and casualty account as of July 1, 1977 for the purpose of paying all insurance claims and related losses and expenses. This reserve account is augmented annually by depositing interest income earned on investments and insurance settlements into the accident and casualty account. The activity in the accident and casualty account for fiscal years ended June 30, 2025 and 2024 was as follows:

	<u>2025</u>	<u>2024</u>
<b>Balance - Beginning of Year</b>	\$ 5,086,831	\$ 5,054,889
Transfer (to) from operating	--	(150,000)
Interest earnings on investments	<u>179,522</u>	<u>181,942</u>
<b>Balance - End of Year</b>	<u><u>\$ 5,266,353</u></u>	<u><u>\$ 5,086,831</u></u>

# RHODE ISLAND PUBLIC TRANSIT AUTHORITY

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

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### NOTE 6 - SELF-INSURANCE (CONTINUED)

#### *AUTOMOBILE LIABILITY AND WORKERS' COMPENSATION (CONTINUED)*

Assets at June 30, 2025 and 2024 in the accident and casualty account amounted to \$5,266,353 and \$5,086,831, respectively and is classified as cash and cash equivalents.

It is the intention of the Authority to build the accident and casualty account to not less than \$5,000,000 in the event of a large claim or catastrophe. The Authority, with the concurrence of the Urban Mass Transportation Administration (UMTA) authorized at its meeting on August 25, 1980, the placement of \$250,000 of the accident and casualty account in a special reserve for Workers' Compensation claims exclusively, to satisfy a requirement of the Rhode Island Department of Labor for an appropriate "bond in kind" for self-insurance under the Workers' Compensation Act. During fiscal year 1990, the State increased the special reserve requirement to \$800,000. For fiscal year 1991, the State revoked the asset special reserve requirement. The Authority transferred \$400,000 from the Workers' Compensation account to the operating account during fiscal year 1991 as they were no longer required to maintain a reserve.

At June 30, 2025 and 2024 the Authority obtained an independent evaluation of its self-insurance reserve for losses. The reserve for losses reflects the actuarial determined amount at the 75% confidence level. The activity in the liability for self-insured claims for fiscal years ended June 30, 2025 and 2024 was as follows:

	2025	2024
Amounts of claims liabilities, beginning of year	\$ 12,391,307	\$ 11,129,000
Incurred claims and change in estimate	3,613,724	5,094,810
Payments on claims	<u>(3,541,726)</u>	<u>(3,832,503)</u>
<b>Amounts of Claims Liabilities - End of Year</b>	<u><u>\$ 12,463,305</u></u>	<u><u>\$ 12,391,307</u></u>



# RHODE ISLAND PUBLIC TRANSIT AUTHORITY

## NOTES TO FINANCIAL STATEMENTS

**FOR THE YEAR ENDED JUNE 30, 2025**

### NOTE 6 - SELF-INSURANCE (CONTINUED)

#### *HEALTH CARE*

During fiscal year June 30, 2005, the Authority changed to a self-insured program administered by the State of Rhode Island. The unpaid claims liability at June 30, 2025 is recorded as accrued self-insured health claims in the Statement of Net Position. The Authority's incurred but not reported claims as of June 30, 2025 and 2024 were as follows:

	2025	2024
Unpaid claims, beginning of year	\$ 585,243	\$ 758,712
Incurred claims and change in estimate	19,121,097	17,415,519
Payments on claims	<u>(19,138,725)</u>	<u>(17,588,988)</u>
<b>Unpaid Claims - End of Year</b>	<u><u>\$ 567,615</u></u>	<u><u>\$ 585,243</u></u>

The Authority had a stop loss policy for combined hospital, medical and prescription drug claims that exceed \$400,000 fiscal year 2025.

### NOTE 7 - LONG-TERM LIABILITIES

Changes in Long-Term Liabilities – The following is a summary of changes in long-term obligations during the fiscal year:

	July 1, 2024 (as restated)	Additions	Removals	June 30, 2025	Amounts Due Within One Year
Due to primary government - debt service	\$ 6,381,230	\$ --	\$ 813,344	\$ 5,567,886	\$ 835,011
Accrued compensated absences	11,569,194	959,575	--	12,528,769	3,132,192
Net pension liability	85,086,502	--	5,016,235	80,070,267	--
Total other post employment benefit liability	72,910,105	--	3,223,897	69,686,208	--
Accrued self-insurance claims	<u>12,391,307</u>	<u>3,613,725</u>	<u>3,541,726</u>	<u>12,463,306</u>	<u>500,000</u>
<b>Total</b>	<u><u>\$188,338,338</u></u>	<u><u>\$ 4,573,300</u></u>	<u><u>\$ 12,595,202</u></u>	<u><u>\$ 180,316,436</u></u>	<u><u>\$ 4,467,203</u></u>

# RHODE ISLAND PUBLIC TRANSIT AUTHORITY

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

### NOTE 7 - LONG-TERM LIABILITIES (CONTINUED)

**Debt Service to Maturity** - The debt service requirements at June 30, 2025 for the above due to primary government were as follows:

Fiscal Year Ended June 30,	Principal	Interest
2026	\$ 835,011	\$ 229,894
2027	944,277	198,712
2028	668,358	160,604
2029	691,858	127,507
2030	726,990	92,341
2031-2035	1,702,392	93,375
	<u>\$ 5,568,886</u>	<u>\$ 902,433</u>

The due to primary government relates to general obligation debt issued by the State of Rhode Island a portion of which was used to fund Authority capital projects. The Authority is required to repay the State the applicable debt service on the debt including interest with coupon rates between 1.00% and 5.00%.

### NOTE 8 - COMMITMENTS AND CONTINGENCIES

#### **CLAIMS AND LEGAL ACTIONS**

During the ordinary course of its operations, the Authority is a party to various claims, legal actions and complaints. The Authority is self-insured as discussed in Note 6 and reserves amounts for potential claims.

#### **Contract Commitments**

The Authority is committed under various contracts in the amount of \$29,947,070 at June 30, 2025.

### NOTE 9 - POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

#### **GENERAL INFORMATION ABOUT THE OPEB PLAN**

**Plan Description** - The Authority's Post-Employment Benefit Plan is a single-employer defined benefit post-retirement health and life insurance program that is administered through the Authority's insurance carriers and healthcare reimbursement account administrator. The Authority provides lifetime health care benefits to substantially all retired employees and their spouses.

# RHODE ISLAND PUBLIC TRANSIT AUTHORITY

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

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### NOTE 9 - POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONTINUED)

#### *GENERAL INFORMATION ABOUT THE OPEB PLAN (CONTINUED)*

The Authority also provides life insurance benefits to retired employees who purchase life insurance for at least one year prior to retirement. Benefits are provided through a group insurance policy that covers both active and Pre-65 retired employees. Post-65 retired employee healthcare coverage benefits are provided through contributions to healthcare reimbursement accounts. Benefit terms, changes in benefit terms, and financing requirements are established by the Authority and are subject to the collective bargaining process. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75. The plan does not issue a separate audit report.

**Benefits Provided** - For employees retiring on or before January 1, 2009, the Authority contributes the full health care premium for the retired plan member and their spouse. For employees retiring after January 1, 2009 and prior to January 1, 2014, covered spouses pay a spousal healthcare contribution for coverage until age 65 and surviving spouses contribute 50% of the health care premium.

The following contribution requirements for spouses apply to 618 employees hired December 31, 2013 and prior, and 618A employees hired January 1, 2014 and prior. Spouses of 618 and 618A employees must contribute the following percentage of the health care premium based on year of retirement: 2014 - 16%; 2015 - 17%; and 2016, 2017, 2018 and 2019 - 18%. Spouses of 618A employees who retire in January 2020 must also contribute 18% of the health care premium. Effective for 618 employees who retire January 1, 2020 or later, spouses of Flex employees must contribute 15% of the health care premium and spouses of other 618 employees must contribute 20% of the health care premium. Effective for 618A employees who retire February 1, 2020 or later, spouses must contribute 20% of the health care premium. Spouses of 618 employees hired after December 31, 2013 and spouses of 618A employees hired after January 1, 2014 must contribute 50% of the health care premium upon the employee's retirement. Spouses of 808 and non-represented employees hired prior to July 1, 2014 that retire must contribute the same percentage of the health care premium as active employees.

Spouses of 808 and non-represented employees hired between July 1, 2014 and June 30, 2018 must contribute 50% of the health care premium upon the employee's retirement. Spouses of 808 and non-represented employees hired on or after July 1, 2018 must contribute 100% of the health care premium upon the employee's retirement.

# RHODE ISLAND PUBLIC TRANSIT AUTHORITY

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

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### NOTE 9 - POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

#### *GENERAL INFORMATION ABOUT THE OPEB PLAN*

Effective January 1, 2016, post-65 healthcare coverage for retirees and covered spouses is provided through monthly contributions to healthcare reimbursement accounts (\$225 per month for retirees, spouses receive a reduced percentage based on year of retirement, and surviving spouses receive 50% of the retiree contribution amount). The Authority contributes the full premium for life insurance for the retired plan member.

**Employees Covered by Benefit Terms** - As of July 1, 2024 the plan membership data is as follows:

Inactive employees or beneficiaries	
currently receiving benefit payments	502
Active employees	788
	<u>1,290</u>

#### **Total OPEB Liability**

The Authority's total OPEB liability of \$69,686,208 was measured as of June 30, 2025, and was determined by an actuarial valuation as of July 1, 2024.

**Actuarial Assumptions** - The total OPEB liability in the June 30, 2025 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods in the measurement, unless otherwise specified:

Actuarial Cost Method	Entry Age Actuarial Cost Method
Salary Increases	3%
Inflation	2.5%
Discount Rate	4.81%
Healthcare Cost Trend Rate	6.5% in 2024 graded down by the Getzen model to an ultimate rate of 4.04%

# RHODE ISLAND PUBLIC TRANSIT AUTHORITY

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

### NOTE 9 - POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONTINUED)

#### GENERAL INFORMATION ABOUT THE OPEB PLAN (CONTINUED)

Mortality – Healthy and Disabled                      2016 Public Sector Retirement Plans  
mortality table for general employee  
populations with MP-2021 mortality  
improvement scale

The discount rate was based on the S&P Municipal Bond 20-Year High Grade Rate Index as of the valuation date.

The following changes in actuarial assumptions were made since the prior valuation:

- Discount rate was changed to 4.29% from 4.81%.

	Total OPEB Liability
	<u>                    </u>
<b>Balance as of June 30, 2024</b>	<u>\$ 72,910,105</u>
<b>Changes for the Year:</b>	
Service cost	2,814,812
Interest on the total OPEB liability	3,035,830
Differences between expected and actual experience	(5,466,467)
Changes in assumptions	(2,350,683)
Benefit payments	<u>(1,257,389)</u>
<b>Net Changes</b>	<u>(3,223,897)</u>
 <b>Balance as of June 30, 2025</b>	 <u><u>\$ 69,686,208</u></u>

**Sensitivity of the Total OPEB Liability to Changes in the Discount Rate** - The following presents the total OPEB liability of the Authority, as well as what the Authority's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.81%) and 1-percentage-point higher (5.81%) than the current discount rate:

	1% Decrease (3.81%)	Current Discount Rate (4.81%)	1% Increase (5.81%)
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total OPEB Liability	<u>\$ 76,165,895</u>	<u>\$ 69,686,208</u>	<u>\$ 64,118,230</u>

# RHODE ISLAND PUBLIC TRANSIT AUTHORITY

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

### NOTE 9 - POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONTINUED)

#### *GENERAL INFORMATION ABOUT THE OPEB PLAN (CONTINUED)*

#### **Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates -**

The following presents the total OPEB liability of the Authority, as well as what the Authority's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1- percentage-point lower (5.50% per year graded down by the Getzen model to an ultimate rate of 3.04%) and 1-percentage-point higher (7.50% per year graded down by the Getzen model to an ultimate rate of 5.04%) than the current healthcare cost trend rates:

	1% Decrease	Current Discount Rate	1% Increase
	(5.50% Decreasing to 3.04%)	(6.50% Decreasing to 4.04%)	(7.50% Decreasing to 5.04%)
Total OPEB Liability	<u>\$ 63,169,410</u>	<u>\$ 69,686,208</u>	<u>\$ 77,459,131</u>

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

For the year ended June 30, 2025, the Authority recognized OPEB expense of \$1,430,341. At June 30, 2025, the Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 3,364,367	\$ (8,787,897)
Changes in assumptions	<u>1,204,223</u>	<u>(6,940,907)</u>
<b>Total</b>	<u>\$ 4,568,590</u>	<u>\$ (15,728,804)</u>

# RHODE ISLAND PUBLIC TRANSIT AUTHORITY

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

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### NOTE 9 - POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONTINUED)

#### *GENERAL INFORMATION ABOUT THE OPEB PLAN (CONTINUED)*

#### **OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)**

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

Year Ended June 30:	
2026	\$ (3,732,328)
2027	(3,503,754)
2028	(1,956,532)
2029	(1,277,684)
2030	<u>(689,916)</u>
Total	<u>\$ (11,160,214)</u>

### NOTE 10 - STATE OF RHODE ISLAND GAS TAX

State statute directs the Authority to generate sufficient revenues to pay all costs of operating and maintaining the transit system during each fiscal year. Beginning July 1, 1992, the Authority was not given a fixed appropriation from the State, but was allocated the revenue generated from a three-cent dedicated gas tax. Beginning fiscal year 2011, the Authority has been allocated nine and one quarter cents of dedicated gas tax and a half cent of gas tax from the Underground Storage Tank Fund. For fiscal year ended June 30, 2025, the Authority received \$55,409,077 from the dedicated gas tax as operating assistance in support of the transit system. The Authority anticipates receiving approximately \$42,502,327 in fiscal year ended June 30, 2026 from the State.

