SHASTA REGIONAL TRANSPORTATION AGENCY

Draft Financial Statements

Fiscal Year Ended June 30, 2025

Management provides this overview and analysis of the Agency's financial activities for the fiscal year ended June 30, 2025. This discussion should be read in conjunction with the accompanying basic financial statements and notes.

Financial Highlights

At June 30, 2025, the Agency's net position totaled $13,368,500 reflecting a decrease of $1,721,609 from the prior year. Of this amount, approximately $6,515,357 represents amounts restricted for transportation projects and programs.

At June 30, 2025, the Agency's governmental funds reported a total fund balance of $11,208,633. During the fiscal year, governmental fund balance decreased by $4,580,962. The beginning fund balance was restated from $13,500,163 to $15,789,595 a increase of $2,289,432 to correct prior-year restricted and unrestricted fund balance classifications related to the Local Transportation Fund (LTF) and State Transit Assistance (STA) Fund.

At the close of the fiscal year, the Agency's combined governmental fund balance totaled $11,208,633, compared with a beginning fund balance, as restated, of $15,789,595 representing a net decrease of $4,580,962 during the fiscal year. The decrease reflects the combined effect of current-year operating results and interfund transfers.

At the end of the current fiscal year, unassigned fund balance for the general fund was $5,794,569.

Overview of the Financial Statements

The discussion and analysis provided here are intended to serve as an introduction to the Agency's basic financial statements. The Agency's basic financial statements consist of three components: 1) government wide financial statements, 2) fund financial statements, and 3) the notes to financial statements. This report also includes supplementary information intended to furnish additional detail to support the basic financial statements themselves.

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the Agency's finances, in a manner similar to a private-sector business. The statement of net position presents financial information on all of the Agency's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Agency is improving or deteriorating. The statement of activities presents information showing how the Agency's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported for some items that will only result in cash flows in future fiscal periods. Both of the government wide financial statements can be found on pages 8-10 of this report.

Fund Financial Statements

A fund is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. The Agency, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund statements focus on near-term inflows and outflows of spendable resources, as well as balances of spendable resources available at the end of the fiscal year. Such information may be useful in assessing a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Agency maintains three individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures.

- Local Planning Fund – The Planning Fund is the general operating fund of the Agency and accounts for the revenues collected to provide services and finance the fundamental operations of the Agency. The major revenue sources for this fund are local transportation funds and federal and state planning grants. Expenditures are made for administration, as well as local and regional planning projects.
- The Local Transportation Fund is used to account for Transportation Development Act revenues, which may be claimed by regional and/or local agencies, as applicable, for the administration of TDA, planning and programming activities, transit services, bicycle and pedestrian facilities, passenger rail service, and streets and roads.
- The State Transit Assistance Fund is used to account for Transportation Development Act revenues, which are claimed by local agencies only for eligible transit capital and operating activities.

The Agency adopts an annual appropriated budget for all its funds. Budgetary comparison statements have been provided for these funds to demonstrate compliance with this budget.

The governmental fund financial statements can be found on pages 11-15 of this report.

Notes to the Financial Statements

The notes provide additional information that is necessary to acquire a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements begin on page 16 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information concerning the Agency's budgetary comparison schedules, the schedule of the proportionate share of the net pension liability, the schedule of pension contributions, the schedule of the other postemployment benefits (OPEB) and related ratios, and the schedule of OPEB contributions. Required supplementary information can be found on pages 38-44 of this report.

Government-wide Financial Analysis

As noted earlier, net position over time may serve as a useful indicator of a government's financial position. The increase in liabilities is primarily attributable to unearned revenue associated with advance receipt of grant funding, which will be recognized as revenue in future periods as eligibility requirements are met. In the case of the Agency, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $13,368,500 for the fiscal year 2024–2025.

	Governmental Activities		**Change**	
	2025	**2024**	**$**	**%**
Current and other assets	$ 30,476,848	$ 23,496,791	$ 6,980,057	29.7%
Capital assets	2,265,075	2,230,969	34,106	1.5%
Total assets	**32,741,923**	**25,727,760**	**7,014,163**	**27.3%**
Deferred outflows of resources	562,899	432,306	130,593	30.2%
Long-term liabilities	992,267	944,529	47,738	5.1%
Other liabilities	18,433,358	9,611,118	8,822,240	91.8%
Total liabilities	**19,425,625**	**10,555,647**	**8,869,978**	**84.0%**
Deferred inflows of resources	510,697	514,310	(3,613)	-0.7%
Net position:				
Net investment in capital assets	1,856,570	1,746,961	109,609	6.3%
Restricted	6,515,357	11,647,707	(5,132,350)	-44.1%
Unrestricted	4,996,573	1,695,441	3,301,132	194.7%
Total net position	**$ 13,368,500**	**$ 15,090,109**	**$ (1,721,609)**	**-11.4%**

Overall, capital assets increased by $34,106 from the prior fiscal year, primarily due to an increase in building assets, partially offset by the completion of construction in progress and decreases in equipment, furniture, and right-to-use subscription IT assets.

During the fiscal year, the Agency's total net position decreased by $4,109,179, as total expenses of $25,568,349 exceeded total revenues of $21,459,170. The decrease was primarily attributable to higher transportation planning and administration expenses associated with expanded program activity. Although operating grants, contributions, and investment earnings increased during the year, the growth in revenues was insufficient to offset total expenses.

The following table demonstrates the changes in Agency's net position for the year ended June 30, 2024 and 2025:

	Governmental Activities		Change	
	2025	**2024**	**$**	**%**
Revenues:				
Program revenues:				
Operating grants and contributions	$ 20,669,196	$ 15,983,485	$ 4,685,711	29.3%
General revenue:				
Investment earnings	789,974	240,672	549,302	228.2%
Total revenues	**21,459,170**	**16,224,157**	**5,235,013**	**32.3%**
Expenses:				
Transportation planning & administration	11,935,693	3,862,617	8,073,076	209.0%
Local transportation assistance	13,620,251	14,306,364	(686,113)	-4.8%
Interest expense	12,405	17,211	(4,806)	-27.9%
Total expenses	**25,568,349**	**18,186,192**	**7,382,157**	**40.6%**
Increase (decrease) in net position	(4,109,179)	(1,962,035)	(2,147,144)	109.4%
Net position - beginning of year, restated	17,477,679	17,052,144	425,535	2.5%
Net position - end of year	**$ 13,368,500**	**$ 15,090,109**	**$ (1,721,609)**	**-11.4%**

As noted earlier, the Agency uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The focus of the Agency's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing Agency's financing requirements. In particular, the unassigned fund balance may serve as a useful measure of Agency's net resources available for spending at the end of the fiscal year.

During the current fiscal year, the Agency's Local Planning Fund (General Fund) fund balance increased by $3,735,301. The increase was primarily attributable to transfers in of $6,295,886 from the State Transit Assistance and Local Transportation Funds, together with an operating deficit of $2,560,585. Total revenues were $9,401,655, consisting primarily of RSTP Exchange Funds, SB1, State of Good Repair, Federal Highway Administration grants, use of money and property, and other intergovernmental revenues. In March 2025, the Agency implemented a new investment program under which certain grant funds were invested in Local Government Investment Pools (LGIPs). As a result, investment earnings increased during the fiscal year due to higher interest rates and increased average cash balances. Total expenditures were $11,962,240, primarily related to transportation planning, program administration, and related operating activities.

During the current fiscal year, the Agency's Local Transportation Fund balance decreased by $1,943,682. The decrease was primarily attributable to transfers out of $2,713,571 to the General Fund to support transportation-related programs and activities, which exceeded the Fund's operating surplus of $769,889. Total revenues were $10,085,142, consisting primarily of sales tax revenue of $10,004,410 and Transportation Development Act (TDA) administration and other revenues of $80,732. Total expenditures were $9,315,253, primarily related to streets and roads, transit, non-motorized transportation programs, and planning and administration.

During the current fiscal year, the Agency's State Transit Assistance Fund balance decreased by $6,372,581. The decrease was primarily attributable to transfers out of $3,582,315 to the General Fund to support transportation-related programs and projects, together with transit program expenditures that exceeded current-year revenues. Total revenues were $1,523,211, consisting primarily of State Transit Assistance funding, use of money and property, and other related revenues. Total expenditures were $4,313,477, primarily related to planning, administration, and transit program activities.

General Planning Fund Budgetary Highlights

During the fiscal year, the Agency amended the Local Planning Fund budget primarily to reflect changes in grant-funded activities and related program costs. Actual expenditures exceeded final appropriations in certain categories, including planning and administration, capital outlay, and debt service, as further disclosed in the budgetary information accompanying the financial statements.

Capital Assets and Long-Term Obligations

The Agency's capital assets, including right-to-use subscription IT assets, totaled $2,265,075 at June 30, 2025.

	Governmental Activities		Change	
	2025	**2024**	**$**	**%**
Land	$ 235,000	$ 235,000	$ -	0.0%
Construction in Progress	-	216,264	(216,264)	-100.0%
Building	2,018,636	1,752,189	266,447	15.2%
Improvements	6,027	893	5,134	574.9%
Equipment and furniture	5,412	19,095	(13,683)	-71.7%
SBITA's	-	7,528	(7,528)	-100%
Total capital assets	**$ 2,265,075**	**$ 2,230,969**	**$ 34,106**	**1.53%**

At June 30, 2025, the Agency's outstanding debt totaled $408,505, a decrease of $75,503 from the prior year due to principal payments on the building financing arrangement and the elimination of the remaining SBITA liability.

