

Memorandum

We make lives better through connections.


The logo for the Regional Transportation District (RTD) of Denver, consisting of the letters "RTD" in white on a red square background.

To: All Employees

From: Debra A. Johnson, General Manager and CEO

Date: January 13, 2025

Re: Financial Projections and Resources

A handwritten signature in blue ink, likely belonging to Debra A. Johnson, is positioned above the 'From' field.

A new year brings new opportunities and challenges for RTD. Our shared commitment to making lives better through connections remains unchanged, as does the structural imbalance facing the agency, where RTD's cost structure has grown faster than its revenue, creating a persistent gap that has developed over time and requires deliberate action to close. Maintaining a deliberate and forward-thinking approach to balancing the agency's expenses with revenue is critical to long-term sustainability. The ongoing financial challenges also require us to explore efficiencies and double down on our core business of delivering transit services to the communities we serve.

On [September 2, 2025](#), and subsequently on [October 6, 2025](#), I shared that RTD's revenue was not keeping up with operating expenses, compelling the agency to immediately explore and initiate several cost-saving measures. I was proud to see employees from across the agency come together in the spirit of OneRTD to support the development of a 2026 budget that better aligned spending and revenue while responsibly using reserves. This was an important step forward, but it does not yet represent a fully sustainable, ongoing balance. The Board of Directors [approved the 2026 Budget](#) during its meeting on December 2, 2025. While much work was successfully done ahead of this current fiscal year, more work is needed to eliminate the approximately \$250 million deficit facing the agency.

The Leadership Team held a strategic planning session last Friday, January 9, to specifically focus on the agency's ongoing financial performance with the goal of aligning both the recurring revenue and operating expenses on a sustainable basis. I have tasked each executive to carefully review their department operating expenses and identify cost-saving measures for implementation ahead of the next fiscal year. This work to explore and propose additional operating expense reductions will require several months of planning and coordination from across the entire agency. The Leadership Team will continue to meet weekly, as well as work with their respective teams, to leverage efficiencies, explore modifications to existing contracts, assess reductions, and consider other expense-containment measures.

In short, RTD will create and implement a comprehensive plan in 2026 and into early 2027 to eliminate the agency's operating deficit in current-year activities.



As RTD navigates the weeks and months ahead, I will continue to be highly communicative. I believe that a strong organization is built on trust, open dialogue, and shared understanding of challenges and opportunities. Transparency and clear communication are cornerstones of my leadership, and I commit to providing a regular cadence of updates to all employees. It is important that every member of Team RTD has an understanding of the agency's near-term financial outlook, the decisions under consideration, and next steps in strengthening financial sustainability.

Please do not lose sight of RTD's mission and the difference each of you makes in the communities we serve. Together, we will weather these financial uncertainties and continue to *make lives better through connections*.

Thank you.