# **RHODE ISLAND PUBLIC TRANSIT AUTHORITY**

## **NOTES TO FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED JUNE 30, 2025**

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### **NOTE 11 - FEDERAL APPROPRIATIONS**

On July 6, 2012, President Obama signed Moving Ahead for Progress in the 21st Century (MAP-21) into law effective October 1, 2012, authorizing Federal transportation programs through Federal fiscal year 2014. Funding under MAP-21 was extended through September 2015. This act maintained the provision allowing for the use of capital funds for preventative maintenance activities and the use of capital funds to cover the costs of providing ADA service, up to a maximum of 10 percent of the annual Section 5307 apportionment. A new transportation funding act, the FAST act, was signed into law on December 4, 2015, and funds surface transportation for Federal fiscal years 2016 through 2021. The act continues allowing the use of capital funds for preventative maintenance activities and increases the amount that can be used for ADA services. The current infrastructure legislation, Infrastructure Investment and Jobs Act (IIJA), was signed into law by President Biden on November 15, 2021 and expires on September 30, 2026. This legislation contained the surface transportation authorization which sets the funding levels for FTA and includes continued allowability for capital funds to be used for preventative maintenance activities.

For fiscal year 2025, the Authority used \$18,536,448 for preventative maintenance expenses.

### **NOTE 12 - ELDERLY BUS SERVICE**

Beginning July 1, 1994, the Authority entered into an agreement with the Department of Elderly Affairs, Rhode Island Department of Transportation and the Governor's Commission on the Handicapped. The agreement provides for the Rhode Island Public Transit Authority to receive funds to cover the cost of the fixed route elderly bus service provided in accordance with Rhode Island General Law 39-18-4(7), and to fund paratransit services. The funding source for the above revenue is a portion of the one-cent gasoline tax dedicated to the Department of Human Services. For the fiscal year ended June 30, 2025, the Authority recorded \$3,438,095 of contract revenue from this agreement. For fiscal year 2026, the Authority anticipates receiving \$3,123,385 under this agreement.

### **NOTE 13 - DUE FROM/TO PRIMARY GOVERNMENT**

At June 30, 2025, the Rhode Island Public Transit Authority is owed \$8,338,611 from the State of Rhode Island.

At June 30, 2025, the Rhode Island Public Transit Authority owes \$7,444,162 to the State of Rhode Island related to payments for debt service and other payables.



# RHODE ISLAND PUBLIC TRANSIT AUTHORITY

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

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### NOTE 14 - NET POSITION

Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. The net position amount at June 30, 2025 was as follows:

<b>Business-Type Activity</b>	
Net investment in capital assets	\$ 203,526,743
Restricted for zero emission electric buses	298,870
Unrestricted	<u>(142,367,249)</u>
<b>Total Net Position</b>	<u><u>\$ 61,458,364</u></u>
 <b>Fiduciary Activity - Pension Trust Fund</b>	
Restricted for pensions	<u><u>\$ 205,609,681</u></u>

As of June 30, 2025, the Authority has restricted net position of \$298,870 in its Business-Type Activity. These funds are restricted for zero emission electric buses and associated administrative costs in accordance with an agreement with the Rhode Island Department of Environmental Management.

### NOTE 15 - DEFERRED COMPENSATION PLAN

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

The Authority implemented the Governmental Accounting Standards Board Statement No. 32, *Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plan*. All assets and income of the plan are held in trust for the exclusive benefit of the participants and their beneficiaries. As a result deferred compensation investments and the respective liability have been removed from the Authority's basic financial statements.

# **RHODE ISLAND PUBLIC TRANSIT AUTHORITY**

## **NOTES TO FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED JUNE 30, 2025**

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### **NOTE 16 - PENSION PLANS**

#### ***A. RIPTA Employees' Pension Plan***

##### ***GENERAL INFORMATION ABOUT THE PENSION PLAN***

**Plan Description** - The RIPTA Employees' Pension Plan is a single-employer defined benefit pension plan. The Bargaining Unit plan was established effective January 1, 1974 and the Salaried Unit Plan was established effective July 1, 1946. Effective January 1, 2002, the Authority consolidated its Bargaining Unit and Salaried Unit single-employer defined benefit pension plans into the Rhode Island Public Transit Authority Employees' Pension Plan (the "Plan"). The Plan was most recently amended effective June 2023. Employees of the Authority who work more than 1,000 hours per year are eligible to participate in the Plan immediately upon employment. There are no age or minimum service requirements. Plan benefits and other provisions are established by the Plan document. Any changes to the Plan are subject to the collective bargaining process.

The Plan is administered by the Authority's Joint Pension Board (the "Board"). The Board consists of 6 regular members and 3 alternate members. The Authority appoints 3 regular members and does not have standing alternate members, but may appoint substitute members on a temporary basis if necessary. One regular member and one alternate member each are appointed by the Amalgamated Transit Union ("ATU"), Division 618, the ATU Division 618A and the Laborers' International Union, Local 808. The Board has overall responsibility for the operation and administration of the Plan. The Board is responsible for establishing benefits and contributions, and approving all Plan amendments. The Board also determines the appropriateness of the Plan's investment offerings and monitors investment performance. The Plan issues publicly available financial statements, including required GASB Number 67 information for the financial statement for the year ended June 30, 2024, which can be obtained from: RIPTA, Finance Department, 705 Elmwood Avenue, Providence, RI 02907.

##### ***PENSION TRUST FUND AT JUNE 30, 2025***

The Pension Trust Fund reported as a fiduciary activity in the ACFR correlates to the assets held in trust as of the June 30, 2025 measurement date.

##### ***Net Pension Liability***

The Pension Trust Fund's net pension liability was measured as of June 30, 2025.

**Discount Rate** - The discount rate used to measure the total pension liability at June 30, 2025 was 6.75%. The projection of cash flows used to determine the discount rate assumed that the Plan member contributions will be made at the current contribution rate and that the Authority contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate.

# RHODE ISLAND PUBLIC TRANSIT AUTHORITY

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

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### NOTE 16 - PENSION PLANS (CONTINUED)

#### A. RIPTA Employees' Pension Plan (Continued)

##### *PENSION TRUST FUND AT JUNE 30, 2025 (CONTINUED)*

Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current Plan members.

Therefore, the long-term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate - The following presents the net pension liability of the Authority, calculated using the discount rate of 6.75%, as well as what the Authority's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.75%) or 1-percentage-point higher (7.75%) than the current rate:

	1% Decrease 5.75%	Current Discount rate 6.75%	1% Increase 7.75%
Pension Trust Fund Net Pension Liability	\$ 95,523,716	\$ 69,509,106	\$ 45,766,811

**Actuarial Assumptions** - The total pension liability of the Pension Trust Fund was determined by an actuarial valuation performed as of June 30, 2024 and rolled forward to June 30, 2025, using the following actuarial assumptions, applied to all periods included in the measurement.

# RHODE ISLAND PUBLIC TRANSIT AUTHORITY

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

### NOTE 16 - PENSION PLANS (CONTINUED)

#### A. RIPTA Employees' Pension Plan (Continued)

##### PENSION TRUST FUND AT JUNE 30, 2025 (CONTINUED)

Actuarial cost method – actuarially determined contribution	Frozen Entry Age Cost Method
Actuarial cost method – GASB 67 & 68	Entry Age Normal Cost Method
Investment return	6.75%, net of expenses, including inflation
Inflation	2.50%
Salary increases	3.00% per annum
Withdrawal rate	618 participants - Sarason Table W-70; other than 618 participants - Sarason Table T-1
Disability rate	618 participants - two times Railroad Retirement Rates; other than 618 participants - Railroad Retirement Rates
Assumed retirement age	Later of age 62 or the completion of 10 years of service
Expenses	Prior year's actual expenses, rounded to nearest \$100

Mortality rates were based on the Pri-2012 Blue Collar Tables with Scale MP-2021 generational improvements (Male/Female).

##### NET PENSION LIABILITY OF THE AUTHORITY AT THE JUNE 30, 2024 MEASUREMENT DATE

Plan Membership - At June 30, 2024, Plan membership consisted of the following:

Inactive plan members or beneficiaries currently receiving benefits	678
Inactive plan members entitled to but not yet receiving benefits	71
Active plan members	<u>788</u>
	<u>1,537</u>

**Contributions** - The Authority's funding policy is to fund 100% of the actuarially determined contribution as required by its ATU Division 618 collective bargaining agreement. The actuarially determined contribution is calculated as the normal cost plus an amortization of the unfunded actuarial accrued liability. Changes in plan provisions and actuarial assumptions give rise to changes in the unfunded liability.

# RHODE ISLAND PUBLIC TRANSIT AUTHORITY

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

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### NOTE 16 - PENSION PLANS (CONTINUED)

#### *A. RIPTA Employees' Pension Plan (Continued)*

#### *NET PENSION LIABILITY OF THE AUTHORITY AT THE JUNE 30, 2024 MEASUREMENT DATE (CONTINUED)*

Participants must make mandatory contributions until the earlier of the participant's normal retirement date or termination of service as follows:

- 618 participants – 4% of base compensation
- Other than 618 participants – 3% of base compensation

**Vesting** - Plan participants are eligible for their Plan benefit after terminating employment with vested rights. Vesting in a participant's accrued benefits is based on years of service in accordance with the following schedule:

<u>Years of Service</u>	<u>Percentage Vested</u>
Less than 10 years	0%
10 years and thereafter	100%

Participants are vested immediately in their mandatory employee contributions. If a participant terminates employment for reasons other than retirement, death or disability prior to the completion of 10 years of service, the participant is entitled to a refund of the mandatory employee contributions without interest.

**Benefits Provided** - Distributions are subject to the applicable provisions of the Plan document. *Normal Retirement* - Eligible employees, as defined in the Plan agreement, are entitled to monthly pension benefits beginning at normal retirement age. Normal retirement age is as follows:

- 618 participants - hired prior to January 1, 2020 - age 62, or if later, the participant's completion of 5 years of service; hired January 1, 2020 or after - between age 62 and 65 or if later, the participant's completion of 5 years of service
- Other than 618 participants - age 62, or if later, the participant's completion of 5 years of service

# RHODE ISLAND PUBLIC TRANSIT AUTHORITY

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

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### NOTE 16 - PENSION PLANS (CONTINUED)

#### *A. RIPTA Employees' Pension Plan (Continued)*

##### *NET PENSION LIABILITY OF THE AUTHORITY AT THE JUNE 30, 2024 MEASUREMENT DATE (CONTINUED)*

Effective July 1, 2019, 618 participants are entitled to a monthly pension equal to 2.05% of average compensation for each year of service. Effective July 2, 2022 all participants other than 618 shall be entitled to a monthly pension equal to 2.05% of average compensation for all years of service. Average compensation shall mean the basic compensation a participant averaged over the last 60 consecutive months worked prior to termination of service, retirement or termination of the Plan. A participant's right to his or her benefit is non-forfeitable upon reaching normal retirement age.

*Late Retirement* - Participants who remain employed after their normal retirement date are eligible for a late retirement benefit equal to the greater of (a) the benefit calculated under the Plan formula at the late retirement date, or (b) the benefit calculated at normal retirement date multiplied by the Plan's late retirement factor. Beginning April 1 of the calendar year following the year a participant attains age 70.5, an active participant's benefit will be increased actuarially each year, and the participant will earn benefit accruals under the Plan formula. 618 employees hired on or after January 1, 2023 receive no late retirement factor benefit increases.

*Early Retirement* - 618 participants who have attained age 55 with 10 years of service may receive an early retirement benefit which equals the accrued benefit reduced by 5/9% for each full month by which the starting date of the benefits precedes the participant's normal retirement date. Other than 618 participants who have attained age 52 with 10 years of service may receive an early retirement benefit which equals the accrued benefit reduced actuarially for payment prior to normal retirement date.

The Plan also provides disability and death benefits in accordance with the provisions of the Plan document.

The normal form of benefit payment is a life annuity payable monthly. Alternatively, a participant may choose from the following options: ten-year certain option, contingent annuitant option, post-retirement spouse benefit, and social security option (for other than 618 participants only).

# RHODE ISLAND PUBLIC TRANSIT AUTHORITY

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

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### NOTE 16 - PENSION PLANS (CONTINUED)

#### *A. RIPTA Employees' Pension Plan (Continued)*

#### *NET PENSION LIABILITY OF THE AUTHORITY AT THE JUNE 30, 2024 MEASUREMENT DATE (CONTINUED)*

##### *Net Pension Liability*

The Authority's net pension liability was measured as of June 30, 2024.

**Actuarial Assumptions** - The total pension liability was determined by an actuarial valuation performed as of June 30, 2024, using the following actuarial assumptions, applied to all periods included in the measurement.

Actuarial cost method – actuarially determined contribution	Frozen Entry Age Cost Method
Actuarial cost method – GASB 67 & 68	Entry Age Normal Cost Method
Investment return	6.75%, net of expenses, including inflation
Inflation	2.50%
Salary increases	3.00% per annum
Withdrawal rate	618 participants - Sarason Table W-70; other than 618 participants - Sarason Table T-1
Disability rate	618 participants - two times Railroad Retirement Rates; other than 618 participants - Railroad Retirement Rates
Assumed retirement age	Later of age 62 or the completion of 10 years of service
Expenses	Prior year's actual expenses, rounded to nearest \$100

Mortality rates were based on the Pri-2012 Blue Collar Tables with Scale MP-2021 generational improvements (Male/Female).

# RHODE ISLAND PUBLIC TRANSIT AUTHORITY

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

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### NOTE 16 - PENSION PLANS (CONTINUED)

#### *A. RIPTA Employees' Pension Plan (Continued)*

#### *NET PENSION LIABILITY OF THE AUTHORITY AT THE JUNE 30, 2024 MEASUREMENT DATE (CONTINUED)*

Changes in benefit terms included the following:

- All pensioners as of July 1, 2023 will receive an additional \$15 a month benefit, surviving spouses \$5.