	Governmental Activities		Change	
	2025	**2024**	**$**	**%**
Financed Purchases	$ 408,505	$ 469,862	(61,357)	-13.1%
SBITA's	-	14,146	(14,146)	-100%
Total long-term debt	**$ 408,505**	**$ 484,008**	**$ (75,503)**	**-15.6%**

Economic Factors and Next Fiscal Year's Budgets and Rates

The fiscal year 2025–26 budget is based on historical trends, adjusted for inflation, projected grant funding levels, and anticipated project activity. Revenue estimates rely on external forecasts from state and local agencies, while expenditures reflect the timing and scale of planned transportation programs. These include, but are not limited to, historical data with inflationary increases, revenue estimates for grants and sales tax revenues provided by outside agencies such as the State Department of Transportation and the County Auditor's Office, and adjustments to expenditures to reflect the various stages of ongoing and new projects that the Agency will undertake in the coming year.

A priority of the Agency is to continue its longstanding policies of prudent fiscal management while ensuring long-term financial stability.

Requests for Information

This financial report is designed to provide a general overview of the Agency's finances for all interested parties. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Agency's Chief Fiscal Officer at 1255 East Street, Suite 202, Redding, California 96001, sent by email to srta@srta.ca.gov, or inquired by phone at (530) 262-6190

		Governmental Activities
Assets		
Current assets		
Cash	$	27,526,721
Accounts receivable		158
Due from other governments		2,415,450
Leases receivable		523,590
Other assets		10,929
Total current assets		**30,476,848**
Noncurrent assets		
Capital assets not being depreciated		235,000
Capital assets, net of depreciation		2,030,075
Total noncurrent assets		**2,265,075**
Total assets		**32,741,923**
Deferred Outflows of Resources		
Deferred outflows related to pensions		203,168
Deferred outflows related to other postemployment benefits		359,731
Total deferred outflows of resources		**562,899**
Liabilities		
Current liabilities		
Accounts payable		83,088
Accrued Liabilities		301,553
Deposits		5,500
Unearned revenues		12,224,191
Interest payable		3,043
Compensated absences, current portion		29,047
Direct financing purchase, current portion		63,186
Due to Other Governments		5,723,750
Total current liabilities		**18,433,358**

Noncurrent liabilities

Compensated absences, net of current portion		69,749
Direct financing purchase, net of current portion		345,319
Net other postemployment benefits liability		395,290
Net Pension Liability		181,909
Total noncurrent liabilities		**992,267**
Total liabilities		**19,425,625**
Deferred Inflows of Resources		
Deferred inflows related to leases receivable		472,492
Deferred inflows related to pensions		20,274
Deferred inflows related to other postemployment benefits		17,931
Total deferred inflows of resources		**510,697**
Net Position		
Net investment in capital assets		1,856,570
Restricted for transportation projects and programs		6,515,357
Unrestricted net position		4,996,573
Total net position	**$**	**13,368,500**

Functions/Programs	Expenses	Program Revenues Operating Grants and Contributions	Total Program Revenues	Net (Expense) Revenue and Changes in Net Position – Governmental Activities
Governmental Activities:				
Transportation planning and administration	$ 11,935,693	$ 8,741,225	$ 8,741,225	$ (3,194,468)
Local transportation assistance	13,620,251	11,927,971	11,927,971	(1,692,280)
Interest expense	12,405	-	-	(12,405)
Total governmental activities	**$ 25,568,349**	**$ 20,669,196**	**$ 20,669,196**	**$ (4,899,153)**
General Revenues:				
Use of money and property				789,974
Total general revenues				**789,974**
Change in Net Position				**(4,109,179)**
Net Position at Beginning of Year, as previous year reported				15,090,109
Adjustments				2,387,570
Net Position at Beginning of Year, as restated				17,477,679
Net Position at End of Year				**$ 13,368,500**

See Notes to Financial Statements

	Local Planning Fund (General Fund)	*Special Revenue Funds* Local Transportation Fund	State Transit Assistance Fund	Total Governmental Funds
ASSETS				
Cash	$ 20,351,873	$ 5,902,904	$ 1,271,944	$ 27,526,721
Accounts receivable	158	-	-	158
Due from other governments	244,266	1,713,543	457,641	2,415,450
Due from other funds	1,652,568	-	-	1,652,568
Lease receivable	523,590	-	-	523,590
Other assets	10,929	-	-	10,929
Advances to other funds	-	171,967	-	171,967
Total assets	**$ 22,783,384**	**$ 7,788,414**	**$ 1,729,585**	**$ 32,301,383**
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	$ 80,553	$ 35	$ 2,241	$ 82,829
Accrued liabilities	152,984	148,828	-	301,812
Deposits	5,500	-	-	5,500
Unearned revenues	12,224,191	-	-	12,224,191
Due to other funds	-	1,580,035	72,533	1,652,568
Advances from other funds	171,967	-	-	171,967
Due to Other Governments	3,881,128	1,800	1,840,822	5,723,750
Total liabilities	**16,516,323**	**1,730,698**	**1,915,596**	**20,162,617**
Deferred inflows of resources:				
Unavailable Revenue	-	-	457,641	457,641
Related to leases receivable	472,492	-	-	472,492
Total deferred inflows of resources	**472,492**	**-**	**457,641**	**930,133**
Fund Balances:				
Restricted for highways, transit and non-motorized	-	6,057,716	-	6,057,716
Unassigned	5,794,569	-	(643,652)	5,150,917
Total fund balances	**5,794,569**	**6,057,716**	**(643,652)**	**11,208,633**
Total liabilities and fund balances	**$ 22,783,384**	**$ 7,788,414**	**$ 1,729,585**	**$ 32,301,383**

See Notes to Financial Statements

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

Fund balances of governmental funds	**$**	**11,208,633**
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.		2,265,075
Net pension liabilities and the related deferred outflows of resources and deferred inflows of resources are not due and payable in the current period or not available for current expenditures, and therefore, are not reported in the governmental fund financial statements:		
Pension related deferred outflows of resources		203,168
Net pension liability		(181,909)
Pension related deferred inflows of resources		(20,274)
Net other postemployment benefits ("OPEB") liabilities and the related deferred outflows of resources and deferred inflows of resources are not due and payable in the current period or not available for current expenditures, and therefore, are not reported in the governmental fund financial statements:		
OPEB related deferred outflows of resources		359,731
Net OPEB liability		(395,290)
OPEB related deferred inflows of resources		(17,931)
Interest on long-term liabilities are not due and payable in the current period, and therefore, are not reported in the governmental funds.		(3,043)
Unavailable revenue is recognized in governmental activities.		457,641
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds:		
Direct Financing Purchase		(408,505)
Compensated absences		(98,796)
		(507,301)
Net position of governmental activities	**$**	**13,368,500**

See Notes to Financial Statements

	Local Planning Fund (General Fund)	*Special Revenue Funds* Local Transportation Fund	State Transit Assistance Fund	Total Governmental Funds
Revenues:				
Sales tax	$ -	$ 10,004,410	$ 1,465,920	$ 11,470,330
Intergovernmental:				
Federal Highway Administration	885,186	-	-	885,186
Federal Transit Administration	434,357	-	-	434,357
RSTP Exchange Funds	2,369,877	-	-	2,369,877
REAP 2.0 SRTA Admin	169,853	-	-	169,853
Planning, Programming and Monitoring	252,348	-	-	252,348
TDA Administration	-	-	-	-
SB1	74,436	-	-	74,436
SB 125 TIRCP	2,785,363	-	-	2,785,363
Super Region Fees	1,404	-	-	1,404
State Highway Account	106,916	-	-	106,916
Low Carbon Transit Operations Program	177,967	-	-	177,967
State of Good Repair	1,193,038	-	-	1,193,038
Use of money and property	654,839	77,844	57,291	789,974
Other revenue	295,071	2,888	-	297,959
Total revenues	**9,401,655**	**10,085,142**	**1,523,211**	**21,010,008**
Expenditures:				
Current:				
Planning and administration	11,573,284	619,916	4,313,477	16,506,677
Transportation programs:				
Street and Roads	-	7,917,192	-	7,917,192
Transit	136,180	778,145	-	914,325
Non-Motorized	-	-	-	-
Capital outlay	163,536	-	-	163,536
Debt service:				
Principal retirement	75,503	-	-	75,503
Interest	13,737	-	-	13,737
Total expenditures	**11,962,240**	**9,315,253**	**4,313,477**	**25,590,970**
Excess of revenues over (under) Expenditures	**(2,560,585)**	**769,889**	**(2,790,266)**	**(4,580,962)**

	Local Planning Fund (General Fund)	Local Transportation Fund	State Transit Assistance Fund	Total Governmental Funds
Other Financing sources (uses):				
SBITAs issued	$ -	$ -	$ -	$ -
Transfers In	6,295,886	-	-	6,295,886
Transfers Out	-	(2,713,571)	(3,582,315)	(6,295,886)
Total other financing sources (uses)	**6,295,886**	**(2,713,571)**	**(3,582,315)**	**-**
Net change in fund balance	**3,735,301**	**(1,943,682)**	**(6,372,581)**	**(4,580,962)**
Fund Balances:				
Beginning of year, as previously reported	1,852,456	7,471,674	4,176,033	13,500,163
Restatement	206,812	529,724	1,552,896	2,289,432
Beginning of year, As Restated	**2,059,268**	**8,001,398**	**5,728,929**	**15,789,595**
End of year	**$ 5,794,569**	**$ 6,057,716**	**$ (643,652)**	**$ 11,208,633**