The long-term expected rate of return on Plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of Plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the Plan's target asset allocation as of June 30, 2024 are summarized in the following table:

Asset Class	Target Allocated	Long-Term Expected Real Rate of Return
Domestic equity	40.00%	7.56%
International equity	15.00%	7.45%
Fixed income	40.00%	3.83%
Real estate/other	<u>5.00%</u>	<u>7.50%</u>
	<u>100.00%</u>	<u>26.34%</u>



# RHODE ISLAND PUBLIC TRANSIT AUTHORITY

## NOTES TO FINANCIAL STATEMENTS

**FOR THE YEAR ENDED JUNE 30, 2025**

### NOTE 16 - PENSION PLANS (CONTINUED)

#### ***A. RIPTA Employees' Pension Plan (Continued)***

#### ***NET PENSION LIABILITY OF THE AUTHORITY AT THE JUNE 30, 2024 MEASUREMENT DATE (CONTINUED)***

**Discount Rate** - The discount rate used to measure the total pension liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that the Plan member contributions will be made at the current contribution rate and that the Authority contributions will be made at rates equal to the difference between actuarially determined contributions rates and the member rate. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

#### **Changes in Net Pension Liability:**

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net position (b)	Net Pension Liability (a) - (b)
<b>Balance June 30, 2023</b>	\$ 251,543,209	\$ 166,456,707	\$ 85,086,502
<b>Changes for the year:</b>			
Service	5,013,867	--	5,013,867
Interest on total pension liability	17,044,341	--	17,044,341
Differences between expected and actual experience	6,713,463	--	6,713,463
Changes of assumptions	--	--	--
Changes in benefit terms	753,896	--	753,896
Contributions - employer	--	12,220,293	(12,220,293)
Contributions - employee	--	2,206,165	(2,206,165)
Net investment income	--	20,217,374	(20,217,374)
Benefit payments	(15,755,835)	(15,755,835)	--
Administrative expenses	--	(102,030)	102,030
<b>Net changes</b>	<u>13,769,732</u>	<u>18,785,967</u>	<u>(5,016,235)</u>
<b>Balance as of June 30, 2024</b>	<u>\$ 265,312,941</u>	<u>\$ 185,242,674</u>	<u>\$ 80,070,267</u>

# RHODE ISLAND PUBLIC TRANSIT AUTHORITY

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

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### NOTE 16 - PENSION PLANS (CONTINUED)

#### *A. RIPTA Employees' Pension Plan (Continued)*

#### ***NET PENSION LIABILITY OF THE AUTHORITY AT THE JUNE 30, 2024 MEASUREMENT DATE (CONTINUED)***

**Sensitivity of the Net Pension Liability to Changes in the Discount Rate** - The following presents the net pension liability of the Authority, calculated using the discount rate of 6.75%, as well as what the Authority's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.75%) or 1- percentage-point higher (7.75%) than the current rate:

	1% Decrease 5.75%	Current Discount rate 6.75%	1% Increase 7.75%
Authority's Net Pension Liability	\$ 106,217,090	\$ 80,070,267	\$ 57,648,153

**Plan Fiduciary Net Position** - Detailed information about the Plan's fiduciary net position is available in the separately issued financial statements. For purposes of measuring the net pension liability, deferred outflows of resources, deferred inflows of resources and pension expense, information about the Plan's fiduciary net position has been determined on the same basis as that used by the Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value.

The Authority's contributions made subsequent to the measurement date of the net pension liability, June 30, 2024, of \$11,015,092 are included in the accompanying financial statements as a deferred outflow of resources at June 30, 2025.

**Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources** - For the year ended June 30, 2025, the Authority recognized pension expense of \$13,150,839. At June 30, 2025, the Authority reported deferred outflows of resources and deferred inflows of resources related to the Plan from the following sources:

# RHODE ISLAND PUBLIC TRANSIT AUTHORITY

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

### NOTE 16 - PENSION PLANS (CONTINUED)

#### A. RIPTA Employees' Pension Plan (Continued)

#### NET PENSION LIABILITY OF THE AUTHORITY AT THE JUNE 30, 2024 MEASUREMENT DATE (CONTINUED)

#### Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources (Continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 6,829,525	\$ --
Subsequent contributions	11,015,092	--
Changes of assumptions	281,421	(18,666)
Net difference between projected and actual earnings on Plan investments	--	(317,754)
<b>Total</b>	<b>\$ 18,126,038</b>	<b>\$ (336,420)</b>

The subsequent contributions will be expensed in the next year. Amounts reported as deferred outflows of resources and deferred inflows of resources related to the Plan will be recognized in pension expense as follows:

#### Fiscal Year Ending June 30,

2025	\$ 1,559,611
2026	6,303,065
2027	(760,307)
2028	(453,021)
2029	125,178
	<u>\$ 6,774,526</u>

# RHODE ISLAND PUBLIC TRANSIT AUTHORITY

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

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### NOTE 16 - PENSION PLANS (CONTINUED)

#### *B. Laborers' International Union of North America National Pension Fund*

##### *GENERAL INFORMATION ABOUT THE PENSION PLAN*

**Plan Description** - All employees who are members of the Local 808 union participate in the Laborers' International Union of North America National Pension Fund, a cost sharing multiple- employer defined benefit plan subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA), as amended. The Plan is not a state or local government pension plan, provides defined benefit pensions to employees of state or local governmental employers and employees of employers that are not state or local governments and has no predominant state or local government employer. As a result, the Plan is accounted for and reported in accordance with GASB Statement No. 78, *Pensions Provided through Certain Multiple - Employer Defined Benefit Pension Plans*. The Plan is administered by the Fund's Board of Trustees. Eligibility and benefit provisions are defined in the Plan document adopted by the Board of Trustees.

All employees who are members of the Local 808 union are eligible to participate in the Plan, as well as some non-represented special class employees (47 employees as of June 30, 2024). An employee is eligible to receive pension benefits if they have attained age 62, have five or more years of pension credit and have earned at least one of the years of pension credit during the period that his or her employer is contributing to the Plan. The amount of regular pension benefits payable to an employee is determined by the highest contribution rate at which he or she earned pension credit and years of pension credits earned (up to a maximum of 30 years of pension credits). The regular monthly benefit is payable for each year of pension credit at each contribution rate accepted by the plan up to \$2.50 per hour. The Plan also provides death and disability benefits. Information regarding the Plan can be obtained from the Fund Office maintained by the Board of Trustees at the following address: Laborers' International Union of North America National (Industrial) Pension Fund, 905 16th Street, N.W., Washington, DC 20006-1765 or on the internet at [www.inipf.com](http://www.inipf.com).

**Funding Policy** - The contribution requirements of the Authority and employees are established by contract and may be amended by union negotiation. The current union contract expires on June 30, 2026. Employees are required to contribute \$1.49 per hour up to a maximum of 40 hours per week to the Plan. The Authority is not required to contribute to the Plan.

The Multiemployer Pension Plan Amendments Act of 1980 impose certain liabilities upon employers associated with multiemployer pension plans who withdraw from such a plan or upon termination of said plan. The Authority has no plans to withdraw or partially withdraw from the plan.

# RHODE ISLAND PUBLIC TRANSIT AUTHORITY

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

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### NOTE 17 - RISK MANAGEMENT

The Authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Authority purchases commercial insurance for property damage and general liability and is self-insured for automobile liability and workers' compensation claims. Settlement of claims related to property damage and general liability claims have not exceeded the insurance coverage in any of the past three fiscal years. A detailed description of the self-insured risks is described in Notes 1 and 6.

### NOTE 18 - LEASES

The Authority is reporting Leases receivable of \$163,110 at June 30, 2025. For 2025, the Authority reported lease revenue of \$62,855 and interest revenue of \$6,093 related to lease payments received. These leases are summarized as follows:

Lease	Lease Receivable	Lease Revenue	Lease Interest Revenue
First Church of God	\$ 14,422	\$ 7,802	\$ 576
Verizon	35,226	23,596	1,484
T-Mobile	113,463	31,457	4,033
	<u>\$163,111</u>	<u>\$ 62,855</u>	<u>\$ 6,093</u>

First Church of God - On November 1, 2021, the Authority entered into a five-year lease agreement with First Church of God, for the lease of towers. Based on this agreement, the Authority is receiving monthly payments through November 2026. There are no renewal options included in this lease agreement.

Verizon - On June 11, 2016, the Authority entered into a five-year lease agreement with Verizon, for the lease of towers. The lease had an option to extend for five-years and the option was exercised in 2021. Based on this agreement, the Authority is receiving monthly payments through July 2026. There are no renewal options included in this lease agreement.

T-Mobile - On March 15, 2023, the Authority entered into a five-year lease agreement with T-Mobile, for the lease of towers. The lease has extension options that management has determined it is not reasonably possible that the lease will be extended. Based on this agreement, the Authority is receiving monthly payments through March 2028.

# RHODE ISLAND PUBLIC TRANSIT AUTHORITY

## NOTES TO FINANCIAL STATEMENTS

**FOR THE YEAR ENDED JUNE 30, 2025**

### NOTE 18 – LEASES (CONTINUED)

Future payments to the Authority under these arrangements is as follows:

Fiscal Year Ended June 30,	Principal	Interest
2026	\$ 76,793	\$ 4,111
2027	42,059	1,969
2028	44,258	736
	\$ 163,110	\$ 6,816

### NOTE 19 - SUBSCRIPTION BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITAs)

The Authority has entered into various SBITAs with terms expiring in 2025, however management has estimated that options to extend will be reasonably executed for at least four years resulting in terms expiring in 2027. At June 30, 2025, the Authority has recognized a right-to-use asset of \$445,395 and a subscription liability of \$417,332. Amortization of the lease liability in the current year and future payments to amortize the subscription liability are as follows:

Lease Liability at June 30, 2024	Increases	Decreases	Lease Liability at June 30, 2025
\$ 717,256	\$ -	\$ 299,924	\$ 417,332

Fiscal Year Ended June 30,	Principal	Interest
2026	\$ 240,774	\$ 29,668
2027	176,558	15,416
	\$ 417,332	\$ 45,084

# **RHODE ISLAND PUBLIC TRANSIT AUTHORITY**

## **NOTES TO FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED JUNE 30, 2025**

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### **NOTE 20 - CONCENTRATION RISK AND UNCERTAINTIES**

The State of RI gas tax revenue of \$55,409,077 and Federal operating grants and contributed capital revenue of \$87,811,120 represented 33% and 51%, respectively, of total revenues for the year ended June 30, 2025.

The operations of the Authority are substantially supported by annual appropriations from both the State of Rhode Island and the federal government. Any material reduction, delay, or elimination of such funding could adversely affect the Authority's ability to sustain service levels, complete planned capital projects, or fulfill contractual obligations. Management has classified the potential impact of these funding constraints as a condition of uncertainty affecting future financial reporting. Management continues to monitor legislative and regulatory developments and will evaluate and implement plans as necessary should funding become constrained or delayed.

**REQUIRED  
SUPPLEMENTARY INFORMATION**



# RHODE ISLAND PUBLIC TRANSIT AUTHORITY

## REQUIRED SUPPLEMENTARY INFORMATION

### OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN

#### SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS LAST EIGHT FISCAL YEARS

	2025	2024	2023	2022	2021	2020	2019	2018
<b>Total OPEB Liability</b>								
Service cost	\$ 2,814,812	\$ 2,895,660	\$ 2,769,329	\$ 4,001,661	\$ 3,534,478	\$ 3,943,384	\$ 3,946,809	\$ 3,942,229
Interest	3,035,830	2,990,229	2,530,348	1,595,232	1,781,673	1,910,644	2,217,813	2,082,514
Changes of benefit terms	--	(178,433)	--	--	--	(2,175,731)	--	--
Differences between expected and actual experience	(5,466,467)	5,261,387	(6,165,278)	(150,160)	(3,222,911)	(5,970,438)	(2,568,201)	(723,233)
Changes of assumptions or other inputs	(2,350,683)	(750,390)	875,234	(12,604,851)	3,003,658	638,798	1,542,951	955,174
Benefit payments	<u>(1,257,389)</u>	<u>(1,147,567)</u>	<u>(836,047)</u>	<u>(2,047,441)</u>	<u>(2,510,806)</u>	<u>(2,153,026)</u>	<u>(2,166,657)</u>	<u>(2,294,610)</u>
Net change in total OPEB liability	(3,223,897)	9,070,886	(826,414)	(9,205,559)	2,586,092	(3,806,369)	2,972,715	3,962,074
Total OPEB liability - beginning	<u>72,910,105</u>	<u>63,839,219</u>	<u>64,665,633</u>	<u>73,871,192</u>	<u>71,285,100</u>	<u>75,091,469</u>	<u>72,118,754</u>	<u>68,156,680</u>
Total OPEB liability - ending	<u>\$ 69,686,208</u>	<u>\$ 72,910,105</u>	<u>\$ 63,839,219</u>	<u>\$ 64,665,633</u>	<u>\$ 73,871,192</u>	<u>\$ 71,285,100</u>	<u>\$ 75,091,469</u>	<u>\$ 72,118,754</u>
Covered-employee payroll	\$ 53,076,826	\$ 48,823,515	\$ 49,175,669	\$ 47,556,290	\$ 46,884,502	\$ 45,569,577	\$ 43,756,853	\$ 41,038,544
Total OPEB liability as a percentage of covered-employee payroll	131.29%	149.33%	129.82%	135.98%	157.56%	156.43%	171.61%	175.73%

There are no assets accumulated in a trust that meets the criteria of GASB codification P22.101 or P52.101 to pay related benefits from the OPEB plan.

*See notes to required supplementary information.*

# RHODE ISLAND PUBLIC TRANSIT AUTHORITY

## REQUIRED SUPPLEMENTARY INFORMATION

### RIPTA EMPLOYEES' PENSION PLAN

#### SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS LAST TEN FISCAL YEARS

Measurement Period	2026*	2025	2024	2023	2022	2021	2020	2019	2018	2017
	June 30, 2025	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016
<b>Total Pension Liability</b>										
Service cost	\$ 5,091,040	\$ 5,013,867	\$ 4,717,611	\$ 4,448,315	\$ 4,302,505	\$ 4,225,361	\$ 3,870,210	\$ 3,652,504	\$ 3,492,118	\$ 2,990,663
Interest	17,619,448	17,044,341	16,049,823	15,575,094	14,951,185	14,341,746	13,941,951	13,352,018	12,556,376	12,297,798
Changes of benefit terms	759,931	753,896	1,347,003	669,733	434,074	652,248	416,297	3,461,380	577,583	933,025
Differences between expected and actual experience	2,018,303	6,713,463	392,148	1,965,855	--	2,234,952	511,488	1,337,037	1,592,692	2,977,141
Changes of assumptions or other inputs	--	--	--	573,453	--	(197,131)	4,898,083	(710,335)	(1,198,799)	4,215,850
Other changes	(16,974)	--	--	--	--	--	--	--	--	--
Benefit payments, including refunds of member contributions	(15,665,902)	(15,755,835)	(13,569,369)	(13,017,677)	(12,420,505)	(11,220,119)	(10,257,698)	(9,683,021)	(8,707,446)	(7,810,634)
Net change in total pension liability	9,805,846	13,769,732	8,937,216	10,214,773	7,267,259	10,037,057	13,380,331	11,409,583	8,312,524	15,603,843
Total Pension liability - beginning	265,312,941	251,543,209	242,605,993	232,391,220	225,123,961	215,086,904	201,706,573	190,296,990	181,984,466	166,380,623
Total Pension liability - ending	<u>\$ 275,118,787</u>	<u>\$ 265,312,941</u>	<u>\$ 251,543,209</u>	<u>\$ 242,605,993</u>	<u>\$ 232,391,220</u>	<u>\$ 225,123,961</u>	<u>\$ 215,086,904</u>	<u>\$ 201,706,573</u>	<u>\$ 190,296,990</u>	<u>\$ 181,984,466</u>
<b>Plan fiduciary net position:</b>										
Contributions - employer	\$ 11,015,092	\$ 12,220,293	\$ 11,718,550	\$ 6,487,398	\$ 9,736,036	\$ 8,722,771	\$ 7,519,341	\$ 7,514,778	\$ 8,648,057	\$ 8,125,339
Contributions - employee	2,449,501	2,206,165	2,086,851	1,999,604	1,898,200	1,888,540	1,787,290	1,665,934	1,196,070	1,213,686
Net investment income	22,649,348	20,217,374	13,725,184	(23,062,111)	34,551,809	3,883,832	6,753,240	9,324,350	11,578,566	635,766
Benefit payments, including refunds of member contributions	(15,665,902)	(15,755,835)	(13,569,369)	(13,017,677)	(12,420,505)	(11,220,119)	(10,257,698)	(9,683,021)	(8,707,446)	(7,810,634)
Administrative expense	(81,032)	(102,030)	(177,989)	(70,526)	(39,409)	(36,260)	(41,425)	(36,529)	(61,125)	(172,801)
Net change in plan fiduciary net position	20,367,007	18,785,967	13,783,227	(27,663,312)	33,726,131	3,238,764	5,760,748	8,785,512	12,654,122	1,991,356
Plan fiduciary net position - beginning	185,242,674	166,456,707	152,673,480	180,336,792	146,610,661	143,371,897	137,611,149	128,825,637	116,171,515	114,180,159
Plan fiduciary net position - ending	<u>\$ 205,609,681</u>	<u>\$ 185,242,674</u>	<u>\$ 166,456,707</u>	<u>\$ 152,673,480</u>	<u>\$ 180,336,792</u>	<u>\$ 146,610,661</u>	<u>\$ 143,371,897</u>	<u>\$ 137,611,149</u>	<u>\$ 128,825,637</u>	<u>\$ 116,171,515</u>
Authority's net pension liability - ending	<u>\$ 69,509,106</u>	<u>\$ 80,070,267</u>	<u>\$ 85,086,502</u>	<u>\$ 89,932,513</u>	<u>\$ 52,054,428</u>	<u>\$ 78,513,300</u>	<u>\$ 71,715,007</u>	<u>\$ 64,095,424</u>	<u>\$ 61,471,353</u>	<u>\$ 65,812,951</u>
Plan fiduciary net position as a percentage of the total pension liability	74.73%	69.82%	66.17%	62.93%	77.60%	65.12%	66.66%	68.22%	67.70%	63.84%
Covered payroll	\$ 45,964,598	\$ 45,372,670	\$ 42,810,981	\$ 42,322,506	\$ 41,091,532	\$ 40,349,413	\$ 39,258,303	\$ 37,506,189	\$ 35,598,943	\$ 35,018,425
Net pension liability as a percentage of covered payroll	151.22%	176.47%	198.75%	212.49%	126.68%	194.58%	182.67%	170.89%	172.68%	187.94%

\*Net pension liability as of the June 30, 2025 measurement date will be reflected in the Authority's June 30, 2026 financial statements

*See notes to required supplementary information.*

# RHODE ISLAND PUBLIC TRANSIT AUTHORITY

## REQUIRED SUPPLEMENTARY INFORMATION – RIPTA EMPLOYEES’ PENSION PLAN

### SCHEDULE OF AUTHORITY CONTRIBUTIONS AND INVESTMENT RETURNS

#### LAST TEN FISCAL YEARS

Measurement Period	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
	June 30, 2025	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016
Actuarial determined contribution	\$ 11,015,092	\$ 12,220,293	\$ 11,718,550	\$ 6,487,398	\$ 9,736,036	\$ 8,772,771	\$ 7,519,341	\$ 7,514,778	\$ 8,648,057	\$ 8,125,339
Contributions in related to the actuarially determined contribution	<u>11,015,092</u>	<u>12,220,293</u>	<u>11,718,550</u>	<u>6,487,398</u>	<u>9,736,036</u>	<u>8,772,771</u>	<u>7,519,341</u>	<u>7,514,778</u>	<u>8,648,057</u>	<u>8,125,339</u>
Contribution deficiency (excess)	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Covered payroll	\$ 45,964,598	\$ 45,372,670	\$ 42,810,981	\$ 42,322,506	\$ 41,091,532	\$ 40,349,413	\$ 39,258,303	\$ 37,506,189	\$ 35,598,943	\$ 35,018,425
Contributions as a percentage of covered payroll	23.96%	26.93%	27.37%	15.33%	23.69%	21.74%	19.15%	20.04%	24.29%	23.20%
Annual money-weighted rate of return, net of investment expense	12.18%	12.10%	8.87%	-12.83%	26.09%	2.42%	4.72%	8.44%	10.63%	1.19%
Annual money-weighted rate of return, net of investment expense - portion covering 618 employees	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Annual money-weighted rate of return, net of investment expense - portion covering other than 618 employees	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

*See notes to required supplementary information.*

# **RHODE ISLAND PUBLIC TRANSIT AUTHORITY**

## **NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**

**JUNE 30, 2025**

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### **NOTE 1 – RIPTA EMPLOYEE’S PENSION PLAN**

The schedules are intended to present ten years of data. Additional years of data will be presented as they become available. The actuarial methods and assumptions used to calculate the total pension liability are described in Note 16 to the financial statements. The net pension liability amounts presented for each fiscal year were determined as of the June 30 measurement date prior to the fiscal year end.

#### **Changes in Benefit Terms:**

- All pensioners as of July 1, 2023 will receive an additional \$15 a month benefit, surviving spouses \$5.

#### **Actuarially Determined Contributions:**

The following actuarial methods and assumptions were used to determine contribution amounts reported in that schedule:

- Actuarial cost method – frozen Entry Age Actuarial Cost Method
- Amortization method – Level dollar, closed
- Remaining amortization period – 10 years
- Asset valuation method – Assets are equal to the value reported by insurance companies; guaranteed deposit accounts are valued at contract value; separate accounts are valued at fair value; plus due and accrued contributions
- Inflation – 2.50%
- Investment return – 6.75%, net of expenses, including inflation
- Salary increases – 3% per annum
- Retirement age – Active employees and participants who terminate after December 31, 2001 are assumed to retire at the later of age 62 or the completion of 10 years of service. Participants who terminated prior to January 1, 2002, are assumed to retire at age 60.
- Mortality – Pri-2012 Blue collar with MP-2021 generational improvements (Male/Female)

### **NOTE 2 – RIPTA EMPLOYEE’S POST EMPLOYMENT BENEFIT PLAN**

The schedule is intended to present ten years of data. Additional years of data will be presented as they become available. The actuarial methods and assumptions used to calculate the total OPEB liability are described in Note 9 to the financial statements. The OPEB liability amounts presented for each fiscal year were determined as of the June 30 fiscal year end.

## **SUPPLEMENTARY INFORMATION**

# RHODE ISLAND PUBLIC TRANSIT AUTHORITY

## ATTACHMENT B – SCHEDULE OF NET POSITION

JUNE 30, 2025

	<u>Attachment B</u>
<b>Assets</b>	
<b>Current Assets</b>	
Cash and cash equivalents	\$ 12,011,214
Investments	2,123,682
Net receivables	8,825,174
Due from primary government	8,338,611
Inventories	1,784,103
Other assets	<u>336,649</u>
<b>Total Current Assets</b>	<u>33,419,433</u>
<b>Noncurrent Assets</b>	
Investments	2,601,771
Capital assets, non-depreciable	93,921,142
Capital assets, depreciable - net of depreciation	118,795,838
Right-to-use subscription assets	370,859
Other assets	<u>2,239,488</u>
<b>Total Noncurrent Assets</b>	<u>217,929,098</u>
<b>Total Assets</b>	<u>251,348,531</u>
<b>Deferred Outflows of Resources</b>	
Deferred pension amounts	18,126,038
Deferred other postemployment benefit amounts	<u>4,568,590</u>
<b>Total Deferred Outflows of Resources</b>	<u>22,694,628</u>

*See independent auditors' report on supplementary information.*

# RHODE ISLAND PUBLIC TRANSIT AUTHORITY

## ATTACHMENT B – SCHEDULE OF NET POSITION (CONTINUED)

JUNE 30, 2025

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### Liabilities

#### Current Liabilities

Accounts payable	8,146,842
Due to primary government	2,711,287
Accrued expenses	4,806,402
Compensation absences	3,132,192
Unearned revenue	1,319,552
Other current liabilities	<u>1,280,815</u>

<b>Total Current Liabilities</b>	<u>21,397,090</u>
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#### Noncurrent Liabilities

Due to primary government	4,732,875
Net pension liability	80,070,267
Net other post employment benefit liability	68,605,874
Compensated absences	9,396,577
Other liabilities	<u>12,180,157</u>

<b>Total Noncurrent Liabilities</b>	174,985,750
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<b>Total Liabilities</b>	196,382,840
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#### Deferred Inflows of Resources

Deferred lease	136,731
Deferred pension amounts	336,420
Deferred other post employment benefit amounts	<u>15,728,804</u>

<b>Total Deferred Inflows of Resources</b>	<u>16,201,955</u>
--	-------------------

#### Net Position

Net investment in capital assets	203,526,743
Restricted - other	298,870
Unrestricted (deficit)	<u>(142,367,249)</u>

<b>Total Net Position</b>	<u>\$ 61,458,364</u>
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*See independent auditors' report on supplementary information.*

# RHODE ISLAND PUBLIC TRANSIT AUTHORITY

## ATTACHMENT C – SCHEDULE OF ACTIVITIES

YEAR ENDED JUNE 30, 2025

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	<u><i>Attachment C</i></u>
<b>Expenses</b>	<u>\$ 158,885,814</u>
<b>Program revenues:</b>	
Charges for services	19,045,534
Operating grants and contributions	118,996,590
Capital grants and contributions	<u>27,661,702</u>
<b>Total program revenues</b>	<u>165,703,826</u>
<b>Net (expenses) revenues</b>	<u>6,818,012</u>
<b>General revenues:</b>	
Interest and investment earnings	599,325
Miscellaneous revenue	<u>4,355,180</u>
<b>Total general revenues</b>	<u>4,954,505</u>
<b>Change in net position</b>	<u>27,661,702</u>
<b>Changes in Net Position</b>	11,772,517
<b>Total net position - beginning</b>	<u>49,685,847</u>
<b>Total net position - ending</b>	<u><u>\$ 61,458,364</u></u>

*See independent auditors' report on supplementary information.*



# RHODE ISLAND PUBLIC TRANSIT AUTHORITY

## ATTACHMENT E – SCHEDULE OF CHANGES IN LONG-TERM LIABILITIES

JUNE 30, 2025

						<i>Attachment E</i>
	Beginning Balance	Additions	Removals	Ending Balance	Amounts Due Within One Year	Amounts Due thereafter
Bonds payable	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
Bonds payable - direct payment	--	--	--	--	--	--
Net unamortized premium/discount	--	--	--	--	--	--
<b>Bond payable</b>	--	--	--	--	--	--
Notes payable	--	--	--	--	--	--
Notes payable - direct borrowings	--	--	--	--	--	--
Loans payable	--	--	--	--	--	--
Obligations under leases	--	--	--	--	--	--
Net pension liability	85,086,502	--	5,016,235	80,070,267	--	80,070,267
Net other post employment benefit liability	72,910,105	--	3,223,897	69,686,208	1,080,334	68,605,874
Due to primary government	6,381,230	--	813,344	5,567,886	835,011	4,732,875
Due to component units	--	--	--	--	--	--
Due to other governments and agencies	--	--	--	--	--	--
Unearned revenue	--	--	--	--	--	--
Compensated absences	11,569,194	959,575	--	12,528,769	3,132,192	9,396,577
Arbitrage rebate	--	--	--	--	--	--
Pollution remediation	--	--	--	--	--	--
Funds held for others	--	--	--	--	--	--
Accrued self insured claims	12,391,307	3,613,725	3,541,726	12,463,306	500,000	11,963,306
Total other liabilities	188,338,338	4,573,300	12,595,202	180,316,436	5,547,537	174,768,899
	<u>\$ 188,338,338</u>	<u>\$ 4,573,300</u>	<u>\$ 12,595,202</u>	<u>\$ 180,316,436</u>	<u>\$ 5,547,537</u>	<u>\$ 174,768,899</u>