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

Net change in fund balances of governmental funds	**$**	**(4,580,962)**
Revenues in the Statement of Activities that do not provide current financial resources are not reported as resources in the governmental funds.		457,641
Governmental funds report capital outlays as expenditures in the period incurred. However, in the Statement of Activities, capital asset additions are capitalized and depreciated over their estimated useful lives. Accordingly, current-year capital outlay of $163,536 is added back, while depreciation expense of $147,738 is deducted. The resulting net effect of these capital asset transactions is an increase of $15,798 in governmental activities.		
Capital outlay		163,536
Depreciation		(147,738)
Changes in compensated absences do not use current financial resources and, therefore, are not reported as an expenditure in governmental funds.		39,508
Pension expense, net of reporting contributions made after measurement date.		(55,714)
OPEB Expenses		17,544
Payments on a financed purchases represent use of current financial resource in the governmental funds; therefore, not reported as a expense in the statement of activities.		75,503
Changes in interest do not use current financial resources; therefore, are not reported as an expenditure in the governmental funds.		1,332
Other government-wide expense conversion adjustments		(79,829)
Change in net position of governmental activities	**$**	**(4,109,179)**

See Notes to Financial Statements

Note 1: Reporting Entity and Significant Accounting Policies

A. Reporting Entity

The Shasta Regional Transportation Agency ("Agency") was designated by the State of California as a Regional Transportation Planning Agency ("RPTA") in 1972, and the Metropolitan Planning Organization ("MPO") by the Governor of California in 1981.

The Agency, the City of Redding, the Redding Area Bus Authority ("RABA"), the City of Anderson, the County of Shasta (the "County"), and Caltrans approved a Memorandum of Understanding outlining legal foundations of the MPO, the planning process, the obligations and responsibilities, the organization makeup, and the funding process. In June 2012, the Agency separated from the County and formerly became the Agency and an independent agency.

The Agency is responsible for the development and adoption of transportation policy; review and coordination of transportation planning; an Overall Work Program; a Regional Transportation Plan; and a Regional and Federal Transportation Improvement Program. These planning activities enable the local jurisdictions within the County of Shasta to qualify for a variety of state and federal funding for transportation projects and facilities.

B. Measurement Focus & Basis of Accounting

The Agency's basic financial statements are prepared in conformity with accounting principles generally accepted in the United States of America. The Government Accounting Standards Board (GASB) is the acknowledged standard-setting body for establishing accounting and financial reporting standards followed by governmental entities in the United States of America.

Government-wide statements: The statement of net position and the statement of activities display information about the primary government. These financial statements are presented on an "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all of the Agency's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, including capital assets and long-term liabilities, are included in the accompanying statement of net position.

The statement of activities presents the changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred, regardless of the timing of the related cash flows. The statement of activities presents a comparison between direct expenses and program revenues for each function of the Agency's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) charges paid by the recipients of goods or services offered by the programs, (b) grants and contributions that are restricted to meeting the operational needs of a particular program and (c) fees, grants and contributions that are restricted to financing the acquisition or construction of capital assets. Revenues that are not classified as program revenues are presented as general revenues.

Fund Financial Statements: Governmental fund financial statements include a balance sheet and a statement of revenues, expenditures and changes in fund balances. An accompanying reconciliation explains the differences in net position as presented in these statements to the net position presented in the government-wide financial statements as well as the differences between the changes in fund balance as presented in the fund statements and the changes in net position as presented in the statement of activities.

The governmental funds are accounted for on a "current financial resources" measurement focus and the modified accrual basis of accounting. Accordingly, only current assets, current liabilities, and deferred inflows of resources related to unavailable revenues and lease revenues are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances presents increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period.

Revenues are recorded when received in cash, except for that revenues subject to accrual (generally 60 days after year-end) are recognized when measurable and available. The primary revenue sources, which have been treated as susceptible to accrual by the Agency, are sales tax and intergovernmental revenues. Expenditures are recorded in the accounting period in which the related fund liability is incurred.

Revenues from grants and other contributions are recognized in the fiscal year in which all eligibility requirements imposed by the provider have been met. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted; matching requirements, in which the Agency must provide local resources to be used for a specific purpose; and expenditure requirements, in which the resources are provided to the Agency on a reimbursement basis.

Unavailable revenues arise when potential revenues do not meet both the "measurable" and "available" criteria for recognition in the current period. Unearned revenues arise when the government receives resources before it has a legal claim to them, as when grant monies are received prior to incurring qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met or when the government has a legal claim to the resources, the unavailable and unearned revenues are removed from the balance sheet and revenues are recognized.

Major funds are governmental or enterprise funds whose assets and deferred outflows, liabilities and deferred inflows, revenues, or expenditures/expenses are at least 10 percent of the corresponding total for all funds of that category and at least 5 percent of the corresponding aggregate total for all governmental and enterprise funds. The General Fund is always reported as a major fund. The Agency may also report other funds as major when management considers them particularly important to financial statement users.

Local Planning (General) Fund is the general operating fund of the Agency and accounts for the revenues collected to provide services and finance the fundamental operations of the Agency. The major revenue sources for this fund are local transportation funds and federal and state planning grants. Expenditures are made for administration, as well as local and regional planning projects.

Local Transportation Special Revenue Fund is used to account for Transportation Development Act (TDA) revenues, which may be claimed by regional and/or local agencies, as applicable, for the administration of TDA, planning and programming activities, transit services, bicycle and pedestrian facilities, passenger rail service, and streets and roads.

State Transit Assistance Special Revenue Fund is used to account for TDA revenues, which are claimed by local agencies only for eligible transit capital and operating activities.

C. Cash, Cash Equivalents, and Investments

Cash, cash equivalents, and investments are considered to be cash on hand, demand deposits, and short-term investments with original maturity of three months or less from the date of acquisition.

D. Capital Assets

Capital assets include general office equipment, furniture and real estate. Capital assets are defined by the Agency as assets with an initial, individual cost of more than $5,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life are not capitalized. Major outlays for capital asset improvements are recorded as assets.

Capital assets are depreciated or amortized using the straight-line method over the following estimated useful lives:

Office equipment and furniture: 5 years

Building and building improvements: 15-40 years

Right to use subscription IT assets are recognized at the subscription commencement date and Agency's right to use the underlying IT asset for the subscription term. Right to use subscription IT assets are measured at the initial value of the subscription liability plus any payments made to the vendor at the commencement of the subscription term, less any subscription incentives received from the vendor at or before the commencement of the subscription term, plus any capitalizable initial implementation costs necessary to place the subscription asset into service. Right to use subscription IT assets are amortized over the shorter of the subscription term or useful lives of the underlying assets using the straight-line method. The amortization period varies from 3 to 5 years.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life are not capitalized. Major outlays for capital asset improvements are recorded as assets.

E. Unearned Revenues

Unearned revenues are reported for resources received before the eligibility requirements are met (excluding time requirements).

F. Compensated Absences

The Agency recognizes a liability for compensated absences attributable to services already rendered when the leave accumulates and is more likely than not to be used for time off or otherwise paid or settled. The liability includes earned but unused vacation leave and the estimated portion of accumulated sick leave that meets the recognition criteria under GASB Statement No. 101. The liability is measured using the employees' applicable rates of pay as of June 30, 2025, including applicable salary-related payments.

G. Interfund Transactions

Activity between funds that are representative of lending/borrowing arrangement outstanding at the end of the fiscal year are referred to as "due from/to other funds" (i.e., current portion of interfund loans) or "advances to/from other funds" (i.e.: long-term in nature). Eliminations have been made in the government-wide financial statements.

H. Pensions

For purposes of measuring the net pension liability/(asset) and deferred outflows/inflows of resources related to pensions and pension expense, information about the fiduciary net position of the Agency's pension plan (plan) with California Public Employees' Retirement System (CalPERS) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

I. Other Postemployment Benefits

For purposes of measuring the net other postemployment benefits ("OPEB") liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Agency's OPEB plan (OPEB Plan) and additions to/deductions from the OPEB Plan's fiduciary net position have been determined on the same basis as they are reported by the California Employer's Retiree Benefit Trust (CERBT). 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.

J. Deferred Outflows and Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until then. The Agency has two items that qualify for reporting in this category. These items are related to the net pension liability/(asset) and net other postemployment benefits. These amounts are further described in their respective footnotes.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Agency has three (3) items that qualify for reporting in this category in the government-wide financial statements. These items are related to the net pension liability/(asset), net other postemployment benefits, and lease receivable. These amounts are further described in their respective footnotes. The Agency has two items that qualifies for reporting in this category in the fund statements. The amounts related to the lease receivable are also recorded in the fund statements. The other item, unavailable revenues, arises only under a modified accrual basis of accounting, and is the recognition of revenues earned but not received within the period that the amounts become available. The deferred inflow of resources related to leases where the Agency is the lessor are recognized as an inflow of resources (revenue) on the straight-line basis over the terms of the leases.

K. Net Position

Government-wide financial statements utilize a net position presentation. Net position of the Agency is categorized as net investment in capital assets, restricted, and unrestricted.

- Net investment in capital assets represent the capitalized cost of capital assets, net of depreciation and amortization, and the related outstanding debt balances.
- Restricted net position represents net position that is constrained by externally imposed requirements of creditors (such as through debt covenants), laws or regulations of other governments or imposed by law, through constitutional provisions or enabling legislation.
- Unrestricted describes the portion of net position which is not restricted as to use.

  When an expense is incurred for purposes for which both restricted and unrestricted net positions are available, it is the Agency's policy is to apply restricted net position first.

L. Fund Balances

In the governmental fund financial statements, fund balances are classified in the following categories:

- No spendable – Items that cannot be spent because they are not in spendable form, such as prepaid items and inventories, and items that are legally or contractually required to be maintained intact, such as principal of an endowment or revolving loan funds.
- Restricted – Restricted fund balances encompass the portion of net fund resources subject to externally enforceable legal restrictions. This includes externally imposed restrictions by creditors, such as through debt covenants, grantors, contributors, laws or regulations.
- Committed – Committed fund balances encompass the portion of net fund resources, the use of which is constrained by limitations that the government imposes upon itself at its highest level of decision making, normally the governing body and that remain binding unless removed in the same manner. The Agency's Board of Directors is considered the highest authority for the Agency.
- Assigned – Assigned fund balances encompass the portion of net fund resources reflecting the government's intended use of resources. Assignment of resources can be done by the highest level of decision.
- Unassigned – This category is for the remaining fund balance.

In circumstances when an expenditure is made for a purpose for which amounts are available in multiple fund balance classifications, fund balance is generally depleted in the order of restricted, committed, assigned, and unassigned.

M. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities. In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Debt service expenditures including principal and interest payments are reported as expenditures.

Subscription liabilities represent the Agency's obligation to make subscription payments arising from the subscription contract. Subscription liabilities are recognized at the subscription commencement date based on the present value of future subscription payments expected to be made during the subscription term. The present value of subscription payments is discounted based on a borrowing rate determined by the Agency.

N. Lease Receivables

Lease receivables are recorded by the Agency as the present value of future lease payments expected to be received from the lessee during the lease term, reduced by any provision for estimated uncollectible amounts. Lease receivables are subsequently reduced over the life of the lease as cash is received in the applicable reporting period. The present value of future lease payments to be received are discounted based on the interest rate the Agency charges the lessee.

O. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

P. Effective in Future Fiscal Years

GASB Statement No. 103 – In April 2024, the GASB issued Statement No. 103, Financial Reporting Model Improvements. The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. The Statement also addresses certain application issues. The Statement is effective for fiscal periods beginning after June 15, 2025. The Agency has not determined the effect on the financial statements.

GASB Statement No. 104 – In September 2024, the GASB issued Statement No. 104, Disclosure of Capital Assets. The objective of this Statement is to provide users of governmental financial statements with essential information about certain types of capital assets. The Statement is effective for fiscal periods beginning after June 15, 2025. The Agency has not determined the effect on the financial statements.

GASB Statement No. 105 – In December 2025, the GASB issued Statement No. 105, Subsequent Events. The objective of this Statement is to improve the financial reporting requirements for subsequent events, thereby enhancing consistency in their application and better meeting the information needs of financial statement users. The Statement is effective for fiscal periods beginning after June 15, 2026. The Agency has not determined the effect on the financial statements.

Q. Recently Adopted Accounting Standard

GASB Statement No. 101 – In June 2022, GASB issued Statement No. 101, *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. This Statement became effective for reporting periods beginning after December 15, 2023. The Agency adopted & implemented the provisions of GASB Statement No. 101 during the current fiscal year. The implementation resulted in updates to the recognition and measurement of compensated absences in accordance with the requirements of the Statement.

GASB Statement No. 102 – During fiscal year 2024–25, the Agency implemented GASB Statement No. 102, *Certain Risk Disclosures*. Management evaluated the Agency's concentrations and constraints in accordance with the Statement and determined that no conditions met the applicable disclosure criteria. Accordingly, the implementation did not have a material effect on the financial statements and did not result in any additional disclosures.

Note 2 – Cash, Cash Equivalents, and Investments

Cash, cash equivalents, and investments are classified in the financial statements as shown below:

Statement of Net Position:		
Governmental Activities	$	27,526,721

Petty cash		$ 100
Deposits with financial institution		25,496,322
Cash Pooled with Shasta County Treasury		2,030,299
Total cash	**$**	**27,526,721**

A. Demand Deposits

At June 30, 2025, the carrying amount of the Agency's deposits with financial institutions was $25,496,322. The Agency also maintained $2,030,299 in the Shasta County Treasury Pool, as further discussed below.

The California Government Code requires California banks and savings and loan associations to secure Agency's cash deposits by pledging securities as collateral. This Code states that collateral pledged in this manner shall have the effect of perfecting a security interest in such collateral superior to those of a general creditor. Thus, collateral for cash deposits is considered to be held in Agency's name.

The market value of pledged securities must equal at least 110% of the Agency's cash deposits. California law also allows institutions to secure Agency deposits by pledging first trust deed mortgage notes having a value of 150% of the Agency's total cash deposits. Agency may waive collateral requirements for cash deposits, which are fully insured up to $250,000 by the Federal Deposit Insurance Corporation ("FDIC"). Agency has waived the collateralization requirements for deposits insured by FDIC.

B. Cash Pooled with Shasta County Treasury

The Agency maintains its State Transit Assistance and Local Transportation Funds cash in the amount of $2,030,299 in the Shasta County Treasury (County Pool). The County pools these funds with those of other entities in the County and invests the cash. These pooled funds are carried at amortized cost. Interest earned is deposited quarterly into participating funds. Required disclosure information regarding categorization of investments and other deposit and investment risk disclosures can be found in the County's financial statements. The County of Shasta's financial statements may be obtained by contacting the County of Shasta Auditor-Controller's office at 1450 Court Street, Room 238, Redding, California 96001. The investment pool is not registered within the Securities and Exchange Commission ("SEC"), and a treasury oversight committee provides oversight to ensure that investments comply with the approved County investment policy. At June 30, 2025, the weighted average maturity for the Shasta County Treasury is less than one year. The Shasta County Treasury is not rated by a rating agency. At the year end, the Shasta County Treasury was not exposed to custodial credit risk.

C. Fair Value Measurements

The Agency categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value. The following provides a summary of the hierarchy used to measure fair value:

Level 1 - Quoted prices in active markets for identical assets that the Agency has the ability to access at the measurement date. Level 1 assets may include debt and equity securities that are traded in an active exchange market and that are highly liquid and are actively traded in over-the-counter markets.

Level 2 - Observable inputs other than Level 1 prices such as quoted prices for similar assets in active markets, quoted prices for identical or similar assets in markets that are not active, or other inputs that are observable, such as interest rates and curves observable at commonly quoted intervals, implied volatilities, and credit spreads. For financial reporting purposes, if an asset has a specified term, a Level 2 input is required to be observable for substantially the full term of the asset.

Level 3 - Unobservable inputs should be developed using the best information available under the circumstances, which might include the Agency's own data.

The fair value of the Agency's investment in the County Pool is reported in the accompanying financial statements at amounts based upon the Agency's pro-rata share of the fair value provided by the County Pool for the entire Pool portfolio (in relation to the amortized cost of that portfolio).

Deposits and withdrawals in the County Pool are made on the basis of $1 and not fair value. Accordingly, the Agency's proportionate share of investments in those funds at June 30, 2025, is an uncategorized input not defined as a Level 1, Level 2, or Level 3 input.

Note 3 – Due from Other Governments

Due from other governments in the General Fund consists mainly of amounts due from State of California Department of Transportation in the amount of $244,266 for various grant reimbursements. Amounts recorded in the Local Transportation Special Revenue Fund of $1,713,543 and State Transit Assistance Revenue fund of 457,641 are due from the State. Management believes these amounts to be fully collectible and, accordingly, no allowance for doubtful accounts is required.

Note 4 – Interfund Transactions

A. Interfund Transfers

During the year, the State Transit Assistance Fund transferred $3,582,315 and the Local Transportation Fund transferred $2,713,571 to the General Fund, for total transfers of $6,295,886 to support transportation-related programs and projects.

B. Advances to and From Other Funds

The Agency purchased a building at 1255 East Street in Redding, California. The Local Transportation Special Revenue Fund (Loan Fund) advanced $401,349 for the 40% of the square footage of the building that is leased. The General Fund is expected, with annual Board approval, to annually return the advances to the Local Transportation Special Revenue Fund with no interest over a seven-year period from net rental income.

At June 30, 2025, the advances from the Local Transportation Special Revenue Fund are in the amount of $171,967.

At June 30, 2025, the General Fund reported interfund receivables totaling $1,652,568, consisting of $1,580,035 due from the Local Transportation Fund and $72,533 due from the State Transit Assistance Fund. Corresponding interfund payables were reported by the respective funds. These balances arose from routine operating activities and are expected to be settled in the normal course of operations.