*See independent auditors' report on supplementary information.*

**RHODE ISLAND PUBLIC TRANSIT AUTHORITY**

**SCHEDULE OF TRAVEL AND ENTERTAINMENT EXPENSES**

**YEAR ENDED JUNE 30, 2025**

<b>Travelers Name</b>	<b>Destination</b>	<b>Purpose</b>	<b>Total</b>
Maxwell Piccola	Turtle Top - Indiana	Vehicle inspection	\$250.00
Maxwell Piccola	Turtle Top - Indiana	Vehicle inspection	\$210.06
Maxwell Piccola	Turtle Top - Indiana	Vehicle inspection	\$51.80
Maribeth Pacillo	Portland, ME	Procurement I Training	\$225.00
Maribeth Pacillo	Portland, ME	Procurement I Training	\$335.74
Matt Quider	Portland, ME	Procurement I Training	\$250.00
Alexander Akinrimisi	Portland, ME	Procurement I Training	\$250.00
Maribeth Pacillo	Portland, ME	Procurement I Training	\$1,514.01
Matt Quider	Portland, ME	Procurement I Training	\$1,509.65
Alexander Akinrimisi	Portland, ME	Procurement I Training	\$413.10
Alexander Akinrimisi	Portland, ME	Procurement I Training	\$1,745.54
Lisa Hanson	Cambridge, MA	FTA Procurement Sys Review Wkshp	\$125.00
John Chadwick	Cambridge, MA	FTA Procurement Sys Review Wkshp	\$125.00
Sheryl Gomes	Pittsburgh, PA	NTI Procurement 4	\$300.00
Lisa Hanson	Cambridge, MA	FTA Procurement Sys Review Wkshp	\$37.79
John Chadwick	Cambridge, MA	FTA Procurement Sys Review Wkshp	\$37.79
Sheryl Gomes	Pittsburgh, PA	NTI Procurement 4	\$253.59
Sheryl Gomes	Pittsburgh, PA	NTI Procurement 4	\$932.14
Lisa Hanson	Cambridge, MA	FTA Procurement Sys Review Wkshp	\$635.42
John Chadwick	Cambridge, MA	FTA Procurement Sys Review Wkshp	\$635.42
Maxwell Piccola	Turtle Top - Indiana	Vehicle inspection	\$1,277.32
Lisa Hanson	Birmingham, AL	NTI Procurment III	\$655.96
James Pereira	Baltimore, MD	Transit Workforce	\$150.00
James Pereira	Baltimore, MD	Transit Workforce	\$371.08
James Pereira	Baltimore, MD	Transit Workforce	\$1,453.05
Steve Colantuono	Baltimore, MD	Transit Workforce	\$150.00
Steve Colantuono	Baltimore, MD	Transit Workforce	\$56.86
Steve Colantuono	Baltimore, MD	Transit Workforce	\$1,722.13
Lisa Hanson	Birmingham, AL	NTI Procurment III	\$275.00
Lisa Hanson	Birmingham, AL	NTI Procurment III	\$610.93
Lisa Hanson	Birmingham, AL	NTI Procurement III	\$757.60
Cristy Raposo	Hartford, CT	NEPTA conference	\$25.00

*See independent auditors' report on supplementary information.*

# RHODE ISLAND PUBLIC TRANSIT AUTHORITY

## SCHEDULE OF TRAVEL AND ENTERTAINMENT EXPENSES (CONTINUED)

**YEAR ENDED JUNE 30, 2025**

<b>Travelers Name</b>	<b>Destination</b>	<b>Purpose</b>	<b>Total</b>
Cristy Raposo	Hartford, CT	NEPTA conference	\$158.70
Sarah Ingle	Hartford, CT	NEPTA conference	\$25.00
Sarah Ingle	Hartford, CT	NEPTA conference	\$158.70
Jack Plouffe	Fort Meyers, FL	NTI Procurement I Training	\$275.00
Jack Plouffe	Fort Meyers, FL	NTI Procurement I Training	\$1,422.13
Jack Plouffe	Fort Meyers, FL	NTI Procurement I Training	\$289.98
Steve Colantuono	Phoenix, AZ	APTA Conf	\$250.00
Steve Colantuono	Phoenix, AZ	APTA Conf	\$1,767.70
Charles Headley	Quebec	Fund of Bus Scheduling Training	\$300.00
Tim McKenna	Quebec	Fund of Bus Scheduling Training	\$300.00
Christel Chavez	Quebec	Fund of Bus Scheduling Training	\$300.00
CH,TM, CC	Quebec	Fund of Bus Scheduling Training	\$732.57
Tim McKenna	Quebec	Fund of Bus Scheduling Training	\$630.94
Maureen Alexander	Ft Worth, TX	NTI Procurement II Training	\$570.36
Maureen Alexander	Ft Worth, TX	NTI Procurement II Training	\$275.00
Maureen Alexander	Ft Worth, TX	NTI Procurement II Training	\$88.00
Steve Colantuono	Phoenix, AZ	APTA Conf	\$257.80
Maureen Alexander	Ft Worth, TX	NTI Procurement II Training	\$1,123.27
Maureen Alexander	Ft Worth, TX	NTI Procurement II Training	(\$17.47)
Chris Durand	Washington DC	APTA conference	\$150.00
Chris Durand	Washington DC	APTA conference	\$347.96
Chris Durand	Washington DC	APTA conference	\$1,275.00
Chris Durand	Washington DC	APTA Conference	1,492.30
			<u>\$ 29,514.92</u>

*See independent auditors' report on supplementary information.*

# RHODE ISLAND PUBLIC TRANSIT AUTHORITY

## SCHEDULE OF CHANGES OF TANGIBLE PROPERTY

**JUNE 30, 2025**

	Beginning Balance	Additions & Transfers	Reductions & Transfers	Ending Balance	Beginning Balance	Additions & Transfers	Reductions & Transfers	Ending Balance	Net Book Value
Land and land rights	\$ 2,626,129	\$ --	\$ --	\$ 2,626,129	\$ --	\$ --	\$ --	\$ --	\$ 2,626,129
Shops, garages and office buildings	103,202,185	--	--	103,202,185	69,399,743	2,982,539	--	72,382,282	30,819,903
Tunnels	1,592,774	--	--	1,592,774	1,056,549	1,329	--	1,057,878	534,896
Communication system	10,173,719	--	--	10,173,719	10,114,861	24,119	--	10,138,980	34,739
Revenue equipment - buses	150,618,911	--	2,746,489	147,872,422	74,745,271	9,515,447	2,710,264	81,550,454	66,321,968
Revenue equipment - electric buses	18,232,457	--	--	18,232,457	2,979,379	1,576,392	--	4,555,771	13,676,686
Trolleys	6,931,795	--	693,180	6,238,615	6,931,795	--	693,180	6,238,615	--
Fare boxes	4,006,215	--	--	4,006,215	4,006,215	--	--	4,006,215	--
Service cars and equipment	3,938,687	--	--	3,938,687	3,413,429	213,935	--	3,627,364	311,323
Shops and garage equipment	4,317,189	--	--	4,317,189	3,878,397	66,938	--	3,945,335	371,854
Furniture and office equipment	1,428,322	--	695	1,427,627	1,418,966	7,707	695	1,425,978	1,649
Miscellaneous equipment	9,084,555	--	--	9,084,555	7,707,860	460,630	--	8,168,490	916,065
Management information system	17,482,570	45,759	66,334	17,461,995	16,046,276	484,853	66,335	16,464,794	997,201
Security equipment	3,715,577	--	--	3,715,577	3,235,689	130,079	--	3,365,768	349,809
Paratransit vans	10,102,646	3,667,928	--	13,770,574	7,409,784	1,901,045	--	9,310,829	4,459,745
Right-of-use subscription assets	1,093,981	--	--	1,093,981	437,646	285,476	--	723,122	370,859
<b>Total capital assets</b>	<b>\$ 348,547,712</b>	<b>\$ 3,713,687</b>	<b>\$ 3,506,698</b>	<b>\$ 348,754,701</b>	<b>\$ 212,781,860</b>	<b>\$ 17,650,489</b>	<b>\$ 3,470,474</b>	<b>\$ 226,961,875</b>	<b>\$ 121,792,826</b>
Federal grant projects in process	63,104,493	28,190,520	--	91,295,013	--	--	--	--	91,295,013
<b>Total tangible property</b>	<b>\$ 411,652,205</b>	<b>\$ 31,904,207</b>	<b>\$ 3,506,698</b>	<b>\$ 440,049,714</b>	<b>\$ 212,781,860</b>	<b>\$ 17,650,489</b>	<b>\$ 3,470,474</b>	<b>\$ 226,961,875</b>	<b>\$ 213,087,839</b>

*See independent auditors' report on supplementary information.*

# RHODE ISLAND PUBLIC TRANSIT AUTHORITY

## SCHEDULE OF OPERATING EXPENSES

YEAR ENDED JUNE 30, 2025

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**Administration:**

Salaries	\$ 1,308,888
Fringes	519,022
Legal	164,748
Supplies	14,530
Other services	463,522
Travel	17,040
<b>Total administration</b>	<b>2,487,750</b>

**Finance:**

Salaries	\$ 657,620
Fringes	438,935
Office expense/supplies	847,442
Utilities	2,361,961
Other services	344,117
Retiree health	2,348,037
Travel	26,323
<b>Total finance</b>	<b>7,024,435</b>

**Operations:**

Wages - drivers	\$ 55,119,866
Fringe benefits	21,462,809
Other services	713,759
Supplies	652,671
Fuel	4,510,292
Antifreeze and lubricants	79,682
Vehicle/building parts	4,729,559
Ticket/passes	252,954
Maintenance agreement	65,869
Tires and tubes	811,356
Miscellaneous	1,761
<b>Total operations</b>	<b>88,400,578</b>

**Marketing:**

Salaries	\$ 277,702
Fringes	99,928
Training	274
Advertising	124,185
Services	783,003
Supplies	223,510
Printing	325
Travel	13
<b>Total marketing</b>	<b>1,508,940</b>

*See independent auditors' report on supplementary information.*

# RHODE ISLAND PUBLIC TRANSIT AUTHORITY

## SCHEDULE OF OPERATING EXPENSES

YEAR ENDED JUNE 30, 2025

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***Human resources:***

Salaries	\$ 593,108
Fringes	210,203
Supplies	120,854
Miscellaneous	<u>118,880</u>
<b><i>Total human resources</i></b>	<u>1,043,045</u>

***Administrative services:***

Salaries	\$ 1,436,681
Fringes	575,204
Supplies	52,725
Travel	8,847
Professional services	<u>185,826</u>
<b><i>Total administrative services</i></b>	<u>2,259,283</u>

***Risk management:***

Salaries	\$ 80,664
Fringes	27,784
Office expense/supplies	6,103
Insurance	1,423,170
Settlements	1,669,185
Workers' compensation medical	181,926
Workers' compensation	845,889
Legal	323,897
Miscellaneous	<u>15,903</u>
<b><i>Total risk management</i></b>	<u>4,574,521</u>

***Planning and scheduling:***

Salaries	\$ 1,626,380
Fringes	728,638
Professional services	1,080,127
Travel	19,346
Vanpool purchased services	222,854
Office expense/supplies	<u>235,701</u>
<b><i>Total planning and scheduling</i></b>	<u>3,913,046</u>

*See independent auditors' report on supplementary information.*

# RHODE ISLAND PUBLIC TRANSIT AUTHORITY

## SCHEDULE OF OPERATING EXPENSES

YEAR ENDED JUNE 30, 2025

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***Specialized transportation:***

Salaries	\$ 883,291
Fringe	409,806
Utilities	68,291
<b><i>Total specialized transportation</i></b>	<b><u>1,361,388</u></b>

***Paratransit operations:***

Salaries	\$ 7,454,415
Fuel	238,062
Fringe	8,425,018
Supplies	5,377
Pension	617,307
Tax ride providers	2,356,943
Travel	53,125
Miscellaneous	16,704
<b><i>Total paratransit</i></b>	<b><u>19,166,951</u></b>

***Purchasing:***

Salaries	\$ 1,393,892
Fringe	453,915
Supplies	8,477
Travel	-
Maintenance agreements	170,600
Other services	144,876
<b><i>Total purchasing</i></b>	<b><u>2,171,760</u></b>

***MIS:***

Salaries	\$ 1,147,650
Fringes	422,927
Services	2,199,209
Maintenance agreements	212,884
Professional services	-
Supplies	139,858
Travel	1,800
<b><i>Total MIS</i></b>	<b><u>4,124,328</u></b>

*See independent auditors' report on supplementary information.*

# RHODE ISLAND PUBLIC TRANSIT AUTHORITY

## SCHEDULE OF OPERATING EXPENSES

YEAR ENDED JUNE 30, 2025

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### *Centralized maintenance:*

Salaries	\$ 1,238,125
Fringes	547,076
Services	28,460
Taxes/registration	24,039
Lubricants	5,637
Repair parts	777,352
<i>Total centralized maintenance</i>	<u>2,620,689</u>

### *State of Rhode Island - DOT:*

Salaries	\$ 203,471
Fringes	72,550
Repair parts	27,064
<i>Total State of Rhode Island - DOT</i>	<u>303,085</u>

### *Depreciation:*

Shops, garages and office buildings	\$ 2,982,539
Communication system	24,119
Revenue equipment	9,515,447
Electric bus	1,576,392
Service cars and equipment	213,935
Shop and garage equipment	66,938
Furniture and office equipment	7,707
Trolleys	-
Miscellaneous equipment	460,630
Tunnel improvements	1,329
MIS equipment	484,853
Security equipment	130,079
Paratransit vans	1,901,045
Right-of-use subscription assets	285,476
<i>Total depreciation</i>	<u>17,650,489</u>

<b><i>TOTAL OPERATING EXPENSES</i></b>	<b><u>\$ 158,610,288</u></b>
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*See independent auditors' report on supplementary information.*



# RHODE ISLAND PUBLIC TRANSIT AUTHORITY

## COMBINING SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

**YEAR ENDED JUNE 30, 2025**

	Fund 01	Fund 02	Total
<b>Operating Revenues</b>			
Passenger	\$ 15,190,394	\$ --	\$ 15,190,394
Paratransit	--	429,344	429,344
Rental	75,722	--	75,722
Advertising	1,419,263	--	1,419,263
RIDE	--	1,930,811	1,930,811
Other	4,355,180	--	4,355,180
<b>Total Operating Revenues</b>	<u>21,040,559</u>	<u>2,360,155</u>	<u>23,400,714</u>
<b>Operating Expenses</b>			
Administration	2,487,750	--	2,487,750
Finance	7,024,435	--	7,024,435
Operations	88,400,578	--	88,400,578
Marketing	1,508,940	--	1,508,940
Human resources	1,043,045	--	1,043,045
Administrative services	2,259,283	--	2,259,283
Risk management	4,574,521	--	4,574,521
Planning and scheduling	3,913,046	--	3,913,046
Specialized transportation	1,361,388	--	1,361,388
Paratransit operations	--	19,166,951	19,166,951
Purchasing	2,171,760	--	2,171,760
Information technology	4,124,328	--	4,124,328
Centralized maintenance	2,620,689	--	2,620,689
State of Rhode Island - DOT & RITBA	303,085	--	303,085
Depreciation	17,650,489	--	17,650,489
<b>Total Operating Expenses</b>	<u>139,443,337</u>	<u>19,166,951</u>	<u>158,610,288</u>
<b>Operating loss</b>	(118,402,778)	(16,806,796)	(135,209,574)
<b>Nonoperating revenues (expenses)</b>			
State of RI gas tax	55,409,077	--	55,409,077
State of RI - DEA gas tax	3,438,095	--	3,438,095
Operating grants	60,149,418	--	60,149,418
Investment income	599,325	--	599,325
Interest expense	(275,526)	--	(275,526)
<b>Total nonoperating revenues (expenses)</b>	<u>119,320,389</u>	<u>--</u>	<u>119,320,389</u>
<b>Income (Loss) before capital contributions</b>	917,611	(16,806,796)	(15,889,185)
<b>Capital contributions</b>	<u>27,661,702</u>	<u>--</u>	<u>27,661,702</u>
<b>Changes in Net Position</b>	<u>\$ 28,579,313</u>	<u>\$ (16,806,796)</u>	<u>\$ 11,772,517</u>

*See independent auditors' report on supplementary information.*

**RHODE ISLAND PUBLIC TRANSIT AUTHORITY  
(A COMPONENT UNIT OF THE STATE OF RHODE ISLAND)**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

**FOR THE YEAR ENDED JUNE 30, 2025**

Federal Grantor/Pass-Through Grantor/Program Title	Federal Assistance Listing Number	Pass-Through Entity	Provided to Subrecipients	Total Federal Expenditures
<b>U.S. Department of Transportation</b>				
Indirect Programs:				
<i>Federal Transit Cluster</i>				
Capital Investment Grants	20.500	RI-04-0010	\$ --	\$ 95,424
			--	95,424
Formula Grants	20.507	RI-2017-007	--	41,387
Formula Grants	20.507	RI-2018-002	--	31,320
Formula Grants	20.507	RI-2018-006	--	21,849
Formula Grants	20.507	RI-2019-004	--	933,653
COVID-19 Formula Grants	20.507	RI-2019-009	--	135,213
Formula Grants	20.507	RI-2020-003	--	910,824
Formula Grants	20.507	RI-2020-009	--	28,628
Formula Grants	20.507	RI-2021-003	--	333,212
Formula Grants	20.507	RI-2021-009	--	1,025,596
COVID-19 Formula Grants	20.507	RI-2022-005	--	13,386,793
Formula Grants	20.507	RI-2022-006	--	526,463
Formula Grants	20.507	RI-2022-008	--	260,318
Formula Grants	20.507	RI-90-X057	--	276
Formula Grants	20.507	RI-90-X062	--	920
Formula Grants	20.507	RI-90-X064	--	103,386
Formula Grants	20.507	RI-95-X007	--	2,823
Formula Grants	20.507	RI-2023-002	--	8,850,929
Formula Grants	20.507	RI-2023-005	--	148,194
Formula Grants	20.507	RI-2023-006	--	313,973
Formula Grants	20.507	RI-2024-003	--	24,634,485
			--	51,690,242
State of Good Repair Grants Program	20.525	RI-2021-005	--	2,739
			--	2,739
Bus and Bus Facilities Formula & Discretionary Programs	20.526	RI-2019-006	--	5,320
Bus and Bus Facilities Formula & Discretionary Programs	20.526	RI-2020-002	--	986,764
Bus and Bus Facilities Formula & Discretionary Programs	20.526	RI-2021-007	--	67,296
Bus and Bus Facilities Formula & Discretionary Programs	20.526	RI-2022-002	--	4,755,592
Bus and Bus Facilities Formula & Discretionary Programs	20.526	RI-2023-002	--	1,462,573
Bus and Bus Facilities Formula & Discretionary Programs	20.526	RI-2023-004	--	1
Bus and Bus Facilities Formula & Discretionary Programs	20.526	RI-2024-001	--	2,966,738
			--	10,244,284
<i>Total Federal Transit Cluster</i>			--	62,032,689
<i>Transit Services Cluster</i>				
Enhanced Mobility of Seniors and Individuals with Disabilities	20.513	RI-2018-004	--	1,013,924
Enhanced Mobility of Seniors and Individuals with Disabilities	20.513	RI-2023-003	--	49,884
<i>Total Transit Services Cluster</i>			--	1,063,808
Formula Grants for Rural Areas	20.509	RI-2018-004	--	2,338
Formula Grants for Rural Areas	20.509	RI-2020-002	--	426,992
COVID-19 Formula Grants for Rural Areas	20.509	RI-2021-008	--	508,210
Formula Grants for Rural Areas	20.509	RI-2022-004	--	29,876
			--	967,416
Accelerating Innovative Mobility Challenge Grant	20.530	RI-2020-004	--	98,713
			--	98,713
National Infrastructure Investments	20.933	RI-2023-005	--	411,815
			--	411,815
<b>Total U.S. Department of Transportation</b>			--	64,574,441
<b>Total Schedule of Expenditures of Federal Awards</b>			\$ --	\$ 64,574,441

*See notes to the schedule of expenditures of federal awards.*

**RHODE ISLAND PUBLIC TRANSIT AUTHORITY  
(A COMPONENT UNIT OF THE STATE OF RHODE ISLAND)**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2025**

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**NOTE 1 - BASIS OF PRESENTATION**

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") includes the federal award activity of Rhode Island Public Transit Authority under programs of the federal government for the year ended June 30, 2025. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"). Because the Schedule presents only a selected portion of the operations of the Rhode Island Public Transit Authority, it is not intended to and does not present the financial position, changes in net assets or cash flows of the Rhode Island Public Transit Authority.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenses are recognized following the cost principles contained in the Uniform Guidance.

**NOTE 3 - SINGLE AUDIT TESTING**

The State of Rhode Island determined that single audit testing was not required to be performed at the component unit level for the Authority's federal award programs.

**NOTE 4 - INDIRECT COST RATE**

Rhode Island Public Transit Authority has elected not to use the 10-percent de minimis indirect cost rate.

*See notes to the schedule of expenditures of federal awards.*

## **STATISTICAL SECTION**

## STATISTICAL SECTION

This part of the Authority's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Authority's overall financial health.

Contents	Table
Financial Trends	1-4
<i>These schedules contain trend information to help the reader understand how the Authority's financial performance and well-being have changed over time.</i>	
Revenue Capacity	5
<i>These schedules contain information to help the reader assess the Authority's most significant revenue sources.</i>	
Debt Capacity	7
<i>These schedules present information to help the reader assess the affordability of the Authority's current levels of outstanding debt and the Authority's ability to issue additional debt in the future.</i>	
Demographic and Economic Information	9
<i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the Authority's financial activities take place.</i>	
Operating Information	10-12
<i>These schedules contain service and infrastructure data to help the reader understand how the information in the Authority's financial report relates to the services the government provides and the activities it performs.</i>	

Note: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

# RHODE ISLAND PUBLIC TRANSIT AUTHORITY

## CAPITAL ASSETS – LAST TEN YEARS (UNAUDITED)

	2016	2017	2018	2019	2020	Restated 2021	2022	2023	2024	2025
Shops, garages, and office buildings	\$ 102,617,799	\$ 102,736,447	\$ 102,919,686	\$103,061,768	\$103,081,819	\$103,119,769	\$103,202,185	\$103,202,185	\$103,202,185	\$103,202,185
Tunnels	1,592,774	1,592,774	1,592,774	1,592,774	1,592,774	1,592,774	1,592,774	1,592,774	1,592,774	1,592,774
Communication system	9,879,043	10,102,806	10,144,556	10,173,719	10,173,719	10,173,719	10,173,719	10,173,719	10,173,719	10,173,719
Revenue equipment-buses	97,026,222	102,842,291	101,473,744	100,540,667	114,883,147	122,780,482	114,060,809	135,224,724	150,618,911	147,872,422
Revenue equipment- electric buses	-	-	-	-	-	3,431,252	4,503,803	10,724,599	18,232,457	18,232,457
Trolleys	6,931,795	6,931,795	6,931,795	6,931,795	6,931,795	6,931,795	6,931,795	6,931,795	6,931,795	6,238,615
Fare boxes	4,008,100	4,006,215	4,006,215	4,006,215	4,006,215	4,006,215	4,006,215	4,006,215	4,006,215	4,006,215
Service cars and equipment	2,806,758	2,914,020	3,119,069	3,274,509	3,183,761	3,183,761	3,426,437	3,351,167	3,938,687	3,938,687
Shops and garage equipment	2,503,026	3,705,940	3,751,113	3,730,053	3,730,053	3,934,057	4,160,813	4,317,189	4,317,189	4,317,189
Furniture and office equipment	1,547,393	1,505,375	1,492,270	1,567,543	1,565,288	1,534,822	1,423,740	1,428,622	1,428,322	1,427,627
Miscellaneous equipment	8,885,885	8,757,315	8,803,914	9,204,763	9,218,182	9,064,445	9,074,635	9,084,555	9,084,555	9,084,555
Management information systems	7,723,562	13,181,994	13,530,539	14,098,319	15,712,086	16,791,401	16,755,222	17,473,647	17,482,571	17,461,995
Security Equipment	2,549,672	2,667,109	2,667,109	3,402,412	3,415,602	3,402,892	3,402,892	2,185,735	2,090,428	3,715,577
Leased Paratransit vans	11,175,152	9,295,522	8,544,552	8,322,925	9,795,812	9,116,519	8,144,003	10,968,751	11,727,794	13,770,575
Right-of-use subscription assets	-	-	-	-	-	-	-	1,093,981	1,093,981	1,093,981
Total capital assets being depreciated	<u>259,247,181</u>	<u>270,239,603</u>	<u>268,977,336</u>	<u>269,907,462</u>	<u>287,290,253</u>	<u>299,063,903</u>	<u>290,859,042</u>	<u>\$321,759,658</u>	<u>\$345,921,583</u>	<u>\$346,128,573</u>
Accumulated depreciation	(127,479,824)	(133,476,532)	(149,800,258)	(165,563,483)	(177,906,535)	(188,546,591)	(195,763,014)	(203,352,431)	(212,344,214)	(226,961,876)
Total capital assets being depreciated, net	<u>131,767,357</u>	<u>136,763,071</u>	<u>119,177,078</u>	<u>104,343,979</u>	<u>109,383,718</u>	<u>110,517,312</u>	<u>95,096,028</u>	<u>118,407,227</u>	<u>133,577,369</u>	<u>119,166,697</u>
Land	2,145,924	2,145,924	2,145,924	2,145,924	2,145,924	2,626,129	2,626,129	\$2,626,129	\$2,626,129	\$2,626,129
Federal grant projects in process	10,445,775	1,572,686	4,442,471	13,167,728	19,930,322	26,548,703	31,099,295	\$43,264,358	\$63,104,493	\$91,295,013
<b>Total Invested in Capital Assets</b>	<u><b>\$ 144,359,056</b></u>	<u><b>\$ 140,481,681</b></u>	<u><b>\$ 125,765,473</b></u>	<u><b>\$ 119,657,631</b></u>	<u><b>\$ 131,459,964</b></u>	<u><b>\$ 139,692,144</b></u>	<u><b>\$ 128,821,452</b></u>	<u><b>\$ 164,297,714</b></u>	<u><b>\$199,307,991</b></u>	<u><b>\$213,087,839</b></u>