Note 5 – Capital Assets

A summary of changes in capital assets for the governmental activities for the year ended June 30, 2025, is as follows:

	Balance July 1, 2024	Additions	Deletions	Balance June 30, 2025
Governmental Activities:				
Capital Assets, not being depreciated				
Land	$ 235,000	$ -	$ -	235,000
Construction in Progress	$ 216,264	-	(216,264)	-
Total not depreciable assets	**451,264**	**-**	**(216,264)**	**235,000**
Depreciable assets:				
Building	2,506,580	366,775	-	2,873,355
Improvements	9,686	5,600	-	15,286
Equipment and furniture	362,997	7,425	(212,263)	158,159
Total depreciable assets	**2,879,263**	**379,800**	**(212,263)**	**3,046,800**
Less: accumulated depreciation				
Building	(730,652)	(124,067)	-	(854,718)
Improvements	(8,793)	(466)	-	(9,259)
Equipment and furniture	(349,333)	(15,677)	212,263	(152,747)
Total accumulated depreciation	**(1,088,777)**	**(140,210)**	**212,263**	**(1,016,724)**
Total depreciable assets, net	**1,790,486**	**239,590**	**-**	**2,030,075**
Governmental activities capital assets, net	**$ 2,241,750**	**$ 239,590**	**$ (216,264)**	**$ 2,265,075**

Right to use Subscription IT Assets:

	Balance July 1, 2024	Additions	Deletions	Balance June 30, 2025
Right to use Subscription IT Assets being amortized	$ 7,528	$ -	$ (7,528)	$ -
Less Accumulated Amortization	-	-	-	-
Governmental activities right to use subscription IT assets, net	**$ 7,528**	**$ -**	**$ (7,528)**	**$ -**

Depreciation expense for the year ended June 30, 2025, was $140,210. In addition, the Agency recognized a $7,528 write-off of the remaining SBITA asset, resulting in total capital asset-related expense of $147,738. Accumulated depreciation decreased by $72,053 during the year, reflecting current-year depreciation of $140,210, offset by the removal of $212,263 of accumulated depreciation associated with disposed assets.

Note 6 – Long-Term Liabilities

A summary of changes in governmental activities long-term debt for the year ended June 30, 2025, is noted below:

	Balance July 1, 2024	Additions	Deletions	Balance June 30, 2025	Due in One Year	Due in More Than One Year
Governmental Activities:						
Direct Financing - Financed Purchases	$ 469,862	$ -	$ (61,357)	$ 408,505	$ 63,186	$ 345,319
SBITA's	14,146	-	(14,146)	-	-	-
Compensated absences	138,304	89,248	(128,756)	98,796	29,047	69,749
	$ 622,312	**$ 89,248**	**$ (204,259)**	**$ 507,301**	**$ 92,233**	**$ 415,068**

Financed Purchases

In April 2016 the Agency financed the purchase of a building to use for an office. The Agency entered into a financing agreement with Umpqua Bank in the amount of $923,000. The agreement stipulates biannual payments of principal and interest in April and October. Interest on the financing is at 2.98%. The Agency holds title to the property. The Agency may prepay the liability up to 10% of the outstanding principal component of the liability payments without a prepayment premium.

Future debt service under the agreement are as follows:

Year Ended June 30,	Principal	Interest	Total
2026	$ 63,186	$ 11,232	$ 74,418
2027	65,068	9,321	74,389
2028	67,008	7,353	74,361
2029-2032	213,243	9,656	222,899
Total debt service	**$ 408,505**	**$ 37,562**	**$ 446,067**

Subscription-Based Information Technology Arrangements (SBITAs)

Year Ended June 30,	Principal	Interest	Total
2026	$ -	$ -	$ -
Total debt service	**$ -**	**$ -**	**$ -**

Note 7 – Pension Plan

The Agency contributes to the California Public Employees' Retirement System ("CalPERS"), a cost-sharing multiple-employer defined benefit pension plan. CalPERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. CalPERS acts as a common investment and administrative agent for participating public entities within the State of California. All qualified permanent and probationary employees are eligible to participate in the Agency's Miscellaneous Employee Pension Plan, a cost-sharing multiple-employer defined benefit pension plan administered by CalPERS.

Benefit provisions and all other requirements are established by State statute and city contracts with employee bargaining groups. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

CalPERS provides service retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members who are public employees and beneficiaries. Benefits are based on years of credited service, equivalent to one year of full-time employment. Members with five years of total service are eligible to retire at age 50 or 52, depending on hire date, with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit includes either the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost-of-living adjustments are applied as specified by the Public Employees' Retirement Law.

Benefits Provided – Miscellaneous

	Tier I	**Tier II (PEPRA)**
Hire Date	Prior to January 1, 2013	On or after January 1, 2013
Formula	2% @ 55	2% @ 62
Benefit vesting schedule	5 years of service	5 years of service
Benefit payments	monthly for life	monthly for life
Minimum retirement age	50-55	52-67
Benefits, as a % of annual salary	2.0%	2.0%
Required employee contribution rates	6.93%	8.25%
Required employer contribution rates	13.31%	8.18%

Contributions

Section 20814(c) of the California Public Employees' Retirement Law (PERL) requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through the CalPERS' annual actuarial valuation process. For public agency cost-sharing plans covered by either the Miscellaneous or Safety risk pools, the Plan's actuarially determined rate is based on the estimated amount necessary to pay the Plan's allocated share of the risk pool's costs of benefits earned by employees during the year, and any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. All employees in the Tier I plan are required to contribute 7% of their annual covered salary, based on Agency policy. However, employees that are considered PEPRA employees are required to contribute the annual actuarially-determined percentage of the covered salary. For the year ended June 30, 2025, contributions to the Plan were $91,612.

Pension Liability, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions

As of June 30, 2025, the Agency reported net pension liability for its proportionate share of the net pension liability in the amount of $181,909.

Proportionate share of net pension liability

	Net Pension Liability	Proportionate Share
June 30, 2024	$ 192,456	0.00385%
June 30, 2025	$ 181,909	0.00376%
Change – Increase (Decrease)	$ (10,547)	-0.00009%

For the year ended June 30, 2025, the Agency recognized pension expense in the amount of $154,420. On June 30, 2025, the Agency reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension Contributions Subsequent to Measurement Date	$ 91,612	$ -
Change of Assumptions	4,675	-
Differences Between Expected and Actual Experience	15,728	614
Differences Between Projected and Actual Investment Earnings	10,472	-
Differences between Employer's Contributions and Proportionate Share of Contributions	1,265	19,660
Changes in Employer's Proportionate Share of the Net Pension Liability	79,416	-
Total	**$ 203,168**	**$ 20,274**

Reported as deferred outflows of resources related to contributions subsequent to the measurement date is $91,612 which will be recognized as a reduction in pension liability in the year ended June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year ended June 30,		
2026	$	56,227
2027		34,866
2028		3,778
2029		(3,589)
Total	**$**	**91,282**

Actuarial Assumptions

The total pension liabilities in the June 30, 2023, actuarial valuation was determined using the following actuarial assumptions for the Miscellaneous CalPERS plan:

Valuation Date	June 30, 2023
Measurement Date	June 30, 2024
Actuarial Cost Method	Entry Age Normal Cost Method
Discount Rate	6.90%
Inflation	2.30%
Payroll Growth	3.3% - 14.2%
Mortality	Based on CalPERS Experience Study

The mortality table used was developed based on CalPERS-specific data. The probabilities of mortality are based on the 2021 CalPERS Experience Study for the period from 2001 to 2019. Pre-retirement and post-retirement mortality rates include generational mortality improvement using 80% of Scale MP-2020 published by the Society of Actuaries. For more details on this table, please refer to the CalPERS Experience Study and Review of Actuarial Assumptions report from November 2021, available on the CalPERS website.

The long-term expected rate of return on pension plan investments was determined using a building-block method, in which expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

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In determining the long-term expected rate of return, CalPERS considered both short-term and long-term market return expectations. Using historical returns of all fund asset classes, expected compound (geometric) returns were calculated over the next 20 years using a building-block approach. The expected rate of return was then adjusted to account for assumed administrative expenses of 10 basis points (0.10%).

Asset Class	Target	Real Return
Global equity - cap-weighted	30%	4.54%
Global equity non-cap-weighted	12%	3.84%
Private Equity	13%	7.28%
Treasury	5%	0.27%
Mortgage-backed Securities	5%	0.50%
Investment Grade Corporates	10%	1.56%
High Yield	5%	2.27%
Emerging Market Debt	5%	2.48%
Private Debt	5%	3.57%
Real Assets	15%	3.21%
Leverage	-5%	-0.59%
	100%	

(1) An expected inflation of 2.30% used for this period
(2) Figures are based on the 2021 Asset Liability Management study.

Discount Rate

The discount rate used to measure the total pension liability was 6.90%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. 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 Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the Agency's proportionate share of the net pension liability at the current discount rate, as well as what the Agency's proportionate share would be if calculated using a discount rate that is 1% lower or 1% higher than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
Discount Rate	5.90%	6.90%	7.90%
Net Pension Liability / (Asset)	**$ 548,405**	**$ 181,909**	**$ (119,771)**

Note 8 – Deferred Compensation Plan

The Agency offers its employees a deferred compensation plan (the "Plan") created in accordance with Internal Revenue Service (IRS) Code Section 457. Amounts deferred by employees and the related income are held in trust by the plan provider for the exclusive benefit of the participants and their beneficiaries. The amounts are not owned by the Agency nor are they available to the Agency's creditors.

The Plan allows employees to make voluntary contributions to the Plan up to the limits prescribed by the IRS.

The Agency does not participate in Social Security. All part-time, seasonal, and temporary employees participate in a FICA Alternative Plan which requires a 12.4% contribution split between employee and employer for part time employees. The Agency contributes 6.2% of qualifying payroll to the Plan that the Agency would otherwise pay towards employees' Social Security benefits. Part-time employees are required to participate in CalPERS membership after being employed by the Agency for more than 1,000 hours annually and FICA requirements are then met by required payroll contributions by employee and employer into CalPERS.

In accordance with U.S. GAAP, the Agency is not required to report the value of the plan assets since the assets are held in trust for the exclusive benefit of the participants and their beneficiaries. Consequently, the value of the plan assets and any related liability to plan participants have been excluded from the Agency's financial statements.

Note 9 – Other Postemployment Benefits (OPEB)

A. Plan Description

Plan Description. Agency's postemployment healthcare plan ("OPEB") provides medical benefits to eligible retired Agency employees and their beneficiaries pursuant to California Government Code Section 31694 et. Seq. The Agency's OPEB Plan is administered by the CalPERS. Members of the OPEB Plan include retirees of the Agency and of other employer plan sponsors, as well as their eligible dependents. The Agency is considered a plan sponsor.

Benefits provided. Retiree medical benefits are also offered to employees eligible for medical insurance as determined by the board of directors and consistent with CalPERS requirements under the state Public Employees' Medical and Hospital Care Act (PEMHCA). The Agency is legally required only to pay the PEMHCA minimum in medical premiums for active and retired employees. However, the Agency has elected to pay amounts above the PEMHCA minimum for full-time employees, administered consistent with PEMHCA standards, as follows:

1. All full-time employees hired prior to July 1, 2012, who retire from the Agency, shall receive up to 100% of the employer-share of medical insurance premiums currently in effect for active employees. Alternately, effective July 1, 2016, the employee may elect to participate in Number 3 below. Such election shall be in-lieu of the above offer and in effect and irrevocable upon election made in writing. Participation in this option precludes the employee from receiving any Agency retiree premium payment above the required PEMHCA minimum.

2. All full-time employees hired between July 1, 2012, and June 30, 2016, who retire from the Agency, shall receive 25% of the employer-share medical premiums after five years of service. Vesting will continue at 2.5% per year until fifteen years of total service at which time the employee is fully vested at a 50% maximum contribution rate.

Alternatively, effective July 1, 2016, the employee may elect to participate in Number 3 below. Such election shall be in lieu of the above offer and in effect and irrevocable upon election made in writing. Participation in this option precludes the employee from receiving any Agency retiree premium payment above the required PEMHCA minimum.

3. All other employees who qualify for CalPERS medical insurance under this section may elect to participate in an in-lieu retiree medical plan where the Agency will match up to 3% of an employee's annual compensation to a retirement savings plan on a dollar-for-dollar basis. The employee shall immediately vest in all Agency contributions. Eligible retirement savings plans made available by the Agency include IRS Section 457 and 401(a) plans and may include other plans approved by the board of directors.

4. The health plans can include coverage for an eligible spouse and/or dependents. After a member's death, a surviving spouse is eligible to continue coverage. The maximum subsidy for a surviving spouse is the same as it is for a retiree.

5. The Agency will pay 58% of the premium for spousal coverage and 62% of the premium for other dependent coverage.

6. The health plans can include coverage for an eligible spouse and/or dependents. After the member's death, a surviving spouse is eligible to continue health plan coverage. The Agency will pay 58% of the premium for spousal coverage and 62% of the premium for other dependent coverage.

7. If a member is eligible for a disability retirement benefit, the member can receive a monthly health plan subsidy of $187 per month or a $15 per year of service, whichever is greater.

Contributions. The Agency, as a plan sponsor, determines the contributions into CalPERS to fund the OPEB Plan. The Agency has decided to pay the liability on pay-as-you go basis. During fiscal year 2024-25 the Agency made contributions of $97,511 to the plan.

B. Net OPEB Liability

The Agency's net OPEB liability was measured as of June 30, 2025, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date.

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

Valuation Date	June 30, 2025
Measurement Period	July 1, 2024 to June 30, 2025
General Inflation	2.50% per annum
Discount Rate	6.25%
Preretirement Mortality- Mortality, Retirement, Disability, Termination	Preretirement Mortality Rates for Public Agency
Mortality Improvement	Mortality projected fully generational with Scale MP-17 for post-retirement mortality
Salary Increases	Aggregate 2.75%
Postretirement Mortality	Post-retirement Mortality Rates for Public Agency Miscellaneous from CalPERS Experience Study (2000-2019).
Medical Trend	7.50 percent for 2025 decreasing to 5.80 percent for 2029, 5.50 percent for 2030
Healthcare participation	50%

The long-term expected rate of return on OPEB plan investments was determined using a building-block method. Target allocation and best estimates of arithmetic real rates of return:

Asset Class	Target	Rate of Return
Global Equity	49.0%	4.8%
Fixed Income	23.0%	1.8%
Treasury Inflation Protection Securities	5.0%	1.6%
Real Estate Investment Trusts	20.0%	3.7%
Commodities	3.0%	1.9%

Discount rate. The discount rate used to measure the total OPEB liability was 6.25%. The projection of cash flows used to determine the discount rate assumed that the Agency's contributions will be made at rates equal to the actuarially determined contribution rates. Based on these assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

C. Changes in Net OPEB Liability

	Total OPEB Liability	Fiduciary Net Position	Net OPEB Liability
Balance at June 30, 2024	**$ 656,790**	**$ 410,035**	**$ 246,755**
Service Cost	23,123	-	23,123
Interest	40,966	-	40,966
Diff b/w Expected and Actual Experience	176,505	-	176,505
Changes in Assumptions	56,133	-	56,133
Employer contributions	-	97,511	(97,511)
Net investment income	-	51,000	(51,000)
Benefit payments	(49,662)	(49,662)	-
Trustee Fees	-	(179)	179
Administrative expenses	-	(140)	140
Net Changes	**247,065**	**98,530**	**148,535**
Balance at June 30, 2025	**$ 903,855**	**$ 508,565**	**$ 395,290**

Detailed information about the OPEB plan's fiduciary net position is available in the separate CalPERS ACFR that may be obtained on the CalPERS website.

D. Sensitivity of the Net OPEB Liability to Changes in the Discount Rate and Healthcare Cost Trend Rates

The following presents the net OPEB liability of the Agency at the current discount rate, as well as what the Agency's net OPEB liability would be if calculated using a discount rate 1 percentage point lower (5.25%) or 1 percentage point higher (7.25%) than the current rate (6.25%):

	1% Decrease (5.25%)	Current Rate (6.25%)	1% Increase (7.25%)
Net OPEB liability (asset)	$ 516,767	$ 395,290	$ 294,641

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates:

	1% Decrease	Current Rate	1% Increase
Net OPEB liability (asset)	$ 281,538	$ 395,290	$ 537,185

E. OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB

For the year ended June 30, 2025, the Agency recognized OPEB expense of $79,967. At June 30, 2025, the Agency reported deferred outflows and inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 220,753	$ -
Changes in assumptions	138,978	-
Differences between projected and actual return investments	-	(17,931)
Total	**$ 359,731**	**$ (17,931)**

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

Fiscal year ending June 30,	Deferred outflows/ (inflows) of resources
2026	$ 45,938
2027	35,044
2028	34,694
2029	37,829
2030	42,859
Thereafter	145,436
Total	**$ 341,800**

Note 10 – Risk Management

The Agency is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and injuries to employees. These risks are covered by commercial insurance purchased from Alliant Insurance Services, Inc. There have been no reductions in insurance coverage as compared to the previous year, and, for the past three fiscal years, no settlement amounts have occurred that exceeded the Agency's coverage. The Agency's insurance coverage with Alliant Insurance Services, Inc. is as follows:

Insurance		Amount
Personal Injury	$	2,000,000
Public Officials Errors and Omissions		2,000,000
Products/Completed Operations		2,000,000
Employment Practices		2,000,000
Crime		1,000,000
Property		25,000,000
Workers' Compensation		1,000,000

Note 11 – Commitments and Contingencies

As of June 30, 2025, the Agency has no significant outstanding commitments over $10,000.

The Agency is subject to litigation arising in the normal course of business. In the opinion of the Agency's Attorney, there is no pending litigation which is likely to have a material adverse effect on the financial position of the Agency.

The Agency received federal and state financial assistance from the California Department of Transportation ("Caltrans"). This financial assistance is provided to the Agency as a reimbursement of expenditures incurred in the administration of certain programs. Federal and state financial assistance is recognized as revenue at the time related expenditures are incurred, not when the funds are actually received. Although the Agency's financial assistance programs have been audited through June 30, 2023, in accordance with the provisions of Uniform Guidance, these programs may be subject to further financial and compliance audits by the reimbursing agencies.

Note 12 – Lease Receivables

As of June 30, 2025, the Agency has accrued a receivable for two office space leases. The remaining receivable for these leases was $523,590. Deferred inflows related to these leases were $472,492 as of June 30, 2025. Interest revenue recognized on these leases for the year ended June 30, 2025, was $5,892. Principal receipts related to these leases were $54,492 during the fiscal year. The interest rate on the leases is 3.00%.

Note 13 – Restatement

During fiscal year 2025, the Agency determined that certain prior-year restricted and unrestricted fund balance classifications required correction. As a result, beginning net position of governmental activities and beginning fund balance of the General Fund were restated as of July 1, 2024, as follows:

		July 1, 2024 As Previously Reported		Error Correction		July 1, 2024 As Restated
Government-wide Government Activities	$	15,090,109	$	2,387,570	$	17,477,679
Government Funds General Fund	$	1,852,456	$	206,812	$	2,059,268

Budget Information

The operating budget for the Agency is prepared on a basis consistent with generally accepted accounting principles and is adopted as a part of the Overall Work Program for the Agency. The executive director is authorized to transfer budget amounts between accounts within any element of the Overall Work Program. Any revisions which alter the total expenditures of any element require approval by the Board of Directors and Caltrans.