Source: RIPTA Annual Audited Financial Statements

# RHODE ISLAND PUBLIC TRANSIT AUTHORITY

## CONDENSED SUMMARY OF NET POSITION – LAST TEN YEARS (UNAUDITED)

	2016	2017	(1) 2018	2019	2020	Revised 2021	(2) 2022	(3) 2023	Restated (4) 2024	2025
<b>ASSETS:</b>										
Capital Assets	\$ 144,359,056	\$ 140,481,681	\$ 125,765,373	\$ 119,657,631	\$ 131,459,964	\$ 139,692,144	\$ 128,821,455	\$ 163,679,223	\$ 198,870,346	\$ 213,087,839
Other Assets	17,953,980	20,987,335	27,424,305	33,157,090	33,058,653	37,150,773	36,421,230	39,980,207	66,792,443	38,260,692
Total Assets	162,313,036	161,469,016	153,189,678	152,814,721	164,518,617	176,842,917	165,242,685	203,659,430	265,662,789	251,348,531
<b>Deferred outflow of resources</b>										
Deferred pension amounts	16,445,594	27,033,223	20,473,796	17,705,942	20,634,479	22,487,173	15,593,880	47,494,639	24,025,039	18,126,038
Deferred other post employment benefits amount	-	-	806,647	1,956,236	2,099,481	4,150,130	3,197,122	2,981,668	6,288,368	4,568,590
Total deferred outflow of resources	16,445,594	27,033,223	21,280,443	19,662,178	22,733,960	26,637,303	18,791,002	50,476,307	30,313,407	22,694,628
<b>LIABILITIES:</b>										
Current Liabilities	13,699,287	18,498,396	25,071,554	29,925,123	29,215,796	18,421,294	18,854,601	18,715,444	49,765,803	20,316,756
Long-term Liabilities	132,376,378	148,414,133	157,071,303	161,575,525	166,315,009	170,314,968	133,181,326	171,825,473	182,212,920	176,066,084
Total Liabilities	146,075,665	166,912,529	182,142,857	191,500,648	195,530,805	188,736,262	152,035,927	190,540,917	231,978,723	196,382,840
<b>Deferred inflows of resources</b>										
Deferred lease amounts	-	-	-	-	-	-	137,071	274,336	205,534	136,731
Deferred pension amounts	4,266,339	516,768	1,384,369	1,637,044	1,179,384	903,239	20,271,878	14,977,353	54,359	336,420
Deferred other post employment benefits amount	-	-	610,773	2,658,992	7,154,331	8,411,295	17,159,884	18,348,898	14,051,733	15,728,804
Total deferred inflows of resources	4,266,339	516,768	1,995,142	4,296,036	8,333,715	9,314,534	37,568,833	33,600,587	14,311,626	16,201,955
<b>NET POSITION:</b>										
Restricted	-	-	-	2,667,167	4,880,314	4,054,674	3,231,085	9,279,150	290,626	298,870
Unrestricted Net Position(Deficit)	(102,295,430)	(106,411,740)	(123,372,251)	(134,467,583)	(142,857,221)	(126,322,012)	(129,598,577)	(134,598,150)	(110,340,840)	(142,367,249)
Investment In Capital Assets	130,712,056	127,484,682	113,704,473	108,480,631	121,364,964	127,696,762	120,796,419	155,313,233	159,736,061	203,526,743
Total Net Position	\$ 28,416,626	\$ 21,072,942	\$ (9,667,778)	\$ (23,319,785)	\$ (16,611,943)	\$ 5,429,424	\$ (5,571,073)	\$ 29,994,233	\$ 49,685,847	\$ 61,458,364

Source: RIPTA Annual Audited Financial Statements

\$ 100.00

**Note:**

- (1) - RIPTA implemented GASB 75 in fiscal year 2018
- (2) - RIPTA implemented GASB 87 in fiscal year 2022
- (3) - RIPTA implemented GASB 96 in fiscal year 2023
- (4) - RIPTA implemented GASB 101 in fiscal year 2025

# RHODE ISLAND PUBLIC TRANSIT AUTHORITY

## CHANGES IN NET POSITION – LAST TEN YEARS (UNAUDITED)

	2016	2017	2018	2019	2020	2021	2022	2023	Restated 2024	2025
Operating Revenues:										
Passenger Revenue	\$ 18,289,032	\$ 19,795,824	\$ 19,723,997	\$ 18,477,718	\$ 15,447,234	\$ 9,724,164	\$ 13,502,973	\$ 14,408,024	\$ 16,825,071	\$ 15,190,394
Other Revenues	4,402,949	3,629,662	3,524,921	6,339,359	6,948,811	8,609,457	4,370,361	12,350,871	6,775,721	8,210,320
Total Operating Revenue	<u>22,691,981</u>	<u>23,425,486</u>	<u>23,248,918</u>	<u>24,817,077</u>	<u>22,396,045</u>	<u>18,333,621</u>	<u>17,873,334</u>	<u>26,758,895</u>	<u>23,600,792</u>	<u>23,400,714</u>
Operating Expenses	104,190,753	108,678,976	113,760,957	117,540,767	121,250,282	115,279,540	111,469,444	133,012,238	143,073,015	140,959,799
Depreciation Expense/Amortization	<u>16,299,930</u>	<u>18,041,344</u>	<u>18,489,888</u>	<u>17,194,709</u>	<u>17,342,500</u>	<u>18,041,998</u>	<u>16,768,448</u>	<u>15,378,581</u>	<u>16,517,454</u>	<u>17,650,489</u>
Operating Loss	(97,798,702)	(103,294,834)	(109,001,927)	(109,918,399)	(116,196,737)	(114,987,917)	(110,364,558)	(121,631,924)	(135,989,677)	(135,209,574)
Non-operating Revenues(Expenses):										
Transfer from State	44,068,106	42,560,051	43,731,401	47,498,853	40,272,927	39,681,075	41,786,019	42,180,446	43,884,283	55,409,077
Grants	28,493,367	33,001,483	36,534,138	35,508,410	51,639,731	71,626,536	49,568,171	71,788,851	64,564,097	60,149,418
Investment Income	18,033	(2,568)	12,997	177,829	187,677	(1,138)	(108,896)	255,755	668,313	599,325
Contract Revenue	3,540,723	3,497,504	3,548,198	3,843,772	3,280,543	3,223,620	3,393,405	3,104,933	3,125,281	3,438,095
Other Non-operating Revenue	353,956	111,000	-	-	-	-	-	-	-	-
Loss on disposal of assets	(238)	(823,819)	(138)	(113)	(156,516)	-	-	-	-	-
Forgiveness of Debt	37,000	539,000	-	-	-	-	-	-	-	-
Interest Expense	-	-	(546,725)	(537,500)	(491,775)	(422,791)	(402,469)	(348,827)	(311,933)	(275,526)
Total Non-operating Revenues(Expenses)	<u>76,510,947</u>	<u>78,882,651</u>	<u>83,279,871</u>	<u>86,491,251</u>	<u>94,732,587</u>	<u>114,107,302</u>	<u>94,236,230</u>	<u>116,981,158</u>	<u>111,930,041</u>	<u>119,320,389</u>
Net Loss	(21,287,755)	(24,412,183)	(25,722,056)	(23,427,148)	(21,464,150)	(880,615)	(16,128,328)	(4,650,766)	(24,059,636)	(15,889,185)
Capital Contribution	<u>13,136,348</u>	<u>14,595,207</u>	<u>3,453,334</u>	<u>9,775,141</u>	<u>28,171,992</u>	<u>19,919,636</u>	<u>6,102,807</u>	<u>40,216,072</u>	<u>43,751,249</u>	<u>27,661,702</u>
Change in Net Position	<u>\$ (8,151,407)</u>	<u>\$ (9,816,976)</u>	<u>\$ (22,268,722)</u>	<u>\$ (13,652,007)</u>	<u>\$ 6,707,842</u>	<u>\$ 19,039,021</u>	<u>\$ (10,025,521)</u>	<u>\$ 35,565,306</u>	<u>\$ 19,691,613</u>	<u>\$ 11,772,517</u>

Source: RIPTA Annual Audited Financial Statements



# RHODE ISLAND PUBLIC TRANSIT AUTHORITY

## EXPENSES BY FUNCTION – LAST TEN YEARS (UNAUDITED)

						Restated				
Operating Expenses	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Administration	\$ 1,149,167	\$ 1,558,473	\$ 2,264,339	\$ 2,799,237	\$ 1,760,850	\$ 1,926,250	\$ 2,155,623	\$ 2,793,669	\$ 2,750,308	\$ 2,487,750
Finance	5,568,007	8,339,077	9,427,830	5,601,198	6,448,011	6,156,826	6,312,255	8,184,485	5,566,260	7,024,435
Operations	71,289,003	71,737,547	71,688,314	76,077,749	77,949,126	81,660,177	74,907,580	85,727,153	93,971,485	88,400,578
Marketing	799,351	634,211	723,379	853,614	1,655,782	1,493,858	1,538,418	1,628,094	1,333,339	1,508,940
Human Resources	658,430	771,079	1,197,464	1,424,648	1,032,720	1,264,826	925,979	951,189	1,211,159	1,043,045
Administrative Services	1,527,983	1,819,654	2,154,885	2,654,071	1,697,789	1,865,579	1,533,709	1,877,851	2,360,920	2,259,283
Risk Management	4,259,693	4,104,665	5,416,527	5,077,213	7,891,002	1,198,524	4,092,762	6,084,693	6,099,960	4,574,521
Planning & Scheduling	1,995,991	2,502,750	2,899,135	2,670,281	2,046,251	2,811,393	3,021,710	3,255,500	3,708,387	3,913,046
Specialized Transportation	1,092,621	1,372,162	1,760,656	2,057,796	1,214,963	1,429,199	1,462,464	1,407,595	1,628,602	1,361,388
Paratransit Operations	8,303,185	8,770,659	8,589,823	9,586,345	11,129,141	8,796,762	9,564,465	13,734,434	16,078,869	19,166,951
Purchasing	1,642,969	1,719,532	1,816,357	2,117,947	1,509,650	1,752,568	1,593,414	1,927,768	2,247,601	2,171,760
Flex	-	-	-	-	-	-	-	-	-	-
MIS	1,282,531	1,780,480	2,221,627	2,534,358	3,154,634	2,575,121	2,197,220	2,714,153	2,842,546	4,124,328
RIDE	2,014,829	1,291,505	1,378,720	1,643,831	1,322,075	33,508	-	-	-	-
Centralized Transportation	1,918,155	1,814,095	1,752,245	1,984,264	1,935,697	1,872,234	1,824,396	2,396,692	2,915,780	2,620,689
**State of RI-DOT & RIBTA	688,838	463,087	469,656	458,215	502,591	442,715	339,449	328,963	357,799	303,085
Depreciation	16,299,930	18,041,344	18,489,888	17,194,709	17,342,500	18,041,998	16,768,448	15,378,579	16,517,454	17,650,489
<b>Operating Expenses</b>	<b>120,490,683</b>	<b>126,720,320</b>	<b>132,250,845</b>	<b>134,735,476</b>	<b>138,592,782</b>	<b>133,321,538</b>	<b>128,237,892</b>	<b>148,390,819</b>	<b>159,590,469</b>	<b>158,610,288</b>
<b>Non-operating Expenses</b>										
Debt Service	-	-	546,725	537,500	491,775	422,791	402,469	348,827	311,933	275,526
	-	-	546,725	537,500	491,775	422,791	402,469	348,827	311,933	275,526
<b>Total Expenses</b>	<b>\$ 120,490,683</b>	<b>\$ 126,720,320</b>	<b>\$ 132,797,570</b>	<b>\$ 135,272,976</b>	<b>\$ 139,084,557</b>	<b>\$ 133,744,329</b>	<b>\$ 128,640,361</b>	<b>\$ 148,739,646</b>	<b>\$ 159,902,402</b>	<b>\$ 158,885,814</b>

Source: RIPTA Annual Audited Financial Statements  
RI Bridge and Turnpike Authority added FY 2017

# RHODE ISLAND PUBLIC TRANSIT AUTHORITY

## REVENUES BY SOURCE – LAST TEN YEARS (UNAUDITED)

Operating Revenues	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Passenger Fares	\$ 18,289,032	\$ 19,795,824	\$ 19,723,997	\$ 18,477,718	\$ 15,447,234	\$ 9,724,164	\$ 13,502,973	\$ 14,408,024	\$ 16,825,071	\$ 15,190,394
Paratransit	1,082,260	1,130,267	404,749	412,368	358,858	263,599	366,124	447,161	450,375	429,344
Rental	165,879	150,691	124,166	112,181	113,470	114,861	115,021	102,171	76,258	75,722
Advertising	517,792	521,717	555,301	525,000	630,906	788,172	835,503	850,312	1,064,695	1,419,263
RIDE	1,372,101	759,454	1,338,646	1,392,115	1,299,569	244,007	595,940	823,670	1,999,623	1,930,811
Other	1,264,917	1,067,533	1,102,059	3,897,695	4,546,008	7,198,818	2,457,773	10,127,557	3,184,770	4,355,180
Total operating revenues	22,691,981	23,425,486	23,248,918	24,817,077	22,396,045	18,333,621	17,873,334	26,758,895	23,600,792	23,400,714
<b>Non-operating Revenues</b>										
Transfers From State	44,068,106	42,560,051	43,731,401	47,498,853	40,272,927	39,681,075	41,786,019	42,325,508	43,884,283	55,409,077
Federal and State Grants	28,493,367	33,001,483	36,534,138	35,508,410	51,639,731	71,626,536	49,568,171	71,788,851	64,564,097	60,149,418
Investment Income	18,033	(2,568)	12,997	177,829	187,677	(1,138)	(108,896)	255,755	668,313	599,325
Contract Revenue	3,540,723	3,497,504	3,548,198	3,843,772	3,280,543	3,223,620	3,393,405	3,104,933	3,125,281	3,438,095
Debt Forgiveness	37,000	539,000	-	-	-	-	-	-	-	-
Other non-operating revenue	353,956	111,000	-	-	-	-	-	-	-	-
Gain(Loss) on disposal of Assets	(238)	(823,819)	(138)	(113)	(156,516)	-	-	-	-	-
Total non-operating revenues	76,510,947	78,882,651	83,826,596	87,028,751	95,224,362	114,530,093	94,638,699	117,475,047	112,241,974	119,595,915
<b>Total Revenues</b>	<b>\$ 99,202,928</b>	<b>\$ 102,308,137</b>	<b>\$ 107,075,514</b>	<b>\$ 111,845,828</b>	<b>\$ 117,620,407</b>	<b>\$ 132,863,714</b>	<b>\$ 112,512,033</b>	<b>\$ 144,233,942</b>	<b>\$ 135,842,766</b>	<b>\$ 142,996,629</b>