Budgets are adopted annually on the modified accrual basis for all governmental funds. Amendments to the adopted budget require approval by the Board of Directors. Reported budget amounts are as originally adopted and subsequently amended. Annual appropriations lapse at fiscal year-end.

Expenditures over Appropriation

During the year ended June 30, 2025, the Agency had expenditures over appropriations for the following:

Fund		**Amount in excess of Appropriations**
Local Planning Fund:		
Planning and administration	$	(6,962,691)
Debt service		(21,768)
Capital Outlay		(163,536)
Local Transportation Special Revenue Fund:		
Planning and administration		-
Transit		(778,145)
Bike & Pedestrian		-
State Transit Assistance Special Revenue Fund:		
Planning and administration		(3,911,585)

Last Ten Fiscal Years

California Public Employees' Retirement System ("CalPERS") Miscellaneous Plan

Measurement Date	June 30, 2015	June 30, 2016	June 30, 2017	June 30, 2018	June 30, 2019
Proportion of the net pension liability	-0.00040%	0.00022%	0.00030%	0.00022%	0.00011%
Proportionate share of the net pension liability/(asset)	$ (2,960)	$ 7,870	$ 30,218	$ 21,512	$ 11,025
Covered payroll	$ 577,751	$ 646,302	$ 714,715	$ 746,858	$ 843,236
Proportionate share of the net pension liability as percentage of covered payroll	-0.51%	1.22%	4.23%	2.88%	1.31%
Plan's proportionate share of the fiduciary net position as a percentage of the total pension liability	78.30%	74.10%	73.30%	75.30%	75.30%

1 Historical information is presented only for measurement periods for which GASB 68 is available for periods after GASB 68 implementation in 2013-14.

Last Ten Fiscal Years

California Public Employees' Retirement System ("CalPERS") Miscellaneous Plan

Measurement Date	June 30, 2020	June 30, 2021	June 30, 2022	June 30, 2023	June 30, 2024
Proportion of the net pension liability	0.00103%	-0.00894%	0.00243%	0.00385%	0.00376%
Proportionate share of the net pension liability/(asset)	$ 43,253	$ (169,765)	$ 113,834	$ 192,456	$ 181,909
Covered payroll	$ 866,425	$ 960,058	$ 1,281,007	$ 1,123,086	$ 1,111,393
Proportionate share of the net pension liability as percentage of covered payroll	4.99%	-17.68%	8.89%	17.14%	16.37%
Plan's proportionate share of the fiduciary net position as a percentage of the total pension liability	75.10%	75.10%	75.10%	75.10%	75.10%

Last Ten Fiscal Years

California Public Employees' Retirement System ("CalPERS") Miscellaneous Plan

	2015-16	2016-17	2017-18	2018-19
Actuarially determined contribution	$ 56,173	$ 62,807	$ 65,698	$ 111,204
Contributions in relation to the actuarially determined contributions	(56,173)	(62,819)	(65,698)	(111,204)
Contribution deficiency (excess)	$ -	$ (12)	$ -	$ -
Covered payroll	$ 646,302	$ 714,715	$ 746,858	$ 843,236
Contributions as a percentage of covered payroll	8.69%	8.79%	8.80%	13.19%

Notes to Schedule:

Benefit Changes: There were no changes to the benefit terms.

Changes of Assumptions: In 2022, the discount rate was reduced from 7.15% to 6.90% and the inflation was reduced from 2.50% to 2.30%. In 2018, demographic assumptions and inflation rate were changed in accordance to the CalPERS Experience Study and Review of Actuarial Assumptions December 2017. In 2017, the accounting discount rate reduced from 7.65 percent to 7.15 percent. In 2015, amounts reported reflect an adjustment of the discount rate from 7.5 percent (net of administrative expense) to 7.65 percent (without a reduction for pension plan (administrative expense).

In 2014, amounts reported were based on the 7.5 percent discount rate.

Last Ten Fiscal Years

California Public Employees' Retirement System ("CalPERS") Miscellaneous Plan

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
Actuarially determined contribution	$ 79,928	$ 103,172	$ 104,811	$ 82,382	$ 75,705	$ 91,612
Contributions in relation to the actuarially determined contributions	(79,928)	(103,172)	(104,811)	(82,382)	(75,705)	(91,612)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -
Covered payroll	$ 866,425	$ 960,058	$ 1,281,007	$ 1,123,086	$ 1,111,393	$ 910,567
Contributions as a percentage of covered payroll	9.23%	10.75%	8.18%	7.34%	6.81%	10.06%

Last Ten Fiscal Years

Other Postemployment Benefits (OPEB)

Measurement Date	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
Total OPEB liability									
Service cost	$ 5,991	$ 6,156	$ 6,325	$ -	$ 16,449	$ 22,958	$ 21,239	$ 18,796	$ 23,123
Interest	15,440	16,483	17,498	-	28,619	36,695	38,966	39,956	40,966
Benefit payments	(5,558)	(8,103)	(11,623)	-	(19,228)	(9,999)	(41,505)	(44,261)	(49,662)
Difference between expected and actual experience	-	-	-	-	44,322	-	36,946	-	176,505
Changes in assumptions and other inputs	-	-	-	-	34,152	-	30,835	-	56,133
Other	-	256	17,850	-	-	-	-	-	-
Net change in total OPEB liability	15,873	14,792	128,755	-	104,314	49,654	86,481	14,491	247,065
Total OPEB liability - beginning	220,441	236,314	251,106	-	401,850	506,164	555,818	642,299	656,790
Total OPEB liability - ending (a)	$ 236,314	$ 251,106	$ 379,861	$ -	$ 506,164	$ 555,818	$ 642,299	656,790	903,855
OPEB fiduciary net position									
Employer contributions	$ 33,235	$ 256	$ 47,059	$ -	$ 67,707	$ 48,322	$ 80,842	$ 92,110	$ 97,511
Other adjustments	-	-	-	-	-	10,083	-	-	-
Net investment income	8,161	9,161	9,080	-	52,888	(35,583)	17,707	36,480	51,000
Administrative expense	(43)	(213)	(32)	-	-	(224)	(233)	(168)	(140)
Trustee Fees	-	-	-	-	-	-	-	(123)	(179)
Benefit payments	(5,558)	(8,103)	(11,623)	-	(19,228)	(9,999)	(41,505)	(44,261)	(49,662)
Net change in plan fiduciary net position	35,795	1,101	44,484	-	101,367	12,599	56,811	84,038	98,530
Plan fiduciary net position - beginning	79,262	115,057	116,518	-	155,220	256,587	269,186	325,997	410,035

Plan fiduciary net position - ending (b)	$ 115,057	$ 116,158	$ 160,642	-	$ 256,587	$ 269,186	$ 325,997	$ 410,035	$ 508,565
Plan net OPEB liability - ending (a) - (b)	$ 121,257	$ 134,948	$ 219,219	-	$ 249,577	$ 286,632	$ 316,302	$ 246,755	$ 395,290
Plan fiduciary net position as a percentage of the total OPEB liability	48.69%	46.26%	42.29%	0.00%	50.69%	48.43%	50.75%	62.43%	56.27%
Covered payroll	$ 717,265	$ 746,858	$ 843,236	-	$ 866,425	$1,281,007	$1,123,086	$1,111,393	$ 965,503
Plan net OPEB liability as a percentage of covered payroll	16.91%	18.07%	26.00%	0.00%	28.81%	22.38%	28.16%	22.20%	40.94%

1 Historical information is presented only for measurement periods for which GASB 75 is available for periods after GASB 75 implementation in 2016-17.
2 During FY 2021, the Agency adjusted the measurement date to coincide with the financial reporting date.

Notes to Schedule:
Benefit Changes: There were no changes to the benefit terms.
Change in Assumptions: In 2024, the Agency has the discount rate 6.25%

Last Ten Fiscal Years

Other Postemployment Benefits (OPEB)

	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
Actuarially determined contribution	$ 256	$ 47,059	$ -	$ -	$ 67,707	$ 48,322	$ 80,842	$ 92,110	$ 97,511
Contributions in relation to the actuarially determined contributions	(33,235)	(49,363)	(47,059)	(23,116)	(67,707)	(48,322)	(39,337)	(46,568)	(47,849)
Contribution deficiency (excess)	$ (32,979)	$ (2,304)	$ (47,059)	$ (23,116)	$ -	$ -	$ 41,505	$ 45,542	$ 49,662
Covered payroll	$ 717,265	$ 746,858	$ 843,236	$ -	$ 866,425	$ 1,281,007	$ 1,123,086	$ 1,111,393	$ 965,503
Contributions as a percentage of covered employee payroll	4.63%	6.61%	5.58%	0.00%	7.81%	3.77%	3.50%	4.19%	4.96%

1 Historical information is presented only for measurement periods for which GASB 75 is available for periods after GASB 75 implementation in 2016-17.

2 The June 30, 2015 actuarial valuation provided the actuarially determined contributions for the fiscal year ended June 30, 2017. There is no actuarially determined contribution for the fiscal years ended June 30, 2018, 2019, 2020, and 2021. SRTA contributed on pay-as-you go basis.