Source: RIPTA Annual Audited Financial Statements

# RHODE ISLAND PUBLIC TRANSIT AUTHORITY

## RATIOS OF OUTSTANDING DEBT BY TYPE – LAST TEN YEARS (UNAUDITED)

Year	Due To Primary Govt	Subscription Liability	Population(1)	Personal Income(2)	Percentage of Personal Income	Debt per Capita
2016	\$ 13,647,000	\$ -	1,056,426	\$ 54,486	0.0237%	\$ 12.92
2017	12,997,000	-	1,059,639	54,575	0.0225%	12.27
2018	12,061,000	-	1,057,315	57,648	0.0198%	11.41
2019	11,177,000	-	1,059,361	59,898	0.0176%	10.55
2020	10,095,000	-	1,057,125	64,313	0.0148%	9.55
2021	8,993,036	-	1,095,610	67,865	0.0121%	8.21
2022	8,025,036	-	1,093,734	74,489	0.0099%	7.34
2023	7,950,183	915,896	1,095,962	81,370	0.0099%	7.25
2024	6,900,215	717,256	1,112,308	70,072	0.0098%	6.20
2025	7,444,162	417,332	NA	NA	NA	NA

(1) Source United States Census Bureau

(2) Source Rhode Island Department of Commerce

# RHODE ISLAND PUBLIC TRANSIT AUTHORITY

## DEMOGRAPHIC AND ECONOMIC INFORMATION – LAST TEN YEARS (UNAUDITED)

<u>Fiscal Year</u>	<u>Population(1)</u>	<u>Personal Income(4)</u>	<u>Per Capita Income(4)</u>	<u>Labor Force(2)</u>	<u>School Enrollment(3)</u>	<u>Unemployment Rate(2)</u>
2016	1,056,426	\$ 54,486	\$ 51,576	523,100	142,142	5.50%
2017	1,059,639	54,575	51,503	533,300	142,949	4.20%
2018	1,057,315	57,648	54,523	536,800	143,436	4.30%
2019	1,059,361	59,899	56,542	554,515	143,557	3.60%
2020	1,057,125	64,313	60,837	513,000	139,184	10.90%
2021	1,095,610	67,865	61,942	538,500	138,566	6.20%
2022	1,093,734	74,489	64,075	572,107	137,452	3.20%
2023	1,095,962	81,370	67,105	570,309	136,154	2.80%
2024	1,112,308	70,072	69,936	592,109	136,699	4.50%
2025	N/A	N/A	N/A	N/A	N/A	4.60%

(1) Source United States Census Bureau (American Community Survey)

(2) Source Rhode Island Department of Labor and Training

(3) Source Rhode Island Department of Education

(4) Source Rhode Island Department of Commerce

# RHODE ISLAND PUBLIC TRANSIT AUTHORITY

## FARE STRUCTURE – LAST TEN YEARS (UNAUDITED)

### Fare Products

	<u>*2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
<b>Cash</b>										
Cash-Full Fare	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00
Cash-Half Fare	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00
<b>Passes</b>										
Monthly Passes	\$ 70.00	\$ 70.00	\$ 70.00	\$ 70.00	\$ 70.00	\$ 70.00	\$ 70.00	\$ 70.00	\$ 70.00	\$ 70.00
1 Day Pass	\$ 6.00	\$ 6.00	\$ 6.00	\$ 6.00	\$ 6.00	\$ 6.00	\$ 6.00	\$ 6.00	\$ 6.00	\$ 6.00
7 Day Pass	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00
10 Ride Pass	\$ 20.00	\$ 20.00	\$ 20.00	\$ 20.00	\$ 20.00	\$ 20.00	\$ 20.00	\$ 20.00	\$ 20.00	\$ 20.00
15 Ride Pass	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>RIPTIKS</b>										
RIPTIKS(Book of 10)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>Transfers</b>										
Cash-Transfer	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00
Cash Half Fare Transfer	\$ 0.50	\$ 0.50	\$ 0.50	\$ 0.50	\$ 0.50	\$ 0.50	\$ 0.50	\$ 0.50	\$ 0.50	\$ 0.50

### Reloadable Card

Wave Card

\* All Price Increases went into affect as of March 1, 2016

The wave card is a reloadable smart card or and app on your phone, where passengers can load anywhere from \$5.00 to \$250.00 on a card to use on RIPTA fixed route buses.

# RHODE ISLAND PUBLIC TRANSIT AUTHORITY

## TRANSIT SERVICE AND OPERATIONAL STATISTICS – LAST TEN YEARS (UNAUDITED)

	2016	2017	2018	2019	2020	Restated 2021	2022	2023	2024	2025
PASSENGERS(RIDERSHIP)										
BUS	17,813,105	16,239,062	16,339,054	16,029,388	13,085,755	7,712,509	9,367,431	11,040,120	12,754,910	12,449,744
DEMAND RESPONSE	373,629	332,759	360,436	332,010	268,730	177,925	233,049	249,690	288,464	287,134
	<u>18,186,734</u>	<u>16,571,821</u>	<u>16,699,490</u>	<u>16,361,398</u>	<u>13,354,485</u>	<u>7,890,434</u>	<u>9,600,480</u>	<u>11,289,810</u>	<u>13,043,374</u>	<u>12,736,878</u>
REVENUE MILES										
BUS	8,546,906	8,555,359	8,872,782	8,922,598	9,233,869	9,366,604	9,627,384	9,507,638	9,216,272	9,182,372
DEMAND RESPONSE	2,975,367	2,772,570	2,768,659	2,424,533	2,119,177	1,834,505	2,238,938	2,398,891	2,971,485	2,729,354
	<u>11,522,273</u>	<u>11,327,929</u>	<u>11,641,441</u>	<u>11,347,131</u>	<u>11,353,046</u>	<u>11,201,109</u>	<u>11,866,322</u>	<u>11,906,529</u>	<u>12,187,757</u>	<u>11,911,726</u>
REVENUE HOURS										
BUS	673,409	672,788	678,861	671,155	697,552	721,992	741,612	610,737	538,620	693,665
DEMAND RESPONSE	179,245	167,075	162,988	150,720	132,659	109,776	128,104	135,992	141,397	165,696
	<u>852,654</u>	<u>839,863</u>	<u>841,849</u>	<u>821,875</u>	<u>830,211</u>	<u>831,768</u>	<u>869,716</u>	<u>746,729</u>	<u>680,017</u>	<u>859,361</u>
PASSENGER PER REVENUE MILE										
BUS	2.08	1.90	1.84	1.80	1.42	0.82	0.97	1.16	1.38	1.36
DEMAND RESPONSE	0.13	0.12	0.13	0.14	0.13	0.10	0.10	0.10	0.10	0.11
	<u>1.58</u>	<u>1.46</u>	<u>1.43</u>	<u>1.44</u>	<u>1.18</u>	<u>0.70</u>	<u>0.81</u>	<u>0.95</u>	<u>1.07</u>	<u>1.07</u>
PASSENGER PER REVENUE HOUR										
BUS	26.45	24.14	24.07	23.88	18.76	10.68	12.63	18.08	23.68	17.95
DEMAND RESPONSE	2.08	1.99	2.21	2.20	2.03	1.62	1.82	1.84	2.04	1.73
	<u>21.33</u>	<u>19.73</u>	<u>19.84</u>	<u>19.91</u>	<u>16.09</u>	<u>9.49</u>	<u>11.04</u>	<u>15.12</u>	<u>19.18</u>	<u>14.82</u>
Operating Expenses**	<u>\$ 104,190,753</u>	<u>\$ 108,678,976</u>	<u>\$ 113,760,957</u>	<u>\$ 117,540,767</u>	<u>\$ 121,250,282</u>	<u>\$ 115,279,540</u>	<u>\$ 111,469,444</u>	<u>\$ 133,012,240</u>	<u>\$ 143,073,015</u>	<u>\$ 140,959,799</u>
Operating expenses per mile	\$ 9.04	\$ 9.59	\$ 9.77	\$ 10.36	\$ 10.68	\$ 10.29	\$ 9.39	\$ 11.17	\$ 11.74	\$ 11.83
Operating expenses per hour	\$ 122.20	\$ 129.40	\$ 135.13	\$ 143.02	\$ 146.05	\$ 138.60	\$ 128.17	\$ 178.13	\$ 210.40	\$ 164.03
Operating expenses per passenger	\$ 5.73	\$ 6.56	\$ 6.81	\$ 7.18	\$ 9.08	\$ 14.61	\$ 11.61	\$ 11.78	\$ 10.97	\$ 11.07
Peak Fleet Request										
BUS	195	194	201	196	203	203	199	192	177	177
DEMAND RESPONSE	104	91	90	80	80	85	76	76	63	63
Total Active Fleet										
BUS	249	243	237	232	247	254	254	233	-	-
DEMAND RESPONSE	126	96	94	92	102	98	102	68	-	-
Number of Employees										
BUS	638	655	665	666	683	693	688	680	683	707
DEMAND RESPONSE	138	132	137	141	121	111	121	120	111	130

\*\* Operating expenses does not include depreciation, interest expense and non operating expenses.

# RHODE ISLAND PUBLIC TRANSIT AUTHORITY

## TOP TEN RHODE ISLAND EMPLOYERS (UNAUDITED)

2025				2016			
Rank	Name of Company	Employees	% of Total Employment	Rank	Name of Company	Employees	% of Total Employment
1	Brown University Health	17,723	23.28%	1	Rhode Island	13,889	20.74%
2	Rhode Island	15,303	20.11%	2	Lifespan	11,582	17.30%
3	Care New England Health System	8,000	10.51%	3	Care New England	8,063	12.04%
4	CVS Health Corp	6,900	9.07%	4	CVS Caremark, Corp	7,000	10.45%
5	General Dynamics Electric Boat	6,300	8.28%	5	Providence	5,815	8.69%
6	Brown University	5,496	7.22%	6	Royal Bank of Scotland (Citizens Bank)	5,250	7.84%
7	Providence	5,072	6.66%	7	Brown University	4,326	6.46%
8	Citizens Financial Group	4,200	5.52%	8	Stop & Shop Supermarkets	3,880	5.80%
9	Naval Undersea Warfare Center	3,585	4.71%	9	Fidelity Investments	3,750	5.60%
10	Amica Mutual Insurance Co.	3,535	4.64%	10	Electric Boat	3,400	5.08%

Source: 2016 Providence Business News

Source: 2025 Providence Business News

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

To the Board of Directors  
**Rhode Island Public Transit Authority**

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the business type activity and fiduciary activity of the Rhode Island Public Transit Authority, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Rhode Island Public Transit Authority's basic financial statements, and have issued our report thereon dated December 23, 2025.

***Report on Internal Control over Financial Reporting***

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified deficiencies in internal control, described in the accompanying schedule of findings and responses as item 2025-001 that we consider to be a significant deficiency.



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

As part of obtaining reasonable assurance about whether the Rhode Island Public Transit Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### ***Rhode Island Public Transit Authority Response to Findings***

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

### ***Purpose of This Report***

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

***CBIZ CPAs P.C.***

Providence, RI  
December 23, 2025

**RHODE ISLAND PUBLIC TRANSIT AUTHORITY  
(A COMPONENT UNIT OF THE STATE OF RHODE ISLAND)**

**SCHEDULE OF FINDINGS AND RESPONSES**

**FOR THE YEAR ENDED JUNE 30, 2025**

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***CURRENT YEAR FINDINGS:***

**SIGNIFICANT DEFICIENCIES**

**2025-001 FARE REVENUES**

***Criteria***

The Rhode Island Public Transit Authority should reconcile the daily farebox report and GFI Software daily summary report, as well as deposits to the related documentation.

***Condition***

During our current year testing of fare revenue policies and procedures, we noted all the days selected had variances between the daily farebox report and GFI daily summary report.

***Cause***

The Authority's farebox technology sensors report fares using weight which results in variances between the GFI report and the cash collected. This leads to variances between the amounts reported and amounts deposited to the bank.

***Effect***

Daily reconciliations of cash received in comparison to the farebox reports are consistently showing variances which, if not corrected going forward, could result in material variances.

***Prior Year Finding***

Yes

***Recommendation***

We recommend that the Authority enhance the farebox technology to correct this process going forward.

***View of Responsible Officials and Planned Corrective Actions***

The variance is related to challenges with the existing technology used for cash collection. This system has exceeded its useful life and the Authority is actively exploring alternate options for cash collection and vaulting. More accurate information is one of the key objectives of this effort.

**RHODE ISLAND PUBLIC TRANSIT AUTHORITY  
(A COMPONENT UNIT OF THE STATE OF RHODE ISLAND)**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

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

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***PRIOR YEAR FINDINGS:***

**SIGNIFICANT DEFICIENCIES**

**2024-001 FARE REVENUES**

***Condition***

During our prior year testing of fare revenue policies and procedures, we noted all the days selected had variances (some immaterial and some more than 1% of revenue) between the daily farebox report and GFI daily summary report. We also noted immaterial variances between deposits and the related documentation and discrepancies in the coin deposits to the bank in the prior year.

***Current Status***

Repeated 2025-001