3 Includes credit towards implicit subsidy

Notes to Schedule:

Methods and assumptions used to determine contribution rates:

Valuation date:	June 30, 2025
Actuarial cost method	Entry Age Actuarial Cost Method
Discount rate	6.25%
Service requirement	100% at 5 Years of Service

Increase in CalPERS minimum	3.50%
Healthcare cost trend rates	5.50%
Payroll increases	2.75%

	Budgeted Amounts Original	Budgeted Amounts Final	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental:				
Federal Highway Administration	$ 1,106,613	$ 889,686	$ 885,186	$ (4,500)
Federal Transit Administration	95,177	93,479	434,357	340,878
Planning, Programming and Monitoring	170,000	418,753	252,348	(166,405)
REAP 2.0 SRTA Admin	-	-	169,853	169,853
RSTP exchange fund	2,927,050	2,927,050	2,369,877	(557,173)
TDA Administration	1,659,730	1,435,960	-	(1,435,960)
SB1	480,695	327,763	74,436	(253,327)
SB 125 TIRCP	-	-	2,785,363	2,785,363
Super Region Fees	-	-	1,404	1,404
State Highway Account	129,327	94,518	106,916	12,398
Strategic Partnerships	316,043	298,769	-	(298,769)
Caltrans Sustainable	461,556	339,216	-	(339,216)
Transit and Intercity Rail and Capital Program (TIRCP)	215,348	309,817	-	(309,817)
Low Carbon Transit Operations Program	177,951	177,951	177,967	16
State of Good Repair	-	-	1,193,038	1,193,038
Interest income	-	-	654,839	654,839
Other revenue	-	-	295,071	295,071
Total revenues	**7,739,490**	**7,312,962**	**9,401,655**	**2,088,693**
Expenditures:				
Current: Planning and administration	5,120,710	4,610,593	11,573,284	(6,962,691)
Capital outlay	-	-	163,536	(163,536)
Debt service: Payments on capital lease	59,582	67,472	89,240	(21,768)
Total expenditures	**5,180,292**	**4,678,065**	**11,962,240**	**(7,147,995)**
Excess of revenues over (under) expenditures	**2,559,198**	**2,634,897**	**(2,560,585)**	**(5,059,302)**
Other Financing Sources:				
SBITAs issued			-	-
Transfers In	-	-	6,295,886	6,295,886
Total Financing Sources	**-**	**-**	**6,295,886**	**6,295,886**

Net change in fund balance	**$ 2,559,198**	**$ 2,634,897**	**$ 3,735,301**	**$ 1,100,404**
Fund Balance:				
Beginning of Year (restated)			2,059,268	
End of Year			**$ 5,794,569**	

	Budgeted Amounts Original	Budgeted Amounts Final	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:				
Sales tax	$ 9,397,870	$ 8,315,317	$ 10,004,410	$ 1,689,093
Federal Highway Administration	-	-	-	-
TDA Administration	1,659,730	1,435,960	-	(1,435,960)
Planning, Programming and Monitoring			-	-
Interest income	-	-	77,844	77,844
Other revenue	-	-	2,888	2,888
Total revenues	**11,057,600**	**9,751,277**	**10,085,142**	**333,865**
Expenditures:				
Current: Planning and administration	1,659,730	1,435,960	619,916	816,044
Transportation Programs:				
Street and roads	7,264,872	7,917,194	7,917,192	2
Transit	1,734,875	-	778,145	(778,145)
Bike & Pedestrian	-	-	-	-
Non-Motorized	398,123	398,123	-	398,123
Total expenditures	**11,057,600**	**9,751,277**	**9,315,253**	**436,024**
Excess of revenues over (under) expenditures	**-**	**-**	**769,889**	**769,889**
Other Financing Use:				
Transfers out	-	-	(2,713,571)	(2,713,571)
Total other financing uses	**-**	**-**	**(2,713,571)**	**(2,713,571)**
Net change in fund balance	**$ -**	**$ -**	**$ (1,943,682)**	**$ (1,943,682)**
Fund Balance:				
Beginning of Year (restated)			8,001,398	
End of Year			**$ 6,057,716**	

Budgetary Comparison Schedule – State Transit Assistance Special Revenue Fund
For the Year Ended June 30, 2025

	Budgeted Amounts Original	Budgeted Amounts Final	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:				
Sales tax	$ 2,610,562	$ 3,009,119	$ 1,465,920	$ (1,543,199)
State of Good repair	1,107,501	1,677,501	-	(1,677,501)
Interest income	-	-	57,291	57,291
Total revenues	**3,718,063**	**4,686,620**	**1,523,211**	**(3,163,409)**
Expenditures:				
Current: Planning and administration	230,138	401,892	4,313,477	(3,911,585)
Transportation programs: Transit	3,487,925	4,284,728	-	4,284,728
Total expenditures	**3,718,063**	**4,686,620**	**4,313,477**	**373,143**
Excess of revenues over (under) expenditures	**-**	**-**	**(2,790,266)**	**(2,790,266)**
Other Financing Use:				
Transfers Out	-	-	(3,582,315)	(3,582,315)
Total other financing uses	**-**	**-**	**(3,582,315)**	**(3,582,315)**
Net change in fund balance	**$ -**	**$ -**	**$ (6,372,581)**	**$ (6,372,581)**
Fund Balance:				
Beginning of Year (restated)			5,728,929	
End of Year			**$ (643,652)**	

Allocations and Disbursements
Under Public Utilities Code Sections

	99233.1	99260	99275	99400 (a)(c)&(d)	Totals
Allocations:					
County of Shasta	$ -	$ -	$ -	$ 2,745,567	$ 2,745,567
City of Redding	-	-	-	4,314,816	4,314,816
City of Anderson	-	-	-	462,411	462,411
City of Shasta Lake	-	-	-	394,398	394,398
Shasta Regional Transportation Agency	-	-	-	-	-
SRTA (CTSA)	-	-	-	-	-
Total allocations	**$ -**	**$ -**	**$ -**	**$ 7,917,192**	**$ 7,917,192**
Disbursements:					
County of Shasta	$ -	$ -	$ -	$ 2,745,567	$ 2,745,567
City of Redding	-	-	-	4,314,816	4,314,816
City of Anderson	-	-	-	462,411	462,411
City of Shasta Lake	-	-	-	394,398	394,398
Shasta Regional Transportation Agency	-	-	-	-	-
SRTA (CTSA)	-	-	-	-	-
Total disbursements	**$ -**	**$ -**	**$ -**	**$ 7,917,192**	**$ 7,917,192**

State Transit Assistance Fund

For the Year Ended June 30, 2025

		California Administrative Code Section 6730(a)
Allocations:		
City of Redding	$	2,607,228
City of Anderson		-
City of Shasta Lake		-
County of Shasta		-
Regional Transit Reserve		401,892
Total allocations	**$**	**3,009,120**
Disbursements:		
City of Redding	$	-
City of Anderson		-
City of Shasta Lake		-
County of Shasta		-
Regional Transit Reserve		1,465,920
Total disbursements	**$**	**1,465,920**

Direct salaries and employee benefits for the year ended June 30, 2025	$	584,189
Approved Indirect cost rate for June 30, 2025		223.71%
Total allocable indirect expenses at June 30, 2025		1,306,889
Actual indirect expenses at June 30, 2025		1,207,380
Under (over) recovery of indirect expenses at June 30, 2025		(99,508)
Less: Depreciation taken grant funded capital assets		-
Under (over) recovered indirect expenses at June 30, 2025	**$**	**(99,508)**

Indirect Cost Allocation Detail

	Actual Expense	Direct Expense	Indirect Expense
Direct expenses:			
Salaries	$ 857,443	$ 447,240	$ 410,203
PTO	87,424	-	87,424
Employee benefits	441,197	136,949	304,248
Total salaries and employee benefits	**1,386,063**	**584,189**	**801,875**
Building Occupancy:			
Depreciation - Building	124,067	-	124,067
Interest	9,413	6,475	2,938
Insurance	37,571	-	37,571
Repairs & Maintenance	8,779	954	7,825
Janitorial	8,973	1,222	7,751
Inspection - Elevator	225	-	225
Communication - Elevator	2,206	296	1,910
Landscape	3,900	2,004	1,896
Taxes	133	-	133
Security	9,270	1,781	7,489
Utilities	15,284	3,680	11,605
Advertising	747	747	-
Bank Charges	689	-	689
Copier	15,248	-	15,248
Communication	10,126	82	10,044
Depreciation - Other	16,143	-	16,143
Books and Educational Materials	334	-	334
Office Supplies	4,024	-	4,024
Taxes - Filing Services	15	-	15
Computer Support	43,196	2,892	40,304
Dues/Subscriptions/Memberships	23,489	5,014	18,475
Postage	95	-	95
Education/Training	869	-	869
Interest Expense - Other	649	-	649
Software	29,523	22,125	7,398
Public Notice	587	587	-
Travel	10,536	352	10,184
Licenses	23,392	23,392	-
Management Expense	349	-	349
Meetings	793	46	747
Insurance	60	-	60

Audit/Actuarial Services	48,552	27,592	20,960
Employee Incentives	102	-	102
Legal Services	18,574	1,698	16,876
Personnel Services (HR, FSA Admin, Drug Testing)	31,592	12,541	19,051
Investment Admin Fees	1,908	1,908	-
Small Office Equipment	10,525	-	10,525
Recruiting	5,380	-	5,380
Conferences	3,575	-	3,575
Total expenses	**$ 1,906,956**	**$ 699,575**	**$ 1,207,